



Prakash Steelage Ltd.

Manufacturer & Exporters of Stainless Steel Welded, Pipes, Tubes & U-Tubes
An ISO 9001-2015, ISO 14001-2004, OHSAS 18001-2007, PED Certified Company

November 12, 2021

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. Friday, November 12, 2021.

Ref.: 1. Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; and
2. Notice of the Board Meeting of the Company dated November 5, 2021.

Please be informed that the Board of Directors of the Company at its meeting held today i.e. Friday, November 12, 2021, at the registered office of the Company, has *inter alia* considered and approved the Un-audited Financial Results (Standalone) of the Company along with the Limited Review Report issued by the Statutory Auditors of the Company, for the quarter and half ended September 30, 2021; which has been duly reviewed and recommended by Audit Committee of the Company.

The meeting commenced at 03.00 p.m. and concluded at 05.30pm.

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



Ashok M. Seth (DIN: 00309706)
Executive Director

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

Encl.: 1. Un-audited Financial Results (Standalone) of the Company along with the Limited Review Report issued by the Statutory Auditors of the Company, for the quarter and half year ended September 30, 2021.

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of Prakash Steelage Limited pursuant to the Regulation 33 of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015, as amended**Review Report to
The Board of Directors
Prakash Steelage Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Prakash Steelage Limited (the "Company") for the Quarter and half year ended September 30, 2021 and the statement of assets and liabilities as on that date and the statement of cash flows for the half year ended on that date (the Unaudited Financial Results) attached herewith, being submitted 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"), as amended (the "Listing Regulations"), which has been signed by us for identification purpose.
2. The Unaudited Standalone Financial Results is the responsibility of the Company's Management and is approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on these Unaudited Financial Results based on our review.
3. We conducted our review of the Unaudited Financial Results in accordance with the Standard on Review Engagements (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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Mumbai Office :**

#3, 13th Floor, Trade Link,
'E' Wing, 'A' Block,
Kamala Mills, Lower Parel,
Mumbai - 400013

Corporate Office :

Pipara Corporate House,
Near Gruh Finance,
Netaji Marg, Law Garden,
Ahmedabad - 380006

New York Office :

1270, Ave of Americas,
Rockefeller Center,
FL7, **New York** - 10020
(646) 387 2034

Delhi Office :

1602, 16th Floor,
Ambadeep Building,
K. G. Marg,
New Delhi - 110001

Surat Office :

D-612, International
Trade Center,
Majura Gate,
Surat - 395 003

4. Basis for qualified conclusion

- A. As mentioned in note No. 4 of the unaudited financial results, which describes that 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. Consequently, we are unable to comment on the impact of the above matter on these Financial Results.
- B. As mentioned in note No. 5 of the unaudited financial results, which describes that 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 half year ended September, 2021 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.

However, the lenders have sanctioned one-time settlement for an overall amount of INR 92.18 Crores with interest clause against which Company has already paid INR 51.52 Crores to the lenders. The said sanction got expired in the previous quarters, consequent to which Company has approached the lenders for renewal of the sanction letters and as on date, revised sanction letter of Union Bank of India was received by the Company.

5. Qualified conclusion

Based on our review conducted as above, except for the possible effects of our observations in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of matter

- A. As mentioned in note No. 6 of the unaudited financial results, which describes that as per the sanction of One Time Settlement (OTS) offer by all the consortium banks for Rs. 92.18 Crores, the Company has already paid of Rs. 51.52 crores leaving the balance of Rs. 40.66 crores.

The total outstanding bank borrowings from consortium lenders were INR 217.85 crores, against which, the lenders had approved OTS amount of INR 92.18 crores. The balance portion of borrowing will be accounted as income (remission of bank liability) in the quarter in which the Company will make full and final payment towards the sanctioned OTS amount along with the fulfilment of other conditions mentioned therein and receipt of No-dues certificate from the lenders.



B. As mentioned in note No. 7 of the unaudited financial results, which describes that as regards to management's evaluation of uncertainties relating to COVID-19 and its consequential effect on the carrying value of the assets as at September 30, 2021 and the operations of the Company.

Our conclusion is not modified in respect of these matters.

For Pipara & Co LLP
FRN: 107929W/W100219



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Date: 12th November, 2021
Place: Mumbai

BHAWIK MADRECHA
PARTNER
M. No. 163412
UDIN: 21163412AAAAPJ9473

PRAKASH STEELAGE LIMITED

CIN : L27106MH1991PLC061595

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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2021

(Amount in Lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2021 (UnAudited)	30.06.2021 (UnAudited)	30.09.2020 (UnAudited)	30.09.2021 (UnAudited)	30.09.2020 (UnAudited)	31.03.2021 (Audited)
1 Income						
a) Revenue from Operations	906.99	876.41	545.91	1,783.40	913.74	2,446.62
b) Other Income	8.32	0.25	61.76	8.57	63.55	91.09
Total Income	915.31	876.66	607.67	1,791.97	977.30	2,537.71
2 Expenses						
a) Cost of materials consumed	359.14	399.57	432.00	758.71	501.10	1,577.99
b) Purchase of traded goods	248.67	254.53	79.42	503.20	131.10	288.65
c) Change in inventories of finished goods, work in progress and stock in trade	(98.32)	(128.72)	(196.80)	(227.04)	(84.00)	88.86
d) Employee benefits expense	56.87	52.88	59.29	109.75	102.49	198.58
e) Finance Costs	2.36	3.38	3.47	5.74	4.78	13.10
f) Depreciation and Amortization	23.24	22.16	41.03	45.40	82.49	151.70
g) Consumption of Stores and Spares	49.94	37.26	24.06	87.20	44.15	105.62
h) Other expenditure	370.73	140.94	98.71	511.67	186.62	375.03
Total Expenses	1,012.63	782.00	541.19	1,794.63	968.73	2,799.53
3 Profit/(Loss) before Exceptional Items (1-2)	(97.32)	94.66	66.49	(2.66)	8.56	(261.82)
4 Exceptional Item	-	-	-	-	-	4,736.94
Prior Period income / (loss)	-	-	-	-	-	(44.67)
5 Profit/(Loss) from Ordinary Activities before Tax (3+4)	(97.32)	94.66	66.49	(2.66)	8.56	4,430.45
6 Tax Expense						
Current Tax	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	(645.75)
Income Tax for earlier years	-	-	-	-	0.26	0.26
	-	-	-	-	0.26	(645.49)
7 Net Profit/(Loss) from Ordinary Activities after Tax (5-6)	(97.32)	94.66	66.49	(2.66)	8.30	5,075.94
8 Other Comprehensive Income						
(i) Items that will not be reclassified to profit or loss (net of tax)	(2.05)	(2.05)	(0.42)	(4.11)	(0.83)	(8.21)
9 Total Comprehensive Income (7+8)	(99.37)	92.61	66.07	(6.77)	7.47	5,067.73
10 Paid-up Equity Share Capital (Face value of Re.1/- per share)	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00	1,750.00
11 Basic and Diluted Earning per Share (Rs.)	(0.06)	0.05	0.04	(0.00)	0.00	2.90



(Signature)



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 recognized accounting practices and policies to the extent applicable.
- 2 The above statement of financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 12th November, 2021. The statutory auditors have performed a limited review of the financial results of the Company as required under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations').
- 3 The company has identified Manufacturing of Stainless Steel Tubes & Pipes business as its primary reportable segment in accordance with the requirement of Ind AS 108, "Operating Segment". Accordingly, no Separate segment information has been provided.
- 4 Even though the net worth of the Company has eroded 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.
- 5 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.
- 6 As per the sanction of our One Time Settlement (OTS) offer by all the consortium banks for INR 92.18 crores, the Company has already paid the INR 51.52 crores leaving the balance of INR 40.66 crores.

The total outstanding bank borrowings from consortium lenders were INR 217.85 crores, against which, the lenders had approved OTS amount of INR 92.18 crores. The balance portion of borrowing will be accounted as income (remission of bank liability) in the quarter in which the Company will make full and final payment towards the sanctioned OTS amount along with the fulfilment of other conditions mentioned therein and receipt of No-dues certificate from the lenders.

The said sanction got expired in the previous quarters, consequent to which Company has approached the lenders for renewal of the sanction letters and as on date, revised sanction letter of only Union Bank of India was received by the Company.

- 7 Company has considered the possible effect that may result from the pandemic relating to COVID- 19 on the carrying amount of receivables and inventory. In developing the assumption relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information including credit report and related information and economic forecaste. The company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID- 19 on the company's financials statements may differ from that estimated as at the date of approval of these financial results.
- 8 Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.



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For Prakash Steelage Limited

Ashok M Seth
CFO & Executive Director
DIN : 00309706

Place : Mumbai
Date : 12.11.2021

PRAKASH STEELAGE LIMITED

CIN : L27106MH1991PLC061595 Tel. No. : 022 66134500, Fax No. : 022 66134599

Registered Office : 101, Shatrunjay Apartment, 1st Floor, 28, Sindhi Lane, Nanubhai Desai Road, Mumbai-400 004

UNAUDITED STATEMENT OF ASSET AND LIABILITIES AS AT 30TH SEPTEMBER, 2021

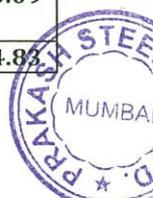
(Amount in Lakhs)

Particulars		As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)
A	ASSETS		
1	NON-CURRENT ASSET		
	a) Property, Plant & Equipment	664.35	942.72
	b) Leasehold Land	-	-
	b) Capital Work in progress	-	-
	b) Financial Asset		
	i) Investment	-	-
	ii) Other financial asset	11.19	11.19
	c) Non-Current Tax Asset (Net)	14.53	9.94
	d) Other non-current asset	19.89	19.89
	Sub-total: Non-Current Asset	709.96	983.74
2	CURRENT ASSET		
	a) Inventories	1,650.62	965.50
	b) Financial Assets		
	i) Trade Receivable	219.14	601.04
	ii) Cash and Cash Equivalent	29.00	25.99
	iii) Bank Balance other than (iii) above	38.81	38.11
	iv) Loans	5.03	3.46
	v) Other financial asset	59.14	59.13
	c) Other Current Asset	274.10	307.86
	Sub-total: Current Asset	2,275.84	2,001.09
	TOTAL ASSETS	2,985.80	2,984.83
B	EQUITY AND LIABILITIES		
1	SHAREHOLDER'S FUND		
	a) Equity Share Capital	1,750.00	1,750.00
	b) Other Equity	(23,524.02)	(23,517.25)
	Sub-total: Shareholder's Fund	(21,774.02)	(21,767.25)
2	NON-CURRENT LIABILITIES		
	a) Deferred Tax Liabilities (net)	47.86	47.86
	b) Provisions	22.89	41.13
	c) Non-Current Tax Liabilities (Net)	-	-
	Sub-total: Non-Current Liabilities	70.75	88.99
3	CURRENT LIABILITIES		
	a) Financial Liabilities		
	i) Borrowings	17,117.08	19,233.20
	ii) Trade Payable		
	- Total outstanding due of Micro and Small	30.78	28.32
	- Total outstanding due other than Micro and Small	4,822.53	4,859.80
	iii) Other financial liabilities	1.37	1.37
	b) Other Current Liabilities	2,684.36	522.87
	c) Provisions	32.95	17.53
	d) Current Tax Liabilities (Net)	-	-
	Sub-total: Current Liabilities	24,689.07	24,663.09
	TOTAL EQUITY AND LIABILITIES	2,985.80	2,984.83



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PRAKASH STEELAGE LIMITED				
CIN : L27106MH1991PLC061595 Tel. No. : 022 66134500, Fax No. : 022 66134599				
UNAUDITED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED ON 30TH SEPTEMBER 2021				
Particulars	As at September 30, 2021 Amount in INR Lakhs		As at September 30, 2020 Amount in INR Lakhs	
A: CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(Loss) before Taxation		(2.66)		7.21
Adjustments for :				
Depreciation and amortization	45.40		82.49	
Loss/(Profit) on sale of Property, Plant & Equipment	249.13		0.02	
Discount/ claim received	(0.07)			
Finance Cost	5.74		4.78	
Interest Income	-		(0.47)	
Sundry Balances Written back/Off (Net)	8.09			
Unrealized foreign exchange fluctuation	28.46		(55.21)	
Export Incentives	2.16			
		338.91		31.60
Operating Profit /(Loss) Before Working Capital changes		336.25		38.81
Changes in Working Capital :				
Increase / (Decrease) in trade payable		(63.20)		112.68
Increase / (Decrease) in provisions		(2.82)		7.41
Increase / (Decrease) in other current liabilities		2,161.49		(5.83)
(Increase) / Decrease in trade receivables		373.81		(9.16)
(Increase) / Decrease in inventories		(685.12)		(178.43)
(Increase) / Decrease in current financial assets		(0.71)		(0.42)
(Increase) / Decrease in other current assets		31.60		29.48
(Increase) / Decrease in non current financial assets		(4.59)		25.17
		1,810.46		(19.09)
Cash generated from Operations		2,146.71		19.72
Direct Taxes paid / (Refund) & OCI		(4.11)		0.26
Deferred Tax (expense)/ income		-		-
Net Cash inflow/(outflow) from Operating Activities (A)		2,142.61		19.98
B: CASH FLOW FROM INVESTING ACTIVITIES				
Change in Fixed Assets				(5.02)
Purchase in Fixed Assets		(30.15)		-
Sales in Fixed Assets		13.98		-
Sale of Investment		-		-
Long Term Loans & Advances		-		-
Short Term Loans & Advances		(1.57)		(0.74)
Interest received		-		0.47
Net Cash inflow/(outflow) from Investing Activities (B)		(17.74)		(5.29)
C: CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayment) of Short Term Loans from Banks (net)		(2,116.12)		-
Finance Cost		(5.74)		(4.78)
Net Cash inflow/(outflow) from Financing Activities (C)		(2,121.86)		(4.78)
(A+B+C)		3.01		9.92
Net Increase /(Decrease) in Cash and Cash equivalents		3.01		9.92
Cash and Cash equivalents as at 01st April, 2021		25.99		6.20
Cash and Cash equivalents as at 30th September, 2021		29.00		16.12



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