

# **PRAKASH INDUSTRIES LIMITED**

*People... Prosperity... Progress...*

**INVESTOR PRESENTATION | JULY 2021**

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# **FINANCIAL HIGHLIGHTS**

# FINANCIAL HIGHLIGHTS



## **FY 2021:**

During the year, the Company has achieved Net Sales of INR 3216 Crores and EBITDA of INR 323 Crores. Profit after Tax for the year is INR 95 Crores.

## **Q4FY2021:**

- **Revenue** - INR 1032 Crores, up by 59% (YoY)
- **EBITDA** - INR 107 Crores, up by 29% (YoY)
- **Profit after Tax** - INR 52 Crores, up by 186% (YoY)

## **Operational:**

- Highest yearly sales volume of 9.55 lakh tonnes of Steel , up by 3% over previous year
- Highest yearly production of 9.06 lakh tonnes of DRI, up by 11% over previous year
- Highest yearly Power generation of 11396 lakh units

## **Mining Operations:**

- Mined ~4.7 lakh tonnes of Iron ore from Sirkaguttu mine, Odisha
- Received grant order for Iron Ore mining lease in District Kabirdham (Kawardha), Chhattisgarh

## **Expansion in Steel Melting Shop (SMS):**

Expanded the installed capacity in SMS division by commissioning 2 nos. new energy efficient Induction Furnaces. The enhanced capacity now stands at 12.5 lakh tonnes per annum.

# PROFITABILITY HIGHLIGHTS



INR in Cr	FY 2021	FY 2020	FY 2019
Revenue from Operations	3,216	2,974	3,588
Other Income	8	7	8
<b>Total Income</b>	<b>3,224</b>	<b>2,981</b>	<b>3,595</b>
Cost of Raw Material Consumed	2,297	1,972	2,128
Employee Benefits Expense	230	242	212
Other Expenses	375	411	461
<b>EBITDA</b>	<b>323</b>	<b>356</b>	<b>794</b>
Depreciation	154	145	134
Finance Costs	74	93	101
<b>Profit Before Tax</b>	<b>95</b>	<b>118</b>	<b>559</b>
Exceptional Items (Net)	-	-	6
Income Tax (Net)	-	-	13
<b>Profit After Tax</b>	<b>95</b>	<b>118</b>	<b>539</b>

<b>Sales Volume (Lac MT)</b>	<b>9.55</b>	<b>9.26</b>	<b>9.44</b>
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# BALANCE SHEET HIGHLIGHTS



INR in Cr	Mar-21	Mar-20
<b>Equity</b>	<b>2,899</b>	<b>2,904</b>
Equity Share Capital	179	171
Other Equity	2,720	2,733
<b>Non-Current Liabilities</b>	<b>447</b>	<b>413</b>
Long-Term Borrowings	355	371
Long-Term Provisions	43	47
Deferred Tax Liabilities	50	(5)
<b>Current liabilities</b>	<b>538</b>	<b>549</b>
Short-Term Borrowings	137	134
Trade Payables	157	144
Other Financial Liabilities	155	166
Short-Term Provisions	23	23
Other Current Liabilities	60	62
Current tax Liabilities	5	20
<b>Total Equity &amp; Liabilities</b>	<b>3,884</b>	<b>3,866</b>

INR in Cr	Mar-21	Mar-20
<b>Non-Current Assets</b>	<b>3,185</b>	<b>3,310</b>
Fixed Assets	3,098	3,183
Financial Assets	66	64
Other Non-Current Assets	21	63
<b>Current Assets</b>	<b>699</b>	<b>556</b>
Inventories	294	137
Trade Receivables	143	195
Cash & Cash Equivalents	17	30
Bank Balances	28	29
Other Financial Assets	75	79
Other Current Assets	143	86
<b>Total Assets</b>	<b>3,884</b>	<b>3,866</b>

Key Balance Sheet Ratios	Mar-21
Total Debt to Equity	0.2
Book Value per Equity Share	INR 162

The background of the slide is composed of two main colors: a vibrant orange and a muted teal. The teal color occupies the central portion of the slide, while the orange color forms triangular shapes in the top-left and bottom-right corners, creating a dynamic, geometric pattern.

# **COMPANY AT GLANCE**



# COMPANY OVERVIEW



**1.2 Mn TPA Integrated Steel Plant in Chhattisgarh**



**245 MW Captive Power Plant in Chhattisgarh**



**Captive Iron Ore Mine in Odisha**



**6 MW Windmill unit at Tamil Nadu**

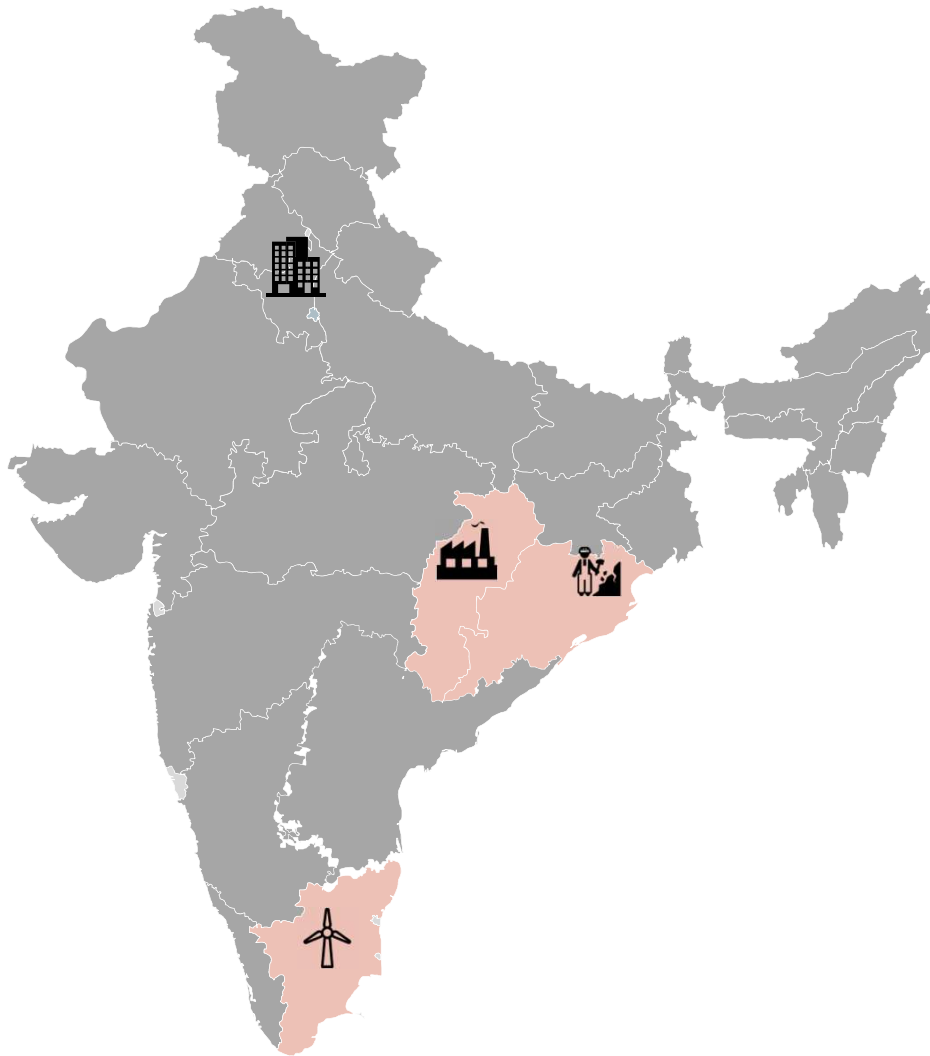


**Strategically located in major mineral belt of the Country**



**One of the lowest leveraged Company in the industry**

# OUR FOOTPRINTS



	Corporate Office, New Delhi
	1.2 Mn TPA Integrated Steel Manufacturing Capacity, Chhattisgarh
	Sirkaguttu Iron Ore Mine, Odisha
	Windmill , Tamil Nadu

# INTEGRATED STEEL BUSINESS



01



**Integrated** Steel Plant at Chhattisgarh

02



Produces Steel through coal based **Sponge Iron Route**; Technical collaboration with Lurgi GmbH, Germany

03



**Secured Supply of Key Raw Material** – (i) Captive Operational Iron Ore Mine in the state of Odisha  
(ii) Coal through long term linkages from Coal India

Product	Location	Capacity
Sponge Iron	Champa, Chhattisgarh	1.20 Mn TPA
Steel Billets	Champa, Chhattisgarh	1.25 Mn TPA
Ferro Alloys	Champa, Chhattisgarh	0.13 Mn TPA
Finished Steel	Raipur, Chhattisgarh	1.10 Mn TPA

# STEEL – PRODUCT PORTFOLIO & APPLICATIONS



## INTERMEDIARY PRODUCTS



**SPONGE IRON DRI**



**STEEL BILLETS**



**FERRO ALLOYS**

## FINISHED PRODUCTS



**WIRE RODS**

Applications include Binding wire, GI wire, Barbed wire, Armored sealed wire, Nut bolts, Nails, Screws, Alpine. Wire ropes. Wire mesh etc.



**HB WIRES**

Applications include manufacturing of cycle spokes, G.I. wire, Binding wire, welding electrodes etc.



**TMT BARS**

Applications include housing and commercial construction, bridges, flyovers and civil construction works etc.

# POWER BUSINESS

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Operating **245 MW captive power** at its Integrated Steel Plant, Chhattisgarh

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Power generated partly by ***harnessing waste gases*** emanating from Sponge Iron process and partly through ***Thermal route***

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Out of the **total 245 MW** – **80 MW through Power Co generation**  
– **165 MW through Thermal route**

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# KEY GROWTH DRIVERS



## Iron Ore Mines

- Extraction of Iron Ore from Sirkaguttu mine, Odisha commenced. Going forward, the ramped up extraction will result in higher EBITDA margins
- Received grant order for Iron Ore mining lease in District: Kabirdham (Kawardha), Chhattisgarh

## Coal Linkages In Place

- Long Term Coal Linkages from Coal India Ltd for Sponge Iron and Power plant operations.

## Equity Infusion by Promoter

- The Promoter subscribed to 75 Lakh Convertible Equity Warrants on preferential basis. Since the Promoter fully paid the entire amount, the Company issued 75 Lakh Equity Shares of the Company to the Promoter during the year.

## Deleveraging the Balance Sheet

- Free Cash Flows from the operations to be utilized towards deleveraging the Balance Sheet . To become Net Debt Free Company in next 2 years.

# **CORPORATE SOCIAL RESPONSIBILITY**



# CORPORATE SOCIAL RESPONSIBILITY



Corporate Social Responsibility (CSR) has been integral part of the Company's business since inception. The broad areas in which the CSR initiatives have been initiated by the Company are as under :

- Actively participated with State Government agencies to combat COVID-19 pandemic by fulfilling substantial oxygen requirement in District Janjgir-Champa, Chhattisgarh, besides supplying oxygen concentrators, ventilators, medicines, PPE kits and worked to augment basic amenities and other infrastructure facilities at COVID centres in the surrounding areas
- Providing safe drinking water facilities
- Conducting training programs for promotion of vocational skills
- Ensuring environment sustainability
- Promotion and development of traditional arts
- Training to rural sports
- Mid-day meal scheme







# Thank You

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visit [www.prakash.com](http://www.prakash.com)

or write to [investorshelpline@prakash.com](mailto:investorshelpline@prakash.com)