



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

12th February, 2019

To,
The Manager,
BSE Limited,
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

To,
The Manager,
National Stock Exchange of India Limited,
Listing Compliance 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, 12th February, 2019

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

2. Notice of the Board Meeting of the Company dated 04th February, 2019.

Please be informed that the Board of Directors of the Company (BM04/2018-19) at their meeting held today i.e. Tuesday, 12th February, 2019, at the registered office of the Company, *inter alia* considered and approved the following viz.

1. Unaudited Financial Results of the Company along with the Limited Review Report for the quarter and nine months ended 31st December, 2018, which has been duly reviewed and recommended by the Audit Committee;
A copy of the Unaudited Financial Results of the Company along with the Limited Review Report thereon for the quarter and nine months ended 31st December, 2018 is enclosed herewith and marked as "Annexure I".
2. Re-appointment of Mr. A. P. Hegde (DIN: 02266510) as an Additional Director (Non-executive & Independent) of the Company W.E.F. 01st April, 2019;
A brief profile of Mr. A. P. Hegde which is required as per Regulation 30 read with Para A of Part A of Schedule III is enclosed herewith and marked as "Annexure II".
3. Re-appointment of Mr. Himanshu J. Thaker (DIN: 02325297) as an Additional Director (Non-executive & Independent) of the Company W.E.F. 01st April, 2019.
A brief profile of Mr. Himanshu J. Thaker which is required as per Regulation 30 read with Para A of Part A of Schedule III is enclosed herewith and marked as "Annexure III".

The meeting commenced at 3.00 p.m. and concluded at 06:45 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



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

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

Encl.: As above

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

Independent Auditor's Review Report on interim financial Results of Prakash Steelage Limited for the quarter and nine month ended 31st December, 2018 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 and nine month ended 31st December, 2018 which are included in the accompanying 'Un-audited Financial Results for the quarter and nine month ended 31 December, 2018 (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.



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

Mumbai Office:
#3, 13th Floor, 'Trade Link',
'E' Wing, A Block,
Kamala Mills, Senapati
Bapat Marg, Lower Parel,
Mumbai-400013,
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Surat Office:
D-612, International
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Gujarat, INDIA.

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5. We draw attention to,

- a. 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 and nine months ended December, 2018 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. - 7)
- b. 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. -6)
- c. Note no. 8 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 Silvasa.
- d. The financial statements of the Company for the year ended March 31, 2018 prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013, were audited by another firm of chartered accountants under the Companies Act, 2013 who vide their report dated May 28, 2018, expressed a modified opinion on those financial statements.

Our Review Report is not modified in respect of these matters.

For Pipara & Co LLP

FRN: 107929W/W100219

Naman
Naman Pipara

M.No.: 140234

Partner

February 12, 2019

Mumbai



PRAKASH STEELAGE LIMITED

CIN : L27106MH1991PLC061595 Tel. No. : 022 66134500, Fax No. : 022 66134899
Registered Office : 101, Shatrunjay Apartment, 1st Floor, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai-400 004
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

Particulars	Quarter Ended			Nine Months Ended		
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
1 Income						
a) Revenue from Operations	1,383.27	1,270.72	1,216.59	3,347.90	3,849.09	4,663.35
b) Other Income	0.68	0.44	45.12	4.16	205.62	266.83
Total Income	1,383.95	1,271.15	1,261.70	3,352.06	4,054.70	4,930.17
2 Expenses						
a) Cost of materials consumed	719.97	619.27	781.42	1,876.70	1,894.92	2,303.71
b) Purchase of traded goods					641.87	641.89
c) Change in inventories of finished goods, work in progress and stock in trade	8.14	121.56	-55.37	61.77	591.03	788.29
d) Excise Duty	51.47	52.96	59.41	156.55	184.41	241.42
e) Employee benefits expense	0.67	0.71	1.99	2.47	3.99	5.23
f) Finance Costs	59.21	59.85	81.92	179.35	218.82	283.19
g) Depreciation and Amortisation	25.80	41.28	22.08	104.02	83.08	105.02
h) Consumption of Stores and Spares	304.18	345.84	94.67	799.03	241.17	372.25
i) Other expenditure						
Total Expenses	1,169.43	1,241.44	986.11	3,179.89	3,958.28	4,839.99
3 Profit/(Loss) before Exceptional Items (1-2)	214.51	29.71	275.59	172.17	96.42	90.18
4 Exceptional Item			109.12		-24,949.88	-24,916.88
5 Profit/(Loss) from Ordinary Activities before Tax (3+4)	214.51	29.71	384.71	172.17	-24,853.46	-24,826.70
6 Tax Expense						
Current Tax						26.72
Deferred Tax						-777.09
Income Tax for earlier years						-750.37
7 Not Profit/(Loss) from Ordinary Activities after Tax (5-6)	214.51	29.71	384.71	172.17	-24,853.46	-24,076.33
8 Other Comprehensive Income						
(i) Items that will not be reclassified to profit or loss (net of tax)	-3.03	-3.03	1.32	-9.09	5.32	-12.13
9 Total Comprehensive Income (7+8)	211.48	26.68	386.03	163.08	-24,848.14	-24,088.46
10 Paid-up Equity Share Capital (Face value of Rs.1/- per share)	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00
11 Other equity (excluding revaluation reserve)						-29,927.57
12 Reserves Excluding Revaluation Reserves						
13 Basic and Diluted Earning per Share (Rs.)	0.12	0.02	0.22	0.10	-14.20	-13.76

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 recognised accounting practices and policies to the extent applicable.

2 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 12th February, 2019. They have been subjected to Limited Review by the statutory auditors.

3 Sales for the quarter and Nine months ended December 31, 2018 and the quarter ended September 30, 2018 and December 31, 2017 is net of Goods and Service Tax (GST), however sales till the period ended March 31, 2018 are gross of excise duty. The Net revenue from operations (Net of GST/ Excise duty) as applicable are as stated below:

Particular	For the Quarter Ended			For the Nine Months Ended		
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
Net Revenue from Operations	1,383.27	1,270.72	1,216.59	3,347.90	3,750.09	4,564.35

4 Effective 1st April, 2018, the Company has adopted Ind AS 115. The comparative information is not restated in the financials results. The adoption of this standard does not have any material impact to the financial results of the Company.

5 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.

6 Even though the net worth of the Company has eroded and it has been incurring cash losses 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.

7 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.

8 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.

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

For, PIPARA & CO LLP
Chartered Accountants
F.R.N.: 107929W / W100219

For Prakash Steelage Limited

(Signature)

Ashok M. Seth
CFO & Executive Director
DIN : 00309706

Place : Mumbai
Date : 12.02.2019



(Signature)
Naman Pipara
Partner
(M. No. 140234)



Annexure II

Brief profile of Mr. A. P. Hegde

Disclosure Requirement	Details
Name of the Director	Mr. A. P. Hegde (DIN: 02266510)
Reason for change	Re-appointment
Date of appointment and Term of appointment	01 st April, 2019, 5 years
Brief profile	A retired General Manager Vijaya Bank, a public sector bank, having experience of over 43 years in the banking field. As a General Manager of the Bank, he was heading Mumbai Region, one of the prestigious region of the Bank and was heading the Bank's Retail Credit Department at the head office at Bangalore as General Manager prior to his superannuation. He is the recipient of many awards during his various assignments in the bank, the latest one being the 'Best Region' of the bank in Metro category received during the year 2009. During his service for the Bank, Mr. Hegde has served the Bank in nook and corner of the country and participated in overseas training in banking issues conducted by Asian Institute of Management at Manila, Philippines, Euro money training of UK in London, besides RBI and other renowned domestic financial institutions
Relationship with other Directors of the Company	NA

Annexure III

Brief profile of Mr. Himanshu J. Thaker

Disclosure Requirement	Details
Name of the Director	Mr. Himanshu J. Thaker (DIN: 02325297)
Reason for change	Re-appointment
Date of appointment and Term of appointment	01 st April, 2019, 5 years
Brief profile	He has done his graduation in Metallurgical Engineering (B.E. Metallurgy) from MS University, Vadodara in the year 1971. He has almost 40 years of experience in the Industry. He has been associated with Companies like Jyoti Limited, Vadodara, Gujarat Steel Tubes Ltd., Gujarat Gajara Pinions Ltd., Keystone India Ltd., Ratnamani Metals & Tubes Limited, Suzlon Structures Ltd. etc. He is currently working as Chief Operating Officer in Ratnaveer Metals Ltd.
Relationship with other Directors of the Company	NA