

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

30th May, 2016

To,
The Manager,
BSE Limited,
Dept. of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Scrip Code: 533239

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

Dear Sir/Madam,

Sub.: **Outcome of the Board Meeting of Prakash Steelage Limited ("the Company") held today i.e. Monday, 30th May, 2016**

Ref.: 1. **Regulation 30 of SEBI (4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;**

2. **Notice of the Adjourned Board Meeting of the Company dated 28th May, 2016; and**

3. **Notice of the Board Meeting of the Company dated 20th May, 2016.**

This is to inform you that the adjourned meeting of the Board of Directors of the Company (BM01/2016-17) held today i.e. Monday, 30th May, 2016 at the registered office of the Company, has *inter alia* considered and approved:

1. the Audited Financial Results (Standalone & Consolidated) of the Company and the Auditors' Report prepared and issued by the Statutory Auditors of the Company, thereon for the quarter and financial year ended 31st March, 2016, after review of the same by the Audit Committee of the Board of Directors of the Company in its meeting dated 28th May, 2016; and
2. the wholly owned subsidiary, i.e. Pioneer Stainless and Alloys FZ, U.A.E. had applied for dissolution to Ajman Free Authority on 27th March, 2016 and subsequently received the final approval for the same pursuant to shareholder's approval of the Company through postal ballot dated 12th February, 2016.

Registered Office :

1402, 14th Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai-400 013, India

Tel.: +91-22-66134500, Fax : +91-22-66134599, Email : marketing@prakashsteelage.com, Web : www.prakashsteelage.com





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The meeting commenced at 5.00 p.m. and concluded at 8.45 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**



Palak Kohli Kochhar

Company Secretary & Compliance Officer

Membership No.: A41414

Encl.:

- 1) Audited Financial Results (Standalone & Consolidated) of the Company along with the Auditors' Report thereon for the quarter and financial year ended 31st March, 2016 and Declaration pursuant to Clause (d) of Regulation 33(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on 25th May, 2016.

PRAKASH STEELAGE LIMITED

Registered Office : 1402, 14th Floor, A Wing , Naman Midtown, Senapati Bapat Marg , Elphinstone Road , Mumbai - 400013

CIN : L27106MH1991PLC061595

Tel. No. : 022 66134500,

Fax No. : 022 66134599

Email Id : cs@prakashsteelage.com

Website : www.prakashsteelage.com

Statement of Standalone Audited Financial Results for the Year Ended 31st March, 2016

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		(Un audited)	(Un audited)	(Un audited)	(Audited)	(Audited)
1	Income from operations					
	Gross sales/income from operations	19,041.76	9,174.00	36,086.74	56,462.07	107,766.18
	Less : Excise duty	246.10	332.41	318.87	1,326.61	1,419.05
	(a) Net sales/income from operations	18,795.66	8,841.59	35,767.87	55,135.46	106,347.13
	(b) Other operating income	32.73	129.55	227.57	376.94	896.06
	Total income from Operations (net)	18,828.39	8,971.14	36,995.44	55,512.40	107,243.19
2	Expenses					
	(a) Cost of materials consumed	2,137.87	1,783.05	6,802.46	8,083.91	23,420.97
	(b) Purchase of stock-in-trade	16,148.52	7,833.79	26,194.83	41,415.49	77,650.60
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	5,618.25	(1,334.53)	238.57	6,796.16	(5,986.46)
	(d) Employee benefits expense	94.26	153.56	282.14	656.87	1,059.59
	(e) Depreciation and amortisation expense	125.01	149.63	279.43	782.16	1,135.97
	(f) Consumption of Stores & Spares	16.03	37.34	294.45	402.35	1,268.93
	(g) Other expenses	683.85	196.19	949.18	1,678.13	3,120.46
	Total Expenses	24,823.79	8,819.03	35,041.06	59,815.07	101,670.07
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(5,995.40)	152.11	954.38	(4,302.67)	5,573.13
4	Other income	281.59	608.71	339.06	1,325.56	1,211.99
	Total Other income	281.59	608.71	339.06	1,325.56	1,211.99
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(5,713.81)	760.82	1,293.44	(2,977.10)	6,785.11
6	Finance costs	597.05	659.81	830.27	2,867.58	3,619.48
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(6,310.86)	101.01	463.17	(5,844.69)	3,165.63
8	Exceptional items (Net)	(3,162.50)	-	(1,025.92)	(2,209.14)	(1,025.92)
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(9,473.36)	101.01	(562.75)	(8,053.83)	2,139.71
10	Tax expense					
	Current tax	(792.78)	51.77	(210.86)	-	777.46
	Deferred tax	533.86	1.83	17.58	-	(46.30)
	Income tax for earlier year(s)	17.12	-	2.10	90.67	2.54
		(141.80)	53.60	(191.18)	90.67	733.70
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(9,331.56)	47.41	(371.57)	(8,144.50)	1,406.02
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 - 12)	(9,331.56)	47.41	(371.57)	(8,144.50)	1,406.02
14	Paid-up equity share capital (Face Value of the Share : Re.1/- each)	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				9,300.63	17,445.13



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Statement of Standalone Audited Financial Results for the Year Ended 31st March, 2016

(Rs. in Lacs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		(Un audited)	(Un audited)	(Un audited)	(Audited)	(Audited)
16.i	Earnings per share (before extraordinary items) (of Re1/- each) (not annualised)					
	(a) Basic	(5.33)	0.03	(0.21)	(4.65)	0.80
	(b) Diluted	(5.33)	0.03	(0.21)	(4.65)	0.80
16.ii	Earnings per share (after extraordinary items) (of Re1/- each) (not annualised)					
	(a) Basic	(5.33)	0.03	(0.21)	(4.65)	0.80
	(b) Diluted	(5.33)	0.03	(0.21)	(4.65)	0.80



STATEMENT OF STANDALONE ASSETS AND LIABILITIES

Rs in lacs

Sr. No.	Particulars	As At	
		31.03.2016	31.03.2015
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1,750.00	1,750.00
	(b) Reserves and surplus	9,300.63	17,445.13
	Sub-total - Shareholders' funds	11,050.63	19,195.13
2	Non-current liabilities		
	(a) Long-term borrowings	2,703.88	4,830.19
	(b) Deferred tax liabilities (net)	646.64	646.64
	(c) Other long term Liabilities	3,225.90	1,073.79
	(d) Long-term provisions	45.40	83.77
	Sub-total - Non-current liabilities	6,621.82	6,634.39
3	Current liabilities		
	(a) Short-term borrowings	17,599.36	18,969.20
	(b) Trade payables	11,987.57	31,727.67
	(c) Other current liabilities	1,676.10	2,442.58
	(d) Short-term provisions	748.10	761.11
	Sub-total - Current liabilities	32,011.13	53,900.57
	TOTAL - EQUITY AND LIABILITIES	49,683.58	79,730.09
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets (including CWIP)	2,395.29	8,216.39
	(b) Non-current investments	334.70	40.35
	(c) Long-term loans and advances	2,231.03	1,484.20
	Sub-total - Non-current assets	4,961.03	9,740.94
2	Current assets		
	(a) Inventories	4,603.77	26,619.00
	(b) Trade receivables	29,864.11	36,563.15
	(c) Cash and cash equivalents	417.21	939.13
	(d) Short-term loans and advances	9,696.47	5,259.09
	(e) Other current assets	140.99	608.78
	Sub-total - Current assets	44,722.55	69,989.15
	TOTAL - ASSETS	49,683.58	79,730.09



Notes to Standalone Financial Results

1. The above financial results were reviewed and recommended by the Audit Committee of the Board of Directors of the Company at its meeting held on 28th May, 2016 and approved and taken on record by the Board of Directors of the Company at their meeting held on 30th May, 2016.
2. The Company's operations predominantly relates to manufacturing and trading of "Stainless Steel Tubes & Pipes". Hence, there is no separate reportable segment as per Accounting Standard 17 "Segment Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
3. Other expenses, includes foreign currency exchange loss (net) of Rs.3.72 lacs, Rs. 54.55 lacs, Rs. 37.62 lacs, and Rs. 229.67 lacs for the quarter ended 31st December, 2015, 31st March, 2015, year ended 31st March, 2016 and year ended 31st March, 2015 respectively and other income includes foreign currency exchange gain (net) of Rs.3.84 lacs for the quarter ended 31st March, 2016.
4. The figures for the last quarter ended 31st March, 2016 and 31st March, 2015 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the third quarter of the relevant financial year.
5. The exceptional item represents provision for doubtful debts of Rs 2464.80 lacs and gain of Rs 255.66 lacs net of expenditure & business loss due to transfer of the "SS Seamless Tubes & Pipes" Business of the Company to Tubacex Prakash India Private Limited, the associate company during the financial year ended 31st March, 2016.

The amount of Rs 1025.92 lacs shown in the previous year ended 31st March, 2015 pertains to bad debts written off.
6. Due to meltdown in the prices of nickel, chromium, molybdenum and unfavorable market for steel industry there has been pressure on the realisability of our receivables, stocks and selling prices, which has resulted into operational losses during the financial year ended 31st March, 2016.
7. During the year, the Company has dissolved its wholly owned subsidiary, Pioneer Stainless & Alloy – FZC, UAE, pursuant to members' approval through postal ballot dated 12th February, 2016. Further, the wholly owned subsidiary applied for liquidation on 27th March, 2016 to Ajman Free Zone Authority and subsequently received the final approval for the same.
8. The Equity Share of the Company has been sub-divided from face value of Rs 10/- per share to face value of Re 1/- per share w.e.f. 4th March, 2016, the Record Date; pursuant to members' approval through postal ballot dated 12th February, 2016. E.P.S. pertaining to the previous period / year has been restated according to Accounting Standard 20 "Earning Per Share".
9. The figures for the previous period / year have been re-arranged / re-grouped, wherever necessary to conform to current period's presentation.

For Prakash Steelage Limited


Prakash C. Kanugo
Chairman & Managing Director
DIN: 0028636



Place : Mumbai
Date: 30th May, 2016

Independent Auditors' Report on Annual Standalone Financial Results of the company pursuant to the Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

To the Board of Directors of **PRAKASH STEELAGE LIMITED.**

1. We have audited the Annual Standalone Financial Results of the company **PRAKASH STEELAGE LIMITED** ["the Company"] for the year ended 31st March, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015. These annual Standalone financial results have been prepared on the basis of Annual Standalone financial statements and reviewed quarterly Standalone financial results upto the end of third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these annual Standalone financial results based on our review of Standalone financial results for the nine month ended 31st December, 2015 which were prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for interim Financial Reporting [AS 25], prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and our audit of Annual Standalone financial statements for the year ended 31st March, 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Standalone financial results are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Standalone financial results. An audit also includes assessing the accounting principles used and reasonableness of the significant estimates made by the Management as well as evaluating the overall presentation of the Standalone financial results. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these year ended Standalone financial results:
 - i) are presented in accordance with the requirements of Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 in this regard and
 - ii) Give a true and fair view of the loss and other financial information of the Company for the year ended 31st March, 2016.
4. **Emphasis of Matter**
 - a) We draw attention to note no. 5 of statement of Standalone Audited Financial Results for the year ended 31st March, 2016 pertaining to exceptional items comprising of Provision for Doubtful Debts of **Rs. 2464.80 lacs** and net gain of **Rs. 255.66 lacs** towards the transfer of the "SS Seamless Tubes & Pipes" business of the company to **TUBACEX PRAKASH INDIA PVT. LTD.** ("the associate company") during the financial year ended 31st March, 2016.



- b) We draw attention to note no. 6 of statement of Standalone Audited Financial Results stating that the Company has incurred operational losses during the year due to meltdown in the prices of nickel, chromium, molybdenum, and unfavorable market for steel industry, which has resulted in pressure on the realisability of receivables, stock and selling prices.

Our opinion is not modified in respect of these matters.

FOR BATLIBOI & PUROHIT

Chartered Accountants
FRN.101048W



R.D.Hangekar
Partner
M. No.30615

Place : Mumbai
Date : 30.05.2016

PRAKASH STEELAGE LIMITED

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PART I

Statement of Consolidated Audited Financial Results for the Year Ended 31st March, 2016

(Rs. in lacs)

Sr. No.	Particulars	Year Ended	Year Ended
		31.03.2016	31.03.2015
		(Audited)	(Audited)
1	Income from operations		
	Gross sales/income from operations	57,410.77	112,840.56
	Less : Excise duty	1,326.61	1,419.05
	(a) Net sales/income from operations	56,084.16	111,421.51
	(b) Other operating income	376.94	896.06
	Total income from Operations (net)	56,461.10	112,317.56
2	Expenses		
	(a) Cost of materials consumed	8,083.91	23,420.97
	(b) Purchase of stock-in-trade	42,364.19	82,579.47
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	7,240.54	(6,021.98)
	(d) Employee benefits expense	664.47	1,066.76
	(e) Depreciation and amortisation expense	782.16	1,135.97
	(f) Consumption of Stores & Spares	402.35	1,268.93
	(g) Other expenses	1,843.85	3,227.64
	Total Expenses	61,381.47	106,677.76
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(4,920.38)	5,639.81
4	Other income	1,298.96	1,211.99
	Total Other income	1,298.96	1,211.99
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(3,621.42)	6,851.80
6	Finance costs	2,868.47	3,621.00
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(6,489.89)	3,230.80
8	Exceptional items (Net)	(2,209.14)	(1,025.92)
9	Profit / (Loss) from ordinary activities before tax (7 - 8)	(8,699.03)	2,204.88
10	Tax expense		
	Current tax	-	777.46
	Deferred tax	-	(46.30)
	Income tax for earlier year(s)	89.50	2.54
		89.50	733.69
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(8,788.53)	1,471.18
12	Extraordinary items (net of tax expense)	-	-
13	Net Profit / (Loss) for the period (11 - 12)	(8,788.53)	1,471.18
14	Paid-up equity share capital	1,750.00	1,750.00



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PART I

Statement of Consolidated Audited Financial Results for the Year Ended 31st March, 2016

(Rs. in lacs)

Sr. No.	Particulars	Year Ended	Year Ended
		31.03.2016	31.03.2015
		(Audited)	(Audited)
15	(Face Value of the Share : Re.1/- each) Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	9,300.63	18,000.16
16.i	Earnings per share (before extraordinary items) (of Re1/- each) (not annualised):		
	(a) Basic	(5.02)	0.84
	(b) Diluted	(5.02)	0.84
16.ii	Earnings per share (after extraordinary items) (of Re1/- each) (not annualised):		
	(a) Basic	(5.02)	0.84
	(b) Diluted	(5.02)	0.84



STATEMENT CONSOLIDATED OF ASSETS AND LIABILITIES

Sr. No.	Particulars	Rs. in lacs	
		As At	As At
		31.03.2016	31.03.2015
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1,750.00	1,750.00
	(b) Reserves and surplus	9,300.63	18,000.16
	Sub-total - Shareholders' funds	11,050.63	19,750.16
2	Non-current liabilities		
	(a) Long-term borrowings	2,703.88	4,830.19
	(b) Deferred tax liabilities (net)	646.64	646.64
	(c) Other long term Liabilities	3,225.90	1,073.79
	(d) Long-term provisions	45.40	83.77
	Sub-total - Non-current liabilities	6,621.82	6,634.39
3	Current liabilities		
	(a) Short-term borrowings	17,599.36	18,969.20
	(b) Trade payables	11,987.57	31,727.67
	(c) Other current liabilities	1,676.10	2,443.83
	(d) Short-term provisions	748.10	761.11
	Sub-total - Current liabilities	32,011.12	53,901.82
	TOTAL - EQUITY AND LIABILITIES	49,683.57	80,286.37
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets (including CWIP)	2,395.30	8,216.39
	(b) Non-current investments	334.70	10.00
	(c) Long-term loans and advances	2,231.03	1,484.20
	(d) Other non-current assets	-	-
	Sub-total - Non-current assets	4,961.03	9,710.59
2	Current assets		
	(a) Inventories	4,603.77	27,063.39
	(b) Trade receivables	29,864.11	36,704.37
	(c) Cash and cash equivalents	417.21	942.13
	(d) Short-term loans and advances	9,696.46	5,257.12
	(e) Other current assets	140.99	608.77
	Sub-total - Current assets	44,722.54	70,575.78
	TOTAL - ASSETS	49,683.57	80,286.37



Notes to Consolidated Financial Results

1. The above financial results were reviewed and recommended by the Audit Committee of the Board of Directors of the Company at its meeting held on 28th May, 2016 and approved and taken on record by the Board of Directors of the Company at their meeting held on 30th May, 2016.
2. The Consolidated Financial Statements have been prepared as per Accounting Standard 21 "Consolidated Financial Statements" & Accounting Standard 23 "Accounting for Investment in Associates in Consolidated Financial Statements" as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
3. The Consolidated Financial Results represents the result of business operations of the Company and Pioneer Stainless & Alloys F. Z. C., its wholly-owned subsidiary.
4. The Company's operation predominantly relates to manufacturing and trading of "Stainless Steel Tubes & Pipes". Hence, there is no separate reportable segment as per Accounting Standard 17 "Segment Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. Other expenses, includes foreign currency exchange loss (net) of Rs. 37.62 lacs, and Rs. 229.67 lacs for the year ended 31st March, 2016 and 31st March, 2015 respectively.
6. The exceptional item represents provision for doubtful debts of Rs 2464.80 lacs and gain of Rs 255.66 lacs net of expenditure & business loss due to transfer of the "SS Seamless Tubes & Pipes" Business of the Company to Tubacex Prakash India Private Limited, the associate company during the financial year ended 31st March, 2016.

The amount of Rs 1025.92 lacs shown in the previous year ended 31st March, 2015 pertains to bad debts written off.

7. In respect of Tubacex Prakash India Private Limited ("the associate company"), the Audited Accounts for the financial year 2015-16, have not been received. For the purpose of valuation, the unaudited accounts for the financial year 2015-16 of the associate company have been considered.
8. Due to meltdown in the prices of nickel, chromium, molybdenum and unfavorable market for steel industry there has been pressure on the realisability of our receivables, stocks and selling prices, which has resulted into operational losses during the financial year ended 31st March, 2016
9. During the year, the Company has dissolved its wholly owned subsidiary, Pioneer Stainless & Alloy – FZC, UAE, pursuant to members' approval through postal ballot dated 12th February, 2016. Further, the wholly owned subsidiary applied for liquidation on 27th March, 2016 to Ajman Free Zone Authority and subsequently received the final approval for the same.
10. The Equity Share of the Company has been sub-divided from face value of Rs 10/- per share to face value of Re 1/- per share w.e.f. 4th March, 2016, the Record Date; pursuant to members' approval through postal ballot dated 12th February, 2016.

E.P.S. pertaining to the previous year has been restated according to Accounting Standard 20 "Earning Per Share".

11. The figures for the previous year have been re-arranged / re-grouped, wherever necessary to conform to current period's presentation.

For Prakash Steelage Limited


Prakash C. Kanugo
Chairman & Managing Director
DIN: 0028636



Place : Mumbai
Date: 30th May, 2016

Independent Auditors' Report on Annual Consolidated Financial Results of the company pursuant to the Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

To the Board of Directors of **PRAKASH STEELAGE LIMITED.**

1. We have audited the Annual Consolidated Financial Results of the company **PRAKASH STEELAGE LIMITED** ["the Company"] for the year ended 31st March, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015. These annual consolidated financial results have been prepared on the basis of Annual consolidated financial statements which are the responsibility of the Company's management. Our responsibility is to express an opinion on these annual consolidated financial results based on our audit of consolidated financial results for the year ended 31st March, 2016 which were prepared in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and our audit of Annual consolidated financial statements for the year ended 31st March, 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial results are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Consolidated financial results. An audit also includes assessing the accounting principles used and reasonableness of the significant estimates made by the Management as well as evaluating the overall presentation of the Consolidated financial results. We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, and upon consideration of report of other auditor, the annual consolidated financial results:
 - i) include the annual financial results for the year ended 31st March, 2016 of the following subsidiary entity:
 - Pioneer Stainless & Alloy-F.Z.C, Ajman, United Arab Emirates
 - ii) are presented in accordance with the requirements of Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 in this regard and
 - iii) Give a true and fair view of the loss and other financial information of the Company for the year ended 31st March, 2016.

4. Emphasis of Matter

We draw attention to note no. 6 of statement of Consolidated Audited Financial Results for the year ended 31st March, 2016 pertaining to exceptional items comprising of Provision for Doubtful Debts of **Rs. 2464.80 lacs** and net gain of **Rs. 255.66 lacs** towards the transfer of the "SS Seamless Tubes & Pipes" business of the company to **TUBACEX PRAKASH INDIA PVT. LTD.** ("the associate company") during the financial year ended 31st March, 2016.



We draw attention to note no. 8 of statement of Consolidated Audited Financial Results stating that the Company has incurred operational losses during the year due to meltdown in the prices of nickel, chromium, molybdenum, and unfavorable market for steel industry, which has resulted in pressure on the realisibility of receivables, stock and selling prices.

Our opinion is not modified in respect of these matters.

5. Other Matters

We did not audit the financial statements of **PIONEER STAINLESS & ALLOY-F.Z.C, AJMAN, UNITED ARAB EMIRATES** ("Wholly-Owned Foreign Subsidiary") whose financial statement reflect total assets (net) of **Rs. NIL** as at 31st March, 2016, total revenues of **Rs. 948.70 Lacs** for the year ended 31st March, 2016. These financial statements have been audited by other auditor whose report has been furnished to us by the Management, and our opinion is based solely on the other auditor's report.

For the purpose of valuation of investment in **TUBACEX PRAKASH INDIA PVT. LTD.** ("the associate company"), the unaudited financial statement of the said associate company as at 31st March, 2016 have been considered. This unaudited financial statements have been furnished to us by the management and our report is based solely on such unaudited financial statements.

Our opinion is not qualified in respect of these matters.

FOR BATLIBOI & PUROHIT

Chartered Accountants

FRN.101048W



R.D.Hangekar

Partner

M. No.30615

Place : Mumbai

Date : 30.05.2016



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

Declaration

[pursuant to Clause (d) of Regulation 33(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on 25th May, 2016]

It is hereby declared and confirmed that the Auditor's Report issued by the Statutory Auditors of the Company on the basis of the Annual Audited Financial Results (Standalone & Consolidated) for the year ended on 31st March, 2016 is with unmodified opinion.

This declaration is furnished with reference to the proviso Clause (d) of sub regulation (3) of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on 25th May, 2016.

For **Prakash Steelage Limited**

A handwritten signature in blue ink, appearing to be 'Prakash C. Kanugo', is written over a horizontal line.

Prakash C. Kanugo
Chairman & Managing Director
DIN: 00286366

Place: **Mumbai**

Date : **30th May, 2016**

Registered Office :

1402, 14th Floor, A Wing, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Mumbai-400 013. India

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