



# 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

12<sup>th</sup> November, 2018

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. Monday, 12<sup>th</sup> November, 2018

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

2. Notice of the Board Meeting of the Company dated 05<sup>th</sup> November, 2018.

Please be informed that the Board of Directors of the Company (BM03/2018-19) at their meeting held today i.e. Monday, 12<sup>th</sup> November, 2018, 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 half year ended 30<sup>th</sup> September, 2018, which has been duly reviewed and recommended by the Audit Committee; and
2. The Dissolution of Risk Management Committee.

The meeting commenced at 2.30 p.m. and concluded at 07:00

The above information is also hosted on the website of the Company. ([www.prakashsteelage.com](http://www.prakashsteelage.com)).

Kindly take the same on your record.

Thanking You,  
Yours faithfully,

For Prakash Steelage Limited



**Shikha A. Mishra**  
Company Secretary & Compliance Officer  
Membership No.: ACS 53469

Address: 101, 1<sup>st</sup> 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 half year ended 30<sup>th</sup> September, 2018.

Registered Office :

101, Shatrunjay Apartment, 1st Floor, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai-400 004. (India)

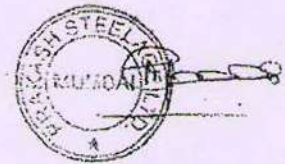
Tel.: +91-22-66134500, Fax : +91-22-66134599, Email : [marketing@prakashsteelage.com](mailto:marketing@prakashsteelage.com), Web : [www.prakashsteelage.com](http://www.prakashsteelage.com)

**PRAKASH STEELAGE LIMITED**

CIN : L27106MH1991PLC061593      Tel. No. : 022 66134600,      Fax No. : 022 6613459  
 Registered Office : 101, Shatrunjey Apartment, 1st Floor, 28, Sindhi Lane, Naulkhi Desai Road, Mumbai-400 004  
**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2018**

Rs in lakhs

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited)	30.09.2018 (Unaudited)	30.09.2017 (Unaudited)	31.03.2018 (Audited)
<b>1 Income</b>						
a) Revenue from Operations	1,270.72	693.92	1,423.60	1,964.64	2,632	4,663
b) Other Income	0.44	3.04	145.54	3.47	161	267
<b>Total Income</b>	<b>1271.15</b>	<b>696.96</b>	<b>1,569.14</b>	<b>1968.11</b>	<b>2,793</b>	<b>4,930</b>
<b>2 Expenses</b>						
a) Cost of materials consumed	619.27	537.46	455.38	1,156.73	1,114	2,304
b) Purchase of traded goods	-	-	-	-	642	642
c) Change in inventories of finished goods, work in progress and stock in trade	121.50	-67.93	688.28	53.63	646	788
d) Excise Duty	-	-	-	-	99	99
e) Employee benefits expense	52.90	52.11	61.41	105.08	125	241
f) Finance Costs	0.71	1.10	1.18	1.60	2	5
g) Depreciation and Amortisation	59.85	60.28	82.16	120.13	137	283
h) Consumption of Stores and Spares	41.25	36.97	20.90	78.22	61	105
i) Other expenditure	345.84	149.02	73.66	494.86	147	372
<b>Total Expenses</b>	<b>1,241.44</b>	<b>769.01</b>	<b>1,382.96</b>	<b>2,010.45</b>	<b>2,972</b>	<b>4,840</b>
<b>3 Profit/(Loss) before Exceptional Items (1-2)</b>	<b>29.71</b>	<b>-72.05</b>	<b>186.18</b>	<b>-42.34</b>	<b>-179</b>	<b>90</b>
<b>4 Exceptional Items</b>	-	-	139.58	-	-25,058	-24,917
<b>5 Profit/(Loss) from Ordinary Activities before Tax (3+4)</b>	<b>29.71</b>	<b>-72.05</b>	<b>325.56</b>	<b>-42.34</b>	<b>-25,237</b>	<b>-24,827</b>
<b>6 Tax Expense</b>						
Current Tax	-	-	-	-	-	27
Deferred Tax	-	-	-	-	-	777
Income Tax for earlier years	-	-	-	-	-	-750
<b>7 Net Profit/(Loss) from Ordinary Activities after Tax (5-6)</b>	<b>29.71</b>	<b>-72.05</b>	<b>325.56</b>	<b>-42.34</b>	<b>-25,237</b>	<b>-24,076</b>
<b>8 Other Comprehensive Income</b>						
(i) Items that will not be reclassified to profit or loss (net of tax)	-3.03	-3.03	1.77	-6.06	3.55	-12.13
<b>9 Total Comprehensive Income (7+8)</b>	<b>26.68</b>	<b>-75.08</b>	<b>327.33</b>	<b>-48.40</b>	<b>-25,234</b>	<b>-24,088</b>
<b>10 Paid-up Equity Share Capital</b> (Face value of Re.1/- per share)	1,750.00	1,750.00	1,750	1,750	1,750	1,750
<b>11 Reserves Excluding Revaluation Reserves</b>						
Other equity (excluding revaluation reserve)	-	-	-	-	-	29,927.57
<b>11 Basic and Diluted Earning per Share (Rs.)</b>	<b>0.02</b>	<b>(0.04)</b>	<b>0.19</b>	<b>(0.02)</b>	<b>(14.42)</b>	<b>(13.76)</b>



**PRAKASH STEELAGE LIMITED**

CIN : L27108MH1991PLC061898      Tel. No. : 022 66134800,      Fax No. : 022 6613429  
Registered Office: 101, Shastrijiy Apartment, 1st Floor, 28, Blodhi Lane, Nanubhal Desai Road, Mumbai-400 004

**STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH SEPTEMBER, 2018**

Particulars		As at 30.09.2018 (Unaudited)	As at 31.03.2018 (Audited)
<b>A. ASSETS</b>			
<b>1. NON-CURRENT ASSETS</b>			
a) Property, Plant and Equipment		1,504.61	1,630.17
b) Leasehold Land		-	-
b) Capital Work-in-Progress		-	-
b) Financial Assets		-	-
i) Investments		324.70	324.70
ii) Other financial assets		14.85	16.47
c) Non-Current Tax Assets (Net)		193.67	194.73
d) Other non-current assets		2.65	2.88
<b>Sub-total : Non-Current Assets</b>		<b>2,045.47</b>	<b>2,167.96</b>
<b>2. CURRENT ASSETS</b>			
a) Inventories		798.54	785.18
b) Financial Assets		-	-
i) Trade receivables		2,316.72	2,297.85
ii) Cash and cash equivalents		5.58	21.42
iii) Bank balances other than (ii) above		27.92	27.05
iv) Loans		3.70	4.32
v) Other financial assets		72.83	73.51
c) Other current assets		1,078.24	1,185.35
<b>Sub-total : Current Assets</b>		<b>4,404.53</b>	<b>4,386.69</b>
<b>TOTAL - ASSETS</b>		<b>6,445.00</b>	<b>6,554.64</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDERS' FUNDS:</b>			
a) Equity Share Capital		1,750.00	1,750.00
b) Other Equity		(29,975.98)	(29,927.87)
<b>Sub-total : Shareholders' Fund</b>		<b>(28,225.97)</b>	<b>(28,177.87)</b>
<b>2. NON-CURRENT LIABILITIES:</b>			
a) Deferred Tax Liabilities (NET)		652.56	682.56
b) Provisions		47.86	36.86
b) Non-Current Tax Liabilities (Net)		-	-
<b>Sub-total : Non-Current Liabilities</b>		<b>730.43</b>	<b>722.43</b>
<b>3. CURRENT LIABILITIES:</b>			
a) Financial Liabilities		-	-
i) Borrowings		24,294.75	24,294.66
ii) Trade Payables		9,369.06	9,386.20
iii) Other financial liabilities		1.82	0.95
b) Other current liabilities		264.10	313.71
c) Provisions		10.72	14.23
d) Current Tax Liabilities (Net)		-	-
<b>Sub-total : Current Liabilities</b>		<b>33,940.54</b>	<b>34,009.75</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>6,445.00</b>	<b>6,554.64</b>

**Notes :**

- 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.
- 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 November, 2018. They have been subjected to Limited Review by the statutory auditors.
- Sales for the quarter and six months ended September 30, 2018 and the quarter ended June 30, 2018 and September 30, 2017 in net of Goods and Services Tax (GST), however sales till the period ended September 30, 2017 and March 31, 2018 are gross of excise duty. The Net revenue from operations (Net of GST, Excise duty) as applicable is as stated below.

Particulars	For the Quarter Ended			For the Half Year Ended		Year Ended
	30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited)	30.09.2018 (Unaudited)	30.09.2017 (Unaudited)	31.03.2018 (Audited)
Net Revenue from Operations	1,270.72	693.92	1,433.00	1,904.64	2,531.48	4,564.35

- Effective 1st April, 2018, the Company has adopted Ind AS 115. The comparative information is not restated in the financial results. The adoption of this standard does not have any material impact to the financial results of the Company.
- 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.
- Due to unfavourable market for steel industry there has been pressure on the realisability of receivables, stocks and selling prices, which has resulted into operational losses during the six month ended 30th September 2018.
- 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.
- The main account of the Company with its consortium banks has become Non Performing Assets (NPA). 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 same have remained unpaid.
- 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 Shivasa.
- 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. No. 107929W/W100219

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

For Prakash Steelage Limited

*Ashok M. Seth*  
Ashok M. Seth  
CFO & Executive Director  
DIN : 00309706



Place : Mumbai  
Date : 12.11.2018

**Independent Auditor's Review Report on interim financial Results of Prakash Steelage Limited for the quarter and six month ended 30<sup>th</sup>September, 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 six month ended September 30, 2018 which are included in the accompanying 'Un-audited Financial Results for the quarter and six month ended September 30, 2018 and the statement of assets and liabilities as on that date' (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.



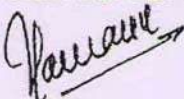
<b>Corporate Office :</b> Pipara Corporate House, Near Gruh Finance, Netaji Marg, Law Garden, Ahmedabad-380006 Gujarat, India.	<b>Mumbai Office :</b> #3, 13th Floor, Tradelink, 'E' Wing, A-Block, Kamala Mills, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, India.	<b>Surat Office :</b> D-612, International Trade Centre, Majura Gate, Surat - 395 003 Gujarat, India.	<b>Delhi Office :</b> G-36, One Internet, Connaught Place, New Delhi-110001 India.	T: 91 79 40 370370 F: 91 79 40 370376 E: pipara@pipara.com info@pipara.com www.pipara.com
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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 six months ended September, 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. - 8)
- 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. -7)
- c. Note no. 6 of the statement of the unaudited financial results sharing that the company has the unfavorable market conditions for steel industry, which has resulted in pressure on the realization of receivables, stock and selling prices.
- d. Note no. 9 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.
- e. 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 conclusion is not modified in respect of these matters.

For Pipara & Co LLP  
FRN: 107929W/W100219



Namann Pipara  
Mumbai  
Partner

November 12, 2018

M.No. 140234

