

24TH ANNUAL REPORT 2014-15



THE
**FUTURE IS
STAINLESS
STEEL**

PRAKASH STEELAGE LTD.



An ISO 9001-2008, ISO 14001-2004, OHSAS 18001-2007, PED Certified Company
Manufacturers & Exporters of Stainless Steel Welded, Seamless Pipes, Tubes & U-Tubes

Core Management Team



State-of-the-art manufacturing facility





Board of Directors



Prakash C. Kanugo
Chairman & Managing Director



Ashok M. Seth
Whole-time Director & CFO
(Director w.e.f. 01-08-2015)



Hemant P. Kanugo
Whole-time Director
(CFO w.e.f. 14-08-2015)



Kamal P. Kanugo
Whole-time Director
(Director w.e.f. 01-08-2015)



Dr. Bipin C. Doshi
Independent Director
(Resigned w.e.f. 31-05-2015)



Himanshu J. Thaker
Independent Director



Gautam Chand Jain
Independent Director



A. Prakashchandra Hegde
Independent Director



Neetta K. Bokaria
Independent Director

Company Secretary & Compliance Officer

Pallavi P. Shedge

Bankers

Vijaya Bank
Bank of Baroda
Union Bank of India
Bank of India
DBS Bank Ltd.

Statutory Auditors

M/s. Khandelwal Jain & Co.

Chartered Accountants

M/s. Batliboi & Purohit

Chartered Accountants

Internal Auditors

M/s. Anand Jain & Associates

Chartered Accountants

Contents

1. Notice	02
2. Chairman's Letter	12
3. Board's Report	13
4. Annexure to Board's Report	21
5. Management Discussion and Analysis Report	37
6. Corporate Governance Report	41
7. Independent Auditor's Report (Standalone)	60
8. Annexure to Independent Auditors' Report (Standalone)	62
9. Balance Sheet (Standalone)	64
10. Statement of Profit & Loss (Standalone)	65
11. Cash flow (Standalone)	66
12. Notes to Financial statements (Standalone)	67
13. Independent Auditor's Report (Consolidated)	92
14. Annexure to Independent Auditors' Report (Consolidated)	95
15. Balance Sheet (Consolidated)	97
16. Statement of Profit & Loss (Consolidated)	98
17. Cash flow (Consolidated)	99
18. Notes to Financial statements (Consolidated)	100
19. Attendance Slip and Proxy	
20. Financial highlights (last cover page back side)	

Registered Office

CIN : L27106MH1991PLC061595

Regd. Office: 1402, 14th Floor, A Wing,
Naman Midtown, Senapati Bapat Marg,
Elphinstone Road, Mumbai- 400 013.
Email: investorgrievances@prakashsteelage.com
Website: www.prakashsteelage.com
Tel. No.: 022 66134500; Fax No.: 022 66134599

Registrar & Transfer Agents

Bigshare Services Private Limited
E2/3, Ansa Industrial Estate, Saki Vihar Road,
Sakinaka, Andheri (East), Mumbai - 400 072
Tel.: +91-022-40430200/28470652
Fax: +91-022-28475207
Email : babu@bigshareonline.com
Website : www.bigshareonline.com
ISIN : E616K01016

Manufacturing Units

Silvassa : Survey No. 46/1, Parjai Road,
Village: Kherdi, Silvassa - 396 230.
Union Territory of Dadra & Nagar Haveli (India)

Umbergaon : Plot No. 131/1,
Umbergaon, Sanjan Road,
Umbergaon - 396 170, Dist. Valsad, Gujarat (India)



Notice

NOTICE is hereby given that the **Twenty-Fourth (24th) Annual General Meeting (AGM) of the Members of Prakash Steelage Limited** will be held on **Tuesday, 29th September, 2015 at 05:00 p.m. at Victoria Memorial School for the Blind, Opp. A.C. Market, Tardeo, Mumbai - 400 034** to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2015, including the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended on that date together with the notes to the Financial Statements and the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on the Equity Shares of the Company for the Financial Year 2014-15.
3. To appoint a Director in place of Mr. Prakash C. Kanugo (DIN: 00286366), who retires by rotation and being eligible, seeks re-appointment and to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Mr. Prakash C. Kanugo (DIN: 00286366), who retires by rotation and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director, liable to retire by rotation”.

“RESOLVED FURTHER THAT the above-mentioned re-appointment of Mr. Prakash C. Kanugo as a Director liable to retirement by rotation shall not in anyway constitute a break in his existing office as the Chairman and Managing Director of the Company”.

4. To appoint and fix the remuneration of the Statutory Auditors M/s, Batliboi & Purohit, Chartered Accountants, (Firm Registration No.101048W) as the Statutory Auditors of the Company and in this regard and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. Batliboi & Purohit. Chartered Accountants, Mumbai (Firm Registration No. 101048W), be and are hereby appointed as the Statutory Auditors of the Company, consequent to not seeking continuation of appointment by the existing Joint Statutory Auditors, M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W), and the said firm M/s. Batliboi & Purohit, Chartered Accountants, to hold office from the conclusion of this Annual General Meeting until the conclusion of the AGM to be held for the financial year 2019-20 (i.e., for a term of 5 years) (subject to ratification of the appointment by the Members at every AGM held after this AGM) and that the Board of Directors of the Company be and is hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors.”



Special Business:

5. To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and Companies (Cost Records and Audit) Rules, 2014 including any statutory modification (s) / or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the remuneration of Rs.95,000/- p.a. plus applicable Service Tax and out-of-pocket expenses as approved by the Board of Directors of the Company to be paid to M/s. Amish Parmar & Associates, Cost Accountants (Firm Registration No. 100502 (old registration No. 00338), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2015-16.”

Regd. Office :
1402, 14th Floor,
A Wing, Naman Midtown,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai – 400 013

Place: Mumbai
Date: 14th August, 2015
CIN: L27106MH1991PLC061595
Tel.: 022 6613 4500 | Fax: 022 6613 4599
Website: www.prakashsteelage.com
E-Mail: investorsgrievances@prakashsteelage.com

On Behalf of the Board of Directors
For Prakash Steelage Limited

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

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIM AND SUCH PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
2. As per Section 105(1) of the Companies Act, 2013, read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (ten) per cent of the total share capital of the Company carrying voting rights. In the case of a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
3. The instrument appointing the proxy, duly stamped and executed must be deposited at the Company's Registered Office, not less than 48 hours before the commencement of the Annual General Meeting.
4. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution, as per Section 113 of the Companies Act, 2013, authorising their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members of the Company and Share Transfer Books shall remain closed from, Wednesday, 23rd September, 2015 to Tuesday, 29th September, 2015 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business under Item No. 5 above to be transacted at the Meeting is annexed hereto and forms part of this Notice.
7. The dividend, if declared, will be paid on or before 28th October, 2015.
8. The dividend, if declared at the meeting, shall be paid within the stipulated period, to those members of the Company whose names appear on the Register of Members of the Company as on 22nd September, 2015. In respect of shares held in Electronic form, the dividend will be paid to the beneficial owners as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
9. Members are requested to notify immediately any change in their address / Bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and in respect of their physical shares Folios to the Registrars and Share Transfer Agent of the Company, **M/s. Bigshare Services Private Limited, E2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.**
10. Members are requested to quote their Ledger Folio Number / Client ID Number in all their future correspondence.
11. Members/Proxy holders are requested to bring their copies of the Annual Report to the Annual General Meeting of the Company.
12. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.



13. Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital & Debentures) Rules, 2014, permits the Nomination by the members of the Company in the prescribed Form SH- 13. Members are requested to avail this facility.
14. Electronic copy of the Notice along with the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent in the permitted mode.
15. Non-Resident Indian Members are requested to inform M/s. Bigshare Services Private Limited, immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account type, account no. and address of the Bank with PIN Code No, if not furnished earlier.
16. The Members/proxies should bring the attendance slip duly filled in and signed for attending the meeting.
17. All documents referred to in the Notice will be available for inspection by the shareholders at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days from the date hereof up to the date of the AGM.
18. The Registers required to be maintained under the Companies Act, 2013 including the Register of Directors and Key Managerial Personnel and their Shareholding in the Company under Section 170 of the Companies Act, 2013 and the Register of Contracts maintained by the Company under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the AGM.
19. Members desiring any information as regards the Accounts are requested to write to the Company atleast 10 days before the Annual General Meeting, so as to enable the Management to keep the information ready at the meeting.
20. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited, at their Address. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 125 of the Companies Act, 2013, be transferred to the Investors Education and Protection Fund. The details of the un-encashed /unclaimed above-mentioned Dividend are as under:

Dividend for the Financial Year	Unclaimed / Un-encashed Dividend as on 31st March, 2015 (Amount in Rs.)	Due date of transfer to Investor Education and Protection Fund
2010-11	22,734/-	18th September, 2018
2011-12	22,111/-	20th September, 2019
2012-13	18,478/-	20th September, 2010
2013-14	18,428/-	26th October 2021



21. Amount in Company Refund Account as on 31st March, 2015 is Rs. 59,400/- as balance yet to be refunded to the applicants/allottees as they are yet to submit necessary confirmation. As on 31st March, 2015 no shares are lying in Unclaimed Shares Demat Suspense Account.
22. Information required to be furnished under clause 49 VIII (E) of the Listing Agreement about the Directors seeking appointment / re-appointment is given in the Corporate Governance Report which forms part of this Annual Report. **(Annexure A)**
23. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement, the Company has provided a facility to the members to exercise their votes electronically through electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting, through Ballot Paper, will be also made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.

A) In case of members receiving e-mail:

- (i) Log on to the e-voting website 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 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 :



	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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 the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence 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 serial number 1 then enter RA00000001 in the PAN field.
DOB	<p>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.</p>
Dividend Bank Details	<ul style="list-style-type: none"> Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. 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.

- (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.
 - Non-Individual 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.
 - 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 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 favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

Please follow all steps from sl. no. (i) to sl. no. (xvi) above, to cast vote.

- C) The voting period begins on 26th September, 2015 (9.00 am) and ends on 28th September, 2015 (5.00 pm) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
 - a. Mr. S. Anantha Rama Subramanian, FCS, Practicing Company Secretary (CP No.1925), proprietor of M/s. S. Anantha & Co., has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
 - b. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - c. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.prakashsteelage.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.



IMPORTANT COMMUNICATION TO MEMBERS:

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, M/s. Bigshare Services Private Limited Email: shubhangi@bigshareonline.com

Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013:

Item No. 4:

The Existing Statutory Auditors of the Company M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W), holding the office upto the ensuing Annual General Meeting of the Company as the Joint Statutory Auditors have intimated not seeking appointment as the Joint Statutory Auditors at the ensuing Annual General Meeting of the Company. However, M/s. Batliboi & Purohit, Chartered Accountants (Firm Registration No. 101048W) the existing joint auditor have given the written consent and certificate stating that they satisfy the condition provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 to be appointed as the Statutory auditors of the Company for a period of 5 (Five) years subject to ratification by the members at every Annual General Meeting of the Company. Special notice is given under Section 140 (4) of the Companies Act, 2013 in this connection.

On the recommendations of the Audit Committee, the Board of Directors of your Company, hence recommends the resolution as set out under Item No. 4, in relation to appointment and fixation of the remuneration of M/s, Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W) as the Statutory Auditors for the approval of the shareholders of the Company, to be passed 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 between 11:00 a.m. and 1:00 p.m. on all working days from the date hereof up to the date of the AGM.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

Item No. 5:

In pursuance of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an Individual, who is cost accountant in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders, as per Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

On the recommendations of the Audit Committee at its meeting held on 30th May, 2015, the Board has considered and approved the appointment of M/s. Amish Parmar & Associates, Cost Accountants (revised Firm Registration No. 100502 (old registration No. 00338), as the Cost Auditors of the Company to conduct audit of cost accounting records maintained by the Company for financial year 2015-16.

The Board of Directors of your Company, hence recommends the resolution as set out under Item No. 5, in relation to ratification and confirmation of the remuneration to be paid to M/s. Amish Parmar & Associates, Cost Accountants for financial year 2015-16, for the approval of the



shareholders of the Company, to be passed 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 between 11.00 a.m. and 1.00 p.m. on all working days from the date hereof up to the date of the AGM.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolution.

Regd. Office :
1402, 14th Floor,
A Wing, Naman Midtown,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai – 400 013.

On Behalf of the Board of Directors
For Prakash Steelage Limited

Place: Mumbai
Date: 14th August, 2015
CIN: L27106MH1991PLC061595
Tel.: 022 6613 4500 | Fax: 022 6613 4599
Website: www.prakashsteelage.com
E-Mail: investorsgrievances@prakashsteelage.com

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

**Annexure A :****Details of the Director seeking re-appointment/ appointment in the (24th) Twenty Fourth Annual General Meeting pursuant to Clause 49 of the Listing Agreement and Secretarial Standards:**

Name of the Director	Mr. Prakash C. Kanugo									
Designation	Managing Director									
Background Details	Mr. Prakash C. Kanugo is the Promoter of the Company. He is the Managing Director of the Company. He is responsible for day to day operations of the Company.									
Past Remuneration	Rs. 15,90,000/-									
Date of Birth:	02-07-1953									
Date of Appointment:	09-05-1991									
Qualification and Experience	Metric									
Memberships/Chairmanships of committees of other Public Limited Companies (includes only Audit Committee and Shareholders/Investors Grievance Committee)	NIL									
Number of Equity shares held in the Company:	<table border="0"> <tr> <td>(i) Promoter individually</td> <td>4043937</td> <td>Equity Shares (23.11%)</td> </tr> <tr> <td>(ii) Relatives and Promoter Group</td> <td>7683087</td> <td>Equity Shares (43.9%)</td> </tr> <tr> <td>Total</td> <td>11727024</td> <td>Equity Shares (67.01%)</td> </tr> </table>	(i) Promoter individually	4043937	Equity Shares (23.11%)	(ii) Relatives and Promoter Group	7683087	Equity Shares (43.9%)	Total	11727024	Equity Shares (67.01%)
(i) Promoter individually	4043937	Equity Shares (23.11%)								
(ii) Relatives and Promoter Group	7683087	Equity Shares (43.9%)								
Total	11727024	Equity Shares (67.01%)								
Job profile and his suitability	He has around 22 years of experience in trading and manufacturing of stainless steel pipes and tubes. He is responsible for successfully Managing and expanding the business of Prakash Steelage Limited.									
Relationship with the managerial personnel, if any:	Mr. Hemant. P. Kanugo and Mr. Kamal P. Kanugo, Directors of the Company are the sons of Mr. Prakash C. Kanugo.									



Chairman's Letter To The Shareholders



Dear Members,

I welcome you to the 24th Annual General Meeting of the Company. Your continued support gives us the enthusiasm, confidence and motivation to strive for betterment. With success comes responsibility, so we take care to reinvest in protecting and developing the communities within which we operate.

Company's Performance

On the operational front, the Company has made significant progress in the last year. The Company, on standalone basis, has recorded net revenue of Rs.107243.18 Lacs, as compared to Rs.94421.79 Lacs in the previous year reflecting a growth of 13.58%. The profit before exceptional item and tax is Rs.3165.62 Lacs as against Rs. 2356.46 Lacs in the previous year reflecting an increase in Profit by Rs. 809.16 Lacs. An increase of 34.34%. The Net Profit after Tax is Rs.1406.01 Lacs as against Rs. 1654.92 Lacs in the previous year reflecting a decrease of profit by Rs. 248.91Lacs, a decrease of 15.04%.The Earning per Share (EPS) before exceptional stood at Rs. 11.90 per share.

Key development subsequent to financial year ending:

The Company's seamless steel and pipe division unit at Umbergaon, Gujarat, has been transferred to Tubacex Prakash India Private Limited on 25th July, 2015, pursuant to the joint venture Agreement between the Company and Tubacex S.A. Spain. The Company however retains 32.47% shareholding in the said Tubacex Prakash India Private Limited post transfer of the Seamless division. The Company will continue the manufacturing of welded tubes and pipes and also the trading in S. S. Products. The sale proceeds has helped the Company reducing its debts substantially.

At a time when market conditions have been challenging, not just in India but globally, we have maintained our output and braved headwinds like cheap imports, slack demand, among others to give a sector leading performance. Analysts also expect India's steel consumption to rise.

To meet the challenges of future business scenario, your Company has taken the decision to hive off its seamless division for which we not only got reasonably good valuation but also got the opportunity to be the partner of worlds largest SSTubes manufacturing company Tubacex S.A. of Spain. We hope that our company will be benefitted immensely with this tie up.

Acknowledgement

I would like to express my sincere appreciation to our shareholders for the support and confidence reposed in us, and all other stakeholders and Government agencies, our Bankers for the continuing commitment and support in your Company. We look forward for their continued association with the Company.

Sd/-
Prakash C. Kanugo
(Chairman & Managing Director)



BOARD'S REPORT

To
The Members
Prakash Steelage Limited

Dear Members,

Your Directors have pleasure in presenting their 24th Annual Report on the business and operations of the Company and the audited financial statements for the Financial Year ended March 31, 2015.

Corporate Overview :

Prakash Steelage Limited is a Company that manufactures and exports stainless steel tubes and pipes. It has its Registered Office located at Mumbai, Maharashtra and plants located at Umbergaon, Gujarat and Silvassa (UT-Dadra & Nagar Haveli).

Financial Highlights of the Company :

The financial highlights of the Company, for the year ended 31st March, 2015 are summarized below:
(Rs. in Lacs)

Particulars	Standalone		Consolidated	
	FY 2014-15	FY 2013-14	FY 2014-15	FY 2013-14
Total Revenue	1,08,455.17	94,833.55	1,13,529.55	1,02,955.72
Less: Expenditure	1,05,179.52	91,493.44	1,10,188.70	99,130.31
Profit Before Tax and Depreciation	3,275.65	3,340.11	3,340.84	3,825.41
Less: Depreciation	1,135.96	808.66	1,135.96	808.66
Profit Before Tax (PBT)	2,139.69	2,531.45	2,204.87	3,016.74
Less: Tax	733.69	876.53	733.69	876.53
Net Profit After Tax (PAT)	1,406.00	1,654.92	1,471.18	2,140.21

Financial Performance :

On Standalone Basis the income from operations for the year has increased to Rs.1,08,455.17 Lacs as compared to Rs.94,833.55 Lacs of previous year reflecting a growth of 14.36%. The Profit Before Tax for the year was Rs.2,139.69 Lacs as against Rs.2,531.45 Lacs. The Net Profit after Tax is Rs.1,406.00 Lacs as compared to Rs.1,654.92 Lacs during previous year. The profit percentage both of PBT and PAT were decreased on account of the increased cost of production and operations and due to exceptional item.

Subsidiaries :

In accordance with Section 129(3) of the Companies Act, 2013 and Accounting Standard (AS) 21, the Company has prepared the Consolidated Financial Statements of the Company and all its subsidiaries, which forms part of this Annual Report.

The Company has its Wholly-Owned Foreign Subsidiary at U.A.E. in the name of Pioneer Stainless & Alloy, F.Z.C. The details with respect to operations of Wholly-owned Foreign Subsidiary during the year under review are covered in the Management Discussion and Analysis Report.

The Statement in form AOC-1 (**Annexure 1**) containing salient features of the financial statements of Company's Subsidiaries is attached to this report.

• Wholly-owned Subsidiary / Associate Company :

The Company entered into a Joint Venture Agreement dated 13th February, 2015, executed between the Company and Tubacex S.A. Spain. Accordingly, the Company incorporated Joint Venture (JV)



Company 'Tubacex Prakash India Private Limited' as a Wholly Owned Subsidiary, and transferred its seamless stainless steel tubes and pipes business to JV Company, in accordance with the provisions of the Business Transfer Agreement dated 25th July, 2015 executed between the Company and the JV Company.

The Company utilized the said consideration in the following manner:

i) Rs.20,601.30 Lac has been utilized towards the repayment of Bank debts, creditors of seamless division and incidental expenses; and

ii) Rs.314.70Lac towards investment in the Equity Share Capital in the JV Company.

The JV Company on July 27, 2015, allotted Equity Shares as per the JV Agreement, resulting in Tubacex S.A., Spain holds 67.53% and the Company holds 32.47% of the Equity Share Capital in the JV Company. Subsequent to the said allotment, the JV Company which had been incorporated as a Wholly Owned Subsidiary of the Company has become an Associate Company.

Joint Venture :

- **Development of Industrial Park :**

During the financial year 2013-14, the Company had formed strategic alliance with Kargwal Developers Private Limited (Co-promoter Omkar Group) for developing an Industrial Park in the name of "Krishna Industrial Park" on its idle land located at Palgam, Umbergaon, Gujarat. The profit generated through construction business has been shown as other income of the Company.

Share Capital :

The Paid-up Share Capital of the Company as at 31st March, 2015 stood at 17.50 Crore. During the year under review, the Company has not issued shares with or without differential voting rights nor has granted any stock option or sweat equity. As on 31st March, 2015, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

Dividend :

The Board has, subject to the approval of members at the ensuing Annual General Meeting, recommended a dividend of Paise 0.50 (Previous Year Re. 1/-) per Equity Share on the 1,75,00,039 fully paid-up Equity Shares of Rs. 10/- each, for the financial year ended 31st March, 2015.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements :

The Company has in place adequate internal financial controls with reference to financial statements, some of which are outlined below.

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable. These are in accordance with generally accepted accounting principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Auditors for consolidation.

Your Company operates in SAP system, and has many of its accounting records stored in an electronic form and backed up periodically.

The Management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary. Internal Auditors have been appointed which report on quarterly basis on the operations of the Company. The observations, if any, of the Internal Auditors, are resolved to their satisfaction and are implemented across all the sites.



Credit Rating :

CRISIL has reaffirmed its rating:

1. BBB for long term and
2. A3+ for short term

The ratings reflect the Company's financial risk profile, marked by healthy net worth and low gearing, and its established market position in the stainless steel pipes and tubes industry. These rating strengths are partially offset by the Company's working-capital-intensive operations and its susceptibility to volatility in prices of inputs and in foreign exchange rate.

Deposits :

The Company has not accepted any Deposit from the public within the meaning of provisions of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

Statutory Auditors :

M/s. Khandelwal Jain & Co., (Firm Registration No. 105049W) and M/s. Batliboi & Purohit, (Firm Registration No. 101048W), Chartered Accountants were appointed as the Joint Statutory Auditors of the Company for Financial year 2014-15 and holding office upto the conclusion of the ensuing Annual General Meeting.

However, M/s. Khandelwal Jain & Co., Chartered Accountants (Firm Registration No. 105049W) have intimated their inability to continue and therefore not seeking re-appointment, as the Joint Statutory Auditor at the ensuing Annual General Meeting of the Company.

Your Directors have proposed, on the basis of the recommendation of the Audit Committee the re-appointment of M/s. Batliboi & Purohit, Chartered Accountants, (Firm Registration No. 101048W), as the Statutory Auditor of the Company, and the said firm shall hold office from the conclusion of this Annual General Meeting till conclusion of the AGM to be held for the financial year 2019-20 (i.e., for a term of 5 years) (subject to ratification of the appointment by the Members at every AGM held after this AGM) at such remuneration plus out-of-pocket expenses as may be agreed to between the Board of Directors of the Company and the Auditors of the Company.

In this regard, the Company has received necessary consent letter from M/s. Batliboi & Purohit intimating their consent and eligibility to the effect that their reappointment, if made, will be in accordance with Section 141 of the Companies Act, 2013.

Auditors' Report :

There is no qualification in the Auditors' report on the financial statements of the Company. There is an 'emphasis of matter' regarding non-disclosure of initial disclosures as required by Accounting Standard (AS) 24 'Discontinuing Operations' for the proposed transfer of seamless business. The reason for non-disclosure are mentioned in note no. 40 to the Financial Statements which is self explanatory.

Cost Auditor :

As per Section 148 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of your Company has appointed M/s. Amish Parmar & Associates, Cost Accountants as the Cost Auditor of your Company for the financial year 2015-16 on the recommendations made by the Audit Committee. The remuneration proposed to be paid to the Cost Auditors, subject to the ratification by the members at the ensuing Annual General Meeting, would be Rs.95,000/- plus Service Tax and out of pocket expenses, if any. Necessary resolution seeking your ratification for the proposed remuneration to be paid to the Cost Auditor has been included in the notice of the Annual General Meeting.

The Cost Audit Report for the year ended 31st March, 2014 in XBRL format has been filed on 29th November, 2014.



Significant and Material Orders :

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Extract of the annual return :

The details forming part of the extract of the Annual Return in Form MGT- 9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as '**Annexure 2**' to this Report.

Disclosure under Section 134 (3)(I) of the Companies Act, 2013 :

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company between the end of the financial year of the Company and date of this report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo :

a. Conservation of energy, technology absorption

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as stated in Annexure 3 of this report.

b. Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows (as attached **Annexure 3**) to this report.

Directors and Key Managerial Personnel :

a. Meetings of the Board of Directors and Audit Committee held during the year 2014-15 :

The details of the number of Board meetings and Audit Committee Meetings of your Company are set out in the Corporate Governance Report which forms part of this Report.

b. Changes in Directors and Key Managerial Personnel

In compliance with the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. Bipin C. Doshi, Mr. Himanshu J. Thaker, Mr. Gautam C. Jain and Mr. A. Prakashchandra Hegde were appointed as Independent Directors on the Board of Directors of your Company at the 23rd AGM held on September 26, 2014 to hold office upto March 31, 2019.

Further during the financial year 2014-15, Ms. Neetta K. Bokaria, was appointed as Additional/Non-Executive Director of your Company at the meeting of the Board of Directors held on March 30, 2015 and subsequently her appointment was approved as a Non-Executive (Independent) Director by the shareholders through Postal Ballot.

Dr. Bipin C. Doshi, resigned as the Independent Director of the Company with effect from 31st May, 2015.

Further 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 with effect from 01st August, 2015, on his proposed appointment as an Executive Director of Tubacex Prakash India Private Limited, and Mr. Kamal P. Kanugo, resigned as a Whole-time Director of the Company with effect from 01st August, 2015, on his proposed appointment as an Executive Director of Tubacex Prakash India Private Limited. Subsequent to the above-mentioned resignation, Mr. Ashok M Seth and Mr. Kamal P. Kanugo are continuing only as Directors on the Board of Directors of your Company.

Mr. Hemant Kanugo has been appointed as the Chief Financial Officer of the Company with effect from 14th August, 2015.

Mr. Prakash C. Kanugo, the Chairman & Managing Director of the Company is liable to retire by rotation at the



ensuing AGM pursuant to the provisions of the Companies Act, 2013 read with Companies (appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company and being eligible has offered himself for re-appointment. Resolution for his re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening 24th AGM. Your Directors recommend his re-appointment.

Mr. Prakash C. Kanugo, Managing Director, Mr. Hemant Prakash Kanugo, Chief Financial Officer are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Ms. Pallavi. P. Shedge tendered her resignation as the Company Secretary and Compliance Officer of the Company effective from August 19, 2015.

c. Declaration by an Independent Director(s) and re-appointment, if any :

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause 49 of the Listing Agreement.

d. Formal Annual Evaluation :

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board/Director(s) for the financial year 2014-15.

Familiarisation Programme for Independent Directors :

Pursuant to provisions of Clause 49 (II) (B) (7) (b) of the Listing Agreement, during the year under review the Company prepared and pursued the Familiarization Programme for Independent Directors as hosted on Company's website at www.prakashsteelage.com.

Audit Committee :

The Company has its Audit Committee constituted under the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, with enhanced scope and functions as stipulated under the law. The Audit Committee of the Company comprises Mr. Gautam C. Jain as Chairman of the Committee, Mr. A. Prakashchandra Hegde, Mr. Himanshu J. Thaker and Mr. Ashok M. Seth as members of the Committee. The scope and functions of the Committee are available on Company's website www.prakashsteelage.com. All the recommendations of the Audit Committee were accepted by the Board of Directors during the year.

Vigil Mechanism :

The Company has adopted vigil mechanism details of which have been provided in the Corporate Governance Report and policy on vigil has been posted on the website of the Company i.e., www.prakashsteelage.com.

Nomination and Remuneration Committee :

In Compliance with the provisions of Section 178 of Companies Act, 2013, your Company re-constituted its "Nomination and Remuneration Committee" with enhanced scope and functions as stipulated under the law. The Nomination and Remuneration Committee of the Company comprises of Mr. Himanshu J. Thaker as Chairman of the Committee, Ms. Neetta K. Bokaria and Mr. A. Prakashchandra Hegde as members of the Committee. The scope and functions of the Committee are available on Company's website www.prakashsteelage.com.

The Nomination and Remuneration Policy as approved by the Board is attached herewith as **Annexure 4** to this report.

Policy for Selection, Appointment and Remuneration of Directors including criteria for their performance evaluation :

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.



The Performance Evaluation of the Directors, the Board and its Committees was carried out based on the criteria /manner recommended by the Nomination & Remuneration Committee and approved by the Board of Directors. Further details in respect of the criteria of evaluation has been provided in the Corporate Governance Report.

The performance evaluation of the Independent Directors was also carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who reviewed the performance of the Secretarial Department. Your directors express their satisfaction with the evaluation process.

Stakeholders' Relationship Committee :

In Compliance with the provisions of Section 178 of Companies Act, 2013, your Company re-constituted its 'Stakeholders' Relationship Committee', with an enhanced scope and functioning. The stakeholders Relationship Committee of the Company comprises of Mr. A. Prakashchandra Hegde as Chairman of the Committee and Mr. Himanshu J. Thaker and Mr. Ashok M. Seth as Members of the Committee. The scope and functions of the Committee are available on Company's website www.prakashsteelage.com.

Corporate Social Responsibility Committee :

Your Company has constituted CSR Committee considering the requirements of the Companies Act, 2013. Details regarding constitution of the Committee and its meetings have been provided in the Corporate Governance Report.

The Company has not made any expenditure on CSR as the Company is still in the process of identifying the eligible project. The Company intends to contribute the money for CSR activities as soon as the project is identified.

Risk Management Committee :

Your Company has constituted Risk Management Committee in Compliance with the Clause 49 of Listing Agreement. The details with respect to constitution, scope and functions of the Committee are available on Company's website www.prakashsteelage.com.

Executive Committee :

Your Company has constituted its Executive Committee comprising of Executive Directors with an enhanced scope and functioning. The Executive Committee of the Company comprises of Mr. Prakash C. Kanugo as Chairman of the Committee and Mr. Ashok M. Seth, Mr. Hemant P. Kanugo and Mr. Kamal P. Kanugo as Members of the Committee.

Loans, Guarantees or Investments :

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

Particulars of contracts or arrangements with related parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto is appended in Form No. AOC – 2 as per **Annexure 5** to this report.

Managerial Remuneration:

The table containing the names and other particulars of employees in accordance with the provisions of Section 197 (12) of the Companies Act, 2013, read with the Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 6** to this report.

Secretarial Audit Report :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment



and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. S. Anantha & Co., Practising Company Secretary to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as **Annexure 7** to this report.

Necessary explanation to the observations made in the Secretarial Audit Report are given below:

Non-filing of E-Form-MGT10 i.e., Return to be filed with Ministry of Corporate Affairs, whenever there is an increase or decrease of two percent or more in the shareholding of the Promoters and top ten shareholders within 15 days of such change by the Company.

Though the Company has filed the Annual Return on Foreign Liabilities and Assets with Reserve bank of India, the return of Annual Performance Report with respect to the foreign subsidiary is not filed.

Reply: The Company is required to file e-Form MGT-10 in case of any change of increase / decrease of 2% or more in the shareholding of shareholding of the Promoters and the top ten shareholders and 2% or more is calculated on the paid up share capital of the Company.

During the year there was no change in the shareholding of the promoters and the change, if any, in the shareholding of the top ten shareholders is less than 2% of the paid-up share capital of the Company.

The return of Annual Performance Report with respect to the foreign subsidiary was not filed due to oversight. Proper systems and processes have been introduced to ensure that the Annual Performance Report is filed within the stipulated time in the subsequent years.

Corporate Governance Certificate :

The Compliance certificate from the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement shall be annexed with the report.

Internal Control Systems :

Your Company has an effective internal control and risk mitigation system, which is constantly assessed and strengthened with new / revised standard operating procedures.

The Company has entrusted the internal audit to M/s. Anand Jain & Associates, Chartered Accountants. The initial object of the internal audit process is test and review of controls, independent appraisal of risks, business process and benchmarking internal controls with best practices.

The Audit Committee of the Board of Directors actively reviews, the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen them.

The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors and Statutory Auditors are periodically apprised of the Internal Audit findings and corrective action taken. Internal audit plays a key role in providing assurance to the Board of Directors.

Policy on Prevention of Sexual Harassment :

The Company has in place Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the financial year 2014-2015, no complaints were received regarding sexual harassment.

Directors' Responsibility Statement :

Pursuant to Section 134 (3)(c) of the Companies Act, 2013, the Board of Directors confirm that:

(a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;



(b) the Directors have approved the accounting policies and have been applied consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a 'going concern' basis;

(e) proper internal financial controls are followed by the Company and that such financial controls are adequate and are operating effectively; and

(f) proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

Acknowledgements :

Your Directors place on record their sincere appreciation to Stock Exchanges, shareholders, banks, government authorities, business associates and other stakeholders. The Board also recognizes the contribution of the valued customers in the growth of the Company and takes this opportunity to pledge the Company's commitment to serve them.

Your Directors also wish to place on record their deep sense of appreciation for the hard work, cooperation, solidarity, dedication and commitment displayed by all executives, officers and staff during the year, resulting in the successful performance of the Company.

Regd. Office :
1402, 14th Floor,
A Wing, Naman Midtown,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai – 400 013

Place: Mumbai
Date: 14th August, 2015
CIN: L27106MH1991PLC061595
Tel.: 022 6613 4500 | Fax: 022 6613 4599
Website: www.prakashsteelage.com
E-Mail: investorsgrievances@prakashsteelage.com

**On Behalf of the Board of Directors
For Prakash Steelage Limited**

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



Annexure 1

Form AOC-1

Statement containing the salient features of the financial statement of subsidiaries / associate companies / joint ventures (pursuant to the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rules 5 of the Companies (Accounts) Rules, 2014)

Name of Subsidiary	Financial Period ended	Exchange Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities (excluding share capital and reserves & surplus)	Investments	Turnover ^{1c}	(Rs. in lacs except % of share holding)			
									Profit/(loss) before taxation ^{1c}	Provision for taxation	Profit/(Loss) after taxation ^{1c}	% of share holding
Ironsteel Seamless & Alloy -ZC (JAE)	31-03-2015	1562.59	3150.140	55563.044	55560.362	522.155	-	507436225	507673	-	507673	100

^{1c}Converted at monthly average exchange rate.

For PRAKASH STEELAGE LIMITED

Sd/-

PRAKASH C. KANUGO
CHAIRMAN & MANAGING DIRECTOR
DIN : 00286366

Date : 14th August, 2015
Place : Mumbai

**Form No. MGT-9****ANNEXURE – 2**

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: **L27106MH1991PLC061595**
- ii) Registration Date: **09.05.1991**
- iii) Name of the Company: **Prakash Steelage Limited**
- iv) Category / Sub-Category of the Company: **Company limited by Shares / Indian Non-Government Company.**
- v) Address of the Registered office and contact details: **701, Mahalaxmi Chambers, Bhulabhai Desai Road, Mumbai -400 026.**

(Shifted to : **1402, 14th Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai-400 013 w.e.f. 1st July, 2015**)
- vi) Whether listed company : **Yes**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:
M/s. Bigshare Services Private Limited,
Address: E2/3, Ansa Industrial Estate, Saki Vihar Road,
Sakinaka, Andheri (East), Mumbai –400 072
Tel: 022- 40430306

II. Principal business activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total tum over of the company
1	Manufacturing and trading of stainless steel tubes and pipes	241060	99.16
2.	Other	-	0.84
	Total	-	100%

III. Particulars of holding, subsidiary and associate companies

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	Pioneer Stainless & Alloys	NA*	Wholly-owned foreign subsidiary	100%	-

IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Particulars	No. of Shares as on 31-03-2015	%	No. of Shares as on 31-03-2014	%
Promoters, including relatives of Directors and Corporate bodies	1,17,27,024	67.01	1,17,27,024	67.01
Financial Institutions	5,50,000	3.14	7,74,746	4.43
Foreign Inst. Investors (FII)	7,39,992	4.23	7,39,992	4.23
Non Institutional Investors	-	-	-	-
Other Bodies Corporate	34,27,506	19.59	33,39,967	19.09
Clearing Members	10,172	0.06	2,033	0.01
Non Resident Indian (NRI)	1,779,	5.96	6,714	0.04
Public	10,43,566	5.96	9,09,563	5.19
Grand Total	1,75,00,039	100.00	1,75,00,039	100.0



II. Shareholding of Promoters

Sr. No.	Name of Promoter	No. of holding as on 31-03-2015	%	No. of holding as on 31-03-2014	%
1	Prakash C. Kanugo	37,83,500	21.62	37,83,500	21.62
2	AMS Trading and Investment Private Ltd	28,76,000	16.43	28,76,000	16.43
3	Seth Iron and Steel Private Limited	14,90,000	8.51	14,90,000	8.51
4	Kirti P. Kanugo	5,83,074	3.33	5,83,074	3.33
5	Hemant P. Kanugo	5,61,753	3.21	5,61,753	3.21
6	Kamal P. Kanugo	5,57,752	3.19	5,57,752	3.19
7	Vimal P. Kanugo	5,05,159	2.89	5,05,159	2.89
8	Ashok M. Seth	4,48,400	2.56	4,48,400	2.56
9	Babita P. Kanugo	3,00,075	1.71	3,00,075	1.71
10	Prakash C. Kanugo (HUF)	2,60,437	1.49	2,60,437	1.49
11	Seth Steelage Private Limited	1,10,874	0.63	1,10,874	0.63
12	Seth Ashok Mafatlal (HUF)	50,000	0.29	50,000	0.29
13	Dheliben M. Seth	50,000	0.29	50,000	0.29
14	Mafatlal C. Seth	50,000	0.29	50,000	0.29
15	Mafatlal Chogmal Seth (HUF)	50,000	0.29	50,000	0.29
16	Nirmala A. Seth	50,000	0.29	50,000	0.29

iii) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in Promoters' Shareholding during FY. 2013-14 and FY 2014-15.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

• Top 10 Shareholders as on 31st March, 2015 other than Promoter/ Promoter Group

Sr. No.	Name of the Shareholder	No. of Share held	% of Holding
1	Balmiki Agencies Private Limited	9,70,649	5.55
2	Mentor Capital Limited	8,48,652	4.85
3	General Insurance Corporation of India	5,50,000	3.14
4	Cresta Fund Limited	3,82,361	2.18
5	Emerging India Focus Funds	3,57,631	2.04
6	Sunidhi Capital Private Limited	3,34,259	1.91
7	Haridarshan Sales Private Limited	2,70,000	1.54
8	Swagatam Marketing Private Limited	2,50,236	1.43
9	Trisions Metaflex Private Limited	1,83,000	1.05
10	Kamlesh Manohar Kanugo	1,46,461	0.84

• Top 10 Shareholders as on 31st March, 2014 other than Promoter/ Promoter Group

Sr. No.	Name of the Shareholder	No. of Share held	% of Holding
1	Balmiki Agencies Private Limited	9,70,649	5.55
2	Mentor Capital Limited	8,50,232	4.86
3	General Insurance Corporation of India	7,74,746	4.43
4	Cresta Fund Limited	3,82,361	2.18
5	Emerging India Focus Funds	3,57,631	2.04
6	Sunidhi Capital Private Limited	3,34,259	1.91
7	Haridarshan Sales Private Limited	2,71,554	1.55
8	Swagatam Marketing Private Limited	2,50,236	1.43
9	Trisions Metaflex Private Limited	1,85,335	1.06
10	Kamlesh Manohar Kanugo	1,46,461	0.84



v. Shareholding of Directors and Key Managerial Personnel (KMP)

Sr. No.	Name of Promoter	No. of holding as on 31-03-2015	%	No. of holding as on 31-03-2014	%
1	Prakash C. Kanugo, Managing Director	37,83,500	21.62	37,83,500	21.62
2	Ashok M. Seth, Chief Financial Officer (Executive Director)	4,48,400	2.56	4,48,400	2.56
3	Ms. Pallavi P. Shedge, Company Secretary	-	-	-	-

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
In debtedness at the beginning of the financial year				
i) Principal Amount	2,154,963,268	419,736,472	-	2,574,699,740
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,619,461	2,476,883	-	5,096,344
Total (i+ii+iii)	2,157,582,729	422,213,355	-	2,579,796,084
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	145,168,552	54,688,469	-	199,857,021
Net Change	145,168,552	54,688,469	-	199,857,021
In debtedness at the end of the financial year				
i) Principal Amount	2,010,704,718	367,524,886	-	2,378,229,604
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,709,459	-	-	1,709,459
Total (i+ii+iii)	2,012,401,177	367,524,886	-	2,379,939,063

VI. Remuneration of Directors and Key Managerial Personnel

A Remuneration to Managing Director, Whole-Time Directors and/or Manager: (INR per annum)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Prakash C. Kanugo	Ashok M. Seth	Hemant P. Kanugo	Kamal P. Kanugo	
		Managing Director	Executive Director & CFO	Whole-time Director	Whole-time Director	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax act, 1961	15,000,000	12,000,000	9,00,000	9,00,000	45,00,000
	(b) Value of perquisites u/s 17(2) income-tax Act, 1961	90,000	1,86,655	-	-	2,76,655
	(c) Profit in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweet Equity	-	-	-	-	-
4.	Commission - as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (1+2+3+4+5)	1,590,000	13,86,655	9,00,000	9,00,000	47,76,655
	Celling as per the Act	as per schedule V to the Companies Act, 2013.				


B Remuneration to other Directors i.e. Independent Directors (Non-executive) and other Non-executive Directors:

(INR per annum)

Sr. No.	Particulars of Remuneration	Name of Independent Director (Non-executive Director)					Total Amount
		A. Prakashchandra Hegde	Dr. Bipin C. Doshi	Gautamchand C. Jain	Himanshu J. Thaker	Neetta K. Bokaria*	
1.	Independent Director						
	- Fee for attending board/ committee meetings	80,000	60,000	80,000	30,000	-	2,50,000
	- Commission	-	-	-	-	-	-
	- Others, Please specify	-	-	-	-	-	-
	Total (1)	80,000	60,000	80,000	30,000	-	2,50,000
2.	Other Non-Executive Directors						
	- Fee for attending board/ committee meetings	-	-	-	-	-	-
	- Commission	-	-	-	-	-	-
	- Others, Please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (1+2)	80,000	60,000	80,000	30,000	-	2,50,000
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	NA	NA	NA	NA	NA	NA

* Appointed w.e.f. 30-05-2015, hence no Board Meeting and committee meeting attended by Ms. Neetta K. Bokaria

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(INR per annum)

Sr. No.	Particulars of Remuneration	CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	-	3,63,000	-	3,63,000
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	3,63,000	-	3,63,000


VII. Penalties/ Punishment / Compounding of offences :

(INR per annum)

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**ANNEXURE – 3**

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 (“Rules”) for the year ended 31st March, 2015 is as follows:

A) CONSERVATION OF ENERGY:

- i) Steps taken or impact on conservation of energy:
 - a) The technical department of the Company monitors the energy consumption and it takes due care in proper utilization of the energy.
 - b) The regular maintenance of Plant & Machinery, installation of Automated Machines and watchful supervision results in reduction in energy consumption
- ii) Steps taken by the company for utilizing alternate sources of energy: Currently the Company is not utilizing any alternate sources of energy.
- iii) Capital Investment on energy conservation equipments: No material expenditure was incurred on energy conservation equipments.

B) TECHNOLOGY ABSORPTION:

- i) The efforts made towards Technology Absorption: No efforts have been made during the year for technology absorption.
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution together with future action plan: NIL.
- iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): No technology was imported during the year or any time during the last three financial years.
- iv) The expenditure incurred in Research and Development (R&D): No major Expenses have been incurred on R & D expenditure.

C) FOREIGN EXCHANGE USED AND EARNED:

(Rs. in Lacs)

Particulars	31-03-2015	31-03-2014
During the year under review foreign exchange earning were FOB Value	18,505.53	12,607.24
Excluding deemed exports and foreign exchange outgo CIF Value of Imports	13,525.26	8,560.87
Expenditure in foreign currency	145.02	104.89



Name of related party	Relationship	Duration of contract	Sailent Terms (1)	Amount (in Rs.)
Salary paid to relative of Promoter & Director				
Mr. Vimal P. Kanugo	Promoter Group & Employee	Till supersession of existed resolution	NA	3,60,000
Mr. Kirti P. Kanugo	Promoter Group & Employee	Till supersession of existed resolution	NA	3,60,000
Unsecured loan from Managing Director				
Sunrise Metal Ind. (Mr. Prakash C. Kanugo is a Proprietor)	Promoter & Director	Till Redemption	Unsecured loan (Principal)	33,50,00,000
Sunrise Metal Ind. (Mr. Prakash C. Kanugo is a Proprietor)	Promoter & Director	Till Redemption	Interest paid on loan	2,28,81,723

For Prakash Steelage Limited

Sd/-
Prakash C. Kanugo
DIN: 00286366

Place: Mumbai
Date: 14th August, 2015



Annexure 4

REMUNERATION POLICY – II

The Remuneration Policy (“**Policy / this Policy**”) of Prakash Steelage Limited. (the "Company") is designed to attract, motivate and retain manpower in a competitive market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Policy applies to the Company's Board of Directors, Senior Management, including its Key Managerial Personnel (KMP).

Guiding principles

The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.

The remuneration policy for executives reflects the overriding remuneration philosophy and principles of the Prakash Steelage Limited. When determining the remuneration policy and arrangements for Executive Directors/ KMPs, the Nomination and Remuneration Committee (“**Committee**”) considers pay and employment conditions with peers / elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The Committee while considering a remuneration package must ensure a balance between fixed pay and variable (incentive) pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

Reward principles and objectives

Our remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under Section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.

Reward policies

Attract and retain: Remuneration packages are designed to attract high calibre executives in a competitive global market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

Motivate and reward: Remuneration is designed to motivate the Executives to deliver to the best of their skills, knowledge, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.

The principal terms of non-monetary benefits: The Executives will be entitled to customary non-monetary benefits which will be decided mutually in individual cases.

Executive Remuneration – Board of Management

Executive remuneration is proposed by the Chairman/Managing Director to the Committee and subsequently on the recommendation of the committee, will be approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of Peer Companies, which in size and complexity are similar to Prakash Steelage Limited. Benchmarks may be decided in advance. The total remuneration shall have optimum mix of fixed base salary and a variable Salary such as incentive as per prevailing market practices. The same shall be set at a level aimed to attract and retain executives with professional and personal competences to drive the Company's performance.

Pension contributions, made in accordance with applicable laws and employment agreements.

Severance payments in accordance with termination clauses in employment agreements. Severance



payments shall comply with local legal framework.

Disclosure of Information

Information on the total remuneration of members of the Company's Board of Directors, Executive Board of Management and senior management may be disclosed in the Company's annual financial statements. This includes any deferred payments and extraordinary contracts during the preceding financial year.

Approval of the Remuneration Policy

This Remuneration Policy shall apply to all employment agreements of the Company's Senior Management including Executive Directors and Key Managerial Persons. The Remuneration Policy shall act as guidance for the Board.

Dissemination

The Company's Remuneration Policy shall be published on its website.



Annexure 5

AOC-2

Particulars of contracts / arrangements made with related parties pursuant to Clause (h) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Name of related party	Relationship	Duration of contract	Sailent Terms (1)	Amount (in Rs.)
Section 188(1)(c) leasing of property of any kind : Deposit given against office & other premises taken on rent				
M/s. Ashok M. Seth (HUF)	Promotoer Group	Annual	701, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	1,10,00,000
M/s. Prakash C. Kanugo (HUF)	Promotoer Group	Annual	702, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	1,40,00,000
M/s. Ekta H. Kanugo	Promotoer Group	Annual	702, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	1,40,00,000
M/s. Kamal P. Kanugo	Promotoer & Director	Annual	702, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	1,60,00,000
Section 188(1)(c) leasing of property of any kind : Annual rent paid for premises taken on rent				
Mr. Prakash C. Kanugo	Promoter & Director	Annual	Kalambdi, Navi Mumbai godown	60,000
M/s. Prakash C. Kanugo (HUF)	Promotoer Group	Annual	701, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	4,80,000
M/s. Ashok M. Seth (HUF)	Promotoer Group	Annual	702, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	3,60,000
M/s. Ekta H. Kanugo	Promotoer Group	Annual	702, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	4,80,000
M/s. Kamal P. Kanugo	Promotoer Group	Annual	701, Mahalaxmi Chamber office taken on rent for set up of HeadOffice purpose	6,60,000
M/s. Kamal P. Kanugo	Promotoer & Director	Annual	Umbergaon Bunglow as guest House	1,08,000

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered in to during the year ended 31st March, 2015, which were not at arm's length basis

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts of arrangement or transactions at arm's length basis for the year ended 31st March, 2015 are as follows:

Name of related party	Relationship	Duration of contract	Sailent Terms (1)	Amount (in Rs.)
Remuneration paid to Managing Director and Whole-time Directors				
Mr. Ashok M. Seth	Promotoer & Director	5 Years	Annual Remuneration vide resolution passded in the AGM dtd 14th August 2013 w.e.f. 01-10-2013	12,00,000
Mr. Hemant P. Kanugo	Promotoer & Director	5 Years	Annual Remuneration vide resolution passded in the AGM dtd 14th August 2013 w.e.f. 01-10-2013	9,00,000
Mr. Kamal P. Kanugo	Promotoer & Director	5 Years	Annual Remuneration vide resolution passded in the AGM dtd 14th August 2013 w.e.f. 01-10-2013	9,00,000
Mr. Prakash C. Kanugo	Promotoer & Director	5 Years	Annual Remuneration vide resolution passded in the AGM dtd 14th August 2013 w.e.f. 01-10-2013	15,00,000



Annexure 6

PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES :

- a) The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Name	Ratio
Mr. Prakash C. Kanugo (Managing Director)	11.72 : 1

For this purpose, Sitting fees paid to the Directors have not been considered as remuneration.

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	% Increase
Mr. Prakash C. Kanugo (Managing Director)	10.41%
Mr. Ashok M. Seth (Chief Financial Officer)	12.13%
Ms. Pallavi Shedge (Company Secretary)	10%

- a) The percentage increase in the median remuneration of employees in the financial year: Marginal increase of 10%.

- b) The number of permanent employees on the rolls of company: 397.

- c) The explanation on the relationship between average increase in remuneration and company performance:

Marginal increase in the average remuneration was given.

- d) Variations in the market capitalisation of the company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	Issued Capital (Shares)	Closing Market Price per Share (in Rs.)	Earning per Share (EPS)	Price Earning (PE) Ratio	Market Capitalisation (in Rs.)
As on 31-03-2014	1,75,00,039	129.25	9.46	13.66	2,26,18,80,040
As on 31-03-2015	1,75,00,039	129.80	8.03	16.16	2,27,15,05,062
Increase / Decrease	Nil	0.3	(1.43)	-	96,25,022
Issue Price of the Share at the last public offer (IPO)	-	-	-	-	-
Increase in market price as on 31-03-2015 as compared to Issue Price of IPO	-	-	-	-	-
Increase in %	-	-	-	-	-

- e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average annual increase in the salaries of employees other than the managerial personnel was 10%. There was no exceptional increase in the managerial remuneration

- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:



Name	Designation	Annual CTC (in Rs.)	% Increase in CTC	Profit (in Rs.)	% Change in Profit/Loss
Mr. Prakash C. Kanugo	Managing Director	15,90,000	10.41%	14,06,00,674	15.04%
Mr. Ashok M. Seth	Chief Financial Officer	13,86,655	12.13%	14,06,00,674	15.04%
Ms. Pallavi Shedge	Company Secretary	3,63,000	10%	14,06,00,674	15.04%

g) The key parameters for any variable component of remuneration availed by the directors;

The Company presently does not have performance linked incentives for its Directors. No severance fee is payable.

h) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

There is no employee who derives salary higher than the highest paid director.

i) The remuneration has been paid to all the employees of the Company as per the Nomination & Remuneration Policy of the Company.

j) There is no employees who is drawing the remuneration more than the limit specified under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



Form No. MR-3
SECRETARIAL AUDIT REPORT

Annexure 7

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

To

The Members**Prakash Steelage Limited**

1402, 14th Floor, A Wing, Naman Midtown
Senapati Bapat Marg
Elphinstone Road, Mumbai – 400 013

I have conducted the Secretarial Audit of the Compliance of Applicable Statutory provisions and the adherence to good corporate practices by **Prakash Steelage Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing my opinion thereon.

Based on my verification of the Company's, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the company.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not Applicable** as there were no instances of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the year under review);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable for the year under review**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable for the year under review**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (**Not Applicable for the year under review**);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable for the year under review**); and



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
(Not Applicable for the year under review).

vi. Other laws applicable specifically to the Company viz.:

- a) Water (Prevention and control of Pollution) Act, 1974 and the rules made thereunder;
- b) Air (Prevention and control of Pollution) Act, 1981 and the rules made thereunder;
- c) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008; and
- d) The Environment (Protection) Act, 1986 and the rules made thereunder.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; **(Not Applicable for the year under review)**; and
- (ii) The Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1) *Non-filing of E-Form-MGT10 i.e., Return to be filed with Ministry of Corporate Affairs, whenever there is an increase or decrease of two percent or more in the shareholding of the Promoters and top ten shareholders within 15 days of such change by the Company.*
- 2) *Though the Company has filed the Annual Return on Foreign Liabilities and Assets with Reserve Bank of India, the return of Annual Performance Report with respect to the foreign subsidiary is not filed.*

With respect to delay in filings of E-forms with the Ministry of Corporate Affairs, the Company paid the additional fee and complied with the requirements.

I further report that

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CEO / KMP taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law, environmental laws and all other applicable laws, rules, regulations and guidelines. The Company has responded to compliance requirements, notices for demands, claims, penalties etc. levied, by various statutory / regulatory authorities and initiated actions for corrective measures and compliance thereof.

I further report that

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have not been reviewed in this Audit, since the same have been subject to review by statutory financial audit and other designated professionals;

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice along with agenda was given seven days in advance to all directors to schedule the Board Meetings, and detailed notes on agenda were generally sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.



I further report that during the audit period there were **no events** viz.:

- (i) Public/Right/sweat equity shares;
- (ii) Redemption / Buy-back of securities;
- (iii) Major decisions taken by the members pursuant to Section 180 of the Companies Act, 2013, except approval for:-
 - a) the borrowing exceeding the aggregate of the paid-up share capital and free reserves;
 - b) creation of Charges on the assets of the Company; and
 - c) the Company entering into a Joint Venture Agreement with Tubacex S.A. Spain, and to transfer its seamless stainless steel tubes and pipes business at Umbergaon Gujarat to the Joint Venture Company.
- (iv) Merger / amalgamation / reconstruction, etc., except as mentioned above and
- (v) Foreign technical collaborations;
or such other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having any bearing on the Company's affairs.

For **S. Anantha & Co.,**
Company Secretaries

Sd/-
S. Anantha Rama Subramanian
Proprietor
FCS: 4443
CP No.: 1925

Place: Mumbai
Date: 14th August, 2015



Management Discussion and Analysis Report

The Board takes pleasure in presenting your Company's Twenty-Fourth Annual Report for the FY 2014-15 along with the compliance report on Corporate Governance. This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

Major development post year ending:

The Company's seamless steel and pipe division unit at Umbergaon, Gujarat, has been transferred to Tubacex Prakash India Private Limited on 25th July, 2015, pursuant to the joint venture Agreement between the Company and Tubacex S.A. Spain. The Company however retains 32.47% shareholding in the said Tubacex Prakash India Private Limited post transfer of the Seamless division. The Company will continue the manufacturing of welded tubes and pipes and also the trading in S. S. Products. The sale proceeds has helped the Company reducing its debts substantially.

Industry Overview

a) Global Scenario

The process of recovery of the global economy continued during FY 2014-15, though the recovery process was uneven across geographies. While the world economic growth stagnated at 3.4% in CY 2014; economies like the US and the UK strengthened marginally on account of higher domestic production and falling oil prices; Eurozone believed expectations and lurched from one crisis to another. China's growth faltered during the year, while Latin American economies underperformed. Russian economy also came under tremendous pressure due to sanctions by several countries following the Ukrainian crisis and the drop in oil revenue.

The global steel industry showed positive momentum in the second half of 2013. This demand, however, declined in 2014 because of a weaker than expected performance in the emerging and developing economies. The slowdown in steel's demand in countries like China, the CIS and South America resulted in a significantly lower global growth projection. In contrast, developed economies fared better in the last financial year, resulting in a sustained demand of the commodity.

The global steel demand expanded by a mere 0.6% to 1.537 billion tonnes in 2013-14, primarily due to contraction of demand in emerging economies like China, Brazil, Russia and Turkey. Chinese demand fell by 3.3% in the year to 710.8 million tonnes, with the outlook for the coming years showing signs of reducing further by 0-5% year-on-year (yoy).

Developed nations like USA, Germany, South Korea and Japan continued to show growth support during the year. The global steel demand for the years 2015 and 2016 is forecast to grow by 0.5% and 1.6% respectively to a level of 1.544 and 1.565 billion tonnes.

The EU region economic growth started its cycle of revival in 2014, leading to an increase in steel demand in the year. The apparent steel use in the EU (28) grew by 4.5% in 2014 to 146.8 million tonnes and is expected to grow by a further 2.1% in 2015 to reach 149.9 million tonnes.

In the near future, recoveries in the US, Europe and Japan are expected to be stronger than previously thought, but not strong enough to offset the slowdown in the emerging economies. It is expected that the growth in the industry will be moderate, and consequently pick speed.

b) India's economy

The government's '**Make in India**' thrust has boosted the confidence of indigenous manufacturers to compete globally with more capability and confidence. The monetary policies of the Reserve Bank of India, steadily reducing repo rates have brought in dynamism in the country's financial architecture. India's economy outshined other major global economies as growth touched 7.3% in FY 2014-15, following economic reforms unleashed by the new government. The challenges that dogged the economy high rate of inflation, fiscal deficit and current account deficit were brought within manageable limits. The country's investment scenario and consumer sentiments also improved significantly. The manufacturing sector is seeing better days, there is steady growth in the services landscape, and the agricultural sector has remained resilient.

Major demand drivers

i) Make in India

The "Make in India" is an international marketing strategy initiated by Mr. Narendra Modi, our worthy Prime Minister recently in Sept. 2014. The purpose of this scheme is to attract investments from businesses around the world. The concept of "Make in India" attempts to attract the inflow of Foreign Direct Investment to improve the



services by partial privatization of loss making corporations in the Public Sector of India. The main focus of this scheme is to fulfill the purpose of job creation, enforcement to secondary and tertiary sector resulting in boosting of our economy and ultimately making India a self reliant and dominant country in the world.

The policy aims to project India as one among the top three manufacturing destinations globally by 2020. This initiative is expected to enhance the industry's contribution to GDP from 15% to about 25% by 2022.

The creation of 100 million additional jobs by 2022 in the manufacturing sector has also been envisioned. With the proposed amendments, there has never been a better time to make in India, and turn the country into a powerful manufacturing hub.

The steel and power industry will realise a derived demand because of the innumerable manufacturing plant set ups and infrastructure requirements.

ii) Infrastructure

India's growing population, rising per capita income, increasing housing need and migration from rural areas to urban areas are expected to drive the infrastructure sector, and hence, the requirement for steel. Government impetus to drive key infrastructures like roads, railways, bridges and ports will augur well for the steel industry, going forward.

iii) Per Capita Steel Consumption

Adding to these drivers of growth, is the fact that India's per capita consumption of steel is less than 60 kgs, which is close to one-fourth of the international average. This indicates a strong growth opportunity. The country's steel demand will be at par with China's current demand by 2035; this allows huge headroom for growth.

Risks and Concerns

The Steel Industry displays strong commodity characteristics and is subject to cyclical price movements in business cycles. The Company is exposed to risks from overall market fluctuations, changes in government policy, laws of the land, taxation, man-made disaster, political risks and increase in cost of inputs like Iron ore, coal, power, diesel, freight, etc. which affect the financial performance of the Company.

Risks management:

Your Company continuously monitors and revisits the risks associated with its business. It has institutionalized the procedure for identifying, minimizing and mitigating risks and the same are reviewed periodically. The Company's Structured Risk Management Process attempts to provide confidence to the stakeholders that the Company's risks are known and well managed. The risk management framework ensures compliance with the requirements of amended Clause 49 of listing agreement.

Risk Management comprises three key components which are as below:

- i. Risk identification
- ii. Risk assessment and mitigation
- iii. Risk monitoring and assurance

Your Company has identified the following aspects as the major risks for its operations:

- i. Economic Risk
- ii. Foreign Exchange Risk
- iii. Industrial Risk

The risk mitigation plans are reviewed regularly by the Audit Committee of your Company.

Prakash Steelage Limited risk management policy is designed to ensure sustainable business growth with stability, and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The policy establishes a structured and disciplined approach to risk management to guide decisions on risk related matters

Government Initiatives

- a) An Inter-Ministerial Group (IMG) is functioning in the Ministry of Steel, under the Chairmanship of Secretary (Steel) to monitor and coordinate major steel investments in the country.
- b) As a facilitator, the Government monitors the steel market conditions and adopts fiscal and other policy



measures based on its assessment. Currently, basic excise duty for steel is set at 12.5% and there is no export duty on steel items. The government has also imposed export duty of 30% on all forms of iron ore except low grades which carry a duty of 10% while iron ore pellets have a export duty of 5% in order to control ad-hoc exports of the items and conserve them for long term requirement of the domestic steel industry. It has also raised import duty on most steel imports by 2.5%, taking the import duty on carbon steel flat products to 10% and that on long products to 7.5%.

- c) For ensuring quality of steel several items have been brought under a quality control order issued by the Government.
- d) Further, a Steel Price Monitoring Committee has been constituted by the Government with the aim to monitor price rationalization, analyze price fluctuations and advise all concerned regarding any irrational price behaviour of steel commodity.

Subsidiaries and strategic alliance.

The Company's UAE subsidiary carried on normal level of business during the year. The strategic alliance with Karagwal Developers Pvt. Ltd. to develop the spare factory land at Umbergaon started yielding good results though not as per the expectations due to sluggish market conditions.

Outlook

The global steel consumption demand in CY 2015 is expected to increase by 0.5% to 1,544 MT, while in CY 2016, it is projected to grow by 1.4% to 1,566 MT. The increased positive vibes from developed economies and a strengthened Eurozone momentum will further push the world steel demand. In the developing and emerging economies like India, MENA and ASEAN countries, the use of steel is likely to increase in the near future. With the surging demand and investment projects continuing to take place in many parts of the world, nominal global steel making capacity is expected to climb by 120 mmt in the period to 2017, bringing the total worldwide capacity to 2,361 mmt by 2017 (Source: OECD).

The Company's revenue and profitability will be impacted adversely due to transfer of its Seamless business during the current year.

Financial Performance

On the operational front, the Company has made significant progress in the last year. The Company, on standalone basis, has recorded net revenue of Rs. 107243.18 Lacs, as compared to Rs. 94421.79 Lacs in the previous year reflecting a growth of 13.58%. The profit before exceptional item and tax is Rs. 3165.62 Lacs as against Rs. 2356.46 Lacs in the previous year reflecting an increase in Profit by Rs. 809.16 Lacs. An increase of 34.34%. The Net Profit after Tax is Rs. 1406.01 Lacs as against Rs. 1654.92 Lacs in the previous year reflecting a decrease of profit by Rs. 248.91 Lacs, a decrease of 15.04%. The Earning per Share (EPS) before exceptional stood at Rs. 11.90 per share.

Opportunities and Threats

In India, the per capita consumption of steel is very low in comparison to global average as well as in comparison to various other Asian economies. Eventually India has a long way to go in the consumption of steel which is ensuring long term growth and good prospects for the steel sector.

Main hurdles in Indian Steel Industry are high cost of power and fuel and non availability of metallurgical coke, which are expected to be addressed by new Government in due course of time. Continuous capacity expansion of integrated steel manufacturer for processing value added products are resulting into increase in their market share at the cost of secondary manufactures. To stay ahead your company continues to develop more and more value added specialized products to ensure its own growth. Your company is having high exposure to forex due to significant export and import. The volatility of currency contributes to high risk and to minimize the impact of the same a prudent policy of necessary hedging / forward sales has been adopted to draw the balance between the forex asset and liabilities. The Board of Directors is being informed periodically in respect of risk assessment and steps being taken by the company.

Internal Control Systems and their Adequacy

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses executing transaction with proper authorization and ensure compliance of corporate policies. Internal Audit is conducted at regular intervals covering the key area of operations. It is an independent assurance and functions responsible for evaluating and improving the effectiveness of risk management control and governance processes. An Audit Committee consisting of three Independent Directors is in place. The



Internal Audit Reports are placed before the Audit Committee. The Audit Committee deliberates and advises the Management on improvements/compliance.

Quality

In today's global competition and open economy, quality plays a vital role in marketing the products and in staying ahead of others. Therefore more emphasis is being given to manufacturing of products that meets high standards of quality in the global market and customers' satisfaction. Proactive efforts are directed towards determining customers' requirements and achieving all-round customer satisfaction. This is primarily achieved through automated systems, high attention to complaint resolution, online communication and information exchange, at various levels.

Certification

Prakash Steelage Limited is an ISO 9001-2008, ISO 14001-2004, ISO18001-2007, PED certified and AD-2000-Merkblatt WOEL, Lloyds, IBR Approved and Government recognized Star Export House.

Statutory compliance

The Company Secretary, as the Compliance Officer of the Company, ensures compliance of the SEBI regulations and provisions of the Listing Agreements. Compliance certificates are obtained from various units of the Company and the Board is informed of the same at every Board Meeting.

Environment

Prakash Steelage Limited believes in prioritizing safety and health and incorporating it as a value within the organisation to give a sense of satisfaction, along with security not only to the employees but also to their family. Safety is embedded and forms an integral part of the business conduct, with an aim to achieve zero harm through the implementation of worldclass technology, embedded with highest safety standards.

Cautionary statement

Statements in this management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be termed as "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied. The readers of this report are, therefore, advised to read the same with this caution. The Company assumes no responsibility to publicly modify or revise any forward looking statements on the basis of any future events or new information.

For & on behalf of Board

Sd/-

Prakash C. Kanugo
(Chairman & Managing Director)
DIN: 00286366

Place: Mumbai

Date: 14th August, 2015



Corporate Governance Report

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) (Clause 49) and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Prakash Steelage Limited is as under:

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Prakash Steelage Limited (PSL), it is essential that our company affairs are managed in a fair and transparent manner.

Our corporate governance framework has helped us be aligned with the new guidelines of the Companies Act, 2013. We believe that an active, well informed and independent board is necessary to ensure the highest standards of corporate governance. At PSL ('the Company'), the Board of Directors ('the Board') is at the core of our corporate governance practice. The Board thus oversees the PSL Management's ('the Management') functions and protects the long-term interests of our shareholders.

Your Company believes in transparency and openness in the working of the management and Board. Your Company views corporate governance in its widest sense almost like a trusteeship, a philosophy to be progressed, a value to be imbibed and an ideology to be ingrained into the corporate culture, as per the requirement of applicable law of Stock Exchanges and applicable provisions of Companies Act, 2013 and the Rules made thereunder. Your Directors submit their report on the matters and practices followed by the Company.

2) Corporate Governance Guidelines :

Over the years, the Board has developed Corporate Governance Guidelines to fulfill our Corporate Responsibility towards our stakeholders which ensures that the Board will have the necessary authority and process to evaluate the operations of the organization. The board may change these guidelines to achieve the objectives.

Ethics/Governance Policies :

We have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Corporate Social Responsibility Policy
- Internal Financial Control Policy
- Risk Management Policy
- Evaluation Policy
- Remuneration Policy for Directors, Key Managerial Personnel and other Employees

3) Board of Directors :

The members of the Board of Directors of your Company are expected to possess the required expertise, skill and experience to effectively manage and direct your Company to attain its organisational goals. They are expected to be persons with vision, leadership qualities, proven competence and integrity, and with a strategic bent of mind.



(a) Board Composition :

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors / Independent Directors. The Board is headed by an Executive Chairman. There are Five Non-Executive/Independent Directors and Four Executive Directors.

As on 31st March, 2015 the Board consists of 9 members, One Managing Director (Executive), Three Whole Time Directors (Executive) and five Independent Directors (Non-Executive).

Composition of the Board and Directorships / Committee Membership held as on 31st March, 2015, their attendance at Board Meetings during the year and at the previous Annual General Meeting held on 26th September, 2014, and also the number of Directorships and Committee Memberships held by them in other Companies are given below:

Name of the Director and Designation	No. of Board meetings during the financial Year 2014-15		Whether attended last AGM held on September 26, 2014	@ No. of other Directorship	# No. of Committee membership in other companies	# No. of Committee Chairmanship in other companies
	Held	Attendance				
Mr. Prakash C. Kanugo Chairman & Managing Director (Executive)	4	4	Yes	5	-	-
Mr. Ashok M. Seth [^] Whole-time Director (Executive)	4	4	Yes	6	-	-
Mr. Hemant P. Kanugo Whole-time Director (Executive)	4	3	Yes	1	-	-
Mr. Kamal P. Kanugo [^] Whole-time Director (Executive)	4	4	Yes	2	-	-
Dr. Bipin C. Doshi* Independent Director (Non-Executive)	4	3	No	2	-	-
Mr. Himanshu J. Thaker Independent Director (Non-Executive)	4	2	No	1	-	-
Mr. A. Prakashchandra Hegde Independent Director (Non-Executive)	4	4	Yes	2	-	-
Mr. Gautam Chand C. Jain Independent Director (Non-Executive)	4	4	Yes	-	-	-
Ms. Neetta K. Bokaria** Independent Director (Non-Executive)	4	-	-	-	-	-

@ Other Directorships excludes Companies incorporated outside India.

This includes membership / chairmanship of Audit Committee and Shareholders' / Investors' Grievances Committee only.

* Dr. Bipin C. Doshi Resigned as a Director of the Company w.e.f. 31st May, 2015.

** Ms. Neetta K. Bokaria appointed as an Independent Director w.e.f. 30th March, 2015.

[^] 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 his proposed appointment as an Executive Director of Tubacex Prakash India Private Limited and Mr. Kamal P. Kanugo, resigned as a Whole-time Director of the Company, on his



proposed appointment as an Executive Director of Tubacex Prakash India Private Limited with effect from 01st August, 2015. Subsequent to above-mentioned resignation, Mr. Ashok M Seth and Mr. Kamal P. Kanugo are continuing only as Directors on the Board of Directors of your Company.

Notes :

1. None of the Directors are members in more than 10 Committees or acted as Chairperson of more than 5 Committees (as specified in Clause 49), across all the companies in which he/she was a Director. The necessary disclosures regarding Committee positions have been made by the Directors.
2. None of the Directors hold directorship in more than 10 public limited companies.
3. None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.
4. All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act).
5. The information as required under Annexure X to Clause 49 is being made available to the Board at every Board Meeting.
6. The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the designated employees as well as steps taken to rectify instances of non-compliance.
7. The Company is in compliance with the Clause 49 of the Listing Agreement pertaining to compositions of the Board.

(b) Membership term & Retirement Policy :

The Board constantly evaluates the contribution of the members and periodically shares updates with the shareholders about re-appointments consistent with applicable statutes. The current law in India mandates the retirement of two-third of the executive board members (who are liable to retire by rotation, and have been longest in office since their last appointment) every year, and qualifies the retiring members for re-appointment. Executive directors are appointed by the shareholders for the tenure of a maximum period of five years, but are eligible for re-appointment upon completion of their term. An independent director shall hold office for a term of upto five consecutive years on the board of the company and will be eligible for re-appointment on passing of a special resolution by the Company.

(c) Code of Conduct :

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. - Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put on the Company's website (www.prakashsteelage.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chairman and Managing Director is published in this Report

(d) Familiarisation programmes for Board Members :

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.



Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company.

Moreover the details of familiarization Program conducted for Independent Directors have been uploaded on the website of the Company viz., www.prakashsteelage.com.

(e) Board Meetings

During the year, Four Board meetings were held, details of which are given in the table below:

Date of the Meeting	29.05.2014	13.08.2014	11.11.2014	13.02.2015
No of Directors Present	6	7	7	8

The Board Meetings are generally held at the Registered Office of the Company except one Board Meeting dated 13.02.2015 which was held at The Taj Mahal Palace, Apollo Bunder, Mumbai - 400 001.

Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors and the members of the Management. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and to discuss the following:

1. Review the performance of Non independent Directors and the Board of Directors as a whole;
2. Review the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Assess the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Separate Meeting of Independent Directors was held on 26th March, 2015 and all Independent Directors were present at the meeting.

Profile of Directors under Clause 49 VIII (E) of Listing Agreement :

In compliance with Clause 49 VIII (E) of Listing Agreement, brief resume, expertise and details of other directorship, membership in committees of Directors of other Companies and shareholding in the Company of the Directors proposed to be re-appointed / appointed are attached along with this report.

Performance Evaluation of Directors :

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of independent directors and other directors, the Board of Directors and Committees of the Board of Directors. In pursuance of the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement a structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the



composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

Committees of the Board :

The Board has reviewed and approved the revised terms of reference of the Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee so as to align the same with the relevant provisions of the Companies Act, 2013, the rules made there under and revised Clause 49 of the listing agreements relating to Corporate Governance.

A) Audit Committee :

The Company has its Audit Committee constituted under the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, as amended from time to time.

The Board at its meeting held on 30th May, 2015 has re-constituted the Audit Committee due to resignation of Dr. Bipin C. Doshi, (member of the Audit Committee). At present, the Audit Committee consists of following Directors as its members:

Name of the Director	Status	Nature of Directorship
Mr. Gautam Chand C. Jain	Chairman	Independent Director
Mr. A. Prakashchandra Hegde	Member	Independent Director
Mr. Himanshu J. Thaker	Member	Independent Director
Mr. Ashok M. Seth*	Member	Executive Director & CFO

*Continuing as a Director w.e.f. 01st August, 2015 on resignation as Executive Director & CFO.

The Company Secretary of the Company acts as the Secretary to the Committee.

Meeting Details

During the year under review four meetings of the Audit Committee were held on 29th May, 2014, 13th August, 2014, 11th November, 2014, and 13th February, 2015.

Name of the Members	Status at the Committee	Nature of Directorship	No. of the Meeting attended
Mr. Gautam Chand C. Jain	Chairman	Independent Director	4
Mr. Bipin C. Doshi	Member	Independent Director	3
Mr. A. Prakashchandra Hegde	Member	Independent Director	4
Mr. Ashok M. Seth*	Member	Whole-time Director	4

*Continuing as a Director w.e.f. 01st August, 2015 on resignation as Executive Director & CFO

Brief Description and Terms of Reference:

The Audit Committee of the Company has been constituted in line with the provisions of clause 49 of the Listing Agreement read with section 177 of the Companies Act, 2013.



Terms of reference of the Audit Committee in brief are as stated below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees, and confirm their independence.
- Approval of payment to statutory auditors for any other services rendered, if authorised by the Board.
- Review with the management, the quarterly financial statements before submission to the Board for approval and secure the Certificate from CFO in terms of Clause 41 of the Listing Agreement.
- Evaluate internal financial controls and risk management systems.
- Review with the management, performance of statutory and internal auditors and adequacy of the Internal Control Systems.
- Any other terms of reference as may be included from time to time in Clause 49 of the Listing Agreement.

B) Nomination and Remuneration Committee (erstwhile Remuneration Committee)

The Company has its Nomination and Remuneration Committee constituted under the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, as amended from time to time.

The Board at its meeting held on 30th May, 2015 has re-constituted the Nomination and Remuneration Committee due to resignation of Dr. Bipin C. Doshi, (member of the Committee). At present, the Committee consists of following Directors as its members:

Name of the Director	Status	Nature of Directorship
Mr. Himanshu J. Thaker*	Chairman	Independent Director
Ms. Neeta K. Bokaria	Member	Independent Director
Mr. A. Prakashchandra Hegde	Member	Independent Director

* Mr. Himanshu J. Thaker indicated as a member w.e.f. 30th May, 2015

The Company Secretary of the Company acts as the Secretary to the Committee.

Brief Description and Terms of Reference:

The Nomination & Remuneration Committee looks after the due diligence and recommendation process for appointment/re-appointment of Directors, evaluation of performance of Directors and remuneration to MD & CEO and other Key Managerial Personnel of the Company and monitoring of the Nomination & Remuneration policy of the Company.

Nomination & Remuneration Policy:

The Board of Directors of the Company has adopted a Nomination & Remuneration Policy in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchanges and in order to harmonize the aspirations of human resources consistent with the goals of the Company which inter alia includes Company's policy on Board Diversity, selection, appointment and remuneration of directors, criteria for determining qualifications, positive attributes, independence of a director and criteria for performance evaluation of the Directors.



The details relating to remuneration of Directors, as required under the Clause 49 of the Listing Agreement, is given below:

Name of the Directors	Remuneration (Rs.)	Perquisite (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Mr. Prakash C. Kanugo	15,00,000	90,000	N.A.	15,90,000
Mr. Ashok M. Seth	12,00,000	1,86,655	N.A.	13,86,655
Mr. Hemant P. Kanugo	9,00,000	-	N.A.	9,00,000
Mr. Kamal P. Kanugo	9,00,000	-	N.A.	9,00,000
Total	45,00,000	2,76,655	N.A.	47,76,655

The Board of Directors pays Rs.15,000/- per Board meeting and Rs.5,000/- per Audit Committee Meeting to the Non-Executive Directors. However no fee has been recommended by Board for attending the meetings of Stakeholders' Relationship Committee, and Nomination and Remuneration Committee and Executive Committee.

Sitting Fees paid to Non-Executives during the year is given below:

Name of the Directors	Sitting Fees (Rs.)	
	Board Meetings	Audit Committee
Dr. Bipin Doshi	45,000	15,000
Mr. Himanshu J. Thaker	30,000	-
Mr. Prakashchandra Hegde	60,000	20,000
Mr. Gautam C. Jain	60,000	20,000
Ms. Neetta K. Bokaria	-	-

There is no pecuniary or business relationship between the Non-executive Directors / Independent Directors and the Company.

Meeting Details :

During the year under review one meeting of the Nomination and Remuneration Committee was held on 13th February, 2015.

Name of the Members	Status	Nature	attended
Mr. Himanshu J. Thaker	Chairman	Independent Director	Yes
Mr. Bipin C. Doshi	Member	Independent Director	Yes
Mr. A. Prakashchandra Hegde	Member	Independent Director	Yes

C) Stakeholders Relationship Committee (SR) :

The Company has its Stakeholders Relationship Committee constituted under the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, as amended from time to time.

The Stakeholders' Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints.



The composition of the Committee as on 31st March, 2015 consists of following Directors as its Members.

Name of the Director	Status at Committee	Nature of Directorship
Dr. Bipin C. Doshi	Chairman	Independent Director
Mr. Himanshu J. Thaker	Member	Independent Director
Mr. Ashok M. Seth*	Member	Whole-Time Director

*Continuing as a Director w.e.f. 01st August, 2015 on resignation as Executive Director & CFO.

The Company Secretary of the Company acts as the Secretary to the Committee.

The Board at its meeting held on 30th May, 2015 has re-constituted the Stakeholders' Relationship Committee due to resignation of Dr. Bipin C. Doshi, (member of the Committee). At present, the Committee consists of following Directors as its members:

Name of the Director	Status	Nature of Directorship
Mr. A. Prakashchandra Hegde	Chairman	Independent Director
Mr. Himanshu J. Thaker	Member	Independent Director
Mr. Ashok M. Seth*	Member	Whole-Time Director

*Continuing as a Director w.e.f. 01st August, 2015 on resignation as Executive Director & CFO.

Compliance Officer:

Ms. Pallavi P. Shedge, Company Secretary is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges and Regulations thereunder.

Investor Grievance Redressal:

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	Received	Resolved	Pending
Non-Receipt of Annual Reports	Nil	Nil	Nil
Non-Receipt of Dividend	Nil	Nil	Nil
Warrants Non-Receipt of Interest/ Redemption Warrants	Nil	Nil	Nil
Non-Receipt of Certificates	Nil	Nil	Nil
Total	Nil	Nil	Nil

There was no meeting of the Committee held during the financial year 2014-15

D) Corporate Social Responsibility (CSR) Committee

The Company has its Corporate Social Responsibility (CSR) Committee constituted under the provisions of Section 135 of the Companies Act, 2013 and Rules thereunder as amended from time to time.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.



The composition of the Committee as at 31st March, 2015 is as follows.

Name of Member	Status in Committee
Dr. Bipin C. Doshi - Independent Director	Chairman
Mr. Ashok M. Seth - Independent Director*	Member
Mr. Hemant P. Kanugo - Whole-Time Director	Member

*Continuing as a Director w.e.f. 01st August, 2015 on resignation as Executive Director & CFO.

The Company Secretary of the Company acts as the Secretary to the Committee.

The Board at its meeting held on 30th May, 2015 has re-constituted the CSR Committee due to resignation of Dr. Bipin C. Doshi, (member of the Committee). At present, the Committee consists of following Directors as its members:

Name of the Director	Status	Nature of Directorship
Mr. A. Prakashchandra Hegde	Chairman	Independent Director
Mr. Ashok M. Seth*	Member	Whole-Time Director
Mr. Hemant P. Kanugo	Member	Whole-Time Director

*Continuing as a Director w.e.f. 01st August, 2015 on resignation as Executive Director & CFO.

Terms of Reference of the Committee, inter-alia includes the following :

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the CSR Policy of the Company from time to time.
- To approve the Corporate Sustainability Reports and oversee the implementation of sustainability activities.

There was no meeting of the Committee held during the financial year 2014-15. Initiatives with respect to it have been described in the Board's Report.

E) Executive Committee :

The Executive Committee was constituted by the Board of Directors at its meeting held on 12th November, 2010 comprising of following Directors in order to have convenience in expediting day to day matters relating to company's affairs like finance, management etc.

The composition of the Committee as at 31st March, 2015 is as follows.

Name of Member	Status in Committee
Mr. Prakash C. Kanugo - Chairman & Managing Director	Chairman
Mr. Ashok M. Seth - Whole-Time Director*	Member
Mr. Hemant P. Kanugo - Whole-Time Director	Member
Mr. Kamal P. Kanugo - Whole-Time Director	Member

*Continuing as a Director w.e.f. 01st August, 2015 on resignation as Executive Director & CFO.

The decisions of the executive committee are to be ratified in the subsequent Board meetings.



Annual General Meetings

Location, time, date and venue of the AGMs held during the preceding 3 years are as follows:

Year	Location	Date	Time
2011-12	Victoria Memorial School for the Blind, Opp. A. C. Market, Tardeo, Mumbai 400034	14 th August, 2012	4.00 P.M.
2012-13	Victoria Memorial School for the Blind, Opp. A. C. Market, Tardeo, Mumbai 400034	14 th August, 2013	4.00 P.M.
2013-14	Victoria Memorial School for the Blind, Opp. A. C. Market, Tardeo, Mumbai 400034	26 th September, 2014	4.00 P.M.

Tentative Calendar for Financial Year ending March 31, 2016 :

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

Sr. No.	Particulars of Quarter	Tentative Dates
1	First Quarter Results	On or before the second week of August, 2015
2	Second Quarter & Half Yearly Results	On or before the second week of November, 2015
3	Third Quarter & Nine Months Results	On or before the second week of February, 2016
4	Fourth Quarter & Annual Results	On or before the fourth week of May, 2016

Details of Special Resolution(s) at Annual General Meetings held during the last three years:

AGM held on 14th August, 2012:

There was no special resolution passed in the AGM.

AGM held on 14th August, 2013:

1. Re-appointment of Mr. Prakash C. Kanugo as the Managing Director.
2. Re-appointment of Mr. Ashok M Seth as a Whole-time Director.
3. Re-appointment of Mr. Hemant P. Kanugo as a Whole-time Director.
4. Re-appointment of Mr. Kamal P. Kanugo as a Whole-time Director.

AGM held on 26th September, 2014 :

There was no special resolution passed in the AGM.

Details of the Special resolution(s) passed at Extraordinary General Meeting during the last three years.

There was no Special resolution passed during the last three years in any Extra-ordinary General Meeting.


Details of the Special resolution(s) through Postal Ballot approved on 30th March, 2015

Special Resolutions	Vote Cast in favour		Vote Cast against		Date of declaration of results
	No. of Votes	%	No. of Votes	%	
Alteration of object in the memorandum of Association of the Company	10626650	100	50	0.00	30.03.2015
Adoption of new set of Articles of Association of the Company as per Companies Act, 2013	10626590	100	100	0.00	30.03.2015
Reconfirmation of the existing authorization to the Board of Directors of the Company to borrow within the approved limits	10626640	100	50	0.00	30.03.2015
Creation of mortgage/Pledge/charge on the assets of the Company	10626640	100	50	0.00	30.03.2015
Creation of Joint Venture Company and for related party transaction viz. Investment in Equity shares and sale of undertaking to the said Joint Venture	10626640	100	410	0.00	30.03.2015
Sale of Umbergaon unit to the proposed joint Venture Company	10626280	100	50	0.00	30.03.2015
Appointment of Ms. Neetta Bokaria (DIN 07101155), as an Independent Director of the Company	10626640	100	50	0.00	30.03.2015

Person who conducted the Postal Ballot Exercise

Mr. S. Anantha Rama Subramanian – Practising Company Secretary (CP No. :1925)

Procedure followed by Company for conducting Postal Ballot.

After receiving the approval of the Board of Directors and consent of the Scrutinizer, notice of the Postal Ballot containing text of the Resolution and Explanatory Statement to be passed through postal ballot, Postal Ballot Form and self-addressed postage pre-paid envelopes are sent to the shareholders to enable them to consider and vote for or against the proposal within a period of 30 days from the date of dispatch. The Company also provides e-voting facility to enable the shareholders to cast their vote by electronic means. A notice is published in the newspapers regarding dispatch of Postal Ballot notices. After the last date of receipt of ballots, the Scrutinizer, after due verification submits the result to the Chairman. Thereafter, the result of the postal ballot is declared. The same along with Scrutinizer's Report is submitted to the Stock Exchanges and also displayed on the website of the Company i.e. www.prakashsteelage.com.

Disclosures
a. Compliances with Governance Framework

The Company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement.

The Company does not have any materially significant commercial and financial transactions with any of the related parties i.e. Promoters, Directors, Relatives, Associated Company or management having conflict, actual or potential, with the interest of the Company. The Company has complied with the statutory provisions, rules and regulations relating to the capital markets during the last year.

During the year under review, there was no audit qualification in the Company's financial statements. The Financial Statements of the Company are prepared in compliance with



Accounting Standards notified under the Companies Act, 2013 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

b. Means of Communication :

The Company's Quarterly financial results, half yearly and annual results after their approval by the Board of Directors are promptly furnished to BSE and NSE where the Company's Equity are listed;

The Company's Quarterly financial results, half yearly and annual results after their approval by the Board of Directors are published in the newspaper in English and in regional language (Marathi), within 48 hours of approval thereof. Presently the same are not sent to the Shareholders separately.

The financial results are also displayed on the Company's website i.e. www.prakashsteelage.com. Press Releases & Corporate Presentations are also displayed on the Company's website. A Management discussion and analysis report, forming part of the Directors report, is being presented in the Annual report.

Management discussion and Analysis forms part of the Annual report, which is sent to the Shareholders of the Company.

c. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non compliance of any matter related to the capital markets during the last three years.

d. Non-mandatory- requirements :

Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement is being reviewed by the Board from time-to-time.

e. Disclosure of Accounting Treatment :

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

f. Risk Management :

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board. The policy is available on the website of the Company www.prakashsteelage.com

g. Related party transactions :

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under the note 38 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically



placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under Clause 49, the Company has formulated a policy on dealing with Related Party Transactions. The policy is available on the website of the Company www.prakashsteelage.com.

None of the transactions with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have non potential conflict with the interest of the company at large and are carried out on an arm's length basis or fair value.

h. Insider Trading Code :

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Board of Directors of the Company has adopted a Code of Conduct for Prevention of Insider Trading in the Equity Shares of the Company with effect from 15th May, 2015 in its Board Meeting held on 13th February, 2015 and the said code has been displayed on the website of the Company www.prakashsteelage.com.

This Code is applicable to all Directors, relative of Directors and such designated employees who are expected to have access to unpublished price sensitive information relating to the Company. Ms. Pallavi P. Shedge, Company Secretary, is the Compliance Officer for monitoring adherence to the said Regulations.

i. Code of Conduct :

Your Company has adopted a Code of Conduct for all the employees including the Board Members and Senior Management Personnel of the Company in accordance with the requirement under Clause 49(I)(D) of the Listing Agreement. The Code of Conduct has been posted on the website of the Company www.prakashsteelage.com. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2015. The declaration to this effect signed by Mr. Prakash C. Kanugo, Chairman & Managing Director of the Company forms part of the report.

j. Whistle Blower Policy :

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formulated Whistle Blower Policy for vigil mechanism at their meeting held on 29th May, 2014 for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the company has been denied access to the Audit Committee. The said policy has been posted on the website of the Company www.prakashsteelage.com.

k. Certification by the Managing Director and the Chief Financial Officer (CFO) :

Mr. Prakash C. Kanugo, Chairman & Managing Director and Mr. Ashok M. Seth, Executive Director – Finance & CFO, have issued a Certificate to the Board as prescribed under sub-clause V of Clause 49 of the Listing Agreement. The said Certificate was placed before the Board Meeting held on 30th May, 2015 in which the Audited Accounts for the Financial Year ended 31st March, 2015 were considered and approved by the Board of Directors.



Shareholders' Information :

24th Annual General Meeting Details :

Day	Tuesday
Date	29 th September, 2015
Time	05:00 p.m.
Venue	Victoria Memorial School for the Blind, Opp. A. C. Market, Tardeo, Mumbai - 400 034.

Financial Year of the Company :

Financial Year of the Company is 1st April to 31st March.

Book Closure Period :

From: Wednesday, 23rd September, 2015 to Tuesday, 29th September, 2015 (both days inclusive).

Dividend Payment Date :

The dividend, if approved by the shareholders, shall be paid on or before 28th October, 2015.

Reconciliation of Share Capital Audit Report :

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Share Transfer System :

The transfer of shares in physical form is processed and completed by Register & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the system of Transfer and a certificate to that effect is issued.

Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the



Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

Service of documents through electronic mode :

As a part of Green Initiatives, the members who wish to receive the notice/ documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, **Bigshare Services Private Limited** to their dedicated e-mail id i.e. **shubhangi@bigshareonline.com**

Listing with Stock Exchanges :

Date of listing	ISIN No.	Stock Exchange	Scrip Code/ Symbol
25th August 2010	INE696K01016	BSE Ltd. (BSE) P. J. Towers, Dalal Street, Mumbai - 400 001	533239
		National Stock Exchange of India (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	PRAKASHSTL

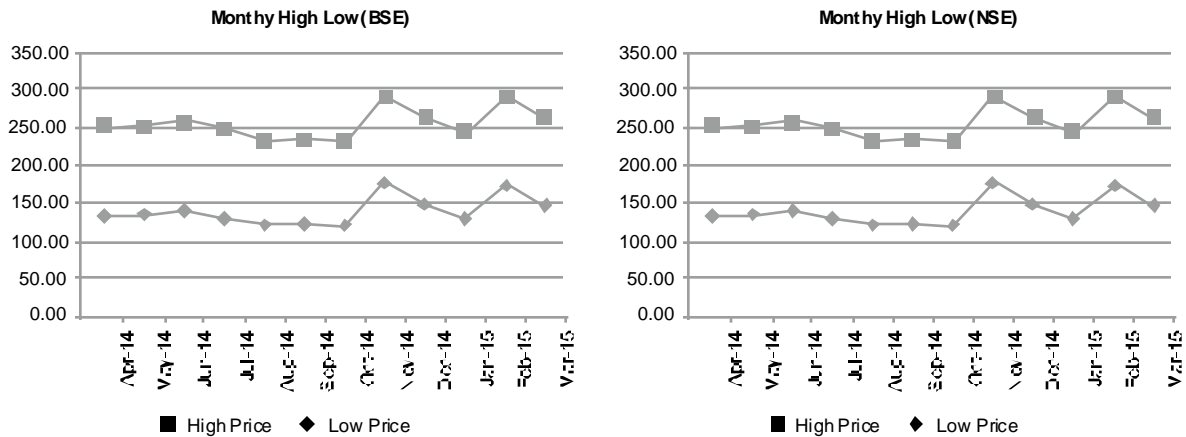
Payment of Listing Fees and Annual Custodial Fees :

The Annual Listing Fee for the year 2015-16 (as applicable) have been paid by the Company to BSE and NSE.

The annual custodial fees for the year 2015-16 (as applicable) have been paid by the Company to NSDL and CDSL.

Share price data Monthly basis for the Financial Year 2014-15:

Month	BSE		NSE	
	High	Low	High	Low
April	132.99	119.00	133.00	119.10
May	135.00	115.00	135.00	115.05
June	140.00	117.05	138.90	118.00
July	128.00	118.05	126.00	118.40
August	120.75	110.80	122.00	111.05
September	122.00	111.50	122.95	111.10
October	119.80	110.35	127.90	110.70
November	176.00	114.00	176.30	113.00
December	148.00	1139.95	148.90	110.00
January	130.05	115.00	130.00	112.20
February	171.90	117.00	171.90	117.00
March	146.50	115.60	149.50	116.60



Shareholding Pattern as on 31st March, 2015

Particulars	No. of Shares	%
Promoters, Including relatives of Director & Corporate bodies	1,17,27,024	67.01
Financial Institutions	5,50,000	3.14
Foreign Inst. Investors (FII)	7,39,992	4.233
Non Institutional Investors	-	-
Other Bodies Corporate	34,27,506	19.599
Clearing Members	10,172	0.066
Non Resident Indian (NRI)	1,779	0.011
Public	10,43,566	5.966
Grand Total	1,75,00,039	100.000

Distribution of Shareholding as on 31st March, 2015

Sr. No.	Category Shares	Number of Shareholders	Percentage of Total	Share Amount	Percentage of Total
1.	1-5000	2,681	93.35	23,01,330	1.32
2.	5001-10000	61	2.12	4,88,760	0.28
3.	10001-20000	44	1.53	6,66,010	0.38
4.	20001-30000	9	0.31	2,12,250	0.12
5.	30001-40000	5	0.17	1,77,610	0.10
6.	40001-50000	8	0.28	3,75,140	0.21
7.	50001-100000	10	0.35	8,73,580	0.50
8.	100001 & Above	54	1.88	16,99,05,710	97.90
	Total	2,872	100.00	17,50,00,390	100.00



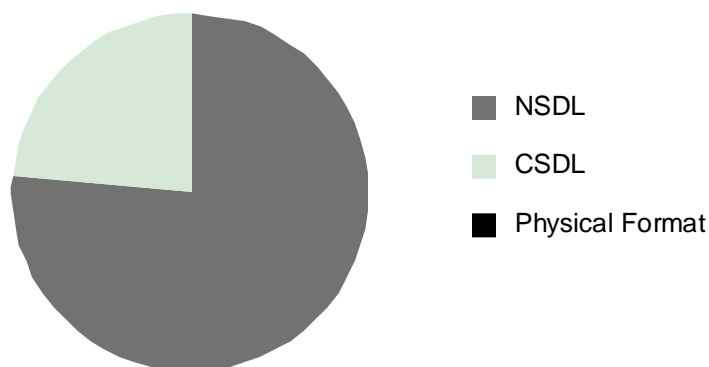
Top 10 Shareholders as on 31st March, 2015 other than Promoter/ Promoter Group

Sr. No.	Name of the Shareholder	No. of Shares held	% of Holding
1.	Balmiki Agencies Pvt. Ltd.	9,70,649	5.55
2.	Mentor Capital Limited	8,48,652	4.85
3.	General Insurance Corporation Of India	5,50,000	3.14
4.	Cresta Fund Ltd	3,82,361	2.18
5.	Emerging India Focus Funds	3,57,631	2.04
6.	Sunidhi Capital Pvt Ltd	3,34,259	1.91
7.	Haridarshan Sales Private Limited	2,70,000	1.54
8.	Swagatam Marketing Private Limited	2,50,236	1.43
9.	Trisions Metaflex Private Limited	1,83,000	1.05
10.	Kamlesh Manohar Kanugo	1,46,461	0.84

Dematerialisation of shareholding

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar- Bigshare Services Private Limited. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. Almost the entire shareholding (99.99%) is held in dematerialized form with NSDL 1,33,67,168 Shares (76.38%) and CDSL 41,32,867 Shares (23.61%) as on 31st March, 2015 and only 4 shares are in physical form.

Dematerialized Position as of 31st March, 2015



Address for Investor Correspondence

Ms. Pallavi P. Shedge
Company Secretary & Compliance Officer
 Prakash Steelage Limited
 1402, 14th Floor,
 A Wing, Naman Midtown,
 Senapati Bapat Marg, Elphinstone Road,
 Mumbai - 400 013

Tel.: 022-66134500 Fax : 0222-66134599
 Email : cs @prakashsteelage.com

Registrar & Transfer Agents
 Bigshare Services Private Limited
 E2/3, Ansa Industrial Estate,
 Sakivihar Road, Sakinaka,
 Andheri (East), Mumbai – 400 072
 Tel. : +91-022-28470632/53
 Fax : +91-022-28475207
 Email : babu@bigshareonline.com
 Website : www.bigshareonline.com



Manufacturing Units

Silvassa : Survey No. 46/1, Parjai Road,
Village: Kherdi, Silvassa - 396 230,
Union Territory Dadra & Nagar Haveli (India)

Umbergaon: Plot No.131/1,
Umbergaon, Sanjan Road, Umbergaon-396 170,
Dist. Valsad, Gujarat (India)

Annexure to Corporate Governance Report

Declaration of Compliance with the code of conduct

All Board members and Senior Management Personnel have, for the year ended 31st March, 2015, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered with the Stock Exchanges.

Sd/-

Prakash C. Kanugo
Chairman & Managing Director
DIN: 00286366

Mumbai, 14th August, 2015

Certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) on financial statements of the Company

We, Prakash C. Kanugo, Chairman & Managing Director and Ashok M. Seth, Whole-time Director – Finance and CFO, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
 - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading; and
 - These statements present true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies; and
4. That we have informed the auditors and the Audit Committee of:
 - i. Significant changes in internal control during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Sd/-

Prakash C. Kanugo
Chairman & Managing Director
DIN: 00286366

Mumbai, 30th May, 2015

Sd/-

Ashok M. Seth
Executive Director – Finance &
Chief Financial Officer
DIN: 00309706



Practicing Company Secretary Certificate on compliance of Corporate Governance as stipulated in Clause 49 of the listing Agreement

To
The Members of Prakash Steelage Limited

We have read the Report of Directors on Corporate Governance and have examined the relevant records relating to compliance of condition of Corporate Governance by Prakash Steelage Limited for the year ended on 31st March, 2015, as stipulated in Clause-49 of the Listing Agreement executed by the Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the condition of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S. ANANTHA & Co.,
Company Secretaries**

Sd/-

**S. Anantha Rama Subramanian
Proprietor
FCS 4443, C.P. NO. 1925**

**Place: Mumbai
Date: 14th August, 2015**



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRAKASH STEELAGE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **PRAKASH STEELAGE LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of matter

We draw attention to note no. 40 of the financial statements regarding non-disclosure of initial disclosures namely total assets, total liabilities, revenue, expenses, net cash flows and pre-tax profit or loss in respect of the ordinary activities attributable to the discontinuing operation and the income tax expense related thereto as required by Accounting Standard (AS) 24 'Discontinuing Operations' in respect of proposed transfer of its seamless business. As stated in aforesaid note, the company is unable to determine the income, expenses, assets and liabilities clearly



attributable to the discontinued operations and the management is of the view that the seamless business, a component of the enterprise, cannot be distinguished operationally and for financial reporting purposes for the reasons mentioned therein.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 41 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 42 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 43 to the financial statements.

FORKHANDELWALJAIN & CO.
Chartered Accountants
Firm's Registration No. 105049W

sd/-
(NARENDRA JAIN)
PARTNER
Membership No. 048725
Place: Mumbai
Date: May 30, 2015

FORBATLIBOI & PUROHIT
Chartered Accountants
Firm's Registration No. 101048W

sd/-
(R.D.HANGEKAR)
PARTNER
Membership No. 030615



Annexure to the Independent Auditors' Report

Annexure referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' of Independent Auditors' Report to the members of **PRAKASH STEELAGE LIMITED** ("the Company") for the year ended March 31, 2015. We report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - b) The fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification of fixed assets by the management, as informed to us, is at reasonable intervals, having regard to the size of the Company and the nature of the assets physically verified. As explained to us no material discrepancies were noticed on such verification.
- (ii) a) Inventory have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are generally reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of inventory. Discrepancies noticed on verification by management between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause 3(iii) of Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control systems.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.
- (vi) According to information and explanations given to us, the Company has maintained books of account and records required to be maintained pursuant to the rule prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
- (vii) a) Undisputed Statutory dues including Employees' Provident Fund, Employees' State Insurance (ESIC), Value Added Tax, Central Sales Tax, Entry Tax, Tax Deducted at Source (TDS), Wealth Tax, Service Tax and Profession Tax have generally been regularly deposited with the appropriate authorities except for dues in respect of income-tax where considerable delay has been observed in depositing such dues with the appropriate authorities. According to the information and explanations given to us, there were no undisputed statutory dues which have remained outstanding as at March 31, 2015 for the period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, and the records examined by us, the dues in respect of Sales-Tax, Income-Tax, Duty of Customs, Wealth-tax, Service Tax, entry tax, Value Added Tax, Central Sales Tax, Duty of Excise, Cess as at March 31, 2015 that have not been deposited with the appropriate authority on account of any disputes and the forum where the dispute is pending are as under:
 - c) According to the information and explanations given to us, there were no amounts which were required



Sr. No.	Name of the Statute	Nature of the Dues	Financial Year to which amount relates	Amount (Rs.)	Forum where dispute is Pending
1	Bombay Sales Tax Act	Sales Tax	1994-95	79,202/-	Dy. Comm. Sales Tax (Appeal) IV, Mumbai
2	Bombay Sales Tax Act	Sales Tax	1995-96	59,317/-	Dy. Comm. Sales Tax (Appeal) IV, Mumbai
3	Central Sales Tax Act	Central Sales Tax	1995-96	2,85,360/-	Dy. Comm. Sales Tax (Appeal) IV, Mumbai
4	Central Sales Tax Act, 1958	Central Sales Tax	2009-10	42,53,968/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
5	Maharashtra VAT Act, 2002	Maharashtra Value Added Tax	2009-10	1,07,56,527/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
6	Maharashtra VAT Act, 2002	Maharashtra Value Added Tax	2005-06	1,14,78,701/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
7	Central Sales Tax Act, 1958	Central Sales Tax	2005-06	1,25,90,800/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
8	Maharashtra VAT Act, 2002	Maharashtra Value Added Tax	2008-09	3,76,000/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
9	Central Sales Tax Act, 1958	Central Sales Tax	2008-09	3,82,78,500/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
10	Central Excise Act, 1944	Cenvat Credit & Penalty	April 2007 to August 2009	17,23,624/-	Customs Excise & Service Tax Appellate Tribunal, Ahmedabad

to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- (viii) The Company has no accumulated losses at the end of the financial year and has not incurred cash loss in the current financial year or in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) In our opinion and according to the information and explanation given to us, the term loans raised during the year have been applied for the purpose for which they were raised.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on the Company or by the Company has been noticed or reported during the course of our audit.

FOR KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration No. 105049W

sd/-
(NARENDRA JAIN)
PARTNER
Membership No. 048725
Place: Mumbai
Date: May 30, 2015

FOR BATLIBOI & PUROHIT
Chartered Accountants
Firm's Registration No. 101048W

sd/-
(R. D. HANGEKAR)
PARTNER
Membership No. 030615



BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Notes	As At 31-03-2015 Rs.	As At 31-03-2014 Rs.
I Equity And Liabilities			
1 Shareholders' Funds			
a Share Capital	2	1,75,000,390	1,75,000,390
b Reserves And Surplus	3	1,744,512,818	1,620,430,605
2 Non-Current Liabilities			
a Long Term Borrowings	4	483,018,760	391,010,274
b Deferred Tax Liabilities (Net)	5	64,663,950	72,377,189
c Long Term Provisions	6	8,377,455	6,295,509
3 Current Liabilities			
a Short Term Borrowings	7	1,896,920,303	2,188,785,810
b Trade Payables	8	3,280,146,515	1,585,359,322
c Other Current Liabilities	8	244,258,169	260,524,753
d Short Term Provisions	6	76,110,682	70,967,685
Total		7,973,009,042	6,370,751,537
II Assets			
1 Non-Current Assets			
a Fixed Assets	9		
i Tangible Assets		795,577,123	821,251,328
ii Intangible Assets		13,517,135	18,231,808
b Capital Work In Progress		12,544,446	6,819,292
c Intangible Assets Under Development		-	-
d Non-Current Investment	10	4,035,469	4,035,469
e Long Term Loans and Advances	11	148,419,691	100,279,018
f Other Non-Current Assets	12	-	8,330,901
2 Current Assets			
a Inventories	13	2,661,900,575	2,054,577,596
b Trade Receivables	14	3,656,314,732	2,791,798,245
c Cash And Bank Balances	15	93,912,933	182,458,597
d Short Term Loans And Advances	11	525,908,969	326,492,366
e Other Current Assets	12	60,877,969	56,476,917
Total		7,973,009,042	6,370,751,537
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements
AS PER OUR REPORT OF EVEN DATE

FOR KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 105 049W

Sd/-
NARENDRA JAIN
PARTNER
M. No. 048725

PLACE : MUMBAI
MUMBAI : 30TH MAY, 2015

FOR BATLIBOI & PUROHIT
CHARTERED ACCOUNTANTS
Firm Registration No.: 101 048W

Sd/-
R. D. HANGEKAR
PARTNER
M.No. 030615

FOR AND ON BEHALF OF THE BOARD

Sd/-
PRAKASH C. KANUGO
CHAIRMAN &
MANAGING DIRECTOR

Sd/-
ASHOK M. SETH
EXECUTIVE DIRECTOR &
CHIEF FINANCIAL OFFICER

Sd/-
PALLAVI P. SHEDGE
COMPANY SECRETARY &
COMPLIANCE OFFICER



**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	Notes	Year Ended 31-03-2015 Rs.	Year Ended 31-03-2014 Rs.
Income			
Revenue From Operations (Gross)	16	10,866,223,604	9,621,674,470
Less : Excise Duty		141,905,343	179,495,577
Revenue From Operations (Net)		10,724,318,261	9,442,178,893
Other Income	17	121,198,742	41,176,556
Total Revenue (I)		10,845,517,003	9,483,355,449
Expenses			
Purchases		7,765,060,263	6,749,251,330
Raw Material Consumed	18	2,342,096,521	1,923,486,965
(Increase)/Decrease In Stock	19	(598,645,649)	(329,638,617)
Stores & Spares Consumed		126,893,231	93,913,273
Employee Benefit Expenses	20	105,958,950	99,951,094
Finance Costs	21	361,948,463	353,210,298
Depreciation And Amortisation	9	113,596,732	80,866,737
Other Expenses	22	312,082,297	276,699,859
Total Expenses (II)		10,528,990,808	9,247,740,939
Profit/ (Loss) Before Exceptional Item And Prior Period Adjustments		316,526,195	235,614,510
Prior Period Adjustment (net)	33	35,805	31,090
Profit/(Loss) Before Exceptional Item and Tax		316,562,000	235,645,600
Exceptional Items	34	(102,592,154)	17,500,000
Profit/ (Loss) Before Tax		213,969,846	253,145,600
Tax Expenses			
Current Tax		77,745,719	80,091,000
Deferred Tax		(4,630,323)	7,423,686
Income Tax relating to earlier years		253,765	138,622
Total Tax Expenses		73,369,161	87,653,308
Profit/ (Loss) After Tax		140,600,684	165,492,292
Earnings Per Equity Share (Basic And Diluted)			
Before Exceptional Item		11.90	8.79
After Exceptional Item		8.03	9.46
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements
AS PER OUR REPORT OF EVEN DATE

FOR KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 105 049W

NARENDRA JAIN
PARTNER
M. No. 048725

PLACE : MUMBAI
MUMBAI : 30TH MAY, 2015

FOR BATLIBOI & PUROHIT
CHARTERED ACCOUNTANTS
Firm Registration No.: 101048W

R. D. HANGEKAR
PARTNER
M.No. 030615

FOR AND ON BEHALF OF THE BOARD

PRAKASH C. KANUGO
CHAIRMAN &
MANAGING DIRECTOR

ASHOK M. SETH
EXECUTIVE DIRECTOR &
CHIEF FINANCIAL OFFICER

PALLAVI P. SHEDGE
COMPANY SECRETARY &
COMPLIANCE OFFICER



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Year Ended 31-03-2015 Rs.	Year Ended 31-03-2014 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	316,526,195	235,614,510
Adjustment for:		
Depreciation and Amortisation	113,596,732	80,866,737
Profit on Sale of Fixed Assets	(29,067,945)	(19,508)
Exceptional Item (refer note 34)	(102,592,154)	17,500,000
Loss on Sale/Theft of Fixed Assets	240,503	5,109,670
Sundry Balances Written Back / Off (Net)	20,010,323	31,326,734
Provision for Doubtful Debts	-	4,420,192
Provision for Wealth Tax	23,575	63,700
Unrealised gains and losses arising from changes in foreign exchange rates	27,951,486	2,724,823
Interest Received	(72,489,544)	(37,608,078)
Finance Cost	361,948,463	353,210,298
Operating Profit Before Working Capital Changes	636,147,634	693,209,079
Adjustment for:		
Inventories	(616,141,143)	(168,805,283)
Trade & Other Receivables	(1,110,248,178)	(847,806,601)
Trade Payables & Other Current Liabilities	1,670,385,964	288,125,532
Cash Generated from Operations	580,144,278	(35,277,273)
Direct Taxes Paid (Net of Refund)	(65,976,339)	(53,184,981)
Cash Flow before prior period Adjustments & Exceptional item	514,167,939	(88,462,254)
Prior Period Adjustments	35,805,	31,090
Net Cash From / (Used In) Operating Activities (A)	514,203,744	(88,431,164)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital work-in-progress	(144,674,822)	(152,956,270)
Investment in subsidiary	-	(3,035,469)
Investment in mutual fund	-	(1,000,000)
Investment in Bank Deposits	21,900,846	25,121,819
Sale of Fixed Assets	42,648,336	2,471,112
Interest Received	74,690,583	36,829,652
Net Cash From / (Used In) Investing Activities (B)	(5,435,057)	(92,569,156)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Secured Borrowings (Net)	(135,718,630)	424,356,326
Repayment / (proceeds) from Unsecured Borrowings (Net)	(64,688,469)	170,869,043
Finance Cost Paid	(362,333,413)	(348,185,679)
Dividend & Dividend Tax Paid	(20,458,755)	(20,456,621)
Net Cash From / (Used In) Financing Activities (C)	(583,199,267)	226,583,069
Net Increase / (Decrease) in Cash and Cash equivalents (A)+(B)+(C)	(74,430,580)	45,582,749
Cash and Cash equivalents at the begining of the year	92,100,741	46,552,174
Exchange differences on translation of foreign currency		
Cash and Cash equivalents	(112,351)	(34,182)
Cash and Cash equivalents at the end of the year	17,557,810	92,100,741

NOTES :

- Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Cash and Cash equivalent at the end of the year includes earmarked balance with Bank of unpaid dividend of Rs.78,739/- (previous year Rs.63,323/-).
- Figures for the previous year are re-classified / re-arranged / re-grouped, wherever necessary.

As per our report of even date attached
FOR KHANDELWAL JAIN & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 105049W

FOR BATLIBOI & PUROHIT
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 101048W

FOR AND ON BEHALF OF THE BOARD

NARENDRA JAIN
 PARTNER
 M. No. 048725
PLACE : MUMBAI
MUMBAI : 30TH MAY, 2015

R. D. HANGEKAR
 PARTNER
 M.No. 030615

PRAKASH C. KANUGO
 CHAIRMAN &
 MANAGING DIRECTOR
PALLAVI P. SHEDGE
 COMPANY SECRETARY &
 COMPLIANCE OFFICER

ASHOK M. SETH
 EXECUTIVE DIRECTOR &
 CHIEF FINANCIAL OFFICER



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

1 Summary of significant accounting policies

a) Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (India GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

b) Use of estimates

The preparation of financial statements in conformity with India GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Fixed Assets

Fixed Assets have been stated at cost of acquisition inclusive of expenses directly attributable to the acquisition of such assets. Elements of refundable duties and taxes on capital goods purchased have been reduced from the total cost of such assets.

d) Depreciation

Depreciation on fixed assets is provided on Written Down Value (WDV) Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except for Fixed Assets pertaining to Umbergaon Unit where depreciation is charged on Straight Line Method (SLM) based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

e) Pre-operative Expenses and Allocation thereon

All pre-operative expenditure & trial run expenditure are accumulated as Capital Work-in-Progress and is allocated to the relevant fixed assets on a pro-rata / reasonable basis.

f) Valuation of Inventories

- i) Raw Materials have been valued at lower of cost or net realisable value based upon FIFO method except where the material is specifically identifiable.
- ii) Work-in-progress has been valued on cost of raw-material and other direct cost depending upon the stage of completion of production in general.
- iii) Finished goods and trading stocks have been valued at lower of cost or net realisable value based upon FIFO method except where the finished goods are specifically identifiable.
- iv) Scrap, defectives and inferior production have been valued at net realisable value.
- v) Stores, spares and consumables have been valued at lower of cost or net realisable value.

Cost/Rate considered above for valuation of inventory is exclusive of Cenvat, refundable CVD and VAT component and inclusive of other direct cost incurred for acquiring the respective material.

g) Material Events occurring after the Balance Sheet date

Material events occurring after the date of Balance Sheet have been taken cognizance of liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty have been treated as contingent liability and are disclosed by way of notes to accounts.

h) Revenue Recognition

A sale is recognized at the time of dispatching the goods to the customer excluding Value Added Tax & Excise Duty collection. Purchases including import purchases are recognized net of refundable Value Added Tax and Duty component at the time of receipt of goods.

Export benefits have been recognized at the time of making the export sales & valued on estimated monetary benefit receivable there from.



i) Foreign Exchange Transactions

- i) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Exchange differences, other than those which are regarded as an adjustment to interest cost, arising on repayment of liabilities and conversion of year-end foreign currency balances pertaining to long term loans for acquiring depreciable assets including capital work in progress are adjusted in the carrying cost of these assets.
- v) The premium or discount arising at the inception of a forward exchange contract not intended for trading or speculation purpose is amortised as expense or income over the life of the contract. Exchange difference on account of change in rates of underlying currency at the year end is recognized in the Statement of Profit and Loss. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or expense for the Year.

In recording a forward exchange contract intended for trading or speculation purpose, the premium or discount on the contract is ignored and at each Balance Sheet date, the value of the contract is marked to its current market value and gain or loss on the contract is recognized in the Statement of Profit and Loss.

- vi) The exchange difference arising on revenue and other account except as stated under (iv) above and (p) below is adjusted in the Statement of Profit and Loss.

j) Employee Benefits

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

k) Preliminary and Share Issue Expenses

Preliminary and Share Issue expenses are written off in the year in which such expenditure is incurred.

l) Excise Duty on Finished Goods

Excise duty is accounted on the basis of both, payments made in respect of goods cleared and also provision made for goods lying in the stock as at the year end.

m) Duties and Taxes on Purchases

Refundable duties and taxes on purchase of Raw Materials, other eligible inputs and capital goods are adjusted against duties and taxes payable. The unadjusted credits of such duties and taxes are shown under the head "Loans and Advances".

n) Export Benefits

The Company accounts for Export Benefits under duty exemption Advance License Scheme of the Government of India, in the year of exports of goods.

o) Prior Period Adjustment

Expenses and income pertaining to earlier / previous years are accounted as Prior Period Items.

p) Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of qualifying fixed assets are capitalised as part of cost of assets, up to the date, the asset is put to use. Borrowing costs also include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

q) Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the



Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

r) Investments

Long Term investments are valued at cost. Provision for diminution in value of investment is made to recognize a decline other than temporary.

Current investments are valued at cost or market value whichever is lower on the last day of financial year.

s) Impairment of Assets:

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which assets are identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of recoverable amount.

t) Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an out flow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

u) Earning Per Share (E.P.S.)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti dilutive.

2. Share Capital

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Authorised		
20,000,000 (P.Y. 20,000,000) Equity Shars of Rs. 10/- each	200,000,000	200,000,000
Issued Subscribed & Paid up		
17,500,039 (P.Y.. 17,500,039) Equity Shars of Rs. 10/- each fully paid up	175,000,390	175,000,390
Total	175,000,390	175,000,390

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31 st March, 2015		31 st March, 2014	
	Nos.	In Rs.	Nos.	In Rs.
At the beginning of the period	17,500,039	175,000,390	17,500,039	175,000,390
Issued during the year	-	-	-	-
Outstanding at the end of the period	17,500,039	175,000,390	17,500,039	175,000,390

b Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors, in their meeting on 30th May, 2015, proposed a final dividend of Re 0.5/- per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on 29th September, 2015. The total dividend appropriation for the year ended 31st March, 2015 amounted to Rs.8,750,020/- excluding corporate dividend tax of Rs. 1,781,298/-.

During the year ended 31st March, 2014, the amount of final dividend recognized as distributions to equity



shareholders was Re.1/- per equity share. The total dividend appropriation for the year ended 31st March, 2014 amounted to Rs. 1,75,00,039/- excluding corporate dividend tax of Rs. 29,74,132/-

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

c Details of shareholders holding more than 5% shares in the Company

	31 st March, 2015		31 st March, 2014	
	No. of Shares (Rs. 10/- each)	% of holding in the class	No. of Shares (Rs. 10/- each)	% of holding in the class
Equity shares of Rs. 10 each fully paid				
Prakash C. Kanugo	3,783,500	21.62%	3,783,500	21.62%
AMS Trading and Investment Private Limited	2,876,000	16.43%	2,876,000	16.43%
Seth Iron and Steel Private Limited	1,490,000	8.51%	1,490,000	8.51%
Balmiki Agencies Private Limited	970,649	5.55%	970,649	5.55%

3. Reserves and Surplus

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Share Premium Account		
As per Last Balance Sheet	671,589,261	671,589,261
Add : Share Issue Expenses (Net of Tax)	-	-
Closing Balance	671,589,261	671,589,261
General Reserve		
As per Last Balance Sheet	275,312,948	225,312,948
Add : Amount Transferred from surplus balance in the statement of Profit and Loss	50,000,000	50,000,000
Closing Balance	325,312,948	275,312,948
Surplus / (Deficit) in the statement of profit and loss		
As per Last Balance Sheet	673,528,396	578,510,275
Less : Depreciation Adjustment relating to Fixed Assets (Refer Note No. 39)	(9,070,071)	-
Add : Deffered tax on above depreciation (Refer Note No. 39)	3,082,917	-
Add : Profit for the year	140,600,684	165,492,292
Less : Appropriations		
Transfer to General Reserve	50,000,000	50,000,000
Dividend Proposed	8,750,020	17,500,039
Dividend Distribution Tax	1,781,298	2,974,132
Total Appropriations	60,531,318	70,474,171
Net Surplus in the statement of Profit and Loss	747,610,609	673,528,396
Total Reserve and Surplus	1,744,512,818	1,620,430,605



4 Long Term Borrowings

	Non Current portion		Current Maturities	
	31 st March,2015 in Rs.	31 st March,2014 in Rs.	31 st March,2015 in Rs.	31 st March,2014 in Rs.
Term Loans				
Indian rupee loan from Bank (Secured)	146,281,031	138,331,331	67,568,568	50,888,568
Indian rupee loan from Promoter Director (Unsecured)	335,000,000	250,000,000	-	-
Working Capital Loan				
Indian rupee loan from NBFC (Unsecured)	-	-	-	10,000,000
Vehicle Loans				
From Banks (Secured)	1,737,729	2,678,943	941,215	948,495
	483,018,760	391,010,274	68,509,783	61,837,063
The above amount includes				
Secured Borrowings	148,018,760	141,010,274	68,509,783	51,837,063
Unsecured Borrowings	335,000,000	250,000,000	-	10,000,000
Amount Disclosed under the head "Other current liabilities" (Note 8)	-	-	68,509,783	61,837,063
Net Amount	483,018,760	391,010,274	-	-

- a (i) Indian rupee loan from Banks (secured) carries interest @ 15.50 % p.a. (previous year 15.50% p.a.). The loan is repayable in 84 monthly installments of Rs 1,460,714/- each along with interest from the date of loan, viz., 10th July, 2008 the loan is secured by way of mortgage of factory land & building, and hypothecation of plant & machinery of Company at Umbergaon. (First pari passu charge between Vijaya Bank and Bank of Baroda)
- (ii) Indian rupee loan from Banks (secured) carries interest 13% p.a. (previous year 13% p.a. to 14.25% p.a.). The loan is repayable after 15 months from the date of first disbursement (date: 18.05.2013) in 59 monthly equal installments of Rs 4,170,000/- and last installment will be of Rs. 3,970,000/- along with interest from the date of loan, interest and other charges to be paid as and when debited. This loan is secured by way of mortgage of factory land & building, and hypothecation of plant & machinery of Company at Umbergaon. (First pari passu charge with Vijaya Bank and Bank of Baroda). Also second pari passu charge on current assets of the Company including stocks and book debts.
- b Indian rupee loan from Promoter Director (Unsecured) taken from a proprietary concern of a Promoter Director, carries interest @ 9.00% (previous year 9.00% p.a.). Loan of Rs. 250,000,000/- is repayable after the expiry of 5 years with an option to be paid fully or in tranches. The interest is payable on yearly basis. The said loan has been introduced as per the loan sanction terms & conditions of Vijaya bank & Bank of India. and shall remain in the business during the currency of the loan from both the banks. Further, during the year, the Company has taken additional loan of Rs. 85,000,000/- from the said proprietary concern of a Promoter Director as interest free loan and this will remain in business till bank finance. The Loan will be paid after the expiry of 5 years with an option to be paid fully or in tranches. The said loan has been introduced as per the sanction terms & conditions of Vijaya Bank and Union Bank of India.
- c Working Capital loan from NBFC (unsecured) as at the end of the previous year, taken on 26th February, 2013 for a period of 24 months carrying interest rate of 10.75% p.a. (previous year 10.75% p.a.) flat on Rs. 30,000,000/-. The same is repayable in 12 monthly installments of Rs 1,822,500/- in the first year of the loan & installments of Rs 1,215,000/- for the remaining period of the loan. The loan has been sanctioned against collateral of Rs. 6,000,000/- with the lender along with post dated cheques for Principal and Interest payable thereon and personal guarantee of three directors. During the year, the said working capital loan has been fully repaid.
- d Vehicle loans from Banks (secured) carries interest in the range of 7.50% p.a. to 12.50% p.a. (previous year 7.50% p.a. to 12.50% p.a.) All the loans are repayable in 34 - 55 monthly installments from the date of disbursement. These loans are secured against hypothecation of respective Vehicles and Post Dated Cheques for Principal & Interest payable thereon.



5. Deferred Tax Liabilities (Net)

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Deferred Tax Liability		
Fixed assets : Tax impact of difference between carrying amount of fixed assets in the financial statement and the income tax return	70,568,547	79,335,096
Gross Deferred Tax Liability	70,568,547	79,335,096
Deferred tax assets		
Outstanding Leave encashment Gratuity and Bonus	3,763,732	3,166,826
Provision of doubtful debts	1,845,354	1,845,354
Preliminary Expenses u/s. 35D of the Income Tax Act, 1961	295,511	1,945,727
Gross Deferred Tax Assets	5,904,597	6,957,907
Deferred Tax Liabilities (Net)	64,663,950	72,377,189

6. Provisions

	Long-Term		Short-Term	
	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.	31 st March, 2015 in Rs.)	31 st March, 2014 in Rs.
(a) Provision for employee benefits				
Provision for Leave Encashment	1,304,619	1,067,949	76,633	103,909
Provision for Gratuity	7,072,836	5,227,560	432,992	324,558
	8,377,455	6,295,509	509,625	428,467
(b) Other Provisions				
Proposed Dividend	-	-	8,750,020	17,500,039
Dividend Distribution Tax	-	-	1,781,298	2,974,132
Income Tax (Net of Advance Taxes)	-	-	64,902,201	49,901,347
Fringe Benefit Tax (Net of Advance Taxes)	-	-	143,963	100,000
Wealth Tax (Net of Advance Taxes)	-	-	23,575	63,700
	-	-	75,601,057	70,539,218
	8,377,455	6,295,509	76,110,682	70,967,685

7. Short-Term Borrowings

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Cash Credit from Banks (Secured)	1,682,404,503	1,757,921,182
Buyer's Credit from Banks (Secured)	103,243,840	117,444,986
Working Capital loan from Bank (Secured)	-	60,000,000
Export Packing Credit from Banks (Secured)	78,747,074	81,206,287
Bill Discounting from Bank (Unsecured)	32,524,886	31,414,974
Bill Discounting from a NBFC (Unsecured)	-	140,798,381
	1,896,920,303	2,188,785,810
The Above amount includes		
Secured Borrowings	1,864,395,417	2,016,572,455
Unsecured Borrowings	32,524,886	172,213,355
Total	1,896,920,303	2,188,785,810

- a Working Capital Loan from Bank (Secured) as at end of the previous year and Cash Credit from Banks (Secured) are repayable on demand and carries interest @ 12.20% to 12.95% p.a., (previous year @ 12.20% to 12.85% p.a.), Buyers Credit (Secured) represents Foreign Currency Buyers Credit from various Banks which carries interest ranging from 1 % to 5.25 % p.a. (previous year 1 % to 5.25 % p.a.) having a tenor of maximum upto 180 days., Export Packing Credit from Banks (Secured) represents export packing Credit facility from banks. The tenor of the facility is maximum upto 180 days and the rate of interest (Foreign Currency facility) is Margin + LIBOR i.e. approximately 3.50% to 5 % p.a. (previous year 3.50% to 5% p.a.)



and rate of interest (Indian Currency facility outstanding as at the end of the previous year) was @ 13.00% p. a. , All these loans are secured by hypothecation of Stocks of Raw Material, Stocks-in-process, Finished Goods, stores and spares (not relating to plant & machinery), bills receivables, book debts & all other current assets and movables (both present & future) at Silvassa & Umbergaon [First Pari Passu charges amongst Vijaya Bank, Bank of Baroda, Union Bank of India, Bank of India & DBS Bank Ltd., and the whole of the movable plant & machinery including all the spare parts and all other movable assets such as furniture, fixture, fittings, vehicles & equipments (both present and future) at Silvassa (First Pari Passu charges amongst the above mentioned banks] and at Umbergaon (Second Pari Passu charges amongst above mentioned banks) and collateral securities in form of first pari-passu charge on piece and parcel of non agricultural land along with the building unit no. 1 at Silvassa (Second pari-passu charge on piece and parcel of non agricultural land along with the building at Unit no. 2 at Umbergaon), & first pari-passu charge on piece and parcel of non agricultural land belonging to the company behind factory at Unit no. 2 Umbergaon, District : Valsad , State Gujrat, office premises no. 101 & 102 at Islampura Street, at Mumbai, 701, Mahalaxmi chambers, at Mumbai, Bungalow unit No.C 26, at Swapan Lok Complex, Lonavla, District Pune, Plot at OHM Industrial Infrastructure Park, Umbergaon, District Valsad, State Gujrat and two residential Plot No.B 30 & C 20, at Sheetal Township Project, Umbergaon, District : Valsad , State Gujrat belonging to three Directors and their relatives and personal guarantee of four directors & their relatives.

- b Bill Discounting from Bank (Unsecured) represents export bills discounted with foreign banks. The tenor of the loan is in the range of 50 to 120 days and the rate of interest is approximately 3.5% to 5.50% p.a. Bill Discounting from Bank outstanding at the end of the previous year (Unsecured) represents export bills discounted with local banks. The tenor of the loan is in the range of 50 to 120 days and the rate of interest is approximately 10% to 10.70% p.a. (previous year 10% to 10.70% p.a.). Bill Discounting from a NBFC (Unsecured) outstanding as at the end of the previous year was availed from finance companies and the tenor of the loan is 90 to 120 days and the rate of interest is 14.25% to 16.75% p.a. (previous year 14.25% to 16.75% p.a.). During the year, the said bill discounting has been fully repaid.

8 Other Current Liabilities

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Trade payable (including acceptances) (refer note 29 for details of dues to micro and small enterprises)	3,280,146,515	1,585,359,322
Other Liabilities		
Current maturities of Long Term Borrowings (Note 4)	68,509,783	61,837,063
Liability for expenses		
(refer note 29 for details of dues to micro and small enterprises)	68,328,349	58,770,478
Creditors for capital expenditure	11,974,651	5,061,970
Advance received from customer	65,816,532	113,639,006
Interest Accrued but not due on Loans	1,709,459	5,096,344
Unpaid Dividend	78,739	63,323
Security deposit from employees	177,100	177,100
Statutory dues	27,663,556	15,879,469
	244,258,169	260,524,753
	3,524,404,685	1,845,884,075



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Note 9 : FIXED ASSETS (Refer Note No. 39)

Sr. No.	Assets	GROSS BLOCK		DEPRECIATION / AMORTISATION			NET BLOCK			
		As on 01/04/2014 Rs.	Addition Rs.	Deduction/ Adjustments Rs.	As on 01/04/2014 Rs.	Dep. for the year Charged to P&L A/c Rs.	Deduction/ Adjustments Rs.	Up to 31/03/2015 Rs.	As on 31/03/2015 Rs.	As on 31/03/2014 Rs.
Tangible assets										
1	Factory Land	12,823,902	20,525,101	11,339,975	-	-	-	-	21,249,020	12,823,902
2	Factory Building	329,713,162	-	-	329,713,162	11,407,976	-	62,225,666	267,407,496	270,895,471
3	Office Building	731,020	-	-	731,020	11,774	-	440,458	232,582	294,357
4	Plant & Machinery	720,000,171	85,036,960	4,035,699	800,201,432	86,066,523	2,419,793	317,130,083	483,148,344	487,492,022
5	Electrical & Telecommunication	-	-	-	-	-	-	-	-	-
6	Furniture & Office equipment	16,577,139	265,723	-	16,842,861	7,727,626	-	14,947,960	1,895,002	9,357,705
7	Computers	13,822,302	167,025	-	13,989,327	1,525,807	-	13,257,468	532,739	1,910,001
8	Furniture & Fixtures	25,724,247	-	-	25,724,247	3,323,000	-	14,189,053	11,534,393	14,877,394
9	Vehicles	49,758,879	43,213	447,951	50,199,043	7,049,313	413,908	37,547,406	8,246,735	15,246,054
		22,000	-	22,000	-	-	-	-	-	22,000
		1,185,872,921	106,098,822	16,645,625	1,255,326,118	117,952,129	2,824,731	469,746,994	795,577,123	821,251,328
Intangible assets										
	Computer Software	25,326,992	-	-	25,326,992	4,714,674	-	11,829,857	13,517,136	18,231,808
	Total Current Year	1,191,219,913	106,098,822	16,645,625	1,280,873,110	122,666,803	2,824,731	471,578,852	909,094,259	939,483,136
	Less: Add. ment. of WDV of Fixed Assets on opening Reserves as per Schedule II (Para-VI) of the Companies Act, 2013									
	Net Depreciation charged to Statement of Profit & Loss									
	Total Previous Year	965,201,125	229,714,016	23,775,227	1,191,219,913	80,066,737	7,095,790	351,736,777	809,403,136	707,015,294

Note:

(*) During the year, the company has reviewed its fixed assets for impairment losses as required by Accounting Standards 28 - "Impairment of Assets". In the opinion of management no provision for impairment loss is considered necessary.



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2015

NOTE 10 : NON CURRENT INVESTMENT (VALUED) AT COST UNLESS STATED OTHERWISE)

	Maturity Date	Number of Unit 31-03-2015	Face Value per Unit	Face Value	As at 31-03-2015 (Rs.)	Number of Units 31-03-2014	As at 31-03-2014 (Rs.)
I							
INVESTMENTS IN EQUITY SHARES							
UNQUOTED EQUITY SHARES IN SUBSIDIARY COMPANY							
		100	₹ 504	₹ 50,400	3,035,469	100	3,035,469
			Total (I)		3,035,469		3,035,469
II							
MUTUAL FUNDS							
QUOTED FIXED MATURITY PLAN							
	6- July-2017	100000	₹. 10	₹. 1,000,000	1,000,000	100000	1,000,000
			Total (II)		1,000,000		1,000,000
			Grand Total (I+II)		4,035,469		4,035,469

Notes :

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
(a) Aggregate Book Value - Quoted Investments	₹ 1,000,000	₹ 1,000,000
(b) Aggregate Market Value of Quoted Investments	₹ 228,520	₹ 0,31,800
(c) Aggregate Book Value - Unquoted Investments	3,035,469	3,035,469



11 Loans and Advances

	Long-Term		Short-Term	
	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Capital Advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	88,195,372	39,613,681		
(A)	88,195,372	39,613,681		
Security Deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good				
- Security Deposit to Related Party	55,000,000	55,000,000	-	-
- Others	4,464,128	4,451,228	1,648,345	1,823,295
(B)	59,464,128	59,451,228	1,648,345	1,823,295
Loans & Advances to related parties				
Pioneer Stainless & Alloys F. Z. C.	-	-	196,972	189,134
Tubacex Prakash India Pvt Ltd	-	-	5,140,000	-
(C)	-	-	5,336,972	189,134
Advances recoverable in cash or kind				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	479,224,079	233,064,893
(D)	-	-	479,224,079	233,064,893
Other loans and advances (Unsecured, considered good)				
Balance with central excise authority	-	-	22,098,801	47,057,837
Collateral/Margin Money	-	-	49,297	30,954,882
Prepaid expenses	-	-	4,855,738	4,876,784
Loans and advances to employees	-	-	784,370	1,005,993
Advance income tax (net of provision for taxation)	392,483	436,446	-	-
Balances with statutory / Government authorities	367,708	777,663	11,911,367	7,519,548
(E)	760,191	1,214,109	39,699,573	91,415,044
(A+B+C+D+E)	148,419,691	100,279,018	525,908,969	326,492,366

Collateral / Margin money deposits given as security

The lender has unconditional lien in respect of the collateral of Rs Nil (Previous year Rs.60,00,000/-) and interest accruing thereon and has unconditional right to adjust these monies to set off compensation arising out of late remittance of monthly installment due in respect of Indian rupee Working Capital loan of Rs 3,00,00,000 /-.

Margin money deposits with a carrying amount of Rs. 49,297/- (Previous year Rs. 24,954,882/-) are given against the discounting of bills of exchange.

	Long-Term		Short-Term	
	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Security deposits include				
Dues from Directors & their relatives (refer note 26)	55,000,000	55,000,000	-	-
Loans to employee include				
Dues from Officers			723,495	890,928
Dues from Workers			60,875	115,065



12 Other Assets

	Non-Current		Current	
	31 st March,2015 in Rs.	31 st March,2014 in Rs.	31 st March,2015 in Rs.	31 st March,2014 in Rs.
Unsecured, considered good unless stated otherwise				
Non current bank balances (note 15)	-	7,898,113	-	-
Interest Accrued on Bank deposits	-	432,788	2,492,010	4,199,436
Interest Accrued on other deposits	-	-	528,148	588,973
Export Benefit Incentive Receivable	-	-	57,857,811	51,688,508
	-	8,330,901	60,877,969	56,476,917

13 Inventories (Valued at cost or market value whichever is lower, as taken, valued and certified by management)

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Raw materials and components	250,738,071	239,490,841
Work in progress	384,705,805	165,071,021
Finished goods	130,389,828	81,986,259
Land for Industrial Park	-	8,818,164
Traded goods (Includes in transit Rs.Nil (P.Y. Rs 9,205,310/-)	1,845,972,337	1,515,365,041
Stores and spares	50,094,534	43,846,270
	2,661,900,575	2,054,577,596

14 Trade Receivable

	Non-Current		Current	
	31st March,2015 in Rs.	31st March,2014 in Rs.	31st March,2015 in Rs.	31st March,2014 in Rs.
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	74,060,992	264,064,035
Doubtful	-	-	5,429,109	5,429,109
	-	-	79,490,101	269,493,144
Provision for doubtful debts	-	-	(5,429,109)	(5,429,109)
(A)	-	-	74,060,992	264,064,035
Other debts				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	3,582,253,740	2,527,734,211
(B)	-	-	3,582,253,740	2,527,734,211
(A+B)	-	-	3,656,314,732	2,791,798,245



15 Cash and Bank Balances

	Non-Current		Current	
	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.	31 st March, 2015 in Rs.)	31 st March, 2014 in Rs.
Cash and cash equivalents				
Currency in hand	-	-	610,093	241,067
Cash on hand	-	-	343,864	2,157,703
Balances with banks:				
On current accounts	-	-	16,525,114	19,638,648
Earmarked balance with Bank (Unpaid Dividend)	-	-	78,739	63,323
Cheques/drafts in hand	-	-	-	70,000,000
Total Cash and cash equivalents			17,557,810	92,100,741
Other bank balances				
Margin money deposit	-	7,898,113	76,355,123	90,357,856
	-	7,898,113	76,355,123	90,357,856
Amount disclosed under non-current assets (Note - 12)	-	7,898,113		
	-	-	93,912,933	182,458,597

Margin money deposits given as security :

Fixed deposits amounting to Rs. 76,355,123/- (Previous year Rs. 98,255,969/-) have been kept with the banks as a margin money for non fund based facilities.

16 Revenue From Operations

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Operating revenue		
Sale of Products		
Finished goods	2,988,664,213	2,822,281,469
Traded goods	7,787,953,606	6,741,103,541
Other operating revenue		
Export Incentives	85,876,399	58,213,992
Job Work Income	3,713,441	-
Profit on Consignment Sales	15,945	75,468
Revenue from operations (Gross)	10,866,223,604	9,621,674,470
Less : Excise duty #	141,905,343	179,495,577
Revenue from operations (Net)	10,724,318,261	9,442,178,893

Excise duty on sales amounting to Rs. 141,905,343 (31st March, 2014 : Rs. 179,495,577) has been reduced from sales in the Statement of Profit and Loss and excise duty on (increase) / decrease in stock amounting to Rs. 5,327,178, [31st March, 2014 : Rs. (28,957,614)] has been considered as (income) / expense in note 22 of financial statements.

**Details of product sold**

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Finished goods sold		
S. S. Pipe / Tubes	2,936,649,242	2,767,647,151
S. S. Scrap	52,014,971	54,634,318
	2,988,664,213	2,822,281,469
Traded goods sold		
S. S. Pipe / Tubes	695,629,658	1,046,411,843
S. S. Sheets / Coil / Plate	7,092,323,948	5,694,691,698
	7,787,953,606	6,741,103,541
	10,776,617,819	9,563,385,010

17 Other Income

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Interest Income on		
- Bank Deposits	7,488,562	8,779,098
- Loans & Advances	65,000,982	973,271
- Receivables	-	27,855,709
Profit on Sale of Land for Industrial Park	29,067,945	-
Profit / (Loss) on Sale of other fixed assets	(240,503)	19,508
Other Income	26,302	-
Discount on Forward Contracts (net of premium)	19,855,454	3,548,970
	121,198,742	41,176,556

18 Raw Material Consumed

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Opening Stock	239,490,841	397,424,577
Add : Purchases	2,353,343,751	1,765,553,229
	2,592,834,592	2,162,977,806
Less Closing Stock	250,738,071	239,490,841
	2,342,096,521	1,923,486,965

Details of raw material and components consumed

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
S. S. Strip / Sheet / Coil / Plate	1,099,720,224	945,189,820
S. S. Round Bar	406,796,699	199,354,628
S. S. Pipe	835,579,598	778,942,517
	2,342,096,521	1,923,486,965

**Details of inventory**

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Raw materials and components		
S. S. Strip / Sheet / Coil / Plate	87,901,014	83,587,542
S. S. Round Bar	3,346,924	14,642,362
S. S. Pipe	159,490,133	141,260,937
	250,738,071	239,490,841

19 Increase / (decrease) in stock

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Opening Stock :		
Traded Goods	1,515,365,041	970,877,712
Work in Process	165,071,021	115,146,155
Finished Goods	81,986,259	346,759,837
Land for Industrial Park	8,818,164	-
	1,771,240,485	1,432,783,704
Conversion of land into stock in trade	-	8,818,164
Reconversions of Stock in trade into Land (refer note 47)	(8,818,164)	-
Closing Stock :		
Traded Goods	1,845,972,337	1,515,365,041
Work in Process	384,705,805	165,071,021
Finished Goods	130,389,828	81,986,259
Land for Industrial Park	-	8,818,164
	2,361,067,970	1,771,240,485
	(598,645,649)	(329,638,617)

Details of purchase of traded goods

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
S. S. Pipe / Tubes	684,995,448	1,033,806,802
S. S. Sheet / Coil / Plate	7,080,064,815	5,715,444,528
	7,765,060,263	6,749,251,330

Details of inventory

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Traded goods		
S. S. Pipe / Tubes	197,651,498	219,627,628
S. S. Sheet / Coil / Plate	1,648,320,839	1,295,737,413
	1,845,972,337	1,515,365,041
Work-in-progress		
S.S. Strip / Sheet/ Coil / Plate	48,609,789	44,154,226
S.S. Pipe	336,096,016	120,916,795
	384,705,805	165,071,021
Finished goods		
S.S. Pipe / Tubes	128,815,749	79,166,381
S.S. Scrap	1,574,079	2,819,878
	130,389,828	81,986,259
Land for Industrial Park	-	8,818,164
	-	8,818,164



20 Employee Benefit Expenses

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Salaries, Bonus and Other Benefits	17,750,609	14,763,352
Contribution to Provident and Other Funds	3,489,560	3,500,521
Wages , Bonus & Other Benefits	74,419,331	72,355,054
Remuneration to Directors	4,500,000	3,780,000
Staff welfare Expenses	5,799,450	5,552,167
	105,958,950	99,951,094

21 Finance Costs

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Interest on Term Loan	17,701,127	14,158,987
Interest on Cash Credit & Other Facilities	272,881,158	248,874,591
Interest on Car Loans	356,755	466,405
Interest on unsecured loans	24,997,046	13,685,164
Other Interest	27,347,209	30,802,592
	343,283,295	307,987,739
Bank Commission & Other Finance Charges	18,665,168	45,222,559
	361,948,463	353,210,298
	361,948,463	353,210,298

22 Other Expenses

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Manufacturing & Other Expenses		
Testing , Cutting & Job Work Charges	35,528,058	33,647,917
Power, Fuel & Water Charges	34,025,183	30,225,554
Insurance (Factory)	512,975	743,428
Repairs & Maintenance (Factory)	8,834,410	10,160,141
Liquidated damages/Late delivery charges paid	3,331,778	9,601,972
Excise Duty on Closing Stock	5,327,178	(28,957,614)
	87,559,582	55,421,398
Administrative, Selling Expenses & Other Expenses		
Fluctuation in Foreign Currency	22,966,521	29,071,744
Advertisement Expenses	1,888,599	4,286,592
Sales Promotion Expenses	7,712,571	5,739,816
Discount & Rebate	897,953	289,288
Donation	406,185	236,596
Export Freight	78,965,535	49,596,456
Legal and Professional Expenses	31,959,598	15,480,496
Packing, Transport, Coolie & Cartage	16,446,585	27,896,229
Printing & Stationary	1,601,025	1,597,964
Rates & Taxes	1,896,446	4,549,316
Registration & Tender Fees	55,356	53,538
Rent	1,975,174	2,585,936
Electricity Charges	1,451,138	1,437,872
Repairs & Maintenance	935,656	3,003,611
Security Charges	738,625	752,478
Auditors Remuneration	842,711	707,140
Insurance	3,679,693	1,613,267
Director Sitting Fees	250,000	147,000



	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Sundry Expenses	3,080,059	1,805,478
Telephone, Postage & Telegram	3,435,402	3,592,317
Travelling & Conveyance	15,480,037	13,387,336
Vehicle Maintenance & Insurance	7,496,156	8,680,867
Brokerage & Commission	64,180	10,000
Sundry Balances Written off (net) (refer note no.32)	20,010,323	31,326,734
Loss on Sale/Theft of Fixed Assets	-	5,109,670
Training & Recruitment Expenses	287,187	121,102
Provision for doubtful debts	-	4,420,192
Bad Debts written off	-	3,779,426
(B)	224,522,715	221,278,461
(A+B)	312,082,297	276,699,859
Note :		
Payment to auditors		
As auditor :		
Audit fee	800,000	600,000
In other capacity :		
Taxation matters	-	40,000
Reimbursement of expenses	42,711	37,140
Certification	-	30,000
	842,711	707,140

23 Earning Per Share(EPS)

In accordance with Accounting Standard 20 - "Earning per Share" as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. the required disclosure is given below:

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
A Calculation of EPS before exceptional item :		
The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations :		
Net profit / (loss) attributable to Shareholders before exceptional item and tax	316,562,000	235,645,600
Tax on above	108,240,235	81,705,058
Net profit / (loss) attributable to Shareholders before exceptional item and after tax	208,321,765	153,940,542
Weighted average number of equity shares issued (Nos.) for basic EPS	17,500,039	17,500,039
Basic earnings per share of Rs. 10/- each (in Rs.)	11.90	8.79
B Calculation of EPS after exceptional item :		
The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations :		
Net profit / (loss) attributable to Shareholders (Rs.)	140,600,684	165,492,292
Weighted average number of equity shares issued (Nos.) for basic EPS	17,500,039	17,500,039
Basic earnings per share of Rs. 10/- each (in Rs.)	8.03	9.46

The Company does not have any potential dilutive equity shares. Consequently, the basic and diluted earning per share remain the same.



24 Disclosure under Revised Accounting Standard 15 on Employee Benefits:

Consequent to Accounting Standard 15 "Employee Benefits" (Revised 2005) becoming effective, the Company has made the provision for Defined Contribution Plan and Defined Benefit Plan.

Defined Contribution Plan

During the year, the Company has recognized Rs. 3,489,560/- (Previous Year Rs. 3,500,521/-) towards Provident Fund and Employees, State Insurance Corporation as Defined Contribution Plan Obligation.

Defined Benefit Plan

Gratuity & Leave Encashment

Liability is computed on the basis of Gratuity & Leave Encashment payable on retirement, death and other withdrawals as per the Act and already accrued for past service, with the qualifying wages/salaries appropriately projected, as per the Projected Unit Credit Method.

I Actuarial Assumption

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Discount Rate Current	7.80%	9.10%	7.80%	9.10%
Rate of Increase in compensation Levels	6.00%	6.00%	6.00%	6.00%

II Table Showing change in Benefit Obligation

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Project Benefit Obligation (PBO) at the beginning of the year	5,552,118	6,361,072	1,171,859	1,922,771
Interest Cost	490,475	484,512	101,911	109,306
Service Cost	1,055,656	967,604	727,591	306,548
Benefit paid	(312,858)	(904,773)	(1,087,378)	(1,179,545)
Actuarial (gain) / loss on Obligations	720,437	(1,356,297)	467,270	12,780
Projected Benefit Obligations (PBO) at the end of the year	7,505,828	5,552,118	1,381,253	1,171,859

III Funded Status

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Funded Status	(7,505,828)	(5,552,118)	(1,381,253)	(1,171,859)

IV The Amounts to be recognised in Balance Sheet and Income Statement and the related analysis

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Present Value of Obligation	7,505,828	5,552,118	1,381,253	1,171,859
Fair value of Plan Assets	-	-	-	-
Diff	7,505,828	5,552,118	1,381,253	1,171,859
Unrecognised Actuarial gains (losses)	-	-	-	-
Unrecognised Transitional Liability	-	-	-	-
Liability Recognised in Balance Sheet	7,505,828	5,552,118	1,381,253	1,171,859



V Net Periodic Cost

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Current Service Cost	1,055,656	967,604	727,591	306,548
Interest Cost	490,475	484,512	101,911	109,306
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (gain) loss recognised in the year	720,437	(1,356,297)	467,270	12,780
Expenses Recognised in the Income Statement	2,266,568	95,819	1,296,772	428,633

VI Movement in the liability recognised in the Balance Sheet

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Opening Net Liability	5,552,118	6,361,072	1,171,859	1,922,771
Expenses as above	2,266,568	95,819	1,296,772	428,633
Benefit Paid	(312,858)	(904,773)	(1,087,378)	(1,179,545)
Closing Net Liability	7,505,828	5,552,118	1,381,253	1,171,859

VII Experience Adjustments

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Defined benefit obligation	7,505,828	5,552,118	1,381,253	1,171,859
Plan assets	-	-	-	-
Surplus/ (deficit)	(7,505,828)	(5,552,118)	(1,381,253)	(1,171,859)
Experience adjustment on plan liabilities	(274,694)	(771,947)	276,151	140,152
Actuarial Loss/(Gain) due to change in assumptions	995,131	(584,350)	191,119	(127,372)
Experience adjustment on plan assets	-	-	-	-
Net Actuarial Loss/ (Gain) for the year	720,437	(1,356,297)	467,270	12,780

25 Segment Reporting

The Company's operations predominantly relates to manufacturing and trading of "Stainless Steel Tubes & Pipes", Hence there is no separate reporting segment as per Accounting Standard 17 "Segment Reporting" as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

26 Related Party Disclosure

Disclosure requirement as per Accounting Standard 18 (AS-18) "Related Party Disclosure" as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.



Related Parties	Nature of relationship
M/s. Pioneer Stainless & Alloys F.Z.C. (w.e.f. 10th April, 2013) M/s. Tubacex Prakash India Pvt. Ltd. (formed on 22nd April, 2015)	Subsidiary Company
M/s. Sunrise Metal Industries	Enterprise of which key management person (Shri Prakash C. Kanugo) is proprietor
M/s. AMS Trading & Investments Pvt. Ltd.	Associates / Enterprises over which directors and/or their relatives has significant influence
M/s. Seth Iron & Steel Pvt. Ltd.	
M/s. Seth Steelage Pvt. Ltd.	
M/s. Prakash Stainless Pvt. Ltd.	
M/s. PCK Metal Pvt. Ltd.	
M/s. Seth Carbon & Alloys Pvt. Ltd.	
M/s. Prakash & Daga Infra Projects Pvt. Ltd.	
M/s. Prakash C. Kanugo (HUF)	
M/s. Ashok M. Seth (HUF)	
M/s. Prakash Integrated Hi-Tech Steel And Metal Cluster Private Limited	
M/s. Chandan and Kanugo Land Developer	
M/s. Hemant & Co.	
M/s. Prakash Land Developer	
M/s. Hemant P Kanugo (HUF)	
M/s Vimal P Kanugo (HUF)	
Shri Prakash C. Kanugo, Chairman & Managing Director	Key Management Personnel
Shri Ashok M. Seth, Executive Director	
Shri Hemant P. Kanugo, Whole Time Director	
Shri Kamal P. Kanugo, Whole Time Director	Relatives of Key Management Personnel
Smt. Babita P. Kanugo	
Shri Vimal P. Kanugo	
Shri Kirti P. Kanugo	
Smt. Ekta H. Kanugo	

Note : Related Party Relationships have been identified by the management and relied upon by the Auditors.

Details of transactions between the Company & related parties & the status of outstanding balance as on 31st March, 2015

(in Rs.)

Nature of Transactions	Name of Party	Associates/Enterprises over which directors and/or their relatives has significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Unsecured Loans Taken	M/s. AMS Trading & Investment Pvt. Ltd.	-	100,000,000				
	M/s. Sunrise Metal Industries	111,000,000	250,000,000				



Details of transactions between the Company & related parties & the status of outstanding balance as on 31st March, 2015

(in Rs.)

Nature of Transactions	Name of Party	Associates/Enterprises over which directors and/or their relatives has significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Unsecured Loans Repaid	M/s. AMS Trading & Investment Pvt. Ltd.	-	100,000,000				
	M/s. Sunrise Metal Industries	26,000,000					
Investment in Subsidiary during the year	Pioneer Stainless & Alloys Fzc	-	3,035,469				
Loans & Advances to subsidiary	Pioneer Stainless & Alloys Fzc	-	189,134				
Interest Paid	M/s. Sunrise Metal Industries	22,881,722	2,713,562				
Advance Given to Subsidiary	M/s. Tubacex Prakash India Pvt. Ltd.	5,140,000					
Remuneration / Salary	Shri Ashok M. Seth			1,200,000	1,050,000		
	Shri Hemant P. Kanugo			900,000	750,000		
	Shri Kamal P. Kanugo			900,000	630,000		
	Shri Kirti P. Kanugo					360,000	360,000
	Shri Prakash C. Kanugo			1,500,000	1,350,000		
	Shri Vimal P. Kanugo					360,000	360,000
Rent Paid	Shri Prakash C. Kanugo			60,000	60,000		
	M/s. Prakash C. Kanugo (HUF)	480,000	480,000				
	M/s. Ashok M. Seth (HUF)	360,000	360,000				
	Smt. Ekta K. Kanugo					480,000	480,000
	Shri Kamal P. Kanugo			660,000	660,000		
	Shri Hemant P. Kanugo			108,000	108,000		
Outstanding Balances							
Office Deposit Given	M/s. Ashok M. Seth (HUF)	11,000,000	11,000,000				
	M/s. Prakash C. Kanugo (HUF)	14,000,000	14,000,000				
	Smt. Ekta H. Kanugo					14,000,000	14,000,000
	Shri Kamal P. Kanugo			11,000,000	11,000,000		
Other Deposit Given	Shri Kamal P. Kanugo			5,000,000	5,000,000		
Rent Payable	Shri Prakash C. Kanugo						
	M/s. Prakash C. Kanugo (HUF)						
	M/s. Ashok M. Seth (HUF)						
	Smt. Ekta H. Kanugo						
	Shri Kamal P. Kanugo			45,000	45,000		
	Shri Hemant P. Kanugo						
Interest Payable	M/s. Sunrise Metal Industries		2,442,206				



Details of transactions between the Company & related parties & the status of outstanding balance as on 31st March, 2015

(in Rs.)

Nature of Transactions	Name of Party	Associates/Enterprises over which directors and/or their relatives has significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Unsecured Loan Taken	M/s. Sunrise Metal Industries	335,000,000	250,000,000				
Investment in subsidiary	Pioneer Stainless & Alloys Fzc	3,035,469	3,035,469				
Loans & Advances to subsidiary*	Pioneer Stainless & Alloys Fzc	196,972	189,134				
Advance Given to Subsidiary	M/s. Tubacex Prakash India Pvt. Ltd.	5,140,000	-				

* Due to change on account of exchange fluctuation.

27 Capital and Other Commitment

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	11,735,625	106,967,967

28 Contingent Liabilities

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Contingent liabilities not provided for in respect of:		
a) Guarantees given by the bankers of the company	36,673,338	43,665,328
b) Sales Tax / VAT demands disputed in appeals	78,183,375	15,459,374
c) Central Sales Tax Liability towards pending declaration forms	9,541,061	29,811,068
d) Disputed Excise Duty Rebate Claim	551,080	551,080
e) Disputed CENVAT Credit	4,511,524	3,599,712
f) Commitment towards development work for Industrial Park Project	73,195,050	85,000,000

29 Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprise Development Act, 2006, (MSMED Act) as at 31st March, 2015. The disclosure pursuant to the said Act is as under :

Particulars	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Principal amount remaining unpaid to any supplier as at the year end	646,780	887,709
Interest due thereon	-	-
Amount of interest paid during the year	-	39,886
Amount of payments made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006.	-	-



The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" Enterprises on the basis of information available with the Company.

- 30 Some of the balances of Trade Receivables, Deposits, Loans & Advances, Advances received from customers, Liability for expenses and Trade Payables are subject to confirmation from the respective parties and consequential reconciliation/adjustment arising there from, if any. The management, however, does not expect any material variation.
- 31 In the opinion of the Management, Current Assets, Loans & Advances are approximately of the value stated, if realized, in the ordinary course of business. The provision for all known and determined liability is adequate and not in the excess of the amount reasonably required.
- 32 Sundry balances (net) written off amounting to Rs. 20,010,323/- are net of sundry credit balances written back amounting to Rs.4,527,680/- (in previous year sundry balances (net) written off amounting to Rs. 31,326,734/- are net of sundry credit balances written back amounting to Rs.85,65,196/-)
- 33 Prior period adjustment (Net) amounting to Rs 35,805/- (credit) (Previous year Rs. 31,090/- (credit)) includes income of Rs. 37,864/- (Previous year Rs. 290,025/-) and expenses Rs. 2,059/- (Previous year Rs.258,935/-).
- 34 During the year, the Company has written off Bad debts amounting to Rs.102,592,154/-. This being a material amount, the same has been shown as 'Exceptional Item' for the year. ('Exceptional Item' for the previous year ended 31st March, 2014 represents gain of Rs.17,500,000/- on account of forfeiture of advance due to cancellation of sale contract by the customer as per terms of contract.)

35 CIF value of Imports

Class of Goods	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Material	1,334,252,691	799,064,803
Capital Goods	6,572,542	54,542,337
Stores and Spares	11,701,541	2,479,841
Total	1,352,526,774	856,086,981

36 Expenditure in Foreign Currency (on accrual basis)

Particulars	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Professional Fees	548,660	73,936
Travelling Exp.	5,481,469	4,153,168
Others	8,472,091	6,242,106
Total	14,502,220	10,469,210

37 Earning in foreign exchange on exports of goods (FOB Value)

Particulars	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Exports of Goods	1,850,553,438	1,260,723,861

38 Disclosures of derivative instruments

The Company has entered into the following derivative instruments. All the forward contracts are accounted for as per Accounting Policies stated in Note 1(i) annexed to Balance Sheet and Statement of Profit and Loss.

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The Company does not use forward contracts for speculative purposes.



(a) Outstanding Short-term Forward Exchange Contracts entered into by the Company on account of receivables :

Particulars	31 st March, 2015	31 st March, 2014
No. of Contracts	29	21
US Dollar Equivalent	2,865,379	2,600,000
INR Equivalent	179,346,351	156,259,480

Particulars	31 st March, 2015	31 st March, 2014
No. of Contracts	1	-
EURO Equivalent	100,000	-
INR Equivalent	6,751,040	-

(b) Outstanding Short-term Forward Exchange Contracts entered into by the Company on account of payables :

Particulars	31 st March, 2015	31 st March, 2014
No. of Contracts	-	-
US Dollar	-	-
INR Equivalent	-	-

(c) The un-hedged foreign currency exposure as on 31st March 2015 is given below :

	Payable as at 31 st March 2015		Payable as at 31 st March 2014	
	Foreign Currency Amount	Local Currency	Foreign Currency Amount	Local Currency
USD	5,104,506	319,495,089	2,416,257	145,216,550
EURO	5,657	381,939	84,150	6,948,828
GBP	-	-	-	-

	Receivable as at 31 st March 2015		Receivable as at 31 st March 2014	
	Foreign Currency Amount	Local Currency	Foreign Currency Amount	Local Currency
USD	2,863,834	179,249,679	853,094	51,270,803
EURO	1,058,464	71,457,323	559,839	46,229,548
GBP	91,672	8,475,914	-	-

39 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from 1 April, 2014, the Company has revised the useful life of its assets to the useful life specified in Schedule II whereas previously the Company was providing the depreciation on its fixed assets at the rates specified in Schedule XIV of the Companies Act, 1956. Accordingly, 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 charge for year ended 31st March, 2015 is higher by Rs.23,621,956/- and profit before tax year ended 31st March, 2015 is lower to the said extent. Further, based on the transitional provisions 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. 9,070,071/- and the corresponding deferred tax thereon amounting to Rs. 3,082,917/- have been debited and credited respectively to the opening balance of 'Retained Earnings'.

40 The Company has entered into a Joint Venture Agreement with Tubacex S. A. on February 13, 2015. Pursuant to the joint ventured agreement, the Company proposes to transfer its Seamless Stainless Steel Tubes and Pipes business (herein after referred as "seamless business" or "discontinued operations") to the new Joint Venture Company (JVC) (incorporated on April 22, 2015) at a net consideration of Rs. 209.16 crores and sell additional land measuring about 16,188 sq. metres for an additional consideration of about Rs.20 crores subject to fulfilment of various terms & condition based on which the execution of the business transfer agreement will take place. The JVC has been incorporated as a wholly owned subsidiary and



subsequently the 67.53% of the shareholding in the JVC will be held by Tubacex S.A and 32.47% by the Company. The effect of the said transaction will be given on fulfilment of various terms and conditions of joint venture agreement.

The Company operates under a single business segment i.e. 'Stainless Steel Tubes & Pipes' within the meaning of Accounting Standard – 17 'Segment Reporting'. The transfer of the seamless business would involve transfer of assets and liabilities as are related to the seamless business and as the same are identified by the parties to the transaction. For this purpose, employees, tangible and intangible assets, current assets, market territories, other liabilities etc. are being identified as are related to the seamless business. In view of common employees, marketing expenses, operating expenses, finance cost, common customers, common suppliers, logistics & distribution arrangements and general corporate overheads, which are not separately identifiable for seamless business, the Company is unable to determine the income, expenses, assets and liabilities clearly attributable to the discontinued operations. As per the practice followed by the Company for preparation of its financial statements for financial reporting purposes, its present system of maintenance of books of account and other relevant records do not provide clearly identifiable details of income and expenditure as are related to the seamless business. Under the circumstances, the management is of the view that seamless business, a component of the enterprise, cannot be distinguished operationally and for financial reporting purposes and also in view of the fact that the binding agreement for the transfer of the seamless business is pending, the initial disclosures, namely total assets, total liabilities, revenue, expenses, net cash flows and pre-tax profit or loss in respect of the ordinary activities attributable to the discontinuing operation and the income tax expense related thereto pertaining to the discontinuing operations as required by Accounting Standard (AS) 24 'Discontinuing Operations' are not given.

- 41 The Company's pending litigations comprise of claims against the Company and proceedings pending with Statutory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position (Refer note no 28 for details on contingent liabilities).
- 42 The Company periodically reviews all its long term contracts including derivative contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/ a accounting standard.
- 43 For the year ended march 31, 2015. the Company is not required to transfer any amount into the investor education & protection fund.
- 44 Disclosure in respect of Corporate Social Responsibility Expenditure (CSR) is as under.
 - (a) Gross amount required to be spent by the company during the year is Rs 4,850,465/-
 - (b) Amount spent during the year is Rs Nil
- 45 Disclosure pursuant to clause 32 of the Listing Agreement:



	Outstanding as at 31-03-2015	Maximum amount Outstanding during the year 2014-15	Outstanding as at 31-03-2014	Maximum amount Outstanding during the year 2013-14
a) Loans to Subsidiaries:				
i) Pioneer Stainless & Alloys F.Z.C.	196,972	196,972	189,134	189,134
ii) Tubacex Prakash India Pvt. Ltd.*	5,140,000	5,140,000	-	-
b) Where there is no repayment schedule:				
i) Pioneer Stainless & Alloys F.Z.C.	196,972	196,972	189,134	189,134
ii) Tubacex Prakash India Pvt. Ltd.*	5,140,000	5,140,000	-	-
c) Where no interest or interest below Section 186 (1) of Companies Act:				
i) Pioneer Stainless & Alloys F.Z.C.	196,972	196,972	189,134	189,134
ii) Tubacex Prakash India Pvt. Ltd.*	5,140,000	5,140,000	-	-
d) In the nature of loans to Firms/ Companies in which directors are interested.	Nil	Nil	Nil	Nil

* Company formed on April 22, 2015

e) All the above loans and advances have been given for business purposes.

f) Loans to employees as per the Company's policy are not considered.

46 Details of loans given , Investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013:

Details of the loans are given in note 45 above and details of investment are given in note no 10 above.

47 During the previous year, Company had initiated the development of the "Industrial Park Project" on its idle land at Palgam (Umbergaon) and accordingly, it had converted the Land from Fixed Assets into Stock-in-Trade at lower of cost or net realizable value i.e. at cost of Rs. 88,18,164/-. It had passed a special resolution for including real estate business activities as one of the main object and obtained approval from shareholders. However, the Company could not alter the main object clause of memorandum and articles of association as the Registrar of the Companies (ROC) has approved the same subject to change of name of the Company in line with proposed new business. Accordingly, during the year, it has reconverted the Land from stock-in-trade to Fixed Assets.

48 During the previous year, Company has incorporated on 10th April, 2013, wholly-owned foreign subsidiary viz. Pioneer Stainless & Alloy - F.Z.C. at Ajman, United Arab Emirates for doing trade activities internationally in ferrous and non ferrous metal items.

49 Figures of the previous year have been re-grouped, re-classified and re-arranged, wherever necessary.

AS PER OUR REPORT OF EVEN DATE

FOR KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 105 049W

NARENDRA JAIN
PARTNER
M. No. 048725

PLACE : MUMBAI
MUMBAI : 30TH MAY, 2015

FOR BATLIBOI & PUROHIT
CHARTERED ACCOUNTANTS
Firm Registration No.: 101048W

R. D. HANGEKAR
PARTNER
M.No. 030615

SIGNATURES TO NOTES "1" TO "49"

FOR AND ON BEHALF OF THE BOARD

PRAKASH C. KANUGO
CHAIRMAN &
MANAGING DIRECTOR

ASHOK M. SETH
EXECUTIVE DIRECTOR &
CHIEF FINANCIAL OFFICER

PALLAVIP. SHEDGE
COMPANY SECRETARY &
COMPLIANCE OFFICER



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRAKASH STEELAGE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **PRAKASH STEELAGE LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of matter

We draw attention to note no. 40 of the financial statements regarding non-disclosure of initial disclosures namely total assets, total liabilities, revenue, expenses, net cash flows and pre-tax profit or loss in respect of the ordinary activities attributable to the discontinuing operation and the income tax expense related thereto as required by Accounting Standard (AS) 24 'Discontinuing Operations' in respect of proposed transfer of its seamless business. As stated in aforesaid note, the Holding Company is unable to determine the income, expenses, assets and liabilities clearly attributable to the discontinued operations and the management is of the view that the seamless business, a component of the enterprise, cannot be distinguished operationally and for financial reporting purposes for the reasons mentioned therein.

Our opinion is not modified in respect of this matter.

Other Matters

We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs. 5,88,60,338/- at March 31, 2015, total revenues of Rs. 50,74,38,225/- and net cash outflows amounting to Rs. 70,64,190/- for the year ended on that date, as considered in the consolidated financial statements.

The above financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of that other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of the Holding Company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. Our reporting on the Order is in respect of Holding Company as the provisions of the order are not applicable to Subsidiary Company; a Company incorporated outside India.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the



Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements has disclosed the impact of the pending litigations on its financial position of the Group. - Refer Note 41 to the consolidated financial statements;
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts. - Refer Note 42 to the consolidated financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group. - Refer Note 43 to the consolidated financial statements.

FOR KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration No. 105049W

Sd/-
(NARENDRA JAIN)
PARTNER
Membership No. 048725
Place: Mumbai
Date: May 30, 2015

FOR BATLIBOI & PUROHIT
Chartered Accountants
Firm's Registration No. 101048W

Sd/-
(R. D. HANGEKAR)
PARTNER
Membership No. 030615



Annexure to the Independent Auditors' Report on the consolidated financial statements

(Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Our reporting on the Order is in respect of Holding Company as the provisions of the order are not applicable to Subsidiary Company; a Company incorporated outside India. We report that:

- (i) a) The Holding Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b) The fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification of fixed assets by the management, as informed to us, is at reasonable intervals, having regard to the size of the Holding Company and the nature of the assets physically verified. As explained to us no material discrepancies were noticed on such verification.
- (ii) a) Inventory have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are generally reasonable and adequate in relation to the size of the Holding company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the Holding Company is maintaining proper records of inventory. Discrepancies noticed on verification by management between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
- (iii) The Holding Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause 3(iii) of Companies (Auditor's Report) Order, 2015 are not applicable to the Holding Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and the nature of its business, for purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control systems.
- (v) In our opinion and according to the information and explanations given to us, the Holding Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.
- (vi) According to information and explanations given to us, the Holding Company has maintained books of account and records required to be maintained pursuant to the rule prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
- (vii) a) Undisputed Statutory dues including Employees' Provident Fund, Employees' State Insurance (ESIC), Value Added Tax, Central Sales Tax, Entry Tax, Tax Deducted at Source (TDS), Wealth Tax, Service Tax and Profession Tax have generally been regularly deposited with the appropriate authorities except for dues in respect of income-tax where considerable delay has been observed in depositing such dues with the appropriate authorities. According to the information and explanations given to us, there were no undisputed statutory dues which have remained outstanding as at March 31, 2015 for the period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, and the records examined by us, the dues in respect of Sales-Tax, Income-Tax, Duty of Customs, Wealth-Tax, Service Tax, Entry Tax, Value Added Tax, Central Sales Tax, Duty of Excise, Cess as at March 31, 2015 that have not been deposited with the appropriate authority on account of any disputes and the forum where the dispute is pending are as under:



Sr. No.	Name of the Statute	Nature of the Dues	Period of which amount relates	Amount (Rs.)	Forum where dispute is Pending
1	Bombay Sales Tax Act	Sales Tax	1994-95	79,202/-	Dy. Comm. Sales Tax (Appeal) IV, Mumbai
2	Bombay Sales Tax Act	Sales Tax	1995-96	59,317/-	Dy. Comm. Sales Tax (Appeal) IV, Mumbai
3	Central Sales Tax Act	Central Sales Tax	1995-96	2,85,360/-	Dy. Comm. Sales Tax (Appeal) IV, Mumbai
4	Central Sales Tax Act, 1958	Central Sales Tax	2009-10	42,53,968/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
5	Maharashtra VAT Act, 2002	Maharashtra Value Added Tax	2009-10	1,07,56,527/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
6	Maharashtra VAT Act, 2002	Maharashtra Value Added Tax	2005-06	1,14,78,701/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
7	Central Sales Tax Act, 1958	Central Sales Tax	2005-06	1,25,90,800/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
8	Maharashtra VAT Act, 2002	Maharashtra Value Added Tax	2008-09	3,76,000/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
9	Central Sales Tax Act, 1958	Central Sales Tax	2008-09	3,82,78,500/-	Joint Comm. Sales Tax (Appeal) IV, Mumbai
10	Central Excise Act, 1944	Cenvat Credit & Penalty	April 2007 to August 2009	17,23,624/-	Customs Excise & Service Tax Appellate Tribunal, Ahmedabad

- c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Holding Company has no accumulated losses at the end of the financial year and has not incurred cash loss in the current financial year or in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Holding Company has not defaulted in repayment of dues to a financial institution or bank.
- (x) According to the information and explanations given to us, the holding Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) In our opinion and according to the information and explanation given to us, the term loans raised during the year have been applied for the purpose for which they were raised.
- (xii) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on the Holding Company or by the Holding Company has been noticed or reported during the course of our audit.

FOR KHANDELWAL JAIN & CO.
Chartered Accountants
Firm's Registration No. 105049W

Sd/-
(NARENDRA JAIN)
PARTNER
Membership No. 048725
Place: Mumbai
Date: May 30, 2015

FOR BATLIBOI & PUROHIT
Chartered Accountants
Firm's Registration No. 101048W

Sd/-
(R. D. HANGEKAR)
PARTNER
Membership No. 030615



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Notes	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
I Equity And Liabilities			
1 Shareholders' Funds			
a Share Capital	2	175,000,390	175,000,390
b Reserves And Surplus	3	1,800,015,525	1,668,635,978
2 Non-Current Liabilities			
a Long Term Borrowings	4	483,018,760	391,010,274
b Deferred Tax Liabilities (Net)	5	64,663,950	72,377,189
c Long Term Provisions	6	8,377,455	6,295,509
3 Current Liabilities			
a Short Term Borrowings	7	1,896,920,303	2,188,785,810
b Trade Payables	8	3,280,146,515	1,585,359,322
c Other Current Liabilities	8	244,383,383	2,61,009,404
d Short Term Provisions	6	76,110,682	70,967,685
Total		8,028,636,964	6,419,441,562
II Assets			
1 Non-Current Assets			
a Fixed Assets	9		
i Tangible Assets		795,577,123	821,251,328
ii Intangible Assets		13,517,135	18,231,808
b Capital Work In Progress		12,544,446	6,819,292
c Intangible Assets Under Development		-	-
d Non-Current Investment	10	1,000,000	1,000,000
e Long Term Loans And Advances	11	148,419,691	100,279,018
f Other Non-Current Assets	12	-	8,330,901
2 Current Assets			
a Inventories	13	2,706,338,773	2,095,195,745
b Trade Receivables	14	3,670,436,998	2,791,798,245
c Cash And Bank Balances	15	94,212,832	189,822,686
d Short Term Loans And Advances	11	525,711,997	330,235,622
e Other Current Assets	12	60,877,969	56,476,917
Total		8,028,636,964	6,419,441,562
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements
AS PER OUR REPORT OF EVEN DATE

FOR KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 105 049W

Sd/-
NARENDRA JAIN
PARTNER
M. No. 048725

PLACE : MUMBAI
MUMBAI : 30TH MAY, 2015

FOR BATLIBOI & PUROHIT
CHARTERED ACCOUNTANTS
Firm Registration No.: 101 048W

Sd/-
R. D. HANGEKAR
PARTNER
M.No. 030615

FOR AND ON BEHALF OF THE BOARD

Sd/-
PRAKASH C. KANUGO
CHAIRMAN &
MANAGING DIRECTOR

Sd/-
ASHOK M. SETH
EXECUTIVE DIRECTOR &
CHIEF FINANCIAL OFFICER

Sd/-
PALLAVI P. SHEDGE
COMPANY SECRETARY &
COMPLIANCE OFFICER



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Notes	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
Income			
Revenue From Operations (Gross)	16	11,373,661,829	10,433,891,793
Less: Excise Duty		141,905,343	179,495,577
Revenue From Operations (Net)		11,231,756,486	10,254,396,216
Other Income	17	121,198,742	41,176,556
Total Revenue (I)		11,352,955,228	10,295,572,772
Expenses			
Purchases		8,257,946,776	7,539,173,444
Raw Material Consumed	18	2,342,096,521	1,923,486,965
(Increase) / Decrease In Stock	19	(602,197,732)	(370,524,732)
Stores & Spares Consumed		126,893,231	93,913,273
Employee Benefit Expenses	20	106,675,932	100,574,447
Finance Costs	21	362,100,047	353,271,823
Depreciation And Amortisation	9	113,596,732	80,866,737
Other Expenses	22	322,799,853	290,667,046
Total Expenses (II)		11,029,911,360	10,011,429,003
Profit / (Loss) Before Exceptional Item And Prior Period Adjustments		323,043,868	284,143,769
Prior Period Adjustments (net)	33	35,805	31,090
Profit / (Loss) Before Exceptional Item and Tax		323,079,673	284,174,859
Exceptional Item	34	(102,592,154)	17,500,000
Profit/(Loss) Before Tax		220,487,519	301,674,859
Tax Expenses			
Current Tax		77,745,719	80,091,000
Deferred Tax		(4,630,323)	7,423,686
Income Tax relating to earlier years		253,765	138,622
Total Tax Expenses		73,369,161	87,653,308
Profit/(Loss) After Tax		147,118,358	214,021,550
Earnings Per Equity Share (Basic And Diluted)	23		
Before Exceptional Item		12.28	11.57
After Exceptional Item		8.41	12.23
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements
AS PER OUR REPORT OF EVEN DATE

FOR KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 105 049W

Sd/-
NARENDRA JAIN
PARTNER
M. No. 048725

PLACE : MUMBAI
MUMBAI : 30TH MAY, 2015

FOR BATLIBOI & PUROHIT
CHARTERED ACCOUNTANTS
Firm Registration No.: 101 048W

Sd/-
R. D. HANGEKAR
PARTNER
M.No. 030615

FOR AND ON BEHALF OF THE BOARD

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Sd/-
ASHOK M. SETH
EXECUTIVE DIRECTOR &
CHIEF FINANCIAL OFFICER

Sd/-
PALLAVI P. SHEDGE
COMPANY SECRETARY &
COMPLIANCE OFFICER



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Year Ended 31-03-2015 Rs.	Year Ended 31-03-2014 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Prior period Adjustment & exceptional item	323,043,868	284,143,769
Adjustment for:		
Depreciation and Amortisation	113,596,732	80,866,737
Profit on Sale of Fixed Assets	(29,067,945)	(19,508)
Exceptional Item (refer note 34)	(102,592,154)	17,500,000
Loss on Sale/Theft of Fixed Assets	240,503	5,109,670
Sundry Balances Written Back / Off (Net)	20,010,323	31,326,734
Provision for Doubtful Debts	-	4,420,192
Provision for Wealth Tax	23,575	63,700
Unrealised gains and losses arising from changes in foreign exchange rates	27,951,486	2,724,823
Preliminary expenses w/off	-	934,303
Interest Received	(72,489,544)	(37,608,078)
Finance Cost	362,100,047	353,271,823
Operating Profit Before Working Capital Changes	642,816,891	742,734,165
Adjustment for:		
Inventories	(619,961,191)	(209,423,431)
Trade & Other Receivables	(1,120,430,215)	(851,549,857)
Trade Payables & Other Current Liabilities	1,670,026,523	288,286,298
Cash Generated from Operations	572,452,008	(29,952,825)
Direct Taxes Paid (Net of Refund)	(65,976,339)	(53,184,981)
Cash Flow before prior period Adjustments & Exceptional item	506,475,669	(83,137,806)
Prior Period Adjustments	35,805	31,090
Net Cash From / (Used In) Operating Activities (A)	506,511,474	(83,106,716)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital work-in-progress	(144,674,822)	(152,956,270)
Investment in mutual fund	-	(1,000,000)
Investment in Bank Deposits	21,900,846	25,121,819
Sale of Fixed Assets	42,648,336	2,471,112
Interest Received	74,690,583	36,829,652
Net Cash From / (Used In) Investing Activities (B)	(5,435,057)	(89,533,687)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Secured Borrowings (Net)	(135,718,630)	424,356,326
Repayment / (proceeds) from Unsecured Borrowings (Net)	(64,688,469)	170,869,043
Finance Cost Paid	(362,484,997)	(348,247,203)
Dividend & Dividend Tax Paid	(20,458,755)	(20,456,621)
Preliminary expenses incurred by subsidiary	-	(934,303)
Net Cash From / (Used In) Financing Activities (C)	(583,350,851)	225,587,241
Net Increase / (Decrease) in Cash and Cash equivalents (A)+(B)+(C)	(82,274,434)	52,946,838
Cash and Cash equivalents at the beginning of the year	99,464,830	46,552,174
Exchange differences on translation of foreign currency Cash and Cash equivalents	667,313	(34,182)
Cash and Cash equivalents at the end of the year	17,857,709	99,464,830

NOTES:

- Above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Cash and Cash equivalent at the end of the year includes earmarked balance with Bank of unpaid dividend of Rs. 78,739/- (previous year Rs. 63,323/-).
- Figures for the previous year are re-classified / re-arranged / re-grouped, wherever necessary.

As per our report of even date attached
FOR KHANDELWAL JAIN & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 105049W

Sd/-
NARENDRA JAIN
 PARTNER
 M. No. 048725

FOR BATLIBOI & PUROHIT
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 101048W

Sd/-
R. D. HANGEKAR
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 M.No. 030615

FOR AND ON BEHALF OF THE BOARD

Sd/-
PRAKASH C. KANUGO
 CHAIRMAN &
 MANAGING DIRECTOR

Sd/-
ASHOK M. SETH
 EXECUTIVE DIRECTOR &
 CHIEF FINANCIAL OFFICER



NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

1 Summary of Significant Accounting Policies

a Basis of Consolidation

The consolidated financial statements (CFS) relates to Prakash Steelage Limited ("the company" or "the holding company") and its subsidiary company, "collectively referred to as "the Group".

(i) Basis of preparation

The consolidated financial statements of the Company and its subsidiary are prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1956 and Accounting Standard 21 "Consolidated Financial Statements", as notified by Companies (Accounting Standards) Rules 2006 (which continues to be applicable in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

(ii) Use of estimates

The preparation of financial statements in conformity with India GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(iii) Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- (a) The financial statements of the parent company and its subsidiary have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and transactions resulting in unrealized profits or losses on intra-group transactions and are presented to the extent possible, in the same manner as the Company's independent financial statements.
- (b) The excess of the cost to the company of its investment in subsidiary over the company's portion of equity of the subsidiary as at the date on which investment in subsidiary is made, is recognized in the financial statement as Goodwill. The excess of Company's share of equity and reserve of the subsidiary over the cost of acquisition is treated as Capital Reserve.
- (c) Minority Interests in the CFS is identified and recognized after taking into consideration:
 - The amount of equity attributable to minority's at the date on which investments in a subsidiary is made.
 - The minority's share of movements in equity since the date parent subsidiary relationships came into existence.
- (iv) The particulars of a subsidiary, which is considered for consolidation and the percentage of voting power therein of the company as on 31st March, 2015 is as under:

Name of Company	w.e.f.	Country of Incorporation	Percentage of voting power as at 31 st March, 2015	Reporting Date	Financial Status Audited / Unaudited
Subsidiaries					
Pioneer Stainless & Alloy - F.Z.C.	10th April, 2013	Ajman, UAE	100%	31st March, 2015	Audited



b Method of Accounting

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (India GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

c Fixed Asset

- (i) Fixed Assets have been stated at cost of acquisition inclusive of expenses directly attributable to the acquisition of such assets.
- (ii) Elements of refundable duties and taxes on capital goods / fixed assets purchased have been reduced from the total cost of such assets.
- (iii) Goodwill arising on consolidation is stated at cost and impairment is recognized, if any.

d Depreciation

- (i) Depreciation on fixed assets is provided on Written Down Value (WDV) Method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except for Fixed Assets pertaining to Umbergaon Unit where depreciation is charged on Straight Line Method (SLM) based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- (ii) Subsidiary company does not possess any property, plant and Equipment/machinery.

e Pre-operative Expenses and Allocation thereon

All pre-operative expenditure & trial run expenditure are accumulated as Capital Work-in-Progress and is allocated to the relevant fixed assets on a pro-rata / reasonable basis.

f Valuation of Inventory

- (i) Raw Materials have been valued at lower of cost or net realisable value based upon FIFO method except where the material is specifically identifiable.
- (ii) Work-in-progress has been valued on cost of raw-material and other direct cost depending upon the stage of completion of production in general.
- (iii) Finished goods and trading stocks have been valued at lower of cost or net realisable value based upon FIFO method except where the finished goods are specifically identifiable.
- (iv) Scrap, defectives and inferior production have been valued at net realisable value.
- (v) Stores, spares and consumables have been valued at lower of cost or net realisable value.

Cost/Rate considered above for valuation of inventory is exclusive of Cenvat, refundable CVD and VAT component and inclusive of other direct cost incurred for acquiring the respective material.

g Material Events occurring after the Balance Sheet date

Material events occurring after the date of Balance Sheet have been taken cognizance of liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty have been treated as contingent liability and are disclosed by way of notes to accounts.

h Revenue Recognition

A sale is recognized at the time of dispatching the goods to the customer excluding Value Added Tax & Excise Duty collection. Purchases including import purchases are recognized net of refundable Value Added Tax and Duty component at the time of receipt of goods.

Export benefits have been recognized at the time of making the export sales & valued on estimated monetary benefit receivable there from.



i Foreign Exchange Transaction

- (i) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Exchange differences, other than those which are regarded as an adjustment to interest cost, arising on repayment of liabilities and conversion of year-end foreign currency balances pertaining to long term loans for acquiring depreciable assets including capital work in progress are adjusted in the carrying cost of these assets.
- (v) The premium or discount arising at the inception of a forward exchange contract not intended for trading or speculation purpose is amortised as expense or income over the life of the contract. Exchange difference on account of change in rates of underlying currency at the year end is recognized in the Statement of Consolidated Profit and Loss. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the Year.

In recording a forward exchange contract intended for trading or speculation purpose, the premium or discount on the contract is ignored and at each Balance Sheet date, the value of the contract is marked to its current market value and gain or loss on the contract is recognized in the Statement of Consolidated Profit and Loss.

- (vi) The exchange difference arising on revenue and other account except as stated under (iv) above and (p) below is adjusted in the Statement of Consolidated Profit and Loss.
- (vii) Assets and liabilities of foreign subsidiary are translated at closing rate and income and expenditure are translated at average exchange rate for the year. The difference arising on such translation is debited / credited to foreign currency translation reserve.

j Employee Benefits

- (i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Consolidated Profit and Loss of the year in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognized as an expense in the Statement of Consolidated Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Consolidated Profit and Loss.
- (iii) In case of subsidiary, no provision is made for the amounts payable under UAE Labour Law applicable to the employees for the accumulated period of service as at the balance sheet date as they are not yet due.

k Preliminary and Share Issue Expenses

Preliminary and Share Issue expenses are written off in the year in which such expenditure is incurred.

l Excise Duty on Finished Goods

Excise duty is accounted on the basis of both, payments made in respect of goods cleared and also provision made for goods lying in the stock as at the year end.

m Duties and Taxes on Purchases

Refundable duties and taxes on purchase of Raw Materials, other eligible inputs and capital goods are adjusted against duties and taxes payable. The unadjusted credits of such duties and taxes are shown under the head "Loans and Advances".

n Export Benefit/ Incentive

Export benefits have been recognised at the time of making the export sales & valued on estimated monetary benefit receivable there from.



o Prior Period Adjustment

Expenses and income pertaining to earlier/previous years are accounted as Prior Period Items.

p Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of qualifying fixed assets are capitalised as part of cost of assets, up to the date, the asset is put to use. Borrowing costs also include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Other borrowing costs are charged to the Statement of Consolidated Profit and Loss in the year in which they are incurred.

q Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

r Investments

Long Term investments are valued at cost. Provision for diminution in value of investment is made to recognize a decline other than temporary.

Current investments are valued at cost or market value whichever is lower on the last day of financial year.

s Impairment of Assets

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Consolidated Profit and Loss in the year in which assets are identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of recoverable amount.

t Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

u Earning Per Share (E.P.S.)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti dilutive.

v Other Accounting Policies

These are set out under "Significant Accounting Policies" as given in the financial statements of Prakash Steelage Limited and its Group.

2 Share Capital

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Authorised		
20,000,000 (P.Y. 20,000,000) Equity Shars of Rs. 10/- each	200,000,000	200,000,000
Issued Subscribed & Paid up		
17,500,039 (P.Y. 17,500,039) Equity Shars of Rs. 10/- each fully paid up	175,000,390	175,000,390
Total	175,000,390	175,000,390



a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31 st March, 2015		31 st March, 2014	
	Nos.	In Rs.	Nos.	In Rs.
At the beginning of the period	17,500,039	175,000,390	17,500,039	175,000.390
Issued during the year	-	-	-	-
Outstanding at the end of the period	17,500,039	175,000,390	17,500,039	175,000.390

b Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors, in their meeting on 30th May, 2015, proposed a final dividend of Re 0.5/- per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on 29th September, 2015. The total dividend appropriation for the year ended 31st March, 2015 amounted to Rs.8,750,020/- excluding corporate dividend tax of Rs. 1,781,298/-.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of equity shares held by the shareholders.

c Details of shareholders holding more than 5% shares in the Company

	31 st March, 2015		31 st March, 2014	
	No. of Shares (Rs. 10/- each)	% of holding in the class	No. of Shares (Rs. 10/- each)	% of holding in the class
Equity shares of Rs. 10 each fully paid				
Prakash C. Kanugo	3,783,500	21.62%	3,783,500	21.62%
AMS Trading and Investment Private Limited	2,876,000	16.43%	2,876,000	16.43%
Seth Iron and Steel Private Limited	1,490,000	8.51%	1,490,000	8.51%
Balmiki Agencies Private Limited	970,649	5.55%	970,649	5.55%



3) Reserves & Surplus

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Share Premium Account		
As per Last Balance Sheet	671,589,261	671,589,261
Add : Share Issue Expenses (Net of Tax)	-	-
Closing Balance	671,589,261	671,589,261
Foreign Currency Translation Reserve		
As per Last Balance Sheet	(323,885)	-
(Deduction) / Addition during the year (net) / Foreign Currency translation during the year	779,662	(323,885)
Closing Balance	455,777	(323,855)
General Reserve		
As per Last Balance Sheet	275,312,948	225,312,948
Add : Amount Transferred from surplus balance in the statement of Profit and Loss	50,000,000	50,000,000
Closing Balance	325,312,948	275,312,948
Surplus / (Deficit) in the statement of profit and loss		
As per Last Balance Sheet	722,057,654	578,510,275
Less : Depreciation Adjustment relating to Fixed Assets (Refer Note No. 39)	(9,070,071)	-
Add : Deferred tax on above depreciation (Refer Note No. 39)	3,082,917	-
Add : Profit for the year	147,118,358	214,021,550
Less : Appropriations		
Transfer to General Reserve	50,000,000	50,000,000
Dividend Proposed	8,750,020	17,500,039
Dividend Distribution Tax	1,781,298	2,974,132
Total Appropriations	60,531,318	70,474,171
Net Surplus in the statement of Profit and Loss	802,657,540	722,057,654
Total Reserve and Surplus	1,800,015,525	1,668,635,978

4 Long Term Borrowings

	Non Current portion		Current Maturities	
	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Term Loans				
Indian rupee loan from Bank (Secured)	146,281,031	138,331,331	67,568,568	50,888,568
Indian rupee loan from Promoter Director (Unsecured)	335,000,000	250,000,000	-	-
Working Capital Loan				
Indian rupee loan from NBFC (Unsecured)	-	-	-	10,000,000
Vehicle Loans				
From Banks (Secured)	1,737,729	2,678,943	941,215	948,495
	483,018,760	391,010,274	68,509,783	61,837,063
The above amount includes				
Secured Borrowings	148,018,760	141,010,274	68,509,783	51,837,063
Unsecured Borrowings	335,000,000	250,000,000	-	10,000,000
Amount Disclosed under the head "Other current liabilities" (Note 8)	-	-	68,509,783	61,837,063
Net Amount	483,018,760	391,010,274	-	-



- a (i)** Indian rupee loan from Banks (secured) carries interest @ 15.50 % p.a. (previous year 15.50% p.a.). The loan is repayable in 84 monthly installments of Rs 1,460,714/- each along with interest from the date of loan, viz., 10th July, 2008 the loan is secured by way of mortgage of factory land & building, and hypothecation of plant & machinery of Company at Umbergaon. (First pari passu charge between Vijaya Bank and Bank of Baroda)
- (ii)** Indian rupee loan from Banks (secured) carries interest 13% p.a. (previous year 13% p.a. to 14.25% p.a.). The loan is repayable after 15 months from the date of first disbursement (date: 18.05.2013) in 59 monthly equal installments of Rs 4,170,000/- and last installment will be of Rs. 3,970,000/- along with interest from the date of loan, Interest and other charges to be paid as and when debited. This loan is secured by way of mortgage of factory land & building, and hypothecation of plant & machinery of Company at Umbergaon. (First pari passu charge with Vijaya Bank and Bank of Baroda). Also second pari passu charge on current assets of the Company including stocks and book debts.
- b** Indian rupee loan from Promoter Director (Unsecured) taken from a proprietary concern of a Promoter Director, carries interest @ 9.00% (previous year 9.00% p.a.). Loan of Rs.250,000,000/- is repayable after the expiry of 5 years with an option to be paid fully or in trenches. The interest is payable on yearly basis. The said loan has been introduced as per the loan sanction terms & conditions of Vijaya bank & Bank of India and shall remain in the business during the currency of the loan from both the banks. Further, during the year, the Company has taken additional loan of Rs. 85,000,000/- from the said proprietary concern of a Promoter Director as interest free loan and this will remain in business till bank finance. The Loan will be paid after the expiry of 5 years with an option to be paid fully or in trenches. The said loan has been introduced as per the sanction terms & conditions of Vijaya Bank and Union Bank of India.
- c** Working Capital loan from NBFC (unsecured) as at the end of the previous year, taken on 26th February, 2013 for a period of 24 months carrying interest rate of 10.75% p.a. (previous year 10.75% p.a.) flat on Rs 30,000,000 /-. The same is repayable in 12 monthly installments of Rs 1,822,500/- in the first year of the loan & installments of Rs 1,215,000/- for the remaining period of the loan. The loan has been sanctioned against collateral of Rs. 6,000,000/- with the lender along with post dated cheques for Principal and Interest payable thereon and personal guarantee of three directors. During the year, the said working capital loan has been fully repaid.
- d** Vehicle loans from Banks (secured) carries interest in the range of 7.50% p.a. to 12.50% p.a. (previous year 7.50% p.a. to 12.50% p.a.) All the loans are repayable in 34 - 55 monthly installments from the date of disbursement. These loans are secured against hypothecation of respective Vehicles and Post Dated Cheques for Principal & Interest payable thereon.

5 Deferred Tax Liabilities (Net)

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Deferred Tax Liability		
Fixed assets : Tax impact of difference between carrying amount of fixed assets in the financial statement and the income tax return	70,568,547	79,335,096
Gross Deferred Tax Liability	70,568,547	79,335,096
Deferred tax assets		
Outstanding Leave encashment Gratuity and Bonus	3,763,732	3,166,826
Provision of doubtful debts	1,845,354	1,845,354
Preliminary Expenses u/s. 35D of the Income Tax Act, 1961	295,511	1,945,727
Gross Deferred Tax Assets	5,904,597	6,957,907
Deferred Tax Liabilities (Net)	64,663,950	72,377,189



6. Provisions

	Long-Term		Short-Term	
	31 st March,2015 in Rs.	31 st March,2014 in Rs.	31 st March,2015 in Rs.	31 st March,2014 in Rs.
(a) Provision for employee benefits				
Provision for Leave Encashment	1,304,619	1,067,949	76,633	103,909
Provision for Gratuity	7,072,836	5,227,560	432,992	324,558
	8,377,455	6,295,509	509,625	428,467
(b) Other Provisions				
Proposed Dividend	-	-	8,750,020	17,500,039
Dividend Distribution Tax	-	-	1,781,298	2,974,132
Income Tax (Net of Advance Taxes)	-	-	64,902,201	49,901,347
Fringe Benefit Tax (Net of Advance Taxes)	-	-	143,963	100,000
Wealth Tax (Net of Advance Taxes)	-	-	23,575	63,700
	-	-	75,601,057	70,539,218
	8,377,455	6,295,509	76,110,682	70,967,685

7. Short-Term Borrowings

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Cash Credit from Banks (Secured)	1,682,404,503	1,757,921,182
Buyer's Credit from Banks (Secured)	103,243,840	117,444,986
Working Capital loan from Bank (Secured)	-	60,000,000
Export Packing Credit from Banks (Secured)	78,747,074	81,206,287
Bill Discounting from Bank (Unsecured)	32,524,886	31,414,974
Bill Discounting from aNBFC (Unsecured)	-	140,798,381
	1,896,920,303	2,188,785,810
The Above amount includes		
Secured Borrowings	1,864,395,417	2,016,572,455
Unsecured Borrowings	32,524,886	172,213,355
Total	1,896,920,303	2,188,785,810

- a Working Capital Loan from Bank (Secured) as at end of the previous year and Cash Credit from Banks (Secured) are repayable on demand and carries interest @ 12.20% to 12.95% p.a., (previous year @ 12.20% to 12.85% p.a.), Buyers Credit (Secured) represents Foreign Currency Buyers Credit from various Banks which carries interest ranging from 1 % to 5.25 % p.a. (previous year 1 % to 5.25 % p.a.) having a tenor of maximum upto 180 days., Export Packing Credit from Banks (Secured) represents export packing Credit facility from banks. The tenor of the facility is maximum upto 180 days and the rate of interest (Foreign Currency facility) is Margin + LIBOR i.e. approximately 3.50% to 5 % p.a. (previous year 3.50% to 5% p.a.) and rate of interest (Indian Currency facility outstanding as at the end of the previous year) was @ 13.00% p. a. , All these loans are secured by hypothecation of Stocks of Raw Material, Stocks-in-process, Finished Goods, stores and spares (not relating to plant & machinery), bills receivables, book debts & all other current assets and movables (both present & future) at Silvassa & Umargaon [First Pari Passu charges amongst Vijaya Bank, Bank of Baroda, Union Bank of India, Bank of India & DBS Bank Ltd., and the whole of the movable plant & machinery including all the spare parts and all other movable assets such as furniture, fixture, fittings, vehicles & equipments (both present and future) at Silvassa (First Pari Passu charges amongst the above mentioned banks] and at Umargaon (Second Pari Passu charges amongst above mentioned banks) and collateral securities in form of first pari-passu charge on piece and parcel of non agricultural land along with the building unit no. 1 at Silvassa (Second pari-passu charge on piece and parcel of non agricultural land along with the building at Unit no. 2 at Umbergaon), & first pari-passu charge on piece and parcel of non agricultural land belonging to the company behind factory at Unit no. 2 Umbergaon, District : Valsad , State Gujrat, office premises no. 101 & 102 at Islampura Street, at Mumbai, 701, Mahalaxmi chambers, at Mumbai, Bungalow unit No.C 26, at Swapan Lok Complex, Lonavla, District Pune, Plot at OHM Industrial Infrastructure Park, Umbergaon, District Valsad, State Gujrat and two residential Plot No.B 30 & C 20, at Sheetal Township Project, Umbergaon, District : Valsad, State Gujrat belonging to three Directors and their relatives and personal guarantee of four directors & their relatives.



- b Bill Discounting from Bank (Unsecured) represents export bills discounted with foreign banks. The tenor of the loan is in the range of 50 to 120 days and the rate of interest is approximately 3.5% to 5.50% p.a. Bill Discounting from Bank outstanding at the end of the previous year (Unsecured) represents export bills discounted with local banks. The tenor of the loan is in the range of 50 to 120 days and the rate of interest is approximately 10% to 10.70% p.a. (previous year 10% to 10.70% p.a.). Bill Discounting from a NBFC (Unsecured) outstanding as at the end of the previous year was availed from finance companies and the tenor of the loan is 90 to 120 days and the rate of interest is 14.25% to 16.75% p.a. (previous year 14.25% to 16.75% p.a.). During the year, the said bill discounting has been fully repaid.

8 Other Current Liabilities

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Trade payable (including acceptances) (refer note 29 for details of dues to micro and small enterprises)	3,280,146,515	1,585,359,322
Other Liabilities		
Current maturities of Long Term Borrowings (Note 4)	68,509,783	61,837,063
Liability for expenses (refer note 29 for details of dues to micro and small enterprises)	68,453,563	59,255,129
Creditors for capital expenditure	11,974,651	5,061,970
Advance received from customer	65,816,532	113,639,006
Interest Accrued but not due on Loans	1,709,459	5,096,344
Unpaid Dividend	78,739	63,323
Security deposit from employees	177,100	177,100
Statutory dues	27,663,556	15,879,469
	244,383,383	261,009,404
	3,524,529,898	1,846,368,726



CONSOLIDATED NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Note 9 : FIXED ASSETS (Refer Note No. 39)

Sr. No.	Assets	GROSS BLOCK		DEPRECIATION / AMORTISATION			NET BLOCK			
		As on 01/04/2014 Rs.	Addition Rs.	Deduction/ Adjustments Rs.	As on 01/04/2014 Rs.	Dep. Charge to P&L A/c Rs.	Deduction/ Adjustments Rs.	Upto 31/03/2015 Rs.	As on 31/03/2015 Rs.	As on 31/03/2014 Rs.
	Tangible assets									
1	Factory Land	12,643,902	20,525,101	11,309,975	-	-	-	-	21,849,020	12,643,902
2	Factory Building	329,713,162	-	-	50,817,690	11,417,376	62,225,066	267,407,496	273,095,471	
3	Office Building	731,041	-	-	436,803	11,772	440,458	292,582	294,357	
4	Plant & Machinery	720,000,171	95,006,980	4,805,699	232,677,327	86,866,540	317,133,003	403,140,340	407,402,044	
5	Electrical & Telephone Installation & Office equipment	16,577,139	265,723	-	7,219,434	7,727,326	14,947,060	1,895,002	9,057,705	
6	Computers	13,622,062	167,025	-	11,711,501	1,545,887	13,257,468	532,739	1,910,001	
7	Furniture & Fixtures	25,724,247	-	-	10,046,263	3,323,000	14,169,263	11,534,090	14,077,094	
8	Vehicles	46,758,079	33,213	47,951	30,912,025	7,049,010	43,938	37,547,406	15,943,054	
9	Investment Stock	22,000	-	22,000	-	-	-	-	-	22,000
	Intangible assets									
	Computer Software	1,165,872,921	106,098,922	16,645,625	344,621,593	117,952,129	2,824,731	459,749,994	795,577,123	821,251,329
		25,346,992	-	-	7,115,104	4,714,674	11,029,857	13,517,135	18,231,000	
	Total Current Year	1,191,219,913	106,098,922	16,645,625	1,255,326,118	122,666,803	2,824,731	471,579,852	809,694,259	839,483,136
	Less: Adjustment of WDV of Fixed Assets during Reserve as per Schedule II (Refer Note No. 39)			(9,070,071)						
	Net Depreciation charged to Statement of Profit & Loss			113,596,732						
	Total Previous Year	985,201,125	229,714,016	23,775,227	1,191,219,913	81,866,737	7,095,790	351,736,777	269,460,136	707,015,294

Note:

(*) During the year, the company has reviewed its fixed assets for impairment loss as required by Accounting Standards 28 - "Impairment of Assets". In the opinion of management no provision for impairment loss is considered necessary.



CONSOLIDATED NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE 10 : NON CURRENT INVESTMENT (VALUED) AT COST UNLESS STATED OTHERWISE)

	Maturity Date	Number of Unit 31-03-2015	Face Value per Unit (Rs.)	Face Value (Rs.)	As at 31-03-2015 (Rs.)	Number of Units 31-03-2014	As at 31-03-2014 (Rs.)
1							
MUTUAL FUNDS							
QUOTED FIXED MATURITY PLAN							
Union KBC Capital Protection Oriented Fund - Series 5 - Regular Plan - Growth	6-ten-2017	100000	10	1,000,000	1,000,000	100000	1,000,000
			Total		1,000,000		1,000,000

Notes :

	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
(a) Aggregate Book Value - Quoted Investments	1,000,000	1,000,000
(b) Aggregate Market Value of Quoted Investments	1,238,520	1,013,180



11 Loans and Advances

	Long-Term		Short-Term	
	31 st March,2015 in Rs.	31 st March,2014 in Rs.	31 st March,2015 in Rs.	31 st March,2014 in Rs.
Capital Advances				
Secured, considered good	-	-	-	-
Unsecured, considered good	88,195,372	39,613,681		
(A)	88,195,372	39,613,681		
Security Deposit				
Secured, considered good	-	-	-	-
Unsecured, considered good				
- Security Deposit to Related Party	55,000,000	55,000,000	-	-
- Others	4,464,128	4,451,228	1,648,345	1,823,295
(B)	59,464,128	59,451,228	1,648,345	1,823,295
Loans & Advances to related parties				
Tubacex Prakash India Pvt Ltd	-	-	5,140,000	-
(C)	-	-	5,140,000	-
Advances recoverable in cash or kind				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	479,224,079	236,997,283
(D)	-	-	479,224,079	236,997,283
Other loans and advances (Unsecured, considered good)				
Balance with central excise authority	-	-	22,098,801	47,057,837
Collateral / Margin Money	-	-	49,297	30,954,882
Prepaid expenses	-	-	4,855,738	4,876,784
Loans and advances to employees	-	-	784,370	1,005,993
Advance income tax (net of provision for taxation)	392,483	436,446	-	-
Balances with statutory / Government authorities	367,708	777,663	11,911,367	7,519,548
(E)	760,191	1,214,109	39,699,573	91,415,044
(A+B+C+D+E)	148,419,691	100,279,018	525,711,997	330,235,622

Collateral / Margin money deposits given as security :

The lender has unconditional lien in respect of the collateral of Rs. Nil (Previous year Rs.60,00,000/-) and interest accruing thereon and has unconditional right to adjust these monies to set off compensation arising out of late remittance of monthly installment due in respect of Indian rupee Working Capital loan of Rs 3,00,00,000 /-.

Margin money deposits with a carrying amount of Rs. 49,297/- (Previous year Rs. 24,954,882/-) are given against the discounting of bills of exchange.

	Long-Term		Short-Term	
	31 st March,2015 in Rs.	31 st March,2014 in Rs.	31 st March,2015 in Rs.	31 st March,2014 in Rs.
Security deposits include				
Dues from Directors & their relatives (refer note 26)	55,000,000	55,000,000	-	-
Loans to employee include				
Dues from Officers	-	-	723,495	890,928
Dues from Workers	-	-	60,875	115,065



12 Other Assets

	Non-Current		Current	
	31 st March,2015 in Rs.	31 st March,2014 in Rs.	31 st March,2015 in Rs.	31 st March,2014 in Rs.
Unsecured, considered good unless stated otherwise				
Non current bank balances (note 15)	-	7,898,113	-	-
Interest Accrued on Bank deposits	-	432,788	2,492,010	4,199,436
Interest Accrued on other deposits	-	-	528,148	588,973
Export Benefit Incentive Receivable	-	-	57,857,811	51,688,508
	-	8,330,901	60,877,969	56,476,917

13 Inventories (Valued at cost or market value whichever is lower, as taken, valued and certified by management)

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Raw materials and components	250,738,071	239,490,841
Work in progress	384,705,805	165,071,021
Finished goods	130,389,828	81,986,259
Land for Industrial Park	-	8,818,164
Traded goods (Includes in transit Rs.Nil (P.Y. Rs 9,205,310/-)	1,890,410,535	1,556,251,156
Stores and spares	50,094,534	43,578,305
	2,706,338,773	2,095,195,745

14 Trade Receivable

	Non-Current		Current	
	31 st March,2015 in Rs.	31 st March,2014 in Rs.	31 st March,2015 in Rs.	31 st March,2014 in Rs.
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	74,060,992	264,064,035
Doubtful	-	-	5,429,109	5,429,109
	-	-	79,490,101	269,493,144
Provision for doubtful debts	-	-	(5,429,109)	(5,429,109)
(A)	-	-	74,060,992	264,064,035
Other debts				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	3,596,376,006	2,527,734,211
(B)	-	-	3,596,376,006	2,527,734,211
(A+B)	-	-	3,670,436,998	2,791,798,245



15 Cash and Bank Balances

	Non-Current		Current	
	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.	31 st March, 2015 in Rs.)	31 st March, 2014 in Rs.
Cash and cash equivalents				
Currency in hand	-	-	610,093	241,067
Cash on hand	-	-	577,542	2,381,875
Balances with banks:				
On current accounts	-	-	16,591,335	26,778,564
Earmarked balance with Bank (Unpaid Dividend)	-	-	78,739	63,323
Cheques/drafts in hand	-	-	-	70,000,000
Total Cash and cash equivalents			17,857,709	99,464,830
Other bank balances				
Margin money deposit	-	7,898,113	76,355,123	90,357,856
	-	7,898,113	76,355,123	90,357,856
Amount disclosed under non-current assets (Note - 12)	-	7,898,113		
	-	-	94,212,832	189,822,686

Margin money deposits given as security :

Fixed deposits amounting to Rs. 76,355,123/- (Previous year Rs. 98,255,969/-) have been kept with the banks as a margin money for non fund based facilities.

16 Revenue From Operations

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Operating revenue		
Sale of Products		
Finished goods	2,988,664,213	2,822,281,469
Traded goods	8,295,391,831	7,553,320,864
Other operating revenue		
Export Incentives	85,876,399	58,213,992
Job Work Income	3,713,441	-
Profit on Consignment Sales	15,945	75,468
Revenue from operations (Gross)	11,373,661,829	10,433,891,793
Less : Excise duty #	141,905,343	179,495,577
Revenue from operations (Net)	11,231,756,486	10,254,396,216

Excise duty on sales amounting to Rs. 141,905,343 (31st March, 2014 : Rs. 179,495,577) has been reduced from sales in the Statement of Profit and Loss and excise duty on (increase) / decrease in stock amounting to Rs. 5,327,178, [31st March, 2014 : Rs. (28,957,614)] has been considered as (income) / expense in note 22 of financial statements.

**Details of product sold**

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Finished goods sold		
S. S. Pipe / Tubes	2,936,649,242	2,767,647,151
S. S. Scrap	52,014,971	54,634,318
	2,988,664,213	2,822,281,469
Traded goods sold		
S. S. Pipe / Tubes	695,629,658	1,046,411,843
S. S. Sheets / Coil / Plate	7,599,762,173	6,506,909,021
	8,295,391,831	7,553,320,864
	11,284,056,044	10,375,602,333

17 Other Income

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Interest Income on		
- Bank Deposits	7,488,562	8,779,098
- Loans & Advances	65,000,982	973,271
- Receivables	-	27,855,709
Profit on Sale of Land for Industrial Park	29,067,945	-
Profit / (Loss) on Sale of other fixed assets	(240,503)	19,508
Other Income	26,302	-
Discount on Forward Contracts (net of premium)	19,855,454	3,548,970
	121,198,742	41,176,556

18 Raw Material Consumed

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Opening Stock	239,490,841	397,424,577
Add : Purchases	2,353,343,751	1,765,553,229
	2,592,834,592	2,162,977,806
Less Closing Stock	250,738,071	239,490,841
	2,342,096,521	1,923,486,965

Details of raw material and components consumed

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
S. S. Strip / Sheet / Coil / Plate	1,099,720,224	945,189,820
S. S. Round Bar	406,796,699	199,354,628
S. S. Pipe	835,579,598	778,942,517
	2,342,096,521	1,923,486,965

**Details of inventory**

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Raw materials and components		
S. S. Strip / Sheet / Coil / Plate	87,901,014	83,587,542
S. S. Round Bar	3,346,924	14,642,362
S. S. Pipe	159,490,133	141,260,937
	250,738,071	239,490,841

19 Increase / (decrease) in stock

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Opening Stock :		
Traded Goods	1,556,251,156	970,877,712
Work in Process	165,071,021	115,146,155
Finished Goods	81,986,259	346,759,837
Land for Industrial Park	8,818,164	-
	1,812,126,600	1,432,783,704
Conversion of land into stock in trade	-	8,818,164
Reconversions of Stock in trade into Land (refer note 48)	(8,818,164)	-
Closing Stock :		
Traded Goods	1,890,410,535	1,556,251,156
Work in Process	384,705,805	165,071,021
Finished Goods	130,389,828	81,986,259
Land for Industrial Park	-	8,818,164
	2,405,506,168	1,812,126,600
	(602,197,732)	(370,524,732)

Details of purchase of traded goods

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
S. S. Pipe / Tubes	684,995,448	1,033,806,802
S. S. Sheet / Coil / Plate	7,572,951,328	6,505,366,642
	8,257,946,776	7,539,173,444

Details of inventory

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Traded goods		
S. S. Pipe / Tubes	197,651,498	219,627,628
S. S. Sheet / Coil / Plate	1,692,759,037	1,336,623,527
	1,890,410,535	1,556,251,156
Work-in-progress		
S.S. Strip / Sheet/ Coil /Plate	48,609,789	44,154,226
S.S. Pipe	336,096,016	120,916,795
	384,705,805	165,071,021
Finished goods		
S.S. Pipe / Tubes	128,815,749	79,166,381
S.S. Scrap	1,574,079	2,819,878
	130,389,828	81,986,259
Land for Industrial Park	-	8,818,164
	-	8,818,164



20 Employee Benefit Expenses

	31st March, 2015 in Rs.	31st March, 2014 in Rs.
Salaries, Bonus and Other Benefits	18,449,561	15,356,396
Contribution to Provident and Other Funds	3,489,560	3,500,521
Wages , Bonus & Other Benefits	74,419,331	72,355,054
Remuneration to Directors	4,500,000	3,780,000
Staff welfare Expenses	5,817,480	5,582,476
	106,675,932	100,574,447

21 Finance Costs

	31st March, 2015 in Rs.	31st March, 2014 in Rs.
Interest on Term Loan	17,701,127	14,158,987
Interest on Cash Credit & Other Facilities	272,881,158	248,874,591
Interest on Car Loans	356,755	466,405
Interest on unsecured loans	24,997,046	13,685,164
Other Interest	27,347,209	30,802,592
	343,283,295	307,987,739
Bank Commission & Other Finance Charges	18,816,752	45,284,084
	362,100,047	353,271,823
	362,100,047	353,271,823

22 Other Expenses

	31st March, 2015 in Rs.	31st March, 2014 in Rs.
Manufacturing & Other Expenses		
Testing , Cutting & Job Work Charges	35,528,058	33,647,917
Power, Fuel & Water Charges	34,025,183	30,225,554
Insurance (Factory)	512,975	743,428
Repairs & Maintenance (Factory)	8,834,410	10,160,141
Liquidated damages/Late delivery charges paid	3,331,778	9,601,972
Excise Duty on Closing Stock	5,327,178	(28,957,614)
	87,559,582	55,421,398
Administrative, Selling Expenses & Other Expenses		
Fluctuation in Foreign Currency	22,966,521	29,116,874
Advertisement Expenses	2,067,676	4,604,681
Sales Promotion Expenses	7,895,927	5,981,801
Discount & Rebate	1,192,422	1,502,660
Donation	406,185	236,596
Export Freight	78,965,535	49,596,456
Legal and Professional Expenses	32,590,709	15,542,142
Packing, Transport, Coolie & Cartage	23,846,276	36,894,379
Printing & Stationary	1,689,891	1,705,163
Rates & Taxes	1,896,446	4,549,316
Registration & Tender Fees	55,356	53,538
Rent	2,525,241	3,130,402
Electricity Charges	1,536,802	1,496,735
Repairs & Maintenance	935,656	3,003,611
Security Charges	738,625	752,478
Auditors Remuneration	964,948	828,132
Insurance	3,723,698	1,654,828
Director Sitting Fees	250,000	147,000



	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Sundry Expenses	3,290,947	2,109,168
Telephone, Postage & Telegram	3,600,911	3,733,334
Travelling & Conveyance	15,963,097	13,899,315
Vehicle Maintenance & Insurance	7,496,156	8,680,867
Brokerage & Commission	343,736	334,744
Sundry Balances Written off (net) (refer note no.32)	20,010,323	31,326,734
Loss on Sale/Theft of Fixed Assets	-	5,109,670
Training & Recruitment Expenses	287,187	121,102
Provision for doubtful debts	-	4,420,192
Bad Debts written off	-	3,779,426
Preliminary Expenses written off	-	934,303
	(B)	235,245,648
	(A+B)	290,667,046
Note :		
Payment to auditors		
As auditor :		
Audit fee	922,237	720,992
In other capacity :		
Taxation matters	-	40,000
Reimbursement of expenses	42,711	37,140
Certification	-	30,000
	964,948	828,132

23 Earning Per Share (EPS)

In accordance with Accounting Standard 20 - "Earning per Share" as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. the required disclosure is given below:

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
A Calculation of EPS before exceptional item :		
The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations :		
Net profit / (loss) attributable to Shareholders before exceptional item and tax	323,079,673	284,174,859
Tax on above	108,240,235	81,705,058
Net profit / (loss) attributable to Shareholders before exceptional item and after tax	214,839,439	202,469,801
Weighted average number of equity shares issued (Nos.) for basic EPS	17,500,039	17,500,039
Basic earnings per share of Rs. 10/- each (in Rs.)	12.28	11.57
B Calculation of EPS after exceptional item :		
The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations :		
Net profit / (loss) attributable to Shareholders (Rs.)	147,118,358	214,021,550
Weighted average number of equity shares issued (Nos.) for basic EPS	17,500,039	17,500,039
Basic earnings per share of Rs. 10/- each (in Rs.)	8.41	12.23

The Company does not have any potential dilutive equity shares. Consequently, the basic and diluted earning per share remain the same.



24 Disclosure under Revised Accounting Standard 15 on Employee Benefits:

Consequent to Accounting Standard 15 "Employee Benefits" (Revised 2005) becoming effective, the Company has made the provision for Defined Contribution Plan and Defined Benefit Plan.

Defined Contribution Plan

During the year, the Company has recognized Rs. 3,489,560/- (Previous Year Rs. 3,500,521/-) towards Provident Fund and Employees, State Insurance Corporation as Defined Contribution Plan Obligation.

Defined Benefit Plan

Gratuity & Leave Encashment

Liability is computed on the basis of Gratuity & Leave Encashment payable on retirement, death and other withdrawals as per the Act and already accrued for past service, with the qualifying wages/salaries appropriately projected, as per the Projected Unit Credit Method.

I Actuarial Assumption

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Discount Rate Current	7.80%	9.10%	7.80%	9.10%
Rate of Increase in compensation Levels	6.00%	6.00%	6.00%	6.00%

II Table Showing change in Benfit Obligation

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Project Benefit Obligation (PBO) at the beginning of the year	5,552,118	6,361,072	1,171,859	1,922,771
Interest Cost	490,475	484,512	101,911	109,306
Service Cost	1,055,656	967,604	727,591	306,548
Benefits paid	(312,858)	(904,773)	(1,087,378)	(1,179,545)
Actuarial (gain) / loss on Obligations	720,437	(1,356,297)	467,270	12,780
Projected Benefit Obligations (PBO) at the end of the year	7,505,828	5,552,118	1,381,253	1,171,859

III Funded Status

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Funded Status	(7,505,828)	(5,552,118)	(1,381,253)	(1,171,859)

IV The Amounts to be recognised in Balance Sheet and Income Statement and the related analysis

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Present Value of Obligation	7,505,828	5,552,118	1,381,253	1,171,859
Fair value of Plan Assets	-	-	-	-
Diff	7,505,828	5,552,118	1,381,253	1,171,859
Unrecognised Actuarial gains (losses)	-	-	-	-
Unrecognised Transitional Liability	-	-	-	-
Liability Recognised in Balance Sheet	7,505,828	5,552,118	1,381,253	1,171,859



V Net Periodic Cost

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Current Service Cost	1,055,656	967,604	727,591	306,548
Interest Cost	490,475	484,512	101,911	109,306
Expected Return on Plan Assets	-	-	-	-
Net Actuarial (gain) loss recognised in the year	720,437	(1,356,297)	467,270	12,780
Expenses Recognised in the Income Statement	2,266,568	95,819	1,296,772	428,633

VI Movements in the liability recognised in the Balance Sheet

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Opening Net Liability	5,552,118	6,361,072	1,171,859	1,922,771
Expenses as above	2,266,568	95,819	1,296,772	428,633
Benefit Paid	(312,858)	(904,773)	(1,087,378)	(1,179,545)
Closing Net Liability	7,505,828	5,552,118	1,381,253	1,171,859

VII Experience Adjustments

Particulars	Gratuity		Leave Encashment	
	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Defined benefit obligation	7,505,828	5,552,118	1,381,253	1,171,859
Plan assets	-	-	-	-
Surplus/ (deficit)	(7,505,828)	(5,552,118)	(1,381,253)	(1,171,859)
Experience adjustment on plan liabilities	(274,694)	(771,947)	276,151	140,152
Actuarial Loss / (Gain) due to change in assumptions	995,131	(584,350)	191,119	(127,372)
Experience adjustment on plan assets	-	-	-	-
Net Actuarial Loss / (Gain) for the year	720,437	(1,356,297)	467,270	12,780

25 Segment Reporting

The Company's operations predominantly relates to manufacturing and trading of "Stainless Steel Tubes & Pipes", Hence there is no separate reporting segment as per Accounting Standard 17 "Segment Reporting" as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

26 Related Party Disclosure

Disclosure requirement as per Accounting Standard 18 (AS-18) "Related Party Disclosure" as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.



Related Parties	Nature of relationship
M/s. Tubacex Prakash India Pvt. Ltd. (formed on 22nd April , 2015)	Subsidiary Company
M/s. Sunrise Metal Industries	Enterprise of which key management person (Shri Prakash C. Kanugo) is proprietor
M/s. AMS Trading & Investments Pvt. Ltd.	Associates / Enterprises over which directors and / or their relatives has significant influence
M/s. Seth Iron & Steel Pvt. Ltd.	
M/s. Seth Steelage Pvt. Ltd.	
M/s. Prakash Stainless Pvt. Ltd.	
M/s. PCK Metal Pvt. Ltd.	
M/s. Seth Carbon & Alloys Pvt. Ltd.	
M/s. Prakash & Daga Infra Projects Pvt. Ltd.	
M/s. Prakash C. Kanugo (HUF)	
M/s. Ashok M. Seth (HUF)	
M/s. Prakash Integrated Hi-Tech Steel And Metal Cluster Private Limited	
M/s. Chandan and Kanugo Land Developer	
M/s. Hemant & Co.	
M/s. Prakash Land Developer	
M/s. Hemant P Kanugo (HUF)	
M/s Vimal P Kanugo (HUF)	
Shri Prakash C. Kanugo, Chairman & Managing Director	Key Management Personnel
Shri Ashok M. Seth, Executive Director	
Shri Hemant P. Kanugo, Whole Time Director	
Shri Kamal P. Kanugo, Whole Time Director	
Smt. Babita P. Kanugo	Relatives of Key Management Personnel
Shri Vimal P. Kanugo	
Shri Kirti P. Kanugo	
Smt. Ekta H. Kanugo	

Note : Related Party Relationships have been identified by the management and relied upon by the Auditors.

Details of transactions between the Company & related parties & the status of outstanding balance as on 31st March, 2015

(in Rs.)

Nature of Transactions	Name of Party	As sociates/E nterprises over which dir ector s and/or their relatives has significant influe nce		Key Management Personnel		Relatives of Key Management Personnel	
		31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Unsecured Loans Taken	M/s. AMS Trading & Investment Pvt. Ltd.	-	100,000,000				
	M/s. Sunrise Metal Industries	111,000,000	250,000,000				



Details of transactions between the Company & related parties & the status of outstanding balance as on 31st March, 2015

(in Rs.)

Nature of Transactions	Name of Party	As associates/Enterprises over which directors and/or their relatives has significant influence		Key Management Personnel		Relatives of Key Management Personnel	
		31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014	31 st March, 2015	31 st March, 2014
Unsecured Loans Repaid	M/s. AMS Trading & Investment Pvt. Ltd.	-	100,000,000				
	M/s. Sunrise Metal Industries	26,000,000					
Interest Paid	M/s. Sunrise Metal Industries	22,881,722	2,713,562				
Advance Given to Subsidiary	M/s. Tubacex Prakash India Pvt. Ltd.	5,140,000					
Remuneration / Salary	Shri Ashok M. Seth	-	-	1,200,000	1,050,000	-	-
	Shri Hemant P. Kanugo	-	-	900,000	750,000	-	-
	Shri Kamal P. Kanugo	-	-	900,000	630,000	-	-
	Shri Kirti P. Kanugo	-	-	-	-	360,000	360,000
	Shri Prakash C. Kanugo	-	-	1,500,000	1,350,000	-	-
-	Shri Vimal P. Kanugo	-	-	-	-	360,000	360,000
Rent Paid	Shri Prakash C. Kanugo	-	-	60,000	60,000	-	-
	M/s. Prakash C. Kanugo (HUF)	480,000	480,000	-	-	-	-
	M/s. Ashok M. Seth (HUF)	360,000	360,000	-	-	-	-
	Smt. Ekta K. Kanugo	-	-	-	-	480,000	480,000
	Shri Kamal P. Kanugo	-	-	660,000	660,000	-	-
	Shri Hemant P. Kanugo	-	-	108,000	108,000	-	-
Outstanding Balances							
Office Deposit Given	M/s. Ashok M. Seth (HUF)	11,000,000	11,000,000	-	-	-	-
	M/s. Prakash C. Kanugo (HUF)	14,000,000	14,000,000	-	-	-	-
	Smt. Ekta H. Kanugo	-	-	-	-	14,000,000	14,000,000
	Shri Kamal P. Kanugo	-	-	11,000,000	11,000,000	-	-
Other Deposit Given	Shri Kamal P. Kanugo	-	-	5,000,000	5,000,000	-	-
Rent Payable	Shri Kamal P. Kanugo	-	-	45,000	45,000	-	-
Interest Payable	M/s. Sunrise Metal Industries	-	2,442,206				
Unsecured Loan Taken	M/s. Sunrise Metal Industries	335,000,000	250,000,000				
Advance Given to Subsidiary	M/s. Tubacex Prakash India Pvt. Ltd.	5,140,000					



27 Capital and other Commitment

	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
(a) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	11,735,625	106,967,967
28 Contingent Liabilities		
Contingent liabilities not provided for in respect of:		
(a) Guarantees given by the bankers of the company	36,673,338	43,665,328
(b) Sales Tax / VAT demands disputed in appeals	78,183,375	15,459,374
(c) Central Sales Tax Liability towards pending declaration forms	9,541,061	29,811,068
(d) Disputed Excise Duty Rebate Claim	551,080	551,080
(e) Disputed CENVAT Credit	4,511,524	3,599,712
(f) Commitment towards development work for Industrial Park Project	73,195,050	85,000,000

29 Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprise Development Act, 2006, (MSMED Act) as at 31st March, 2015. The disclosure pursuant to the said Act is as under :

Particulars	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Principal amount remaining unpaid to any supplier as at the year end	646,780	887,709
Interest due thereon	-	-
Amount of interest paid during the year	-	39,886
Amount of payments made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	-	-

The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" Enterprises on the basis of information available with the Company.

30 Some of the balances of Trade Receivables, Deposits, Loans & Advances, Advances received from customers, Liability for expenses and Trade Payables are subject to confirmation from the respective parties and consequential reconciliation/adjustment arising there from, if any. The management, however, does not expect any material variation.

31 In the opinion of the Management, Current Assets, Loans & Advances are approximately of the value stated, if realized, in the ordinary course of business. The provision for all known and determined liability is adequate and not in the excess of the amount reasonably required.

32 Sundry balances (net) written off amounting to Rs. 20,010,323/- are net of sundry credit balances written back amounting to Rs.4,527,680/- (in previous year sundry balances (net) written off amounting to Rs. 31,326,734/- are net of sundry credit balances written back amounting to Rs.85,65,196/-)

33 Prior period adjustment (Net) amounting to Rs 35,805/- (credit) {Previous year Rs. 31,090/- (credit)} includes



income of Rs. 37,864/- (Previous year Rs. 290,025/-) and expenses Rs. 2,059/- (Previous year Rs.258,935/-).

- 34** During the year, the Holding Company has written off Bad debts amounting to Rs.102,592,154/-. This being a material amount, the same has been shown as 'Exceptional Item' for the year. ('Exceptional Item' for the previous year ended 31st March, 2014 represents gain of Rs.17,500,000/- on account of forfeiture of advance due to cancellation of sale contract by the customer as per terms of contract.)

35 CIF value of Imports

Class of Goods	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Material	1,334,252,691	799,064,803
Capital Goods	6,572,542	54,542,337
Stores and Spares	11,701,541	2,479,841
Total	1,352,526,774	856,086,981

36 Expenditure in Foreign Currency (on accrual basis)

Particulars	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Professional Fees	548,660	73,936
Travelling Exp.	5,481,469	4,153,168
Others	8,472,091	6,242,106
Total	14,502,220	10,469,210

37 Earning in foreign exchange on exports of goods (FOB Value)

Particulars	31 st March, 2015 in Rs.	31 st March, 2014 in Rs.
Exports of Goods	1,850,553,438	1,260,723,861

38 Disclosures of derivative instruments

The Holding Company has entered into the following derivative instruments. All the forward contracts are accounted for as per Accounting Policies stated in Note 1(i) annexed to Balance Sheet and Statement of Profit and Loss.

The Holding Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The Holding Company does not use forward contracts for speculative purposes.

(a) Outstanding Short-term Forward Exchange Contracts entered into by the Company on account of receivables:

Particulars	31 st March, 2015	31 st March, 2014
No. of Contracts	29	21
US Dollar	2,865,379	2,600,000
INR Equivalent	179,346,351	156,259,480

Particulars	31 st March, 2015	31 st March, 2014
No. of Contracts	1	-
EURO equivalent	100,000	-
INR Equivalent	6,751,040	-



(b) Outstanding Short-term Forward Exchange Contracts entered into by the Company on account of payables :

Particulars	31 st March, 2015	31 st March, 2014
No. of Contracts	-	-
USD / EURO equivalent	-	-
INR Equivalent	-	-

(c) The un-hedged foreign currency exposure as on 31st March 2015 is given below :

	Payable as at 31 st March 2015		Payable as at 31 st March 2014	
	Foreign Currency Amount	Local Currency	Foreign Currency Amount	Local Currency
USD	5,104,506	319,495,089	2,416,257	145,216,550
EURO	5,657	381,939	84,150	6,948,828
GBP	-	-	-	-

	Receivable as at 31 st March 2015		Receivable as at 31 st March 2014	
	Foreign Currency Amount	Local Currency	Foreign Currency Amount	Local Currency
USD	2,863,834	179,249,679	853,094	51,270,803
EURO	1,058,464	71,457,323	559,839	46,229,548
GBP	91,672	8,475,914	-	-

39 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from 1 April, 2014, the Company has revised the useful life of its assets to the useful life specified in Schedule II whereas previously the Company was providing the depreciation on its fixed assets at the rates specified in Schedule XIV of the Companies Act, 1956. Accordingly, 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 charge for year ended 31st March, 2015 is higher by Rs. 23,621,956/- and profit before tax year ended 31st March, 2015 is lower to the said extent. Further, based on the transitional provisions 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. 9,070,071/- and the corresponding deferred tax thereon amounting to Rs. 3,082,917/- have been debited and credited respectively to the opening balance of "Retained Earnings".

40 The Holding Company has entered into a Joint Venture Agreement with Tubacex S. A. on February 13, 2015. Pursuant to the joint ventured agreement, the Holding Company proposes to transfer its Seamless Stainless Steel Tubes and Pipes business (herein after referred as "seamless business" or "discontinued operations") to the new Joint Venture Company (JVC) (incorporated on April 22, 2015) at a net consideration of Rs. 209.16 crores and sell additional land measuring about 16,188 sq. metres for an additional consideration of about Rs. 20 crores subject to fulfilment of various terms & condition based on which the execution of the business transfer agreement will take place. The JVC has been incorporated as a wholly owned subsidiary and subsequently the 67.53% of the shareholding in the JVC will be held by Tubacex S.A and 32.47% by the Holding Company. The effect of the said transaction will be given on fulfilment of various terms and conditions of joint venture agreement.

The Holding Company operates under a single business segment i.e. 'Stainless Steel Tubes & Pipes' within the meaning of Accounting Standard – 17 'Segment Reporting'. The transfer of the seamless business would involve transfer of assets and liabilities as are related to the seamless business and as the same are identified by the parties to the transaction. For this purpose, employees, tangible and intangible assets, current assets, market territories, other liabilities etc. are being identified as are related to the seamless business. In view of common employees, marketing expenses, operating expenses, finance cost, common customers, common suppliers, logistics & distribution arrangements and general corporate overheads, which are not separately identifiable for seamless business, the Holding Company is unable to determine the income, expenses, assets and liabilities clearly attributable to the discontinued operations. As per the practice followed by the Holding Company for preparation of its financial statements for financial reporting purposes, its present system of maintenance of books of account and other relevant records do not provide clearly identifiable details of income and expenditure as are related to the seamless business. Under the circumstances, the management is of the view that seamless business, a component of the enterprise, cannot be distinguished operationally and for financial reporting purposes and also in view of the fact that the binding agreement for the transfer of the seamless business is pending, the initial disclosures, namely total



assets, total liabilities, revenue, expenses, net cash flows and pre-tax profit or loss in respect of the ordinary activities attributable to the discontinuing operation and the income tax expense related thereto pertaining to the discontinuing operations as required by Accounting Standard (AS) 24 'Discontinuing Operations' are not given.

41 The Group's pending litigations comprise of claims against the Company and proceedings pending with Statutory and Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, whenever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position (Refer note no 28 for details on contingent liabilities).

42 The Group periodically reviews all its long term contracts including derivative contracts to assess for any material foreseeable losses. Based on such review, the Group has made adequate provisions for these long term contracts in the books of account as required under any applicable law/ accounting standard.

43 For the year ended March 31, 2015, the Group is not required to transfer any amount into the investor education & protection fund.

44 Disclosure in respect of Corporate Social Responsibility Expenditure (CSR) of Holding Company is as under:

(a) Gross amount required to be spent by the company during the year is Rs. 4,850,465/-

(b) Amount spent during the year is Rs Nil

45 Additional disclosure on Consolidated Financial Statements under Schedule-III of Companies Act, 2013.

Name of entity	Country of Incorporation	Net Asset (i.e. Total Asset minus Total Liabilities) as on 31 st March, 2015		Share in Profit and Loss Account for the financial year ended 31 st March, 2015		Net Asset (i.e. Total Asset minus Total Liabilities) as on 31 st March, 2014		Share in Profit and Loss Account for the financial year ended 31 st March, 2014	
		As % of Consolidated Net Assets	Amount	As % of Consolidated profit and loss	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated profit and loss	Amount
(a) Holding Company : Prakash Steelage Limited	India	97.03%	1,916,280,758	95.57%	140,600,687	97.21%	1,792,206,392	77.33%	165,492,292
(b) Subsidiaries :									
1) Pioneer Stainless & Alloys FZC	UAE	2.97%	58,735,153	4.43%	6,517,666	2.79%	51,429,976	22.67%	48,529,259
2) Tubacex Prakash India Private Limited*	India	-	-	-	-	-	-	-	-
Total		100.00%	1,975,015,911	100.00%	147,118,353	100.00%	1,843,636,368	100.00%	214,021,551

* Subsidiary formed w.e.f. April 22, 2015

46 Disclosure pursuant to clause 32 of the Listing Agreement :

Particulars	Outstanding as at 31-03-2015	Maximum amount Outstanding during the year 2014-15	Outstanding as at 31-03-2014	Maximum amount Outstanding during the year 2013-14
a) Loans to Subsidiaries:				
i) Pioneer Stainless & Alloys F.Z.C.	196,972	196,972	189,134	189,134
ii) Tubacex Prakash India Pvt. Ltd.*	5,140,000	5,140,000	-	-
b) Where there is no repayment schedule:				
i) Pioneer Stainless & Alloys F.Z.C.	196,972	196,972	189,134	189,134
ii) Tubacex Prakash India Pvt. Ltd.*	5,140,000	5,140,000	-	-
c) Where no interest or interest below Section 186 (11) of Companies Act:				
i) Pioneer Stainless & Alloys F.Z.C.	196,972	196,972	189,134	189,134
ii) Tubacex Prakash India Pvt. Ltd.*	5,140,000	5,140,000	-	-
d) In the nature of loans to Firms/Companies in which directors are interested.	Nil	Nil	Nil	Nil

* Company formed on April 22, 2015

e) All the above loans and advances have been given for business purposes.

f) Loans to employees as per the Company's policy are not considered.



47 Details of loans given, Investments made and guarantee given covered u/s 186 (4) of the Companies Act, 2013: Details of the loans are given in note 46 above and details of investment are given in note no 10 above.

48 During the previous year, Holding Company had initiated the development of the "Industrial Park Project" on its idle land at Palgam (Umbergaon) and accordingly, it had converted the Land from Fixed Assets into Stock-in-Trade at lower of cost or net realizable value i.e. at cost of Rs. 88,18,164/-. It had passed a special resolution for including real estate business activities as one of the main object and obtained approval from shareholders. However, the Holding Company could not alter the main object clause of memorandum and articles of association as the Registrar of the Companies (ROC) has approved the same subject to change of name of the Holding Company in line with proposed new business. Accordingly, during the year, it has reconverted the Land from stock-in-trade to Fixed Assets.

49 Figures of the previous year have been re-grouped, re-classified and re-arranged, wherever necessary.

AS PER OUR REPORT OF EVEN DATE

SIGNATURES TO NOTES "1" TO "49"

FOR KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 105 049W

FOR BATLIBOI & PUROHIT
CHARTERED ACCOUNTANTS
Firm Registration No.: 101 048W

FOR AND ON BEHALF OF THE BOARD

Sd/-
NARENDRA JAIN
PARTNER
M. No. 048725

Sd/-
R. D. HANGEKAR
PARTNER
M.No. 030615

Sd/-
PRAKASH C. KANUGO
CHAIRMAN &
MANAGING DIRECTOR

Sd/-
ASHOK M. SETH
EXECUTIVE DIRECTOR &
CHIEF FINANCIAL OFFICER

PLACE : MUMBAI
MUMBAI : 30TH MAY, 2015

Sd/-
PALLAVI P. SHEDGE
COMPANY SECRETARY &
COMPLIANCE OFFICER

Prakash Steelage Limited

CIN : L27106MH1991PLC061595

Regd. Office: 1402, 14th Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400 013.
Email: investorsgrievances@prakashsteelage.com Website: www.prakashsteelage.com
Tel. No.: 022 66134500; Fax No.: 022 66134599

FORM NO. MGT-11 Proxy Form

Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rule, 2014

CIN: L27106MH1991PLC061595
Name of the Company: Prakash Steelage Limited
Registered Address: 1402, 14th Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai 400-013

Name of the Member(s): _____
Registered Address: _____

Email Id: _____
Folio No/Client ID _____
DPID: _____

I / We being the member(s) of _____ Equity Shares of Prakash Steelage Limited, hereby appoint:

1. Name: _____
Address: _____

Email ID: _____

Signature: _____ or failing him/her

2. Name: _____
Address: _____

Email ID: _____

Signature: _____ or failing him/her

3. Name: _____
Address: _____

Email ID: _____

Signature: _____

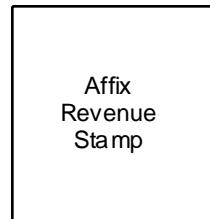
as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **24th ANNUAL GENERAL MEETING** of the Company, to be held on Tuesday, the 29th September, 2015 at 05.00 p.m. at Victoria Memorial School for the Blind, Opp. A.C. Market, Tardeo, Mumbai - 400 034 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of the business as set out in the 24 th AGM Notice dated 29 th September, 2015	For	Against
1.	Consider and adopt Standalone and Consolidated Audited Financial Statements, Reports of the Board of Directors and Auditors.		
2.	Declaration of Dividend on the Equity Shares of the Company.		
3.	Appointment of Mr. Prakash C. Kanugo (DIN 00286366) as a Director, liable to retire by rotation.		
4.	Appointment of M/s. Batliboi & Purohit, (Firm Registration No. 101048W), Chartered Accountants, as the Statutory Auditors of the Company and fix their remuneration.		
5.	Ratification of Remuneration to be paid to M/s. Amish Parmar & Associates, Cost Accountants for the financial year ending on 31 st March, 2016.		

Signed this _____ day of _____, 2015.

Signature of Share holder: _____

Signature of Proxy holder(s): _____



Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 1402, 14th Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai 400-013 not less than 48 hours before the commencement of the meeting.

Prakash Steelage Limited

CIN : L27106MH1991PLC061595

Regd. Office: 1402, 14th Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai- 400 013.
 Email: investorgrievances@prakashsteelage.com Website: www.prakashsteelage.com
 Tel. No.: 022 66134500; Fax No.: 022 66134599

Attendance Slip

Please fill the attendance slip and hand it over at the entrance of the meeting hall.
 Joint holders may obtain additional Slip at the venue of the meeting.

DP ID* _____	Folio No. _____
Client ID* _____	No. of Shares _____

Name and Address of the Shareholder / Proxy: _____

I hereby record my presence at the **24th ANNUAL GENERAL MEETING** of the Company held on Tuesday, the 29th September, 2015 at 05.00 p.m. at Victoria Memorial School for the Blind, Opp. A.C. Market, Tardeo, Mumbai – 400 034.

 Signature of Shareholder / Proxy

NOTE: Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.
 * Applicable for members holding shares in electronic form.

Financial Highlights

SALES

(Rs. in Lacs)



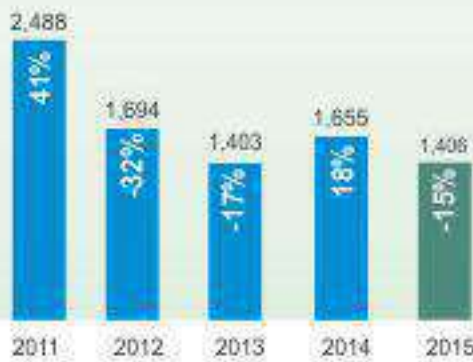
PBT

(Rs. in Lacs)



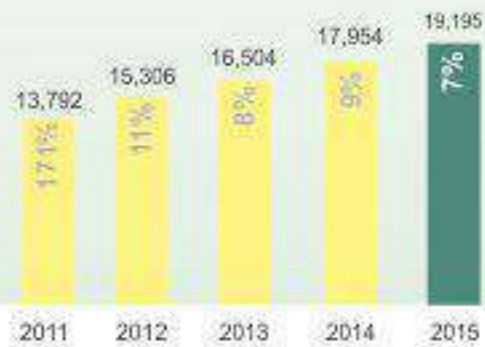
PAT

(Rs. in Lacs)



NET WORTH

(Rs. in Lacs)



PRAKASH STEELAGE LTD.



An ISO 9001-2008, ISO 14001-2004, BS OHSAS 18001-2007,
PED Certified, AD-2000-Merkblatt W O &
Government Recognised Star Export House

Manufacturers & Exporters of Austenitic, Martensitic, Ferritic, Duplex, &
Super Duplex, Welded and Seamless Pipes, Tubes & U "Tubes"

Registered Office :

1402, 14th Floor, A Wing, Naman Midtown,
Senapati Bapat Marg, Elphinstone Road,
Mumbai - 400 013.
Ph.: +91-22-6613 4500 • Fax : +91-22-6613 4599
CIN : L27106MH1991PLC061595

Domestic Sales :

sales@prakashsteelage.com

International Sales :

exports@prakashsteelage.com

Website :

www.prakashsteelage.com

Manufacturing Units :

Unit 1 : Survey No. 46/1, Parjal Road,
Village Kherdi, Silvassa - 396 230,
Union Territory of Dadra & Nagar Haveli, (India)

Unit 2 :

Plot No. 131/1, Umbergaon, Sanjan Road,
Umbergaon - 396 170, Dist. Valsad, Gujarat (India)



ROUTE MAP

