

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER, 2010**

Sr No	Particulars	Quarter	Half year	(Rupees In lacs)
		ended	ended	Previous
		30/09/2010 ( Un-audited )	30/09/2010 ( Un-audited )	Accounting Year ended 31/03/2010 ( Audited )
1	(a) Gross Sales / Income from operations	11,780.48	22,239.82	45,396.22
	Less: Excise Duty	609.61	1,121.01	1,685.84
	Net Sales / Income from operations	11,170.88	21,118.81	43,710.38
	(b) Other operating income	54.98	95.58	148.25
	<b>TOTAL</b>	<b>11,225.86</b>	<b>21,214.39</b>	<b>43,858.62</b>
2	<b>EXPENDITURE :</b>			
a	Increase / (Decrease) in Stock in trade and work in progress	(2,502.11)	(1,002.51)	293.34
b	Consumption of Raw Material	4,696.18	8,280.12	15,047.57
c	Consumption of Stores & Spares	254.61	485.95	856.53
d	Purchase of traded goods	6,802.23	9,527.21	21,526.08
e	Employees Cost	165.99	320.48	522.20
f	Depreciation	94.43	190.78	383.59
g	Other Expenses	454.47	894.91	1,595.36
	<b>TOTAL</b>	<b>9,965.80</b>	<b>18,696.93</b>	<b>40,224.67</b>
3	<b>PROFIT FROM OPERATIONS BEFORE OTHER INCOME, INTEREST &amp; EXCEPTIONAL ITEMS (1-2)</b>	<b>1,260.06</b>	<b>2,517.46</b>	<b>3,633.95</b>
4	Other Income	127.45	31.95	275.98
5	<b>PROFIT BEFORE INTEREST &amp; EXCEPTIONAL ITEMS (3+4)</b>	<b>1,387.51</b>	<b>2,549.41</b>	<b>3,909.93</b>
6	Interest	326.31	553.93	1,166.24
7	<b>PROFIT/(LOSS) AFTER INTEREST BUT BEFORE EXCEPTIONAL ITEMS (5-6)</b>	<b>1,061.20</b>	<b>1,995.47</b>	<b>2,743.69</b>
8	EXCEPTIONAL ITEMS	-	-	-
9	<b>PROFIT/(LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX (7-8)</b>	<b>1,061.20</b>	<b>1,995.47</b>	<b>2,743.69</b>
10	<u>Tax expense-</u>			
	Current Tax	295.00	650.00	890.00
	Deferred tax	44.45	55.06	68.36
	Wealth Tax	-	-	0.48
	Income / fringe benefit / wealth tax for earlier year	9.99	9.99	21.97
	<b>Total</b>	<b>349.44</b>	<b>715.05</b>	<b>980.81</b>
11	<b>NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES AFTER TAX (9-10)</b>	<b>711.76</b>	<b>1,280.42</b>	<b>1,762.88</b>
12	EXTRAORDINARY ITEMS (Net of tax expenses)	-	-	-
13	<b>NET PROFIT/(LOSS) FOR THE PERIOD (11-12)</b>	<b>711.76</b>	<b>1,280.42</b>	<b>1,762.88</b>
14	<b>PAID UP EQUITY SHARE CAPITAL (FACE VALUE RS.10/- PER SHARE)</b>	<b>1,750.00</b>	<b>1,750.00</b>	<b>1,125.00</b>
15	<b>RESERVES EXCLUDING REVALUATION RESERVE AS PER BALANCE SHEET OF PREVIOUS ACCOUNTING YEAR</b>			<b>3,962.63</b>
16	<b>EARNING PER SHARE (EPS)</b>			
	Basic & diluted EPS before extraordinary items for the period for the year to date and for the previous year (in Rs.)	5.05	10.09	15.67
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17	Public Shareholding			
	Numbers of Shares	6,250,039	6,250,039	-
	Percentage of Shareholding	35.71	35.71	-
18	Promoters and Promoter Group Shareholding			
a)	Pledged / Encumbered			
	Number of shares	-	-	-
	Percentage of share (as a % of the total shareholding of the Promoters and Promoter Group)	-	-	-
	Percentage of share (as a % of the total shareholding of the Company)	-	-	-
b)	Non-encumbered			
	Number of shares	11,250,000	11,250,000	11,250,000
	Percentage of share (as a % of the total shareholding of the Promoters and Promoter Group)	100.00	100.00	100.00
	Percentage of share (as a % of the total shareholding of the Company)	64.29	64.29	100.00



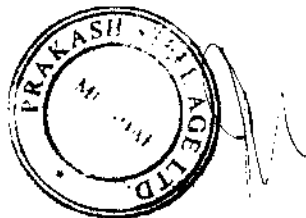
## Notes

1. The above financial results have been reviewed by the Audit Committee and on their recommendation have been approved by the Board of Directors at its meeting held on November 12, 2010. The auditors have conducted a "Limited Review" of the unaudited financial results for the quarter ended September 30, 2010.
2. The Company's operations predominantly relate to manufacturing and trading of "Stainless Steel Tubes & Pipes". Hence, there is no separate reportable segment as per Accounting Standard 17 "Segment Reporting" as issued by The Institute of Chartered Accountants of India.
3. During the quarter, the Company made an Initial Public Offering (IPO) of 68,75,000 equity shares of Rs.10/- each for cash at a price of Rs.110/- per equity shares (including a share premium of Rs.100/- per equity share) aggregating to Rs.6875 lacs. The Company's shares have been listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE) on August 25, 2010. Share issue expenses amounting to Rs.520.81 lacs have been adjusted against Securities Premium Account in terms of Section 78 of the Companies Act, 1956.
4. During the quarter, the Company has added 2000 MT capacity, thus bringing the total capacity to 17600 MT.
5. Regarding qualifications of auditors on accounts for the year ended March 31, 2010, substantial balance confirmation letters have been obtained by the management and no major difference was found. Further, penalty on income, declared at the time of search operations carried out by income tax authorities during the year 2008-09, have not yet been assessed.
6. Details of investors' complaints for the quarter ended September 30, 2010:  
Opening: Nil; Received: 57; Responded: 57; Pending: Nil.
7. This being the first quarterly results after the Initial Public Offering, the figures of corresponding quarter and half-year ended September 30, 2009 have not been provided.
8. Other income includes foreign currency exchange gain of Rs.107.20 lacs and Rs.199.98 lacs for the quarter ended 30<sup>th</sup> September, 2010 and the year ended 31<sup>st</sup> March, 2010 respectively and other expenditure includes foreign currency exchange loss of Rs.7.44 lacs for the half year ended 30<sup>th</sup> September, 2010.



9. Statement of Assets and Liabilities as at 30<sup>th</sup> September, 2010

Particular	(Rs. In lacs)	
	AS AT 30/09/2010 Un-audited	AS AT 30/09/2009 Audited
<b>SHAREHOLDERS FUNDS :</b>		
a) Share Capital	1750.00	1125.00
b) Reserves & Surplus	10972.28	3143.18
<b>LOAN FUNDS</b>	14487.89	13495.57
<b>DEFERRED TAX LIABILITY</b>	506.32	402.98
<b>TOTAL</b>	<b>27716.49</b>	<b>18166.73</b>
<b>FIXED ASSETS</b>	6325.54	6091.12
<b>INVESTMENTS</b>	1004.55	-
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
a) Inventories	8749.50	7145.24
b) Sundry Debtors	12711.07	10743.36
c) Cash and Bank Balances	2730.56	484.09
d) Loans & Advances	5647.81	2053.91
e) Other Current Assets	227.40	119.71
<b>Less :</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
a) Current Liabilities	9427.71	8035.19
b) Provisions	252.23	435.51
<b>NET CURRENT ASSETS</b>	<b>20386.40</b>	<b>12075.60</b>
<b>TOTAL</b>	<b>27716.49</b>	<b>18166.73</b>



10. The details of utilization of proceeds of Rs.6875 lacs from Initial Public Offer (IPO), as required under clause 43 of the Listing Agreement are as under:

Particulars of funds utilized for	(Rs. In Lacs)	
	Objects as per Prospectus	Actual utilisation
Expansion project	1938	88
Additional working capital	4142	3237
General Corporate purposes	340	217
Share issue expenses	455	427
Total (A)	6875	3969

As on September 30, 2010, unutilized funds in the Company amounting to Rs.2906 lacs have been temporarily invested in mutual funds schemes and bank deposits as mentioned in the Prospectus of the Company.

11. The figures of previous year / period have been regrouped or rearranged wherever necessary to conform to current year / period's presentation.



For Prakash Steelage Limited.

*Prakash C. Kanugo*  
Prakash C. Kanugo

Chairman & Managing Director

Place : Mumbai

Date: 12<sup>th</sup> November, 2010