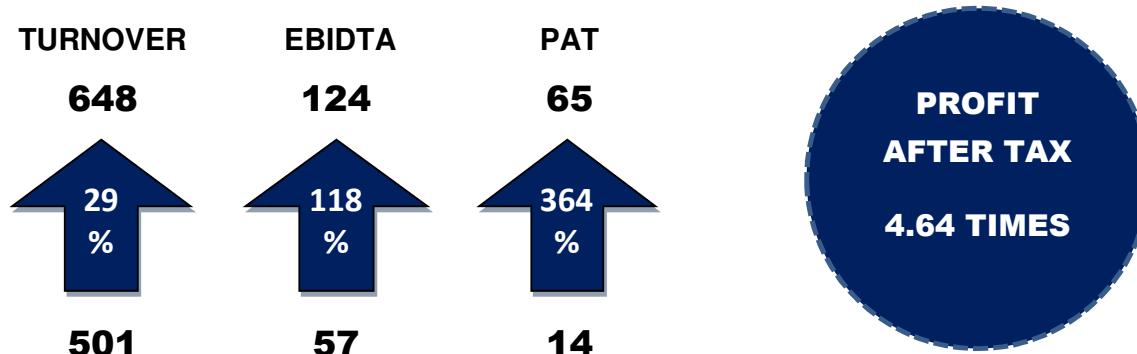


**PRESS RELEASE**

**Date: 17<sup>th</sup> October, 2017**

**FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>TH</sup> SEPTEMBER, 2017**

**Q2FY2018 (YoY) (Rs. in Crores)**



During Q2FY2018, the Company has achieved **Turnover of Rs. 648 Crores** and **EBIDTA of Rs. 124 Crores**, reflecting growth of **29%** and **118%** respectively over the corresponding quarter of the last financial year. After providing for interest, depreciation and tax, the **Net Profit** of the Company jumped **4.64 times to Rs. 65 Crores** as against **Rs. 14 Crores** in Q2FY17. The growth in the profitability is on the back of **major cost savings, higher volumes and better sales realisation**.

**Highlights:**

- **Expansion in Sponge Iron and Power Co-generation Capacity**  
Company is expanding its Sponge Iron and Power capacity by setting up 6<sup>th</sup> Sponge Iron Rotary Kiln of 0.2 Mn TPA with 15 MW co-generation plant by September, 2018 which will take the Integrated Steel Plant capacity to 1.2 Mn TPA.
- **Expansion in PVC Pipes Capacity**  
Company is doubling its PVC Pipes and Fittings capacity to 1,10,000 TPA by September, 2019.
- **Reduction of Debt**  
The Company has reduced its Debt by over Rs. 120 Crores during H1FY2018.
- **Demerger of PVC Pipes Business**  
The Scheme of Demerger has been submitted to SEBI and Stock Exchanges. The Company is targeting 1<sup>st</sup> April, 2018 as Appointed Date, subject to all mandatory clearances.
- **Impact of Long Term Coal Linkages**  
The Company has secured additional Long Term Coal Linkages of 0.21 Mn TPA. With this additional quantity, the company has fulfilled its 100% requirement of coal for Sponge Iron Plants through linkages. Total annual cost savings on total linkage quantity of 1.56 Mn TPA is expected over Rs. 90 Crores.
- **Forward Guidance**  
Owing to above factors and favourable market outlook, the sales volume and Turnover are likely to witness growth of over 60% and 80% respectively in Q3FY2018 (YoY).

*Disclaimer: This release contains forward-looking statements based on the currently held beliefs and assumptions of the management of Prakash Industries Limited (PIL), which are expressed in good faith and, in their opinion, reasonable. Forward looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or industry results, to differ materially from the results or performance implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements.*