DRAFT RED HERRING PROSPECTUS
Please read Section 60B of the Companies Act, 1956
(The Draft Red Herring Prospectus will be updated upon filing with the Registrar of Companies, Maharashtra, Mumbai)
100% Book Built Issue

PRAKASH STEELAGE LIMITED

[Incorporated on 09/05/1991 under the Companies Act, 1956 as 'Prakash Steelage Private Limited' vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, Mumbai The Company was later converted into a public company and the name was changed to 'Prakash Steelege Limited', pursuant to a shareholders resolution dated 11/07/1997 and received a Certificate of Change of Name on 12/08/1997. The Corporate Identity Number of the Company is 'U27106MH1991PTC061595'.]

Registered Office: 701, Mahalaxmi Chambers, Dr. Bhulabhai Desai Road, Mumbai- 400026;
Tel.: +91-022-2352 6513 /2352 6514 /6613 4500; Fax : +91-022- 2352 6576 ; Website: www.prakashsteelage.com;
Contact Person: Ms. Sarika Singh, Company Secretary & Compliance Officer; E-mail: cs@prakashsteelage.com
[For details regarding change in Registered office of the Company please refer to section titled "History and Other Corporate Matters" on page. 77 of this Draft Red Herring Prospectus]

PUBLIC ISSUE OF 62,50,000* EQUITY SHARES OF RS. 10/- EACH ("EQUITY SHARES") OF PRAKASH STEELAGE LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF RS. [●] PER EQUITY SHARE), AGGREGATING TO RS. [●] CRORES (THE "ISSUE"). UPTO 1,00,000 EQUITY SHARES WILL BE RESERVED IN THE ISSUE FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE "NET ISSUE". THE ISSUE WOULD CONSTITUTE 35.71% OF THE POST ISSUE PAID –UP CAPITAL OF THE COMPANY. THE NET ISSUE TO PUBLIC WOULD CONSTITUTE 35.14% OF THE FULLY DILUTED POST ISSUE PAID UP CAPITAL OF THE COMPANY.

** We are considering private placement of certain equity shares with certain investors, prior to the completion of the issue. In such a case the issue size offered to the public would be reduced to the extent of such private placement subject to a minimum issue size of 25% of the post issue capital being offered to the public.*

PRICE BAND: RS. [●] TO RS. [●] PER EQUITY SHARE
THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND [●] TIMES OF THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND

THE PROMOTERS OF THE COMPANY ARE MR. PRAKASH C. KANUGO AND MR. ASHOK M. SETH

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three (3) additional working days after revision of the Price Band subject to the Bidding/Issue Period not exceeding ten (10) days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), by issuing a press release, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate Member. The Issue is being made through the 100% Book Building Process wherein upto 50% of the Net Issue shall be allocated on a proportionate basis to eligible Qualified Institutional Buyers, out of which 5% of the Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all eligible Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue Price. Further, not less than 15% of the Net Issue shall be made available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be made available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

RISK IN RELATION TO FIRST ISSUE

This being the first issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. The face value of the Equity Shares is Rs. 10/- per equity share and the Issue Price is [●] times of the face value. The Issue Price (as determined by the Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered by way of book building) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Equity Shares issued in this Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the statements in the section titled "Risk Factors" beginning on page. x of this Draft Red Herring Prospectus

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of the Company are proposed to be listed on Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The Company has received in-principle approvals from these Stock Exchanges for the listing of the Equity Shares pursuant to their letters dated [●] and [●] respectively. For the purpose of the Issue, BSE is the Designated Stock Exchange.

IPO GRADING

The issue has been graded by [●] and has been assigned the [●] indicating [●] vide their letter dated [●]. For further details and rationale of grading please refer page no. 14.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
KEYNOTE CORPORATE SERVICES LTD KEYNOTE CORPORATE SERVICES LTD. 4th Floor, Balmer Lawrie Building, 5, J.N. Heredia Marg, Ballard Estate, Mumbai – 400001. Tel: +91–22– 30266000-3; Fax: +91–22– 22694323 Website: www.keynoteindia.net; E-mail: mbd@keynoteindia.net SEBI Registration No.: INM 000003606 AMBI No.: AMBI/ 040	BIGSHARE SERVICES PVT. LTD. E2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072 Tel : +91 – 022- 2847 0632/53; Fax: + 91 – 022- 2847 5207 E-mail : babu@bigshareonline.com Website : www.bigshareonline.com SEBI Regn No.: INR000001385

ISSUE SCHEDULE			
BID / ISSUE OPENS ON	[●]	BID / ISSUE CLOSES ON	[●]

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DEFINITIONS AND ABBREVIATIONS

CONVENTIONAL OR GENERAL TERMS

TERM	DESCRIPTION
Companies Act	The Companies Act, 1956, as amended from time to time.
FCNR Account	Foreign Currency Non Resident Account
Financial Year/ Fiscal/ FY	The period of twelve months ended March 31 of that particular year.
Indian GAAP	Generally Accepted Accounting Principles in India.
Insurance Act	Insurance Act, 1938, as amended from time to time.
IT Act	The Income Tax Act, 1961, as amended from time to time.
IT Rules	The Income Tax Rules, 1962, as amended from time to time, except as stated otherwise.
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.

ISSUE RELATED TERMS

TERM	DESCRIPTION
Allotment/ Allotment of Equity Shares	Unless the context otherwise requires, issue of Equity Shares pursuant to this Issue.
Allottee	A successful Bidder to whom the Equity Shares are allotted
ASBA/ Applications Supported by Blocked Amount	An application for subscribing to an issue, containing an authorization to block the application money in a bank account.
ASBA Investor/ ASBA Bidders	An Investor who intends to apply through ASBA process and (a) is a "non QIB Investor"; (b) is applying through blocking of funds in a bank account with the SCSB
ASBA Form	Bid cum Application form for ASBA Investor intending to subscribe through ASBA
Bid	An indication to make an offer, made during the Bidding Period by a prospective investor to subscribe to the Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid-cum-Application Form and payable by the Bidder on submission of the Bid for this Issue.
Bid/ Issue Closing Date	The date after which the members of the Syndicate will not accept any Bids for this Issue, which shall be notified in a widely circulated English national newspaper, a Hindi national newspaper and a regional newspaper.
Bid/ Issue Opening Date	The date on which the members of the Syndicate shall start accepting Bids for this Issue, which shall be the date notified in a widely circulated English national newspaper, a Hindi national newspaper and a regional newspaper.
Bid-cum-Application Form	The form in terms of which the Bidder shall make an offer to subscribe to the Equity Shares of the Company and which will be considered as the application for allotment in terms of the Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid-cum-Application Form.
Book Building Process	Book building mechanism as provided under Schedule XI of the SEBI

TERM	DESCRIPTION
	Regulations, in terms of which this Issue is made.
BRLM	Book Running Lead Manager to this Issue, in this case being Keynote Corporate Service Limited.
CAN/ Confirmation of Allotment Note	The note or advice or intimation of allotment of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of Issue Price in the Book Building Process.
Cap Price	The upper end of the Price Band, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Cut-off	The Issue Price finalised by the Company in consultation with the BRLM. Only Retail Individual Bidders and Employees applying under Employee Reservation Portion who are applying for a maximum bid amount not exceeding Rs. 1,00,000/- are entitled to Bid at the Cut-off Price, for a bid amount not exceeding Rs. 1,00,000/-. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price. A Bid submitted at Cut-off Price is a valid Bid at all price levels within the Price Band
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A depository participant as defined under the Depositories Act.
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account after the Prospectus is filed with the Registrar of Companies, Maharashtra, Mumbai, following which the Board of Directors shall allot Equity Shares to successful Bidders.
Designated Stock Exchange	In this case being the Bombay Stock Exchange Limited.
Draft Red Herring Prospectus/DRHP	The Draft Red Herring Prospectus filed with SEBI, which does not have complete particulars on the price at which the Equity Shares are offered and size of the Issue
Employee, Employees or Eligible Employees (in the Employee Reservation Portion)	A permanent and full-time employee or a Director of the Company, as on the date of the Red Herring Prospectus, who is a person resident in India (as defined under the FEMA) and who continues to be in the employment of the Company until submission of the Bid - cum-Application Form. They do not include employees of the Promoters and the Promoter Group.
Employee Reservation Portion	The portion of the Issue, being a maximum of 1,00,000 Equity Shares which is not exceeding 5% of the post issue capital of the Company, available for allocation to the Employees, as per Regulation 42 of the SEBI (ICDR) Regulations, 2009
Equity Shares	Equity Shares of the Company of face value of Rs. 10 each unless otherwise specified in the context thereof.
Escrow Account	Account opened with Escrow Collection Bank(s) and in whose favor the Bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement to be entered into among the Company, the Registrar to this Issue, the Escrow Collection Banks and the BRLM in relation to the collection of the Bid Amounts and dispatch of the refunds (if any) of the amounts collected, to the Bidders.
Escrow Collection Bank(s)	The banks, which are registered with SEBI as Banker (s) to the Issue at which the Escrow Account for the Issue will be opened, in this case being [•].
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalized and below which no Bids will be accepted.
Indian National	A citizen of India as defined under the Indian Citizenship Act, 1955, as amended, who is not an NRI.

TERM	DESCRIPTION
Issue	The issue of 62,50,000 Equity Shares of Rs. 10 each fully paid up at the Issue Price aggregating Rs.[•] Lacs.
Issue/ Bidding Period	The period between the Bid / Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids.
Issue Price	The final price at which Equity Shares will be issued and allotted in terms of the Red Herring Prospectus or the Prospectus, as determined by the Company consultation with the BRLM, on the Pricing Date.
Margin Amount	The amount paid by the Bidder at the time of submission of the Bid, being 10% to 100% of the Bid Amount.
Mutual Funds	Means mutual funds registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net issue	The Issue other than the Equity Shares included in the Employee Reservation Portion, subject to any addition of Equity Shares pursuant to any under-subscription under the Employee Reservation Portion.
Non Institutional Bidders	All Bidders, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000/-.
Non Institutional Portion	The portion of this Issue being not less than 15% of the Net Issue consisting of 9,22,500 Equity Shares of Rs. 10/- each aggregating Rs.[•] Lacs, available for allocation to Non Institutional Bidders.
Offer Document	Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus
Pay-in Date	Bid/Issue Closing Date or the last date specified in the CAN sent to Bidders receiving allocation who pay less than 100% margin money at the time of bidding, as applicable.
Pay-in-Period	Means: (i) with respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/ Issue Opening Date and extending until the Bid/Issue Closing Date; and (ii) with respect to QIBs, whose Margin Amount is 10% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date.
Price Band	The price band of a minimum price ("Floor Price") of Rs. [•] and the maximum price ("Cap Price") of Rs. [•] and includes revisions thereof.
Pricing Date	The date on which the Company in consultation with the BRLM finalizes the Issue Price.
Prospectus	The Prospectus, to be filed with the Registrar of Companies, Maharashtra, Mumbai containing, *inter alia*, the Issue Price that is determined at the end of the Book Building Process, the size of this Issue and certain other information.
Public Issue Account	Account opened with the Banker to this Issue to receive monies from the Escrow Account for this Issue on the Designated Date.
QIB Margin Amount	An amount representing at least 10% of the Bid Amount.
QIB Portion	Consists of 30,75,000 Equity Shares of Rs. 10 each aggregating Rs.[•] lacs being upto 50% of the Net Issue, available for allocation to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only.
Qualified Institutional Buyers or QIBs	A mutual fund, venture capital fund and foreign venture capital investor registered with the Board; a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the Board; a public financial institution as defined in section 4A of the Companies Act, 1956; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory

TERM	DESCRIPTION
	and Development Authority; a provident fund with minimum corpus of twenty five crore rupees; a pension fund with minimum corpus of twenty five crore rupees; National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India.
Red Herring Prospectus/RHP	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars on the price at which the Equity Shares are offered and size of this Issue. It carries the same obligations as are applicable in case of a Prospectus and will be filed with the Registrar of Companies, Maharashtra, Mumbai at least three days before the opening of this Issue. It will become a Prospectus after filing with the Registrar of Companies, Maharashtra, Mumbai, after pricing and allocation.
Registrar/ Registrar to this Issue	Bigshare Services Pvt.Limited
Resident Retail Individual Investor	A Retail Individual Investor who is a person resident in India as defined in Foreign Exchange Management Act, 1999
Retail Individual Bidders	Individual Bidders (including HUFs and Eligible Employees) who have Bid for an amount less than or equal to Rs. 100,000 in any of the bidding options in this Issue.
Retail Portion	Consists of 21,52,500 Equity Shares of Rs. 10/- each aggregating Rs.[•] Lacs, being not less than 35% of the Net Issue, available for allocation to Retail Individual Bidder(s).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
Stock Exchanges	Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.
Self Certified Syndicate Bank (SCSB)	SCSB is a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994 and which offers the service of making an Application Supported by Blocked Amount and recognized as such by the Board.
Syndicate	The BRLM and the Syndicate Member.
Syndicate Agreement	The agreement to be entered into between the Company and the members of the Syndicate, in relation to the collection of Bids in this Issue.
Syndicate Member	[•]
Transaction Registration Slip/ TRS	The slip or document issued by the Syndicate Member to the Bidders as proof of registration of the Bid.
Underwriters	The BRLM and the Syndicate Member.
Underwriting Agreement	The Agreement among the Underwriters and the Company to be entered into on or after the Pricing Date.

COMPANY RELATED TERMS

TERM	DESCRIPTION
"PSL", "Prakash" "the Company", "We", "us" and "our"	Unless the context otherwise requires, refers to Prakash Steelage Limited a public limited company incorporated under the provisions of Companies Act, 1956.
Articles/ Articles of Association	The Articles of Association of the Company i.e., Prakash Steelage Limited.
Auditors	The statutory auditors of the Company, being M/s Khandelwal Jain & Co and M/s D.C. Bothra & Co, Chartered Accountants.
Board of Directors/ Board	The Board of Directors of the Company or a committee constituted thereof.