SoulofSteel

House Magazine of Prakash Steelage Ltd.

Conquering Newer Horizons

Prakash Steelage Ltd

Editorial

Dear Friends,

We are launching our first issue of Soul of Steel. The objective behind this issue is to reach all our employees, business associates and our well wishers. There are many success stories which we would like to reveal to you with pride and there are many achievements to celebrate.
As the cover story suggests, the lead feature in the issue is "Conquering Newer Horizons".

The News Diary section brings to you some proud PSL moments!
Lots of awards and recognitions came our way.

It was a proud moment for each one of us at PSL when we launched our first public issue and got overwhelming response from the investors and financial institutions. The time is to thank them for their trust and confidence.

Another huge recognition was the unique distinction conferred by "Focus on Wire & Tube", one of leading steel magazines, on our Chairman Mr. Prakash C. Kanugo & Executive Director Mr. Ashok Seth.

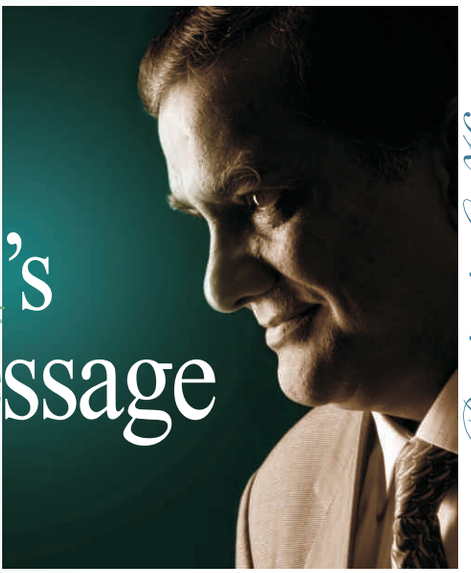
While you catch up on the other regular features to know what's happening around, do join us to applaud the prize winners of the recently held cricket matches.

This issue onwards we are making "Soul of Steel" quarterly so that we could provide our readers with in-depth stories. We would appreciate your feedback. Do write to us.

Enjoy reading your very own "Soul of Steel".

Editorial

Chairman's Message



Prakash C. Kanugo

A very warm welcome to you all my dear readers. It's a very happy moment for me to present the First Issue of the House bulletin of Prakash Steelage Limited " Soul of Steel". The objective of this exercise is to bring all the employees and other stake holders closer to make a solid bond with the Company.

The Year 2010-2011 has been a great year full of activities and a lot of laurels and accolades. We can now look forward to yet another year of success as success is our habit. Post IPO, your Company declared a dividend of 10% and we expect to better the same in the next year.

The challenge now is to take the good work forward to build a stronger business by taking the same to the next level. Our aim this year is to win the hearts of the customers by improving the quality of our products and strengthening the delivery mechanism.

I would be failing in my duties if I do not acknowledge the hard work, dedication and devotion of my fellow staff in the Company and the good wishes of all others. My sincere thanks to one and all.

(Prakash C. Kanugo)
C.M.D.

About Us

Prakash Group, started in the year 1976, has 35 years of track record of stability, trust & growth. From trading to manufacturing of value added Stainless Steel products, Prakash Group has acquired pre-eminent position in importation, stocking and supplying Flat and Long Stainless Steel products in India. Prakash Steelage Limited, the flagship Company of the Prakash Group, was incorporated in the year 1991 for manufacturing Stainless Steel Welded and Seamless Pipes and Tubes and 'U'-Tubes under one roof in India, which commenced production at its Silvassa unit in the year 1996.

The Group has identified growth as a priority area. As a part of this initiative, PSL has added state-of-the-art manufacturing facility at Umbergaon (Gujarat), for producing Seamless and Welded Stainless Steel Pipes and Tubes and 'U'-Tubes to make available world-class products manufactured in India. The group is one of the leader in Indian Stainless Steel Pipe and Tube industry.

Vision

We aspire to be a leader in stainless steel pipe & tube industry through best ethical and governance practices and create value for all the stakeholders.

Mission

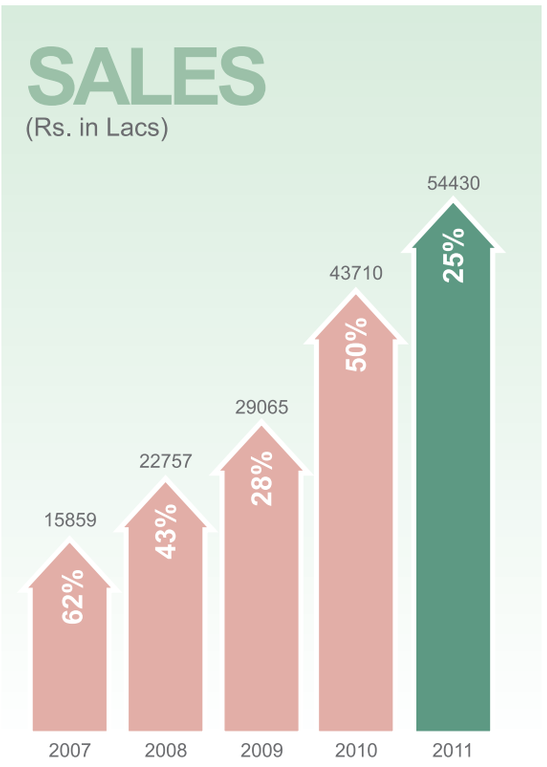
To be one of the lowest cost producer of Stainless Steel tube and pipe providing world class products at the most competitive prices.

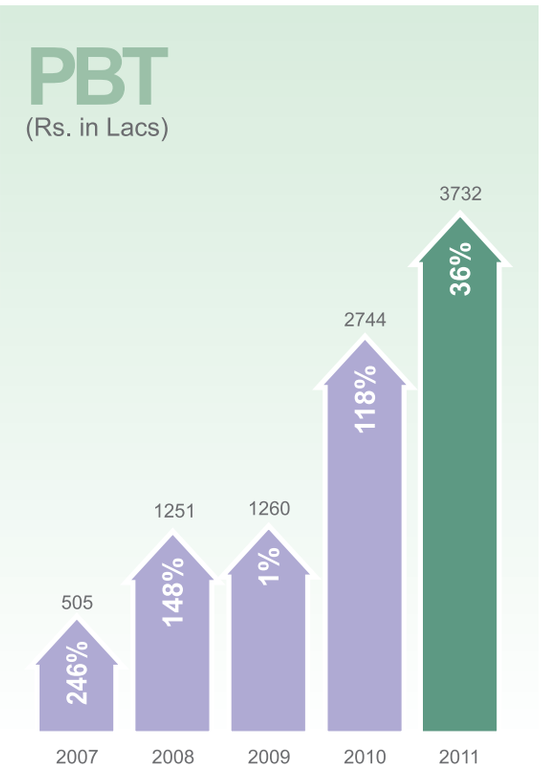
To contribute towards the society in various ways and also promote green environment. To put the best HR practices in place and be amongst one of the preferred employer in the Industry.

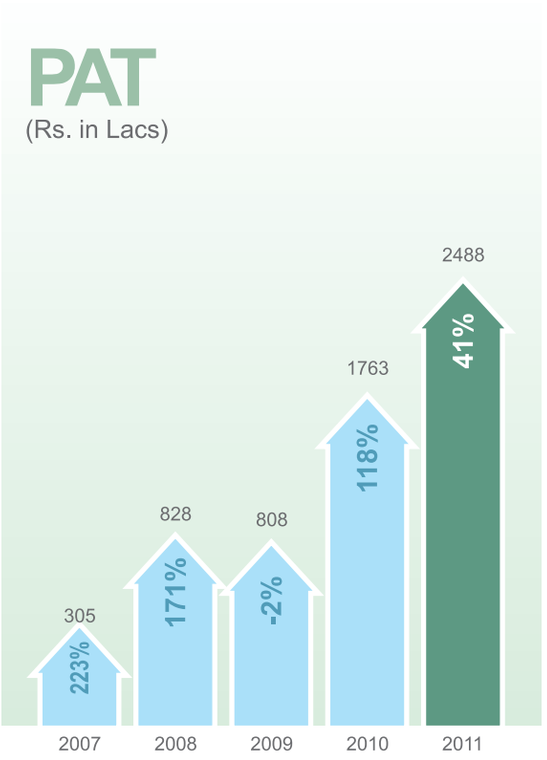
Growth Plans :

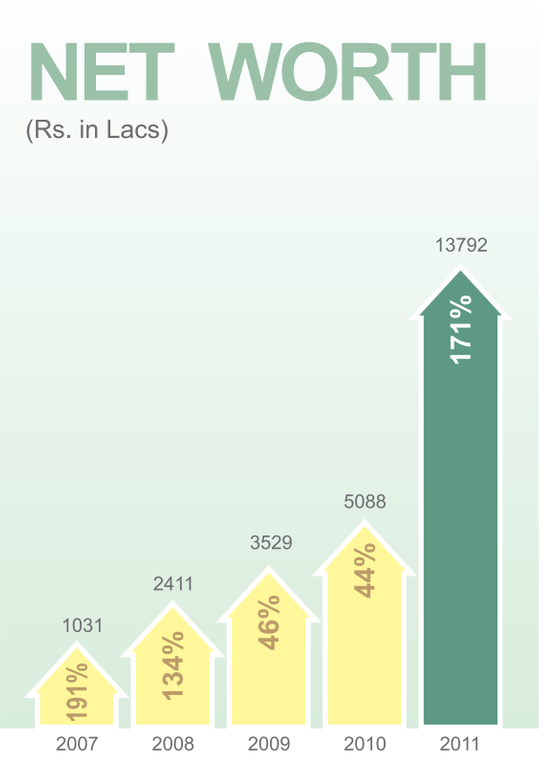
- Electric Fusion Welded (358) State of art automatic plasma welded facility
- Commissioning of stabilising furnace, which will improve our market share in 321 / 347h grades business with reputed customers
- Manufaturing project for Stainless Steel fittings
- Capillary Tubes project

Financial Highlights









State-Of-The-Art Manufacturing

We had built our first manufacturing unit at Dadra Nagar Haveli, Silvassa in 1996 for producing Stainless Steel Welded and Seamless Tubes, Pipes & U "Tubes", just 160 kms from Mumbai and close to all major steel markets, this unit is strategically located. The unit is well equipped with the most modern technology for manufacturing welded and seamless stainless steel tubes and pipes of 1/4" NB to 24" NB-Schedule 5, Schedule 10, Schedule 40,Schedule 80 ETD and other OD Sizes as per ASTM standards and other International Standards like DIN, JIS, and EN etc.

Considering the ever-increasing popularity of stainless steel, we identified yet another opportunity to grow in the Indian and Global markets. We then set up our new state-of-the-art manufacturing facility at Umbergaon (Gujarat) for producing Seamless and Welded Stainless Steel Pipes, Tubes & U "Tubes". The plant has an excellent and efficient layout, modern equipments, automated handling system along with an ultra-modern facility for destructive and non-destructive testing. It also contains an environment-friendly surface treatment and effluent treatment plant.

Appointment of Consultants:

- We have engaged the services of PricewaterhouseCoopers (PwC) an acclaimed leader in the Operations Consulting Area
- We have also engaged Singhi Advisors for acquiring foreign collaboration & joint ventures

Stainless steel market - Global trends and the Indian perspective

Stainless steel production in the world is only a little over 3% of the total steel production and has the potential to grow substantially. It has started to find more usage and applications in the past few years; this has resulted in the industry finding more applications for this material because of the following benefits

- Longer life because of enhanced corrosion resistant properties
- More aesthetic properties
- Lower or near nil maintenance

This has resulted in the industry producing and consuming more stainless steel in the recent years. The trends also show that India is fast emerging as one of the major producers and consumers of stainless steel.

The global production statistics for 2010 are as follows:

Region	Production, mill MT	% of Total
Americas	2.609	8
West Europe + Africa	7.875	20
India	2.900	9
Rest of Asia	6.111	25
China	11.256	36
Central + East Europe	0.339	2
Total	31.090	100

(Source: www.worldstainless.org)

India is already the 4th largest producer (behind China and European Union). The Central & Eastern Europe regions have been virtually reduced to becoming insignificant players in the market. We have overtaken the Americas put together and we are growing at the rate of 12% year on year. Industry analysts predict that this rate will continue to be steady if not better.

If we analyze the breakup of this production we will find that flat products account for 73% and long products constitute 27% of the total production. Around 60% of the flat production (or 70% of the cold rolled production) is dominated by pattas. These pattas are mostly Cr Mn steels which are mainly used in the production of utensils. This product is unique to India which uses such cold rolled sheets while all other countries use coils.

Types	Mill MT	%
200 series	1.682	58%
300 series	0.783	27%
400 series	0.435	15%
Total	2.900	100%

The production is expected to grow to 5 mill MT by 2016; this is based on the additions in the installed capacity which will grow from a current 4 mill MT to 6.8 mill MT in 2016. The addition in capacities is being led by industry leader Jindal Steel.

But let us now look at the emerging scenario in 2016. The predominant use so far has been in the manufacture of utensils (58%) of the total production; but this is going to change with the utensil industry shrinking to 40% of the projected 5 mill MT for 2016. The revised outlook for 2016 would look somewhat like this :-

Types	Mill MT	%
200 series	2.000	40%
300 series	2.000	40%
400 series	1.000	20%
Total	5.000	100%

(Source: www.steel-intelligence.com)

Thus the 300 and 400 series will be the beneficiaries of the additional growth. As can be seen this group will be almost tripling in size. This brings us to the point of where is all this stainless steel going to be used? The industry is finding newer applications in infrastructure development.

What is fuelling this growth? The per capita consumption of stainless steel in India is 1.2kg as against almost 7kg in China and 30kg in Italy. This consumption is projected to increase to 2kg by 2016.

Round products which are predominantly pipes and tubes and manufactured in the 300 and 400 series and we will be the beneficiaries of this growing market.

Per Capita

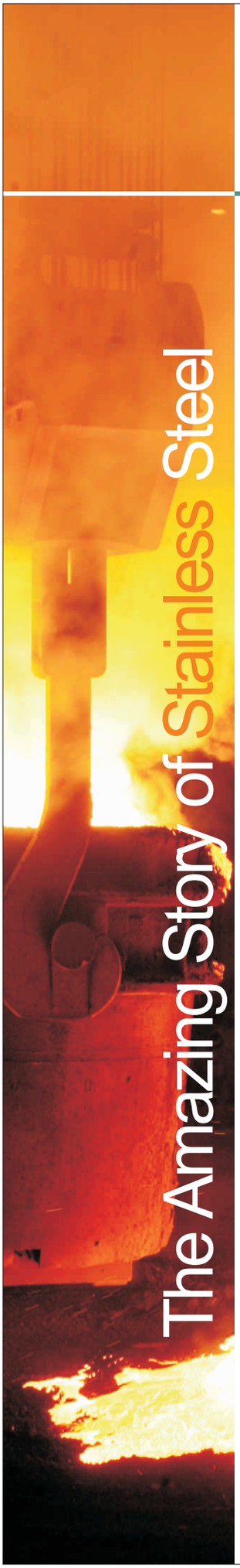
Per Capita Consumption of Stainless Steel in India and other countries is as given below :

Countries	2010-11
India	1.2 kg
China	7.0 kg
Japan	16.0 kg
Germany	21.0 kg
South Korea	24.6 kg
Italy	30.0 kg

As per above figures the per capita consumption in India is 1.2 kg as compared to China's 7 kg and Italy's 30 kg – which shows that India has tremendous potential for growth in future. Thus it is obvious that India will be having great demand in future for Stainless Steel products to fill up the per capita gap.

List of Certifications & Major Approvals

- ISO - 9001-2008
- ISO - 14001-2004
- BS - OHSAS18001-2007
- CISQ Quality Management
- PED Certificate
- API 5LC Monogram License
- SASOL Group of Company
- Kuwait National of Petroleum Corporation
- Bahrain Petroleum Company (BAPCO)
- Wilson-Schlumberger
- Engineers India Ltd.
- Lloyd Register of Asia
- Mecon India Ltd
- Toyo India Ltd
- Uhde India Ltd.
- India Register of Shipping
- Rail Coach Factory
- Indian Space Research Organisation
- Director of Purchase & Stores
- BHEL
- L&T
- National & International Petrochemical, Refinery & Fertilizers Industry



The Amazing Story of Stainless Steel

The Amazing Story of Stainless Steel

The story of present-day rust-resisting steel alloys really began in 1912 and a number of men have had a part in the research. Elwood Haynes of Kokomo, Ind., in an attempt to make spark-plug points that would not corrode and pit, melted iron with nickel, cobalt and chromium. He came very close indeed to a great discovery. Five years later, at the great Krupp works in Germany, Benno Strauss poked about among alloys of iron, nickel and chromium, trying to find a material from which he could make better tubes for pyrometers used in measuring very high temperatures.

Here and there, during the next decade, experimenters tried combinations of the three important metals now found in stainless steels in attempts to make such things as scale-resisting castings and alloys that would withstand the cutting action of the oxyacetylene flame. Mixing iron with chromium was not new, for chromium steel made in crucibles had been in use since 1869 for manufacturing locks, crusher parts and burglarproof safes.

But it remained for Harry Brearley, head of a steel company research laboratory at Sheffield, England, to stumble onto the most important property of iron-chromium combinations, their resistance to corrosion. Brearley was trying to find a better metal for lining the bores of big guns. The life of such guns, ordnance officials complained, was too short, largely because of the action of heat and corrosion on the bore. The heat developed in firing a single shot was, in large-caliber guns, high enough to melt a thin film of the metal then being used. In addition, the corrosive action of chemical products of explosions attacked the bore.

Brearley knew that a steel that does not contain much carbon cannot be melted as easily as one having a high percentage. By reducing the carbon in the gun-lining steel, he ought to raise the melting point. But something had to be done to retain the hardness. He knew chromium-iron alloys were hard, and stood up well against heat. So he mixed iron and chromium in various proportions, put them through all kinds of tests but could not produce a gun lining that would meet all the requirements.

Part of his testing of these experimental steels consisted of sawing little blocks from them, polishing one surface of each block, and applying etching solutions to bring out the crystalline structure so it could be studied with a microscope. But some of the samples refused to be etched. They retained their mirrorlike finish in spite of the chemicals.

Then Brearley turned from gun barrels to knife blades. He experimented with alloys that would produce, he hoped, hard, tough blades that would hold an edge. He tried some of the combinations he had made in his gun-lining studies, and discovered some of the knife blades did not rust. They were made from the same alloys that had resisted the etching acids. So, in 1916, Brearley received patents on his iron-chromium alloys, and stainless cutlery became the first practical application of stainless steel alloys.

The scene next shifts to Germany, where nickel was added to improve the qualities of the original alloys. Before the World War, manufacturers in America and Europe were making stainless steels under German patents. Today, following a complicated manipulation of patent rights, the stainless steel industry in America is controlled by the Chemical Foundation, owner of patents worth millions.

Much of the stainless steel manufactured in America is made in the Republic Steel Corporation's plant at Massillon, O. This plant is a pioneer in the production of stainless steels in this country. But it also was a pioneer in certain processes involved in producing

ordinary carbon steels. Today the oldest part of the steel works at Massillon is being used for one of the newest products because the machinery installed originally for ordinary steels was found to be better adapted to the ticklish business of making stainless alloys than newer, high-speed equipment.

Follow a few ingots of Enduro, as the stainless alloys produced in the plant are called, through the rolling mill that reduces them to relatively thin sheets, then through the hundred and one subsequent processes, and you will be convinced that stainless steel is just about the most temperamental alloy of iron known. Consider, for instance, the ingots stacked outside the rolling mill furnace. These are chunks of steel, somewhat resembling long, fairly thin tombstones in form. They were produced in Republic's electric furnaces at Canton. But each ingot is covered with a dull thin scale. And you thought the alloy was corrosion-resisting.

“It is.” Earl C. Smith, chief metallurgist, explains. “Enduro stainless steels are naturally corrosion resisting mainly because of composition but even more so because of the critically careful preparation. That thin scale is surface oxidation which takes place when the metal gradually cools from the terrific heat caused in the primary grinding process by the powerful high-speed grinding wheels. During the earlier rolling, the heat changes the exposed surface, and this outside skin must be ground off after the billet has passed through the heavy rolls.”

Uses to which stainless alloys have been put include kitchen sinks, table tops, cutlery, cooking utensils, plates for false teeth, even the teeth themselves, dental and surgical instruments, decorative panels, moldings and other trim for both inside and outside of buildings, automobile parts, airplane exhaust collector rings and numerous engine and fuselage parts and instruments, contact points for traffic light control equipment, bolts, nuts, rivets, screws, linings for food barrels, decorative tableware, candlesticks, loving cups, parts for boats and etched panels.

But in spite of its brilliant record, metallurgists say that only a beginning has been made. Partly because of a lowering of cost, partly as a result of better design of the article being manufactured, and because of the development of improved alloys, stainless steel is likely to cause changes in many fields, particularly the automobile industry and aviation.

J. H. Fishel, Republic Steel Corporation expert in stainless steel, predicts that stainless alloy automobiles, requiring no paint or other finishing, will be commonplace tomorrow. Today such a car would cost too much. But with the production of high-strength stainless steel alloys, cheaper methods of production, and the streamlining of cars so their parts will be easy to make, non-rusting automobiles will be made available to everyone.

The airplane of the future, as envisioned by Mr. Fishel, will have all-metal wings consisting largely of strong, thin stainless sheet steel, stretched over a framework of the same material. Metallurgists already are at work on the problem of making suitable sheet material. Such planes will be stronger than those in use today, will be fireproof, and will require no special protection against corrosion.

Few products have gone so far in so short a time as stainless steel alloys. What the future holds, no one can predict in full. Certainly rust will be less of a menace.

Source: blog.modernmechanix.com – Popular Mechanics, July 1936 edition.

Pillars Of Strength

Core Management Team

Success can never be out of our reach when we are armed with a strong team of management, skilled engineers and workers who work together to create excellent product range that landmarks PSL is renowned for. All our employees undergo extensive training programs at the regular intervals.

National & International Presence

Exhibition & Trade Fairs

ISSDO Exhibition
at Ahmedabad

Chemtech Exhibition
at Mumbai

Mr. Jasu Shah (Chairman, Chemtech)
with Mr. Prakash C. Kanugo

Our Sales Personnel with
Shri Ratan Jindalji,
(Vice Chairman & MD of JSL Ltd.)
Exhibition at Delhi

At Wire & Tube Trade Fair,
Dusseldorf, Germany

Revealing Our Success Story

Listing ceremony at Bombay Stock Exchange

Press Conference at Hotel Trident, Mumbai

Shri Prakash C. Kanugo seen with
Shri B. Madhuprasad (V.C. of Keynote Corporate Services Ltd.,)
Shri Pankaj Jain (Partner of Khandelwal Jain & Co.)
Shri Rajesh Chaturvedi (Chairman of Adfactors PR Pvt. Ltd.)

Brokers & Analysts meeting
at Umbergaon factory

Shri Prakash C. Kanugo with
Shri Nandkishoreji of The Nav Bharat Times

Shri Prakash C. Kanugo with
Shri Rohitbhai, London, UK
Shri Babulalji, (CMD of Nakoda Ltd.)

Events

At Parampara
cultural function
Shri Prakashji with Ms.Hema Malini
and Shri Shatrughan Sinha

Shri Narendra Modi visited
JITO Exhibition

Shri Prakashji honouring
Shri Vick Aggarwala,
at his Singapore office after
he had been awarded
as Best Entrepreneur at the
SICCI-DBS Singapore Indian
Entrepreneur Award 2011,
Singapore

Shri Dara Singh visited
JITO Exhibition

Ms. Hema Malini visited
our Corporate office

Receiving
PricewaterhouseCoopers (PwC)
team at Umbergaon Factory

Shri Ashok M. Seth
being awarded

AGM 2010- 2011,
at IMC, Churchgate, Mumbai

AGM 2010- 2011
Shri Prakash C. Kanugo
meeting share holders
at IMC, Churchgate, Mumbai

Board Meeting, First Quarter
of Financial Year 2011-2012,
at our Corporate Office,
Mahalaxmi, Mumbai

Ganapati Visarjan at our
Umbergaon plant, 2011

Navratri Pooja, 2011
at our Corporate Office,
Mahalaxmi, Mumbai

Sindhilane office

Silvassa Factory

"PSL" Marketing Team

Yoga at
Umbergaon Plant

Various customers visited
our Umbergaon plant

Cricket At Its Best

Shri Ashok M. Seth with
Shri Mahendra Singh Dhoni (Mahi)
after the Victory in World Cup 2011

Shri R.P.Singh and
Shri Parthiv Patel visited our
Umbergaon plant

Group Photo of
cricket team (PSL Sultans)

Shri Rakesh Mehta
(Chairman of Mehta Equities Ltd.)
& Shri Motilal Oswal
(Chairman of Motilal Oswal
Financial Services Ltd.)

Corporate Social Responsibility

भारत विकास परिषद् चेरिटेबल ट्रस्ट, सांचोर

नि:शुल्क विकलांग सहायता केन्द्र

मोबाईल चिकित्सा ईकाई,
फिसिओथरापी

हाडेचा रोड़, सांचोर, जिला-जालोर, राज, फोन: 93146 11140

कृत्रिम हाथ, पैर लगाने के लिए विकलांग बन्धु संपर्क करें।
अब तक हजारों से अधिक निशक्तजन लाभान्वित। विकलांग सहायल केन्द्र की विभीन्न योजनाओं के सहभागी बने एवं अपने-अपने क्षेत्र में विकलांग सहायता शिविर लगाने हेतु संपर्क करें।

।। संपर्क सूत्र ।।

प्रकाश कानूंगो संस्थापक अध्यक्ष भा.वि.प. चेरिटेबल ट्रस्ट 9820210320	नरपत कानूंगो अध्यक्ष भा.वि.प. चेरिटेबल ट्रस्ट 09893333012	सोहनराज मेहता सचिव भा.वि.प. चेरिटेबल ट्रस्ट 09414425550
डॉ. सुरेश सागर अध्यक्ष - भा. वि. परिषद् सांचोर 09414154182	अश्विन पटेल ट्रस्टी 09828988000	

Supported by

Prakash Steelage Ltd.

(Mfrs. & Expoters of S.S. Welded, Seamless Pipes, Tubes & U "Tubes")
Corporate Office: 701, Mahalaxmi Chamber, Bhulabhai Desai Road, Mumbai – 400026,
Tel.No. 66134500, E.mail: pck@prakashsteelage.com

Plants
(1) Plot No.13/1, Umbergaon – Sanjan Road, Umbergaon-396170 Dist.Valsad, Gujarat.
(2) Survey No.46/1, Parjai Road, Village: Kherdi, U.T. of D & N.H. Silvassa-396230


North Pacific Ocean
JAPAN
MARSHALL ISLANDS
FEDERATED STATES OF MICRONESIA
SOLOMON ISLANDS
VANUATU

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 :
701, Mahalaxmi Chambers,
Bhulabhai Desai Road, Mumbai - 400 026.
Ph. : +91-22 - 6613 4500 • Fax : +91-22 - 2352 6576

Domestic Sales :
sales@prakashsteelage.com
International Sales :
exports@prakashsteelage.com

Website :
www.prakashsteelage.com

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

Unit 2 : Plot No. 131/1, Umbergaon Sanjan Road,
Umbergaon - 396 170. Dist. Valsad, Gujarat (India).