



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

August 13, 2019

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. Tuesday, August 13, 2019.**

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

2. **Notice of the Board Meeting of the Company dated August 6, 2019.**

Please be informed that the Board of Directors of the Company (BM02/2019-20) at its meeting held today i.e. Tuesday, August 13, 2019, 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 June 30, 2019;
2. The resignation of Mr. Ashok M. Seth (DIN: 00309706) from the position of Chief Financial Officer of the Company w.e.f August 13, 2019 (Closure of Working Hours).
3. The change in designation of Mr. Ashok M. Seth (DIN: 00309706) from Executive (Whole time Director) to a Non Executive Director w.e.f August 13, 2019 (Closure of Working Hours).
4. The appointment of Mr. Hemant P. Kanugo (DIN 00309894) as Chief Financial Officer (Whole-time Key Managerial Personnel) of the Company w.e.f August 13, 2019 (Closure of Working Hours).

The meeting commenced at 12.30 p.m. and concluded at 6:45p.m.

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



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Kindly take the same on your record.

Thanking You,

Yours faithfully,
For **Prakash Steelage Limited**



Hemant P. Kanugo (DIN: 00309894)
Executive Director.

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

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 June 30, 2019. (Annexure 1)

2. Brief details of change of CFO as prescribed vide SEBI circular dated September 09, 2015. (Annexure 2)

Independent Auditor's Review Report on interim financial Results of Prakash Steelage Limited for the quarter ended 30th June, 2019 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, 2019 which are included in the accompanying 'Unaudited Financial Results for the Quarter Ended June 30, 2019 (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.



Contd....

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

Mumbai Office:
#3, 13th Floor, 'Trade Link', 'A' Wing, Kamala Mills, Senapati Bapat Marg, Lower Parel, Mumbai-400013, Maharashtra, INDIA.

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5. We draw attention to,

- a. The Company has accumulated losses resulting in erosion of Net worth in the current period and 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. -5)
- b. 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, 2019 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. - 6)
- c. Note no.7 of statement of the unaudited financial results stating that 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 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 Silvassa branch.

Our conclusion is not modified in respect of these matters.

FOR PIPARA & CO LLP
CHARTERED ACCOUNTANTS
FRN: 107929W/W100219



Naman Pipara →

NAMAN PIPARA
PARTNER
MEMBERSHIP NO: 140234
UDIN: 19140234AAAAEN6627

MUMBAI
AUGUST 13, 2019

PRAKASH STEELAGE LIMITED

CIN : L27106MH1991PLC061595 Tel. No. : 022 66134500, Fax No. : 022 66134599
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, 2019

Particulars	Quarter Ended			(Amt in Lacs)
	30.06.2019 (Unaudited)	31.03.2019 (Unaudited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1 Income				
a) Revenue from Operations	646.76	951.46	693.92	4,299.36
b) Other income	12.92	2,226.56	3.04	2,230.72
Total Income	659.68	3,178.02	696.96	6,530.08
2 Expenses				
a) Cost of materials consumed	501.96	693.59	537.46	2,570.29
b) Purchase of traded goods	-	0.40	-	0.40
c) Change in inventories of finished goods, work in progress and stock in trade	(92.99)	70.29	(67.93)	132.06
e) Employee benefits expense	48.81	48.65	52.11	205.20
f) Finance Costs	0.44	0.61	1.10	3.09
g) Depreciation and Amortisation	53.29	57.00	60.28	236.34
h) Consumption of Stores and Spares	28.83	27.92	36.97	131.95
i) Other expenditure	98.78	186.05	149.02	985.09
Total Expenses	639.10	1,084.52	769.01	4,264.41
3 Profit /(Loss) before Exceptional Items (1-2)	20.57	2,093.50	(72.05)	2,265.67
4 Exceptional Item	-	(886.00)	-	(886.00)
5 Profit/(Loss) from Ordinary Activities before Tax (3+4)	20.57	1,207.50	(72.05)	1,379.67
6 Tax Expense				
Deferred Tax	-	5.39	-	5.39
7 Net Profit/(Loss) from Ordinary Activities after Tax (5-6)	20.57	1,202.11	(72.05)	1,374.28
8 Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss (net of tax)	(1.56)	2.87	(3.03)	(6.22)
9 Total Comprehensive Income (7+8)	19.02	1,204.98	(75.08)	1,368.06
10 Paid-up Equity Share Capital (Face value of Re.1/- per share)	1,750.00	1,750.00	1,750.00	1,750.00
11 Other equity (excluding revaluation reserve)	-	-	-	(28,559.51)
12 Basic and Diluted Earning per Share (Rs.)	0.01	0.69	(0.04)	0.79

Notes :

- 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.
- 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, 2019. They have been subjected to Limited Review by the statutory auditors.
- The figures of the quarter ended 31st March, 2019 are balancing figure between the audited figures in respect of the full financial year and the published year to date figures for the nine months period ended 31st December, 2018.
- The company has identified Manufacturing of Stainless Steel Tubes & Pipes business as its primary reportable segment in accordance with the requirement of Ind AS 108, "Operating Segment". Accordingly, no Separate segment information has been provided.
- Eventhough the net worth of the Company has eroded 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.
- 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.
- 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.
- Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.

For Prakash Steelage Limited

Ashok M. Seth
CFO & Executive Director
DIN : 00309706

Place : Mumbai
Date : 13.08.2019



ANNEXURE 2

Details required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read along with SEBI circular CIR/CFD/CMD/4/2015 dated September 9, 2015:

DISCLOSURE REQUIREMENT	DETAILS	
Reason for change	Appointment of Mr. Hemant P. Kanugo (DIN: 00309894) as " Chief Financial Officer" in place of Mr. Ashok M. Seth (DIN: 00309706).	
Date of Appointment / Cessation & term of appointment	Mr. Hemant P. Kanugo	Mr. Ashok M. Seth
	Date of Appointment: August 13, 2019 (Closure of Working Hours).	Date of Cessation: August 13, 2019 (Closure of Working Hours).
	Terms of appointment: As per the Company's Rules and Regulations	
Brief profile	Mr. Hemant P. Kanugo, (39 years) the Whole Time Director of the Company. He is a Commerce Graduate from University of Mumbai. After completing his studies he joined the family business. He has more than 15 years of experience in the Stainless Steel Industry. He looks after the production unit at Silvassa and also looks after all the business decision on day to day basis in Plant and Head office.	
Relationship with other Directors of the Company	Mr. Hemant P. Kanugo is Son of Mr. Prakash C. Kanugo, Chairman & Managing Director of the Company.	

