



# 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

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

Date: April 01, 2021

**Sub: Clarification with respect to an announcement submitted to the Exchange dated March 10, 2021.**

Dear Sir/Madam,

As required by you, please find below our clarification with respect to an announcement submitted to the Exchange dated March 10, 2021, regarding Board meeting held on March 10, 2021.

**1. Reasons for opting for OTS;**

**Reply:** The account of the Company had become NPA with the lender banks sometime in 2016 as the Company was not in a position to service the banking facilities. Out of various options available with the Company, the Company opted for One Time Settlement (OTS) route as the same was best suited to the Company.

**2. Brief summary of the OTS;**

**Reply:** The Company has the consortium of three public sector banks (Post merger of Banks) with the total outstanding of about Rs. 217.75 Crores (as disclosed in Audited Accounts of the Company) as on the date of NPA declarations by the banks on different dates. The final settlement as a compromise proposal reached under the One Time Settlement was at Rs. 90.00 Crores. The Company plans to meet its obligation under the said OTS partly by selling the minority stake in the Joint Venture Company and partly by selling / disposing off other assets belonging to the Company & its promoters taken by banks as collateral security..

True, full and timely disclosures were done by the Company in Audited Accounts, Quarterly Results and notes attached thereto and reporting under LODR from time to time about the Banks initiating the recovery actions, about the OTS, about the selling of shares in JVC to meet OTS obligations and finally issuing Notice to Members for EOGM for passing enabling Resolutions.

Hope, you would find the same in order.

Kindly take the same on record.

Thanking You,  
Yours Faithfully,  
For Prakash Steelage Limited



Hemant P. Kanugo  
Whole-time Director  
DIN: 00309894

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