

KHANDELWAL JAIN & CO.

Chartered Accountants
12-B, Baldota Bhavan,
5th Floor, 117, M.K. Road,
Churchgate,
Mumbai – 400 020.

D. C. BOTHRA & CO.

Chartered Accountants
297, Tardeo Road, Willie Mansion
1st floor, Nana Chowk,
Mumbai – 400 007.

Independent Auditors' Review Report

The Board of Directors,
Prakash Steelage Limited,
Mumbai.

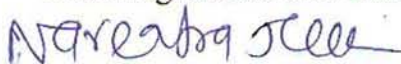
We have reviewed the accompanying statement of standalone unaudited financial results ("the Statement") of 'Prakash Steelage Limited' for the quarter ended June 30, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results prepared in accordance with the applicable Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchange including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **KHANDELWAL JAIN & CO.**

Chartered Accountants
Firm Registration No: 105049W

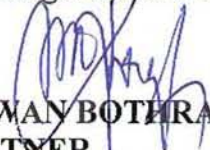


(NARENDRA JAIN)
PARTNER
Membership No. 048725



For **D. C. BOTHRA & CO.**

Chartered Accountants
Firm Registration No: 112257W



(PAWAN BOTHRA)
PARTNER
Membership No. 031215



Place: Mumbai

Date : August 13, 2014

PRAKASH STEELAGE LIMITED

Registered Office : 701, " Mahalaxmi Chambers", Bhulabhai Desai Road, Mahalaxmi, Mumbai - 400026

CIN : L27106MH1991PLC061595

Tel. No. : 022 66134500,

Fax No. : 022 23526576

Email id : cs@prakashsteelage.com

Webside : www.prakashsteelage.com

PART I

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30th June, 2014

(Rs. in lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations				
	Gross sales/income from operations	20,931.66	32,546.18	16,792.48	95,633.85
	Less : Excise duty	497.33	496.58	539.80	1,794.96
	(a) Net sales/income from operations	20,434.33	32,049.60	16,252.88	93,838.89
	(b) Other operating income	223.00	162.88	61.61	582.89
	Total income from operations (net)	20,657.33	32,212.48	16,314.49	94,421.78
2	Expenses				
	(a) Cost of materials consumed	5,277.85	5,607.50	3,830.55	19,234.87
	(b) Purchase of stock-in-trade	14,927.64	26,162.09	12,045.83	67,492.51
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,792.51)	(2,529.39)	(2,220.51)	(3,384.57)
	(d) Conversion of land into stock in trade / Development Cost	45.75	88.18	-	88.18
	(e) Employee benefits expense	254.91	223.89	259.74	999.51
	(f) Depreciation and amortisation expense	285.98	228.29	186.59	808.67
	(g) Consumption of Stores & Spares	307.80	225.39	286.07	939.13
	(h) Other expenses	653.12	928.24	469.92	2,766.69
	Total expenses	18,960.54	30,934.19	14,858.19	88,944.99
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1,696.79	1,278.29	1,456.30	5,476.79
4	Other income	161.69	152.55	130.32	411.77
	Total Other income	161.69	152.55	130.32	411.77
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	1,858.48	1,430.84	1,586.62	5,888.56
6	Finance costs	690.34	1,140.44	805.26	3,532.10
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	968.14	290.40	781.36	2,356.46
8	Exceptional items (refer note 5)	-	175.00	-	175.00
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	968.14	465.40	781.36	2,531.46
10	Tax expense				
	Current tax	300.00	115.62	272.74	800.91
	Deferred tax	(23.34)	32.43	(3.56)	74.24
	Income tax for earlier year(s)	-	-	-	1.39
		336.66	148.05	269.18	876.54
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	631.48	317.35	512.18	1,654.92
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	631.48	317.35	512.18	1,654.92
14	Paid-up equity share capital (Face Value of the Share : Rs.10/- each)	1,750.00	1,750.00	1,750.00	1,750.00



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(Rs. in lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				16,204.31
16.i	Earnings per share (before extraordinary items) (of Rs10/- each) (not annualised):				
	(a) Basic	3.61	1.81	2.93	9.46
	(b) Diluted	3.61	1.81	2.93	9.46
16.ii	Earnings per share (after extraordinary items) (of Rs10/- each) (not annualised):				
	(a) Basic	3.61	1.81	2.93	9.46
	(b) Diluted	3.61	1.81	2.93	9.46

PART II : Select information for the quarter ended 30th June, 2014

A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	5,773,015	5,773,015	5,978,465	5,773,015
	- Percentage of shareholding	32.99	32.99	34.16	32.99
2	Promoters and Promoter Group Shareholding				
	a) Pledged / Encumbered				
	- Number of shares	1,460,093	800,093	2,256,042	800,093
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	12.45	6.82	19.58	6.82
	- Percentage of shares (as a % of the total share capital of the company)	8.34	4.57	12.89	4.57
	b) Non - encumbered				
	- Number of shares	10,266,931	10,926,931	9,265,532	10,926,931
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	87.55	93.18	60.42	93.18
	- Percentage of shares (as a % of the total share capital of the company)	58.67	62.44	52.95	62.44
B	INVESTOR COMPLAINTS	Quarter ended 30.06.2014			
	Pending at the beginning of the quarter	NIL			
	Received during the quarter	NIL			
	Disposed of during the quarter	NIL			
	Remaining unresolved at the end of the quarter	NIL			



Notes to Standalone Financial Results:

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on 13th August, 2014. The above result have been reviewed by the Statutory Auditors of the Company.
2. The Company's operations predominantly relate to 'Stainless Steel Tubes & Pipes' and the revenue / profit from Real Estate segment is insignificant hence there is no separate reportable segment as per Accounting Standard 17 "Segment Reporting" as notified under the Companies Accounting Standards Rules, 2006.
3. Other expenses, includes foreign currency exchange loss of Rs.338.62 lacs and Rs. 290.72 lacs for the quarter ended 30th June, 2013 and year ended 31st March, 2014, respectively and includes foreign currency exchange gain of Rs 126.97 lacs for the quarter ended 31st March, 2014. Other income includes foreign currency exchange gain of Rs.3.61 lacs for the quarter ended 30th June, 2014.
4. Pursuant to the guidelines under schedule II of the Companies Act, 2013, the carrying amount of the fixed assets as on 1st April, 2014 has been depreciated over the remaining revised useful life of the fixed assets. As a result, the depreciation for the quarter ended 30th June, 2014 is higher and the profit before tax is lower to the extent of Rs. 62.17 lacs. Further, based on the transitional provision provided in note 7(b) of the Schedule II, fixed assets whose useful life has already been completed as on 1st April, 2014, the carrying value of those fixed assets amounting to Rs. 90.70 lacs and the corresponding deferred tax thereon amounting to Rs. 30.83 lacs have been debited and credited respectively to the opening balance of 'Retained Earnings'.
5. Exceptional item for the quarter and year ended 31st March, 2014 represents gain of Rs.175 lacs on account of forfeiture of advance due to cancellation of sale contract by the customer as per terms of contract.
6. The figures for previous quarter ended 31st March, 2014 are the balancing figures between the audited figures in respect of the full financial year 2013-2014 and published year to date figures upto the third quarter of the said financial year.
7. The figures for the previous period / year have been re-arranged / re-grouped, wherever necessary to conform to current period's presentation.

For Prakash Steelage Limited



Prakash C. Kanugo

Chairman & Managing Director

DIN : 00286366

Place : Mumbai

Date: 13th August, 2014

