

POSTAL BALLOT NOTICE

NOTICE IS HEREBY GIVEN, pursuant to Section 192A of the Companies Act, 1956, ("Act") read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 ("Rules"), that the following resolutions, for sub-division of nominal value of the Equity Share Capital of the Company from Rs. 10/- per share to Re. 1/- per share, and alteration of the Memorandum and Articles of Association of the Company, seeking consent of Members of the Company, is proposed to be passed by Postal Ballot.

The Board of directors of the Company at its meeting held on October 12, 2012, approved sub-division of the nominal value of the Equity Share Capital of the Company, and alteration of the Memorandum and Articles of Association of the Company. Accordingly, the Company seeks your consent to the proposed ordinary resolution for alteration of share capital by sub-dividing the shares under Section 94(d) of the Act, and alteration of the Memorandum of Association, and special resolution for alteration of Articles of Association of the Company as given in this notice.

In terms of Clause 5 of the Rules, passing of Resolution through Postal Ballot for the said proposal is not mandatory. Also, Clause 34 of the Articles of Association of the Company permits the Company to adopt the mode of passing a resolution by the members of the Company by means of a postal ballot and/or other ways as may be prescribed by the Central Government in this behalf instead of transacting such business in a General Meeting of the Company. Pursuant to section 192A of the Act, a listed Company may propose any resolution to be passed by the members through Postal Ballot in accordance with the Postal Ballot Rules. Thus, although not mandatory, as a measure of good corporate governance, the Board is seeking members' approval through Postal Ballot process, instead of convening an Extra-ordinary general meeting, to facilitate wider participation in the decision making process by members residing at different locations.

Accordingly the draft of the proposed Ordinary and Special Resolutions together with the Explanatory Statement setting out the material facts and reasons for the Resolutions are being sent to you along with a Postal Ballot Form ("Form") for your consideration. The Company has appointed **Mr. Dharmesh M. Zaveri, Practicing Company Secretary, Mumbai** as the Scrutinizer for conducting the postal ballot process.

You are requested to carefully read the instructions printed on the Postal Ballot Form and return the same duly completed (no other form or photocopy thereof is permitted), in the attached self addressed, postage pre-paid envelope (if posted in India) so as to reach the Company, not later than 6.00 p.m. on Friday, November 23, 2012. Upon completion of the scrutiny of the forms, the Scrutinizer shall submit his report to the Company.

The Scrutinizer will submit his final report as soon as possible after the last date of receipt of postal ballot but not later than 4.00 p.m. on Saturday, November 24, 2012.

The Chairman or Managing Director or any Whole-time Director of the Company or any person authorized by the Director of the Company will **announce the result of the postal ballot on Saturday, November 24, 2012 at 6.00 p.m.**, at the Registered Office of the Company at **6/7 Falcon Plaza, National Urdu High School Road, Near Sarda Circle, Nashik - 422 001**. The date of declaration of the results of postal ballot will be taken to be the date of passing of the resolutions.

The result of the Postal Ballot will be displayed at the Registered Office, besides being communicated to the Stock Exchanges on which the Company's Equity Shares are listed. The results will also be displayed on the web-site of the Company at www.prakashconstro.com for the information of the Members.

Notice is now hereby given, to the members of Prakash Constrowell Ltd., for passing of resolution through Postal Ballot pursuant to Clause 34 of the Articles of Association of the Company read with section 192A of the Act, read with the Rules (including any statutory modification or re-enactment thereof for the time being in force):

1. To consider and, if thought fit, to give assent or dissent to the following resolution as an **ORDINARY RESOLUTION**:

Sub-division of shares and alteration of the Memorandum of Association:

"RESOLVED THAT pursuant to the provisions of Articles of Association of the Company and section 94 of the Companies Act, 1956, and other applicable provisions, if any, and subject to such approvals, consents, permissions and sanctions, if any, as may be necessary from the appropriate authorities, and subject to such conditions as may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall also include any committee thereof), consent of the Members of the Company be and is hereby accorded for sub-dividing the equity shares of the Company, including the paid-up shares, such that each existing 1 Equity Share of the Company of the face value of Rs. 10/- (Rupees Ten) each be sub-divided into 10 Equity Shares of the face value of Re. 1/- (Rupee One) each and that consequent to the sub-division of the Equity Shares of the Company becoming effective, the Authorized Share Capital of the Company of Rs. 15,00,00,000 (Rupees Fifteen Crores only) would comprise of 15,00,00,000 (Rupees Fifteen Crores) Equity Shares of

Re.1/- each and therefore consequent to the sub-division of the Equity Shares of the Company becoming effective, the existing Clause V of the Memorandum of Association of the Company relating to share capital be and is hereby altered by deleting the same and substituting in place thereof, the following as new Clause V:

- V. The Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crores only) divided into 15,00,00,000 (Fifteen Crores) Equity Shares of Re.1/- (Rupee One only) each, with power to increase and / or to reduce the capital of the Company to divide the shares in the capital for the time being into Equity and Preference Shares subject to provisions of the Companies Act, 1956 and to attach thereto such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such right, privileges or conditions in such manner as may for the time being provided by the regulations of the Company."

"RESOLVED FURTHER THAT pursuant to the sub-division of the equity shares of the Company, the issued, subscribed and paid up equity shares of face value Rs.10/- (Rupees Ten) each, shall stand sub-divided into equity shares of face value of Re. 1/- (Rupee One) each, fully paid-up."

"RESOLVED FURTHER THAT the existing share certificate(s) in relation to the equity share capital held in physical form be cancelled and new share certificate(s) of face value Re.1/- each be issued in exchange/place of the old share certificates of face value Rs.10/- each, in respect of the equity shares held by the members of the Company consequent upon the sub-division of the equity shares as aforesaid and in case of shares held in the dematerialized form, the sub-divided equity shares be credited to the respective demat accounts of the beneficiaries in lieu of the existing shares held by them as on the record date fixed for the purpose.

"RESOLVED FURTHER THAT any of the Directors of the Company and/or any person(s) authorized by any of the Directors of the Company be and is(are) hereby authorized to do, perform and execute all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give effect to this resolution including but not limited to fixing of the record date as per the requirement of the Listing Agreement, execution of all necessary documents with the Stock Exchanges and the Depositories, Reserve Bank of India and / or any other relevant statutory authority, if any, cancellation or rectification of the existing physical share certificates in lieu of the old certificates and to settle any question or difficulty that may arise with regard to the sub-division of the equity shares as aforesaid or for any matters connected herewith or incidental hereto."

2. To consider and, if thought fit, to give assent or dissent to the following resolution as a **SPECIAL RESOLUTION**:

Alteration of the Articles of Association:

"RESOLVED THAT consequent to the sub-division of the Equity Shares of the Company becoming effective as stated at Item No.1 of this Notice and in pursuance to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Clause 3 of the Articles of Association of the Company be and is hereby altered by deleting the same and substituting in place thereof, the following as New Clause 3:

3. The Authorized Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crores only) divided into 15,00,00,000 (Rupees Fifteen Crores) Equity Shares of Re.1/- (Rupees One only) each.

The Company may from time to time by Ordinary Resolution increase its Authorized Share Capital by such sum and to be divided into shares of such amount as may be specified in the resolution."

By order of the Board
For Prakash Constrowell Ltd.,

Swapna S. Naphade
Company Secretary

Place: Nashik
Date: October 12, 2012

NOTES:

- 1) The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 is annexed hereto.
- 2) The Company has appointed **Mr. Dharmesh M. Zaveri, Practicing Company Secretary, Mumbai** as the Scrutinizer for conducting the postal ballot process. The Postal Ballot Form and the self-addressed business reply envelope are enclosed for this purpose.
- 3) A member desiring to exercise vote by Postal Ballot, is requested to carefully read the instructions printed in the Postal Ballot Form, and return the duly completed form in the attached, self-addressed business reply envelope, so as to reach the Company at **6/7 Falcon Plaza, National Urdu High School Road, Near Sarda Circle, Nashik - 422 001, on or before 6.00 p.m., on Friday, November 23, 2012.** The Postal Ballot Forms received after this date will be treated as if the reply from the member has not been received.

EXPLANATORY STATEMENT

PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 1 & 2 :

The equity shares of the Company are listed and are actively traded on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE).

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 at their meeting held on October 12, 2012, has approved the proposal to sub-divide the nominal value of the equity share capital of the Company from Rs. 10/- per share to Re. 1/- per share subject to the approval of the shareholders.

Consequent to the sub-division of the shares, the Capital Clause V of the Memorandum of Association of the Company and Clause 3 of the Articles of Association of the Company are required to be altered by the amending Clause V and Clause 3 respectively as detailed in the resolutions.

Accordingly, the Board recommends the resolutions as set out in item no. 1 & 2 for approval of the members, as an ordinary resolution and special resolution respectively through Postal Ballot.

After the resolutions have been adopted by the members, the Company will fix a record date for splitting the share certificates. Upon approval of the members for sub-division of shares, in case the shares are held in physical, the old share certificates of face value of Rs. 10/- each will be cancelled on the record date and new share certificates of face value Re.1/- each will be issued in place of the old share certificate. In case the shares are in dematerialized form on the record date, the sub-divided shares of Re.1 each will be directly credited to the members' demat account in lieu of their existing shares of Rs.10/- each.

A copy of the Memorandum and Articles of Association of the Company showing proposed alteration is available for inspection at the Registered Office of the Company on any working day (except Sundays and Public Holidays) between 11.00 a.m. and 1.00 p.m. till Friday, November 23, 2012.

None of the Directors of the Company is interested in the resolutions except to the extent of their respective shareholdings in the Company and shareholding in the Company of their relatives and/or concerns/companies/bodies corporate in which they may be interested directly or indirectly either as a member(s) and/or as a Director(s) and/or otherwise.

**By order of the Board
For Prakash Constrowell Ltd.,**

**Swapna S. Naphade
Company Secretary**

**Place: Nashik
Date: October 12, 2012**

Encl.: 1. Postal Ballot Form
2. Self addressed postage pre-paid envelope.