



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

September 11, 2020

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. Friday, September 11, 2020.

Ref.: 1. Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; read along with Schedule III and SEBI circular CIR/CFD/CMD/4/2015 dated September 9, 2015

2. Notice of the Board Meeting of the Company dated September 5, 2020.

Please be informed that the Board of Directors of the Company at its meeting held today i.e. Friday, September 11, 2020, 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, 2020;
2. Reappointment of Mr. Ashok M. Seth (DIN: 00309706) as Whole Time Director of the Company for a period of 5 (Five) years commencing from December 29, 2020 to December 28, 2025 subject to Shareholders' Approval.

Mr. Ashok M. Seth is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

3. The Board noted that the Lead Bank has approved the One Time Settlement (OTS) offer to settle the dues of all the consortium banks for an amount of Rs. 90.00 Crores subject to the concurrence by two other banks, which the Company has accepted conditionally. However, full clarity will come only after the sanction from other two banks. The Board also noted that the reason for OTS was non sustainability of servicing the debts. Under the OTS proposal all the consortium banks will be paid off the agreed compromised amount from the sale & disposal of securities offered to the banks against the said debts.

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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.

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

Note:

1. On account of outbreak of COVID-19 (Corona-Virus) pandemic and in accordance with Order dated September 8, 2020 issued by Ministry of Corporate Affairs (ROC) - Mumbai, Maharashtra, extension of three months i.e. up to December 31, 2020 has been granted to all the Companies to hold Annual General Meeting for the Financial Year Ended March 31, 2020. The Company will further communicate to the exchanges date of Annual General Meeting once decided.
2. SEBI through the circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/140 dated July 29, 2020 has given an extension for submission for Financial Results for quarter ended June 30, 2020 to September 15, 2020.

The meeting commenced at 01.00 p.m. and concluded at 02:45 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



Ashok M. Seth (DIN: 00309706)

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, 2020.

2. Brief profile of Mr. Ashok M. Seth, Whole Time Director

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of Prakash Steelage Limited for the quarter ended 30th June, 2020 pursuant to the Regulation 33 of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015, as amended

**Review Report to
The Board of Directors
Prakash Steelage Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Prakash Steelage Limited (the "Company") for the quarter ended June 30, 2020 (the "Statement") attached herewith, being submitted 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"), as amended (the "Listing Regulations"), which has been signed by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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.

Mumbai Office :

#3, 13th Floor, Trade Link,
E'Wing, A Block Kamala Mills,
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400013 India.

Corporate Office :

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

Surat Office :

D-612, International
Trade Centre,
Majura Gate
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5. We draw attention to,

A. 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. -4)

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, 2020 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. - 5)

C. Note no. 6 of statement of the unaudited financial results stating that the Lead Bank has approved the One Time Settlement (OTS) offer to settle the dues of all the consortium banks for an amount of Rs 90.00 Crores subject to the concurrence by two other banks, which the Company has accepted conditionally. However, full clarity will come only after the sanction from other two banks.

D. We draw attention to Note 8 of the accompanying unaudited financial results, as regards to management's evaluation of uncertainties relating to COVID-19 and its consequential effect on the carrying value of the assets as at June 30, 2020 and the operations of the Company.

Our conclusion is not modified in respect of these matters.

For Pipara & Co LLP
FRN: 107929W/W100219



A handwritten signature in blue ink, appearing to read 'Bhawik Madrecha'.

BHAWIK MADRECHA
PARTNER

M.No. 163412

UDIN: 20163412AAAAEL6879

Date: 11th September, 2020
Place: Mumbai

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 2020

(Amount in Lakhs)

Particulars	Quarter Ended			Year Ended
	30.06.2020 (Unaudited)	30.06.2019 (Unaudited)	31.03.2020 (Unaudited)	31.03.2020 (Audited)
1 Income				
a) Revenue from Operations	367.83	646.76	807.79	3,250.44
b) Other Income	1.80	12.92	45.24	75.48
Total Income	369.62	659.68	853.03	3,325.92
2 Expenses				
a) Cost of materials consumed	69.11	501.96	600.36	2,019.86
b) Purchase of traded goods	51.68	-	48.80	111.90
c) Change in inventories of finished goods, work in progress and stock in trade	112.80	(92.99)	(86.79)	(149.94)
d) Employee benefits expense	43.20	48.81	50.96	204.67
e) Finance Costs	1.30	0.44	0.85	4.86
f) Depreciation and Amortization	41.46	53.29	43.85	202.03
g) Consumption of Stores and Spares	20.09	28.83	34.67	125.49
h) Other expenditure	87.91	98.78	227.09	575.15
Total Expenses	427.54	639.10	919.79	3,094.02
3 Profit/(Loss) before Exceptional Items (1-2)	(57.92)	20.57	(66.76)	231.90
4 Exceptional Item	-	-	(24.25)	(316.06)
5 Profit/(Loss) from Ordinary Activities before Tax (3+4)	(57.92)	20.57	(91.01)	(84.16)
6 Tax Expense				
Current Tax	-	-	-	-
Deferred Tax	-	-	5.65	5.65
Income Tax for earlier years	0.26	-	-	(66.02)
	0.26	-	5.65	(60.37)
7 Net Profit/(Loss) from Ordinary Activities after Tax (5-6)	(58.18)	20.57	(96.65)	(23.79)
8 Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss (net of tax)	(0.42)	(1.56)	3.00	(1.67)
9 Total Comprehensive Income (7+8)	(58.60)	19.02	(93.66)	(25.46)
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)	-	-	-	(28,584.97)
12 Basic and Diluted Earning per Share (Rs.)	(0.03)	0.01	(0.06)	(0.01)



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 recognized accounting practices and policies to the extent applicable.
- 2 The unaudited standalone financial result were reviewed by the audit committee and approved by the Board of Directors of the company at the meeting held on 11th September, 2020.
- 3 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.
- 4 Even though 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.
- 5 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.
- 6 The Lead Bank has approved the One Time Settlement (OTS) offer to settle the dues of all the consortium banks for an amount of Rs 90.00 Crores subject to the concurrence by two other banks, which the Company has accepted conditionally. However, full clarity will come only after the sanction from other two banks.
- 7 The figures for the preceding 3 months ended 31.03.2020 are the balancing figures between the audited figures in respect of the full financial year ended 31.03.2020 and the year to date figures upto the third quarter of that financial year.
- 8 The company has considered the possible effect that may result from the pandemic relating to COVID- 19 on the carrying amount of receivables and inventory. In developing the assumption relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information including credit report and related information and economic forecast. The company has performed sensitivity analysis on the assumptions used and based on current estimates expected the carrying amount of these assets will be recovered. The Impact of COVID- 19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements.
- 9 Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.



Place : Mumbai

Date : 11th September, 2020

For Prakash Steelage Limited

Ashok M. Seth
CFO & Executive Director
DIN : 00309706



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	Re-appointment of Mr. Ashok M. Seth (DIN:00309706) as Whole Time Director "Chief Financial Officer" in place of Mr. Hemant P. Kanugo(DIN: 00309894).
Date of Re-appointment & term of appointment	Mr. Ashok M. Seth
	Date of Re-appointment : w.e.f. December 29, 2020 Term of Re-appointment: As per the Company's Rules and Regulation.
Brief profile	Mr. Ashok M. Seth, (47 years) is the Promoter Director of the Company at PSL. He advised the Company towards the procurement of materials from domestic and international markets of PSL and also advised about the Finance and Accounts of the Company. He has an experience in trading and manufacturing of stainless steel pipes and tubes of more than 25 years. He is responsible for successfully managing and expanding the business initiatives of Prakash Steelage Limited over the years. Mr. Seth is an active social personality, being the trustee of Bharat Vikas Parishad and very closely associated with Marine Lines Junior Chamber and JITO, Mumbai. Recognising his services Junior Chamber International awarded him with most outstanding young person award in the Year 2009.
Relationship with other Directors of the Company	N/A

