



Prakash Steelage Ltd.

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

28th August, 2017

To
The Manager
BSE Limited
Dept. of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code: 533239

To
The Manager
National Stock Exchange of India Limited
Corporate Communication Department
Exchange Plaza, Bandra - Kurla Complex
Bandra (E), Mumbai – 400 051
Symbol: PRAKASHSTL

Sub.: **Outcome of the Board Meeting of Prakash Steelage Limited ("the Company") held today i.e. Monday, 28th August, 2017**

Ref.: **Regulation 30 (4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

This is to inform you that the meeting of the Board of Directors of the Company (BM02/2017-18) held today i.e. Monday, 28th August, 2017 at the registered office of the Company, has *inter alia* considered and approved following:

1. The Un-audited Financial Results (Standalone) of the Company along with the Limited Review Report for the quarter ended 30th June, 2017, prepared and presented as per Indian Accounting Standard ("Ind AS"), in accordance with Companies (Indian Accounting Standard) Rules, 2015 w.e.f. 01st April, 2017, as prescribed by Ministry of Corporate Affairs (MCA), Government of India vide circular dated 16th February, 2015, SEBI Circular No. CIR/CFD/CMD/15/2015 dated 30th November, 2015, SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016 and pursuant to Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 reviewed by the Audit Committee of the Board of Directors of the Company;
2. The holding of 26th Annual General Meeting of the Company on Friday, 29th September, 2017; and
3. The Board's Report, Corporate Governance Report and Management Discussion & Analysis Report of the Company for the financial year 2016-17.

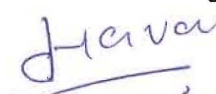
The meeting commenced at 2.00 p.m. and concluded at 7.25 p.m.

The above information is also hosted on the website of the Company. (www.prakashsteelage.com)

Kindly take the same on your record.

Thanking You,

Yours faithfully,
For Prakash Steelage Limited



Dhaval N. Darji
Company Secretary & Compliance Officer
Membership No.: A46381



Encl.: Unaudited Financial Results (Standalone) of the Company along with the Limited Review Report thereon for the quarter ended 30th June, 2017.

Registered Office

101, Shatrunjay Apartment, 1st Floor, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai-400 004. (India)

Tel.: +91-22-66134500, Fax : +91-22-66134599, Email : marketing@prakashsteelage.com, Web : www.prakashsteelage.com

Prakash Steelage Ltd.

CIN : L27106MH1991PLC061595

Tel. No. : 022 66134500,

Fax No. : 022 6613459

Registered Office : 101, Shatrunjay Apartment, 1st Floor, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai-400 004

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

		Rs. in Lakhs	
Particulars	Quarter Ended 30-6-2017 (Unaudited)	Quarter Ended 30-06-2016 (Unaudited)	
1	Income		
	a) Income from Operations	1,209	9,281
	b) Other Income	15	114
	Total Income	1,224	9,395
2	Expenditure		
	a) Cost of materials consumed	659	954
	b) Purchase of stock in trade	642	10,539
	c) Change in inventories of finished goods, work in progress and stock in trade	(42)	1,100
	d) Excise Duty	99	95
	e) Employee benefits expense	64	92
	f) Finance Costs	1	668
	g) Depreciation and Amortisation	55	87
	h) Consumption of stores and spares	40	17
	i) Other expenditure	73	136
	Total Expenditure : (a + b + c + d + e + f + g + i)	1,589	13,689
3	Profit/(Loss) before exceptional items and tax (1-2)	(365)	(4,294)
4	Exceptional items	(25,198)	-
5	Profit/(Loss) before tax (3-4)	(25,563)	(4,294)
6	Tax Expense		
	Current Tax	-	-
	Deferred Tax - Debit/(Credit)	-	-
	MAT Credit	-	-
	Short/(Excess) Provision for Tax for earlier years	-	-
7	Net Profit/(Loss) after Tax (5-6)	(25,563)	(4,294)
8	Other Comprehensive Income		
	(i) Items that will not be reclassified to profit or loss	2	6
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
9	Total Comprehensive Income (7+8)	(25,561)	(4,288)
10	Paid-up Equity Share Capital (Face value of Re. 1/- per share)	1,750	1,750
11	Basic and Diluted Earning per Share (Rs.)	(14.61)	(2.45)



Notes :

- 1 The results of the quarter ended June 30, 2017 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28th August 2017. They have been subjected to limited review by the statutory auditor.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1st April, 2017, the Company has for the first time adopted Ind AS with a transition date of 1st April, 2016.
- 3 The format for unaudited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013, which are applicable to Companies that are required to Comply with Ind AS.
- 4 Statement of unaudited financial results stating that exceptional item represents provision for doubtful debts of Rs.25198 lacs, Sundry Creditors written back which are no longer payable amounting of Rs. 1Lacs. In the said exceptional items the company has initiated legal action to recover the long outstanding debts. In few cases the debtors has also initiated cases against the company raising quality concerns. As a result the company foresee remote chances of recovery of the said debts and hence provided for doubtful debts.
- 5 The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS for the Quarter ended June 30, 2016 is given below:

Particulars	Rs. in Lakhs
	Quarter Ended
	30.06.2016
	Unaudited
Net loss after tax for the quarter as per Previous GAAP	(4,289)
Add / (Less) : Adjustments for GAAP Differences	
Reclassification of actuarial (gain)/loss in respect of defined benefit plan to "Other Comprehensive Income"	(6)
Net loss after tax for the quarter as per Ind AS	(4,294)
Other Comprehensive Income	6
Total Comprehensive Income as per Ind As	(4,288)

- 6 The Ind AS compliant corresponding figures for the quarter ended June 30, 2016 have not been subjected to review. However, the Company's Management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- 7 The Company has identified Manufacturing of Stainless Steel Tubes & Pipe business as its only primary reportable segment in accordance with the requirement of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided.
- 8 Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.

Place : Mumbai
Date : 28th August, 2017



Notes to Standalone Audited Financial Result

1. The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 28th August, 2017.
2. The Company's operation predominantly relates to manufacturing and trading of "Stainless Steel Tubes and Pipes". Hence, there is no separate reportable segment as the Company has identified Manufacturing of Stainless Steel Tubes & Pipe business as its only primary reportable segment in accordance with the requirement of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided.
3. Other expenses/Income, includes foreign currency exchange gain of Rs 3 lakhs, foreign currency exchange loss(net) of Rs. 15 lakhs for the quarter ended 30th June 2017, 30th June, 2016, respectively.
4. Statement of unaudited financial results stating that exceptional item represents provision for doubtful debts of Rs.25198 lakhs, Sundry Creditors written back which are no longer payable amounting of Rs. 1 lakhs.

In the said exceptional items the company has initiated legal action to recover the long outstanding debts. In few cases the debtors has also initiated cases against the company raising quality concerns. As a result the company foresee remote chances of recovery of the said debts and hence provided for doubtful debts.

5. Due to unfavorable market for steel industry there has been pressure on the realisability of our receivables, stocks and selling prices, which has resulted into operational losses during the Quarter ended 30th June, 2017.
6. The loan account of the Company with its consortium banks has become Non Performing Assets (NPAs). Company is not generating revenue to service the loans. Hence in view of uncertainty the Company has not provided interest including penal interest and other dues for the year on borrowings, to the extent the same have remained unpaid.
7. The accounts have been prepared on going concern basis as the steel industries in on the revival path. The Company is in the process of coming out of the crisis through business restructuring and financial arrangement.
8. The figures of the last quarter ended 30.06.2017 and 30.06.2016 are the balancing figures between the unaudited figure up to the first quarter of the relevant financial year.
9. The figures of the previous period/ year have been rearranged/ regrouped wherever necessary to make them comparable.

For Prakash Steelage Limited

Place : Mumbai
Date : 28th August, 2017




Prakash C. Kanugo
Chairman
DIN : 00286366



Independent Auditor's Review Report on interim financial Results of Prakash Steelage Limited For the quarter ended June 30, 2017 pursuant to the Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

To,
The Board of Directors,
Prakash Steelage Limited,
Mumbai

1. We have reviewed the accompanying statement of unaudited financial results of **Prakash Steelage Limited** for the quarter ended **30th June, 2017**. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We have reviewed the accompanying statements of unaudited Financial Results of **Prakash Steelage Limited (" the Company")** for the quarter ended June 30, 2017(" the statement") attached herewith, being submitted by the company pursuant to the requirement terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015, read with SEBI Circular No. CIR/CFD/CMD/15/2015 dated 30th November, 2015 and SEBI Circular No. CIR/CFD/CMD/15/2015 dated 5th July, 2016. This statement, which is the responsibility of the company's management approved by the board of directors, has been compiled from the related "Interim Financial Reporting " ("IND AS 34"), specified under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other accounting principles generally accepted in India. our responsibility is to express an opinion on statement based on our review of such financial statements.
4. We draw attention to:-
 1. ***The account of the Company with its consortium Banks had turned Non Performing Asset on various dates. In view of uncertainty the Company has not provided interest including penal interest and other dues for `the quarter on borrowings, to the extent the same have remained unpaid. Had the interest been provided, loss of the quarter would have been higher by Rs. 792 lakhs with a corresponding increase in liabilities towards interest. Also the Reserves & Surplus have been overstated to that extent. (Refer note no. - 6)***
 2. ***The Company has accumulated losses resulting in erosion of Net Worth and has incurred net cash losses in the current period and immediately preceding Financial Year. These conditions cast serious doubt about the company's ability***



BRANCHES :

*to continue as a going concern. However, the statement of unaudited financial results of the Company has been prepared on a going concern basis.
(Refer note no. - 7)*

3. Note no. 4 of statement of unaudited financial results stating that exceptional item represents provision for doubtful debts of Rs.25198lakhs, Sundry Creditors written back which are no longer payable amounting of Rs.1 lakhs.

In the said exceptional items the company has initiated legal action to recover the long outstanding debts .In few cases the debtors has also initiated cases against the company raising quality concerns. As a result the company foresee remote chances of recovery of the said debts and hence provided for doubtful debts.

4. Note no. 5 of statement of unaudited financial results stating that the Company has unfavorable market for steel industry, which has resulted in pressure on the realization of receivables, stock and selling prices
5. Note no. 6 of statement of unaudited financial results stating that loan account of the company with the consortium banks has become Non Performing Assets (NPAs)

Our conclusion is not modified in respect of these matters

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number: 101048W



CA. Gaurav Dhebhar
Partner
Membership Number: 153493
Place: Mumbai
Date: 28.08.2017

