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

To,
The Manager,
National Stock Exchange of India Limited,
Corporate Communication 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, 28th May, 2018

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

Please be informed that the Board of Directors of the Company (BM01/2018-19) at its meeting held today i.e. Monday, 28th May, 2018, at the registered office of the Company, has inter alia considered and approved:

1. The Audited Financial Results (Standalone) of the Company along with Auditors’ Report for the quarter and year ended 31st March, 2018 which has been duly reviewed and recommended by the Audit Committee;

2. The appointment of M/s. Luniya & Company, Chartered Accountant (Firm Registration No. 129787W) as the Internal Auditors of the Company for the financial year 2018-19;

3. The appointment of M/s. S. Anantha & Ved LLP (LLPIN-AAH-8229), Practicing Company Secretaries as the Secretarial Auditors of the Company for the financial year 2018-19;

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
The meeting commenced at 1.00 p.m. and concluded at 10.30 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

Prakash C. Kanugo
Chairman & Managing Director
DIN: 00286366

Endcl.:
1) Statement on Impact of Audit Qualification;
2) Audited Financial Results (Standalone) of the Company along with the Auditors’ Report thereon for the quarter and financial year ended 31st March, 2018; and
INDEPENDENT AUDITOR’S REPORT
TO THE BOARD OF DIRECTORS OF
PRAKASH STEELAGE LIMITED,

1. We have audited the accompanying statement of quarterly financial results of Prakash Steelage Limited (‘the Company’), for the Quarter ended March 31, 2018 and for the year ended March 31, 2018, attached herewith, being submitted by the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with SEBI Circular No. CIR/CFD/F AC/62/2016 dated July 5, 2016.

2. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subjected to limited review. The financial results for the quarter ended March 31, 2018 and the year then ended have been prepared on the basis of the financial results for the nine-month period ended December 31, 2017, the audited annual Ind AS financial statements as at and for the year ended March 31, 2018, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/F AC/62/2016 dated July 5, 2016 which are the responsibility of the Company’s Management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (Ind AS) 34, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

3. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We believe that the audit evidence obtained by us is sufficient and appropriate to provide basis for our audit opinion.

The procedures selected depend upon the auditors judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company’s preparation and relevant presentation of the statement in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on effectiveness of the Company’s internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the statement.

4. Basis for qualification,

   a) The account of the Company with its Consortium Banks has turned Non Performing Asset on various dates in the previous Financial Year. In view of uncertainty, the Company has not provided interest including penal interest and other dues for the year ended March, 2018 on its borrowings, to the extent the same have remained unpaid. The impact of the same on the

BRANCHES:
NAVI MUMBAI: 302 / 304 Arenja Corner, Sector 17, Vashi, Navi Mumbai - 400 703. • Tel.: +91-22-2766 6478
DELHI: A-97, Jagat Puri, Delhi -110 051. • Cell: +91-98107 30767
loss for the year and its consequent effect on the Liabilities and Reserve & Surplus is not ascertainable (Refer note no. - 12)

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 audited financial results of the Company has been prepared on a going concern basis. (Refer note no. - 11)

5. We draw attention to,

I. Note no. 8 of statement of audited financial results which states that exceptional item represents provision for doubtful debts of Rs. 24,917 Lakhs. 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.

II. Note no. 10 of statement of audited financial results stating that the Company has unfavorable market conditions for steel industry, which has resulted in pressure on the realization of receivables, stock and selling prices.

III. Note no. 13 of statement of audited 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 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 and machinery located at Silvassa.

IV. Some of the balances of Trade Receivables, Deposits, Loans & Advances, Advances received from customers, Liability for expenses and Trade Payables are subject to confirmation from the respective parties and consequential reconciliation/adjustment arising there from, if any.

V. Note no. 15 of statement of audited financial results stating that the Company has reversed the income tax provisions for the earlier years, as according to management same is no longer payable.

Our conclusion is not modified in respect of these matters.

6. In our opinion and to the best of our information and explanations given to us these quarterly and year to date financial results:

i. have been presented in accordance with requirements of Regulation 33 the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015; as modified by Circular no. CIR/CED/FAC/52/2016 dated July 5, 2016; and

ii. subject to our comments as mentioned in clause no 4 above, give a true and fair view of the total comprehensive income (comprising of net profit and other comprehensive income) and other
financial information for the quarter ended March 31, 2018 and as well as year to date results for the period from April 01, 2017 to March 31, 2018.

7. The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2017 included in these Ind AS financial results, are based on the previously issued financial results prepared in accordance with the recognition and measurement principles of the Accounting Standards, specified under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other accounting principles generally accepted in India as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

8. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2018 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

Place: Mumbai
Date: 28th May, 2018
## STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

(\text{\textdollar} \text{in Lakhs})

<table>
<thead>
<tr>
<th>Particulars</th>
<th>31.03.2018 (Audited)</th>
<th>31.12.2017 (Unaudited)</th>
<th>31.03.2017 (Audited)</th>
<th>31.03.2018 (Audited)</th>
<th>31.03.2017 (Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Revenue from Operations</td>
<td>814.35</td>
<td>1,217.00</td>
<td>729.01</td>
<td>4,663.35</td>
<td>14,791.01</td>
</tr>
<tr>
<td>b) Other Income</td>
<td>60.83</td>
<td>45.00</td>
<td>1,718.13</td>
<td>206.83</td>
<td>1,858.13</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>875.18</td>
<td>1,262.00</td>
<td>2,447.14</td>
<td>4,930.17</td>
<td>16,649.14</td>
</tr>
<tr>
<td><strong>2 Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Cost of materials consumed</td>
<td>408.71</td>
<td>781.00</td>
<td>402.07</td>
<td>2,303.71</td>
<td>2,767.07</td>
</tr>
<tr>
<td>b) Purchase of traded goods</td>
<td>-</td>
<td>-</td>
<td>256.14</td>
<td>641.89</td>
<td>12,780.14</td>
</tr>
<tr>
<td>c) Change in inventories of finished goods, work in progress and stock in trade</td>
<td>197.29</td>
<td>-55.00</td>
<td>-66.26</td>
<td>788.29</td>
<td>2,400.74</td>
</tr>
<tr>
<td>d) Excise Duty</td>
<td>-</td>
<td>-</td>
<td>53.31</td>
<td>99.00</td>
<td>277.31</td>
</tr>
<tr>
<td>e) Employee benefits expense</td>
<td>57.42</td>
<td>59.00</td>
<td>71.20</td>
<td>241.42</td>
<td>332.29</td>
</tr>
<tr>
<td>f) Finance Costs</td>
<td>1.23</td>
<td>2.00</td>
<td>-1,176.42</td>
<td>5.23</td>
<td>1,105.58</td>
</tr>
<tr>
<td>g) Depreciation and Amortisation</td>
<td>64.19</td>
<td>22.00</td>
<td>76.28</td>
<td>283.19</td>
<td>332.25</td>
</tr>
<tr>
<td>h) Consumption of Stores and Spares</td>
<td>22.02</td>
<td>22.00</td>
<td>27.19</td>
<td>105.02</td>
<td>120.19</td>
</tr>
<tr>
<td>i) Other expenditure</td>
<td>131.14</td>
<td>95.00</td>
<td>120.01</td>
<td>372.25</td>
<td>704.01</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>882.00</td>
<td>966.00</td>
<td>-236.39</td>
<td>4,839.99</td>
<td>20,816.61</td>
</tr>
<tr>
<td><strong>3 Profit/(Loss) before Exceptional Items (1-2)</strong></td>
<td>-6.82</td>
<td>276.00</td>
<td>2,683.53</td>
<td>90.18</td>
<td>-4,170.47</td>
</tr>
<tr>
<td><strong>4 Exceptional Item (Refer Note No.8)</strong></td>
<td>33.12</td>
<td>109.00</td>
<td>-10,436.00</td>
<td>(249.17)</td>
<td>-10,975.56</td>
</tr>
<tr>
<td><strong>5 Profit/(Loss) from Ordinary Activities before Tax (3+4)</strong></td>
<td>26.29</td>
<td>385.00</td>
<td>-7,783.07</td>
<td>-24,826.70</td>
<td>-15,146.07</td>
</tr>
<tr>
<td>6 Tax Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred Tax</td>
<td>26.72</td>
<td>-</td>
<td>9.20</td>
<td>26.72</td>
<td>9.20</td>
</tr>
<tr>
<td>Income Tax for earlier years</td>
<td>-777.09</td>
<td>-0.30</td>
<td>-777.09</td>
<td>-0.30</td>
<td>9.20</td>
</tr>
<tr>
<td><strong>7 Net Profit/(Loss) from Ordinary Activities after Tax (5-6)</strong></td>
<td>776.66</td>
<td>385.00</td>
<td>-7,782.37</td>
<td>-24,076.33</td>
<td>-15,155.57</td>
</tr>
<tr>
<td>8 Other Comprehensive Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Items that will not be reclassified to profit or loss (net of tax)</td>
<td>-17.13</td>
<td>1.00</td>
<td>-1.19</td>
<td>-12.13</td>
<td>15.81</td>
</tr>
<tr>
<td><strong>9 Total Comprehensive Income (7+8)</strong></td>
<td>759.53</td>
<td>386.00</td>
<td>-7,783.76</td>
<td>-24,088.46</td>
<td>-15,139.7623</td>
</tr>
<tr>
<td>10 Paid-up Equity Share Capital</td>
<td>1,750.00</td>
<td>1,750.00</td>
<td>1,750.00</td>
<td>1,750.00</td>
<td>1,750.00</td>
</tr>
<tr>
<td>(Face value of \textdollar 1/- per share)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 Other equity (excluding revaluation reserve)</td>
<td>-</td>
<td>-</td>
<td>-29,927.57</td>
<td>-5,839.11</td>
<td></td>
</tr>
<tr>
<td>12 Basic and Diluted Earning per Share (\textdollar)</td>
<td>0.44</td>
<td>0.22</td>
<td>(4.44)</td>
<td>(13.76)</td>
<td>(8.66)</td>
</tr>
</tbody>
</table>
## PRAKASH STEELAGE LIMITED

CIN: L27106MH1991PLC061955  
Tel. No.: 022 66134500,  Fax No.: 022 66134599  
Registered Office: 101, Shatrunjay Apartment, 1st Floor, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai-400 004

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2018

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31.03.2018 (Audited)</th>
<th>As at 31.03.2017 (Audited)</th>
</tr>
</thead>
</table>

### A. ASSETS

#### 1. NON-CURRENT ASSETS
- a) Property, Plant and Equipment: 1,630.17
- b) Capital Work-in-Progress*: 324.70
- c) Financial Assets
  - i) Investments: 324.70
  - ii) Other financial assets: 16.47
- d) Non-Current Tax Assets (Net): 193.73
- e) Other non-current assets: 2.88

Sub-total: Non-Current Assets 2,167.96

#### 2. CURRENT ASSETS
- a) Inventories: 785.18
- b) Financial Assets
  - i) Trade receivables: 2,348.85
  - ii) Cash and cash equivalents: 21.42
  - iii) Bank balances other than (iii) above: 27.05
  - iv) Loans: 4.32
  - v) Other financial assets: 14.51
- c) Other current assets: 1,185.35

Sub-total: Current Assets 3,486.68

### TOTAL ASSETS 6,554.64

### B. EQUITY AND LIABILITIES

#### 1. SHAREHOLDERS' FUNDS:
- a) Equity Share Capital: 1,750.00
- b) Other Equity: -29,927.57

Sub-total: Shareholders' Fund -28,177.57

#### 2. NON-CURRENT LIABILITIES:
- a) Deferred Tax Liabilities (Net): 682.56
- b) Provisions: 39.86

Sub-total: Non-Current Liabilities 722.43

#### 3. CURRENT LIABILITIES:
- a) Financial Liabilities
  - i) Borrowings: 24,294.68
  - ii) Trade Payables: 9,386.20
  - iii) Other financial liabilities: 0.95
- b) Other current liabilities: 313.71
- c) Provisions: 14.23
- d) Current Tax Liabilities (Net): 585.76

Sub-total: Current Liabilities 34,009.78

### TOTAL: EQUITY AND LIABILITIES 6,554.64
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. Beginning 1st April, 2017, the Company has for the first time adopted Ind AS with a transition date of 1st April, 2016.

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 28th May, 2018.

The figures of the quarter ended 31st March, 2018 and 31st March, 2017 are balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the relevant financial year.

Sales for the quarter ended March 31, 2018 and 31st December, 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:

<table>
<thead>
<tr>
<th>For the Quarter Ended</th>
<th>For the Year Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td>31.03.2018</td>
</tr>
<tr>
<td>Net Revenue from Operations</td>
<td>814.35</td>
</tr>
</tbody>
</table>

The format for financial results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with the requirements of SEBI's circular CIR/CIF/FAC/62/2016 dated 5th July, 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.

Reconciliation of net profit for the quarter and year ended 31st March, 2017 under Indian GAAP (Previous GAAP) and Ind AS is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quarter ended 31.03.2017</th>
<th>Year ended 31.03.2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit after tax as per Previous GAAP</td>
<td>-7,763.76</td>
<td>-15,139.76</td>
</tr>
<tr>
<td>Adjustments for GAAP Differences:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Reclassification of actuarial gain in respect of Defined Benefit Plan to “Other Comprehensive Income”</td>
<td>1.19</td>
<td>-15.81</td>
</tr>
<tr>
<td>Net Profit after tax as per Ind AS</td>
<td>-7,762.57</td>
<td>-15,155.57</td>
</tr>
<tr>
<td>Other Comprehensive Income</td>
<td>-1.19</td>
<td>15.81</td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>-7,763.76</td>
<td>-15,139.76</td>
</tr>
</tbody>
</table>

Reconciliation of Equity reported in accordance with Indian GAAP (Previous GAAP) and Ind AS is as under:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>As at 31st March, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity as per Previous GAAP</td>
<td>-4,089.11</td>
</tr>
<tr>
<td>Adjustment of Ind AS (Refer foot note below)</td>
<td></td>
</tr>
<tr>
<td>Equity as per Ind AS</td>
<td>-4,089.11</td>
</tr>
</tbody>
</table>

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 year ended 31st March 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.
12 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.

13 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.

14 Other expenses/income, includes foreign currency exchange loss of Rs.29.63 lakhs and gain of Rs.98.65 lakhs for quarter ended 31st March, 2018 and 31 March 2017, respectively and includes foreign exchange gain of Rs. 0.76 lacs and gain of Rs 3.84 lacs for the year ended on 31st March 2018 and 31st March 2017 respectively.

15 The company has reversed the income tax provision for the earlier years, according to management same is no longer payable.

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

Statement on Impact of Audit Qualifications

<table>
<thead>
<tr>
<th>I.</th>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Audited Figures (as reported before adjusting for qualifications) (Rs in lakhs)</th>
<th>Adjusted Figures (audited figures after adjusting for qualifications) (Rs in lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td>Turnover /Total Income</td>
<td>4930.17</td>
<td>4930.17</td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td>Total Expenditure</td>
<td>4839.99</td>
<td>4839.99</td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td>Net Profit/(Loss)</td>
<td>(24,088.46)</td>
<td>(24,088.46)</td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td>Earnings Per Share</td>
<td>(13.76)</td>
<td>(13.76)</td>
</tr>
<tr>
<td>5.</td>
<td></td>
<td>Total Assets</td>
<td>6,554.64</td>
<td>6,554.64</td>
</tr>
<tr>
<td>6.</td>
<td></td>
<td>Total Liabilities</td>
<td>6,554.64</td>
<td>6,554.64</td>
</tr>
<tr>
<td>7.</td>
<td></td>
<td>Net Worth</td>
<td>(28177.57)</td>
<td>(28177.57)</td>
</tr>
<tr>
<td>8.</td>
<td></td>
<td>Any other financial item(s) (as felt appropriate by the management)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

II. Audit Qualification:

A. Details of Audit Qualification: The account of the Company with its consortium Banks has 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 year ended March, 2018 on 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 & Surplus is not ascertainable.

B. Type of Audit Qualification: Qualified Opinion

C. Frequency of qualification: Appeared second time

D. Management's View: Due to adverse condition in steel industries on account of drastic fall in the prices of steel the Company has been suffering losses since couple of years which is impacting the net worth of the Company. Loan account had been classified as NPA by the consortium of the banks and 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 year on borrowings, to the extent the same have remained unpaid.
III. Audit Qualification:

A. Details of Audit Qualification: The Financial Statement indicates that the Company has accumulated losses resulting in erosion of Net Worth. These conditions cast serious doubt about the company’s ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis.

B. Type of Audit Qualification: Qualified Opinion

C. Frequency of qualification: Appeared second time

D. Management's View: The erosion of net worth of the Company should not be constituted as doubt on the continuity of the Company as going concern. The steel industries are on the revival path. The Company is in the process of coming out of the crisis through business restructuring and financial arrangement.

Signatories:
- CEO/Managing Director
- CFO
- Audit Committee Chairman
- Statutory Auditor

Place: Mumbai
Date: 28th May, 2018