



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

14th February, 2018

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. Wednesday, 14th February, 2018**

Ref.: **1. Regulation 30 (4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; and**
2. Notice of the Board Meeting of the Company dated 05th February, 2018

Please be informed, that the Board of Directors of the Company (BM04/2017-18) at their meeting held today i.e. Wednesday, 14th February, 2018, at the registered office of the Company, *inter alia* considered and approved the following:

1. Unaudited Financial Results of the Company along with the Limited Review Report for the quarter and nine months ended 31st December, 2017, which has been duly reviewed and recommended by the Audit Committee; and
2. Resignation of Mr. Dhaval N. Darji, Company Secretary and Compliance Officer of the Company, with effect from on or before 02nd April, 2018.

The meeting commenced at 3.00 p.m. and concluded at 6.00 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**

Dhaval Darji
Company Secretary & Compliance Officer
Membership No.: A46381
 Address: 101, 1st Floor, Shatrunjay Apartment,
 28, Sindhi Lane, Nanubhai Desai Road, Mumbai – 400 004

Encl.: Unaudited Financial Results of the Company along with the Limited Review Report thereon for the quarter and nine months ended 31st December, 2017.

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2017

Rs in lakhs

Particulars	Quarter Ended			Nine Months ended	
	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
1 Income					
a) Income from Operations	1,217	1,424	1,164	3,849	14,062
b) Other Income	45	146	18	206	140
Total Income	1,262	1,569	1,183	4,055	14,202
2 Expenditure					
a) Cost of materials consumed	781	455	484	1,895	2,365
b) Purchase of stock in trade	-	-	279	642	12,524
c) Change in inventories of finished goods, work in progress and stock in trade	-55	688	216	591	2,467
d) Excise Duty	-	-	62	99	224
e) Employee benefits expense	59	61	81	184	261
f) Finance Costs	2	1	817	4	2,282
g) Depreciation and Amortisation	82	82	78	219	256
h) Consumption of stores and spares	22	21	31	83	93
i) Other expenditure	95	74	212	241	584
Total Expenditure : (a + b + c + d + e + f + g + i)	986	1,383	2,260	3,958	21,056
3 Profit/(Loss) before exceptional Items and tax (1-2)	276	186	-1,078	96	-6,854
4 Exceptional Items	-109	-139	-	24,950	539
5 Profit/(Loss) before tax (3-4)	385	325	-1,078	-24,853	-7,393
6 Tax Expense					
Current Tax	-	-	-	-	-
Deferred Tax - Debit/(Credit)	-	-	-	-	-
MAT Credit	-	-	-	-	-
Short/(Excess) Provision for Tax for earlier years	-	-	-	-	-
7 Net Profit/(Loss) after Tax (5-6)	385	325	-1,078	-24,853	-7,393
8 Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss	1	2	6	5	17
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
9 Total Comprehensive Income (7+8)	386	327	(1,072)	(24,848)	(7,376)
10 Paid-up Equity Share Capital (Face value of Re.1/- per share)	1750	1750	1750	1750	1750
11 Basic and Diluted Earning per Share (Rs.)	0.22	0.19	-0.62	-14.20	-4.22

Notes:

- The results of the quarter and nine months ended December 31, 2017 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14th February 2018. They have been subjected to limited review by the statutory auditor.
This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1st April, 2017, the Company has for the first time adopted Ind AS with a transition date of 1st April, 2016.
- The format for unaudited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013, which are applicable to Companies that are required to Comply with Ind AS.
- Statement of unaudited financial results stating that exceptional item represents provision for doubtful debts of Rs.24950 lacs. Sundry Creditors written back which are no longer payable amounting of Rs. 0.49 Lacs. In the said exceptional items the company has initiated legal action to recover the long outstanding debts. In few cases the debtors has also initiated cases against the company raising quality concerns. As a result the company foresee remote chances of recovery of the said debts and hence provided for doubtful debts.
- Sales for the quarter ended December 31, 2017 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:

	For the Quarter Ended			For the Nine Months Ended	
	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)
Net Revenue from operations	1,216.59	1,423.50	1,102.43	3,750.09	13,837.92

- The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS for the quarter and nine months ended December 31, 2016 is given below:

Particulars	Quarter ended 31.12.2016 Unaudited	Nine month ended 31.12.2016 Unaudited
Net loss after tax for the quarter as per Previous GAAP	(1,072)	(7,376)
Add / (Less) : Adjustments for GAAP Differences		
Reclassification of actuarial (gain)/loss in respect of defined benefit plan to "Other Comprehensive Income"	(6)	(17)
Net loss after tax for the quarter as per Ind AS	(1,078)	(7,393)
Other Comprehensive Income	6	17
Total Comprehensive Income	(1,072)	(7,376)

- 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.
- Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.

Place : Mumbai

Date : 14TH February, 2018



Notes to Standalone Audited Financial Result

1. The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14th February, 2018.
2. The Company's operation predominantly relates to manufacturing and trading of "Stainless Steel Tubes and Pipes". Hence, there is no separate reportable segment as 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.
3. Other expenses/Income, includes foreign currency exchange gain of Rs.42.85 lakhs and loss of Rs.15.76 lakhs and 64.28 for quarter ended 31st December, 2017, 30th September 2017 and 31st December 2016 and Foreign currency exchange Gain of Rs 30.39 lakhs and loss of Rs.80.30 lakhs for the Nine months ended 31st December, 2017, 31st December, 2016 respectively.
4. Statement of unaudited financial results stating that exceptional item represents provision for doubtful debts of Rs. 24,950 lakhs. Sundry Creditors written back which are no longer payable amounting of Rs.0.49 Lakhs.

In the said exceptional items the Company has initiated legal action to recover the long outstanding debts. In few cases the debtors has also initiated cases against the Company raising quality concerns. As a result the Company foresees remote chances of recovery of the said debts and hence provided for doubtful debts.

5. Due to 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 Quarter and Nine months ended 31st December, 2016 and 31st December, 2016.
6. 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.
7. The accounts have been prepared on going concern basis as the steel industries in on the revival path. The Company is in the process of coming out of the crisis through business restructuring and financial arrangement.
8. The figures of the last quarter ended 31.12.2017 and 31.12.2016 are the balancing figures between the unaudited figures up to the Third quarter of the relevant financial year.
9. The figures of the previous period/ year have been rearranged/ regrouped wherever necessary to make them comparable.

Place : Mumbai
Date : 14th February, 2018



For Prakash Steelage Limited

A handwritten signature in blue ink, appearing to be "Ashok M. Seth".

Ashok M. Seth
Executive Director
DIN : 00309706



Independent Auditor's Review Report on interim financial Results of Prakash Steelage Limited for the quarter ended 31st December, 2017 pursuant to the Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

To,
The Board of Directors,
Prakash Steelage Limited,
Mumbai

1. We have reviewed the accompanying statement of unaudited financial results of **Prakash Steelage Limited** for the quarter- ended 31st December, 2017. This 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 these financial statements 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 financial statements are free of material misstatement. 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.
3. We have reviewed the accompanying statements of unaudited Financial Results of **Prakash Steelage Limited** ("the Company") for the quarter ended 31st December, 2017 ("the statement") attached herewith, being submitted by the company pursuant to the requirement terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015, read with SEBI Circular No. CIR/CFD/CMD/15/2015 dated 30th November, 2015 and SEBI Circular No. CIR/CFD/CMD/15/2015 dated 5th July, 2016. This statement, which is the responsibility of the company's management approved by the board of directors, has been compiled from the related "Interim Financial Reporting" ("IND AS 34"), specified under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express an opinion on statement based on our review of such financial statements.
4. We are neither engaged to review, nor have we reviewed the comparative figures including reconciliation to the Total Comprehensive Income for the quarter ended 31st December, 2016 and accordingly we do not express any conclusion on the results in the Statement for quarter ended 31st December, 2016. As set out in Note 6 to the statement, these figures have been furnished by the Management.
5. We draw attention to:-
 1. *The account of the Company with its consortium Banks had turned Non Performing Asset on various dates. In view of uncertainty the Company has not provided interest including penal interest and other dues for the quarter and nine month period ended 31st December, 2017 on borrowings, to the extent the same have remained unpaid. Had the interest been provided, loss of the quarter and nine month period ended 31st December, 2017 would have been higher by Rs.791 lakhs and Rs.2337 lakhs respectively with a corresponding increase in liabilities towards interest. Also the Reserves & Surplus have been overstated to that extent.*
(Refer note no. - 6)



BRANCHES :

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DELHI : A-97, Jagat Puri, Delhi -110 051. • Cell : +91-98107 30767

2. *The Company has accumulated losses resulting in erosion of Net Worth, while taking into account unprovided interest the company has incurred net cash losses for the quarter ending on 31st December 2017 and nine months ended 31st December, 2017. 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. - 7)

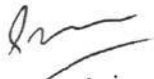
3. Note no. 4 of statement of unaudited financial results stating that exceptional item represents provision for doubtful debts of Rs. 24,950 Lakhs and Sundry Creditors written back which are no longer payable amounting of Rs. 6.49 Lakhs for nine month period ended 31st December, 2017.

In the said exceptional items the company has initiated legal action to recover the long outstanding debts. In few cases the debtors have also initiated cases against the company raising quality concerns. As a result the company foresees remote chances of recovery of the said debts and hence has provided for doubtful debts.

4. Note no. 5 of statement of unaudited financial results stating that the Company has unfavorable market for steel industry, which has resulted in pressure on the realization of receivables, stock and selling prices.
5. Note no. 6 of statement of unaudited financial results stating that loan account of the company with the consortium banks has become Non Performing Assets (NPAs)

Our conclusion is not modified in respect of these matters.

For Batliboi & Purohit
Chartered Accountants
Firm Registration Number: 101048W


CA. Gaurav Dhebhar
Partner
Membership Number: 153493
Place: Mumbai
Date: 14.02.2018

