





PRESS RELEASE
**FINANCIAL RESULT UPDATE FOR QUARTER AND FINANCIAL YEAR ENDED
31ST MARCH, 2017**
FY2017 vs FY2016

PRODUCTION VOLUME	TURNOVER	EBIDTA	PROFIT AFTER TAX
6.2 LACS TONNES	Rs. 2415 CRORES	Rs. 265 CRORES	Rs. 78 CRORES
15%	6%	36%	290%
			
5.4 LACS TONNES	Rs. 2281 CRORES	Rs. 195 CRORES	Rs. 20 CRORES

**PROFIT
AFTER TAX
3.9 TIMES**

FY2017 vs FY2016

During FY2017, the Company achieved **Turnover** of Rs. 2415 crores. Further, the Company also earned **EBIDTA** of Rs. 265 crores in comparison to Rs. 195 crores in FY2016 reflecting a growth of 36%, mainly on account of around 15% growth in production and sales volumes. After providing for interest, depreciation and tax, the **Net Profit** of the Company jumped 3.9 times to Rs. 78 crores as against Rs. 20 crores in FY2016.

Q4FY2017 vs Q4FY2016

During Q4FY2017, the Company achieved **Turnover** of Rs. 699 crores. Further, the Company achieved **EBIDTA** of Rs. 88 crores in comparison to Rs. 59 crores in Q4FY2016, reflecting a growth of 49%, backed by around 17% growth in production and sales volumes. After providing for interest, depreciation and tax, the **Net Profit** of the Company more than doubled to Rs. 34 crores as against Rs. 16 crores in Q4FY2016.

Key Business Highlights:

The company undertook following important steps-

- **Enhanced Sponge Iron and Power co-generation capacity**
The Sponge Iron Rotary Kiln No. 5 project, which was underway in FY 2017 was successfully set up in the initial month of FY 2018.
- **Execution of Iron Ore Mining Lease**
The Company executed Mining Lease for Sirkaguttu Iron ore mine. Mine is expected to be operational in second half of FY2018.



- **Securing Long Term Coal Linkages**
The Company secured Long Term Coal Linkages for Sponge iron Plant and signed Fuel Supply Agreement with Coal India Ltd.
- **Modernisation of Steel Melting Shop**
The Company undertook modernisation of Steel Melting Shop by installing Energy Efficient Furnaces to replace the old furnaces.
- **Re-commissioning of Medium and Heavy Structural Mill**
Owing to increased captive feedstock available, the Company has restarted its fourth Mill at Raipur for manufacture of Medium and Heavy Structural.
- **Restructuring of Term Loans**
Term Loan accounts with Corporation Bank and Rural Electrification Corporation Ltd. have been restructured. With this, the total Rupee liability repayment has been aligned with the projected operational cash flow of the Company.
- **Foreign Currency Bonds**
Issuance of FCCBs in lieu of April, 2015 FCCB, subject to necessary clearances
- **Expansion in PVC Pipe Capacity**
The Company expanded its Rigid PVC Pipe capacity significantly to encash the growth trajectory being witnessed in the PVC pipe industry.
- **Demerger of PVC Pipe Division**
The Company is taking effective steps to demerge the PVC Pipe business, which shall contribute significantly towards unlocking the potential value of the business for the shareholders.

Forward Guidance:

- Owing to the above stated factors, including the start of the 5th Sponge Iron Rotary Kiln, the steel production volume is expected to grow by over 30% in the FY2018, which is likely to translate to even higher Sales, EBIDTA and Profit after Tax.

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. Unless otherwise indicated, the information contained herein is preliminary and indicative and is based on management information, current plans and estimates. Given these risks, uncertainties and other factors, recipients of this document are cautioned not to place undue reliance on these forward-looking statements. PIL does not undertake any obligation to update or revise these forward-looking statements to reflect future events or developments.

