



# 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

**13<sup>th</sup> August, 2018**

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

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

Dear Sir/Madam,

**Scrip Code: 533239; Symbol: PRAKASHSTL**

Sub.: **Outcome of the Board Meeting of Prakash Steelage Limited (“the Company”) held today i.e. Monday, 13<sup>th</sup> August, 2018**

Ref.: **1. Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;**

**2. Notice of the Board Meeting of the Company dated 04<sup>th</sup> August, 2018.**

Please be informed that the Board of Directors of the Company (BM02/2018-19) at its meeting held today i.e. Monday, 13<sup>th</sup> August, 2018, at the registered office of the Company, has *inter alia* considered and approved:

1. The Un-audited Financial Results (Standalone) of the Company along with the Limited Review Report issued by the Statutory Auditors of the Company, for the quarter ended 30th June, 2018;
2. The appointment of M/s. Amish Parmar & Associates,(Firm Registration No.100502 ) as the Cost Auditors of the Company for the financial year 2018-19.

 **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

The meeting commenced at 2.30 p.m. and concluded at 07.50 P.M.

The above information is also hosted on the website of the Company.  
([www.prakashsteelage.com](http://www.prakashsteelage.com))

Kindly take the same on your record.

Thanking You,

Yours faithfully,  
For **Prakash Steelage Limited**





**Shikha A. Mishra (ACS 53469)**  
**Company Secretary & Compliance Officer**

**Encl.:**

- 1) Un- audited Financial Results (Standalone) of the Company along with the Limited Review Report issued by the Statutory Auditors of the Company, for the quarter ended 30<sup>th</sup> June, 2018



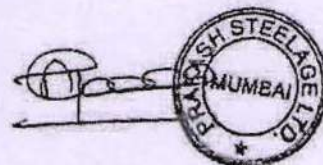
**PRAKASH STEELAGE LIMITED**

CIN : L27106MH1991PLC061595      Tel. No. : 022 66134500,      Fax No. : 022 6613459  
Registered Office : 101, Shatrughan Apartment, 1st Floor, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai-400 004

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2018**

Rs in lakhs

Particulars	Quarter Ended			Year Ended
	30.06.2018 (Unaudited) Refer Note 3	31.03.2018 (Unaudited) Refer Note 3	30.06.2017 (Unaudited) Refer Note 3	31.03.2018 (Audited)
<b>1 Income</b>				
a) Revenue from Operations	693.92	814.35	1,208.94	4,663.35
b) Other Income	3.04	60.83	16.74	266.83
<b>Total Income</b>	<b>696.96</b>	<b>875.17</b>	<b>1,225.68</b>	<b>4,930.17</b>
<b>2 Expenses</b>				
a) Cost of materials consumed	537.46	408.71	658.66	2,303.71
b) Purchase of traded goods	-	-	641.81	641.89
c) Change in inventories of finished goods, work in progress and stock in trade	-67.93	197.29	-42.46	788.29
d) Excise Duty	-	-	99.00	99.00
e) Employee benefits expense	52.11	57.42	65.64	241.42
f) Finance Costs	1.10	1.23	0.63	5.23
g) Depreciation and Amortisation	60.28	64.19	54.52	283.19
h) Consumption of Stores and Spares	36.97	22.02	39.96	105.02
i) Other expenditure	149.02	131.14	73.26	372.25
<b>Total Expenses</b>	<b>769.01</b>	<b>882.00</b>	<b>1,591.01</b>	<b>4,839.99</b>
<b>3 Profit/(Loss) before Exceptional Items (1-2)</b>	<b>-72.05</b>	<b>-6.82</b>	<b>-365.34</b>	<b>90.18</b>
<b>4 Exceptional Item</b>	-	33.12	-25,197.67	(24917)
<b>5 Profit/(Loss) from Ordinary Activities before Tax (3+4)</b>	<b>-72.05</b>	<b>26.29</b>	<b>-25,563.01</b>	<b>-24,826.70</b>
<b>6 Tax Expense</b>				
Current Tax	-	-	-	-
Deferred Tax	-	26.72	-	26.72
Income Tax for earlier years	-	-777.09	-	-777.09
	-	-750.37	-	-750.37
<b>7 Net Profit/(Loss) from Ordinary Activities after Tax (5-6)</b>	<b>-72.05</b>	<b>776.66</b>	<b>-25,563.01</b>	<b>-24,076.33</b>
<b>8 Other Comprehensive Income</b>				
(i) Items that will not be reclassified to profit or loss (net of tax)	-3.03	-17.13	1.77	-12.13
<b>Total Comprehensive Income (7+8)</b>	<b>-75.08</b>	<b>759.53</b>	<b>-25,561.24</b>	<b>-24,088.46</b>
<b>10 Paid-up Equity Share Capital (Face value of Rs.1/- per share)</b>	<b>1750</b>	<b>1,750.00</b>	<b>1750</b>	<b>1750</b>
<b>8 Reserves Excluding Revaluation Reserves</b>				
<b>11 Other equity (excluding revaluation reserve)</b>	-	-	-	-29,927.57
<b>12 Basic and Diluted Earning per Share (Rs.)</b>	<b>(0.04)</b>	<b>0.44</b>	<b>(14.61)</b>	<b>(13.76)</b>





Notes :

- 1 The Statement of financial result has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and the recognised accounting practices and policies to the extent applicable.
- 2 The above statement of financial results has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13th August, 2018
- 3 The figures of the quarter ended 31st March, 2018 are balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.
- 4 Sales for the quarter ended June 30, 2018, March 31, 2018, 30th June 2017 and year ended 31st March, 2018 is net of Goods and Service Tax (GST), however sales till the period ended 30 June 2017 and other comparative periods are gross of Excise Duty. The Net revenue from operations (Net of GST/ Excise duty) as applicable are as stated below:

Net Revenue from Operations	For the Quarter Ended		For the Year Ended	
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	693.92	814.35	1,109.94	4,564.35

- 5 Effective 1st April, 2018, the Company has adopted Ind AS 115. The comparative information is not restated in the financials results. The adoption of this standard does not have any material impact to the financial results of the Company.
- 6 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.
- 7 Due to unfavourable market for steel industry there has been pressure on the realisability of receivables, stocks and selling prices, which has resulted into operational losses during the quarter ended 30th June 2018.
- 8 Eventhough the net worth of the Company has eroded and it has been incurring cash losses for past few years, The accounts have been prepared on going concern basis as the steel industry is on the revival path. The Company is in the process of coming out of the crisis through business restructuring and financial arrangement.
- 9 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 period on borrowings, to the extent the same have remained unpaid.
- 10 The company has submitted its proposal to the consortium banks towards settlement of its borrowing through the Assets Reconstruction Company (ARC) route. This proposal is under active consideration by the consortium banks. Meanwhile the bankers have taken symbolic possession of the collaterals of the company comprising of factory land, factory building, office building and plant & machinery located at Silvassa.
- 11 Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.

Place : Mumbai  
Date : 13.08.2018

For Prakash Steelage Limited

  
Ashok M. Seth  
CFO & Executive Director  
DIN : 00309706





**Independent Auditor's Review Report on interim financial Results of Prakash Steelage Limited for the quarter ended 30<sup>th</sup> June, 2018 pursuant to the Regulation 33 of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015**

**The Board of Director's  
Prakash Steelage Limited,  
Mumbai**

1. We have reviewed the unaudited financial results of Prakash Steelage Limited (the "Company") for the quarter ended June 30, 2018 which are included in the accompanying "Un-audited Financial Results for the Quarter Ended June 30, 2018 (the "Statement)". The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations , 2015"), which has been initialed by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
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 Statement is free of material misstatement.
3. 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.
4. Based on our review conducted as above, nothing has come to our attention except those mentioned below that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to,
  - a. The account of the company with its Consortium Banks has turned Non Performing Asset on various dates in the previous Financial Years. In view of uncertainty, the company has not provided interest including penal interest and other dues for the quarter ended June, 2018 on its borrowings, to the extent the same have remained unpaid. The impact of the same on the loss for the year and its consequent effect on the Liabilities and Reserve and Surplus is not ascertainable. (Refer note no. - 9)

**Corporate Office :**  
Pipara Corporate House,  
Near Gruh Finance,  
Netaji Marg, Law Garden,  
Ahmedabad-380006.  
Gujarat India.

**Mumbai Office :**  
703, Gajlaxmi CHS Ltd.  
Vasant Rao Cross Road  
Borivali (West)  
Mumbai-400092  
Maharashtra, India.

**Surat Office :**  
D-612, International  
Trade Centre  
Majura Gate  
Surat - 395 003  
Gujarat India.

**Delhi Office :**  
G-36, One Internet,  
Connaught Place,  
New Delhi-110001.  
India.

**Contact :**  
T: 91 79 40 370370  
F: 91 79 40 370376  
E: pipara@pipara.com  
info@pipara.com  
www.pipara.com





- b. The Company has accumulated losses resulting in erosion of Net worth and has incurred net cash losses in the previous Financial Years. These conditions cast serious doubt about the company's ability 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. -8)
- c. Note no. 7 of the statement of the unaudited financial results sharing that the company has the unfavorable market conditions for steel industry, which has resulted in pressure on the realization of receivables, stock and selling prices.
- d. Note no.10 of statement of the unaudited financial results stating that the company has submitted is proposal to the consortium banks towards settlement of its borrowing through the Assets Reconstruction Company (ARC) route. This proposal is under the active consideration by the consortium banks. Meanwhile the bankers have taken symbolic possession of the collaterals of the company comprising of the factory land, factory building, office building and Plant and Machinery located at Silvasa.
- e. The financial statements of the Company for the year ended March 31, 2018 prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013, were audited by another firm of chartered accountants under the Companies Act, 2013 who vide their report dated May 28, 2018, expressed a modified opinion on those financial statements.

Our conclusion is not modified in respect of these matters.

**Mumbai**  
**August 13, 2018**



**For Pipara & Co LLP**  
**FRN: 107929W/W100219**

*Namann*

**Namann Pipara**  
**Partner**  
**M. No.: 140234**