

PRESS RELEASE**24th May, 2016, New Delhi:**

Prakash Industries Ltd (PIL), a business house with diversified interests in Steel, Power and Rigid PVC Pipes, today published its results for Q4FY16 and financial year ended 31st March, 2016.

During FY16, PIL reported Net Sales /Income from operations of Rs.2055.30 crores and EBDITA of Rs.190.96 crores. PIL's Profit After Tax for FY16 grew by more than 120 % to Rs.20.58 crores from Rs.9.34 crores in FY15.

PERFORMANCE

The operations of the Integrated Steel and Power division were satisfactory during FY 2016. The imposition of Minimum Import Price (MIP) and safeguard Duty by the Government to curb predatory low price steel imports in the country helped the company and the market for steel improved significantly. In the finished steel segment, the company has recorded higher production volumes by more than 10%. During the year, PIL successfully completed its project for retrofitting of Waste Heat Recovery Boilers, which led to additional power generation without any additional cost, thereby contributing significantly to the bottomline.

The robust demand in the Rigid PVC Pipe sector facilitated the division to significantly grow its margins and profitability. The Rigid PVC Pipe Division recorded highest ever sales and registered volume growth of more than 23% over FY15.

FUTURE PROSPECTS

PIL is undertaking expansion and modernization in its Steel Melting Shop by setting up energy efficient furnaces. In its endeavor to achieve optimum integration in its operations, PIL is making all its efforts to make operational the Iron Ore mines allotted to it in the states of Chhattisgarh and Odisha. The operations of the captive iron ore mines shall not only enhance the operational performance of PIL but shall also trigger its growth potential significantly in the times to come.

PIL's Rigid PVC Pipe division has showcased record growth of more than 23% during the year, with operating margins growing from 10% to 13%. PIL is likely to maintain these growth rates in FY17 as well. PIL is confident that this growth trajectory will continue and contribute significantly to the bottom line and accordingly has planned for expansion of existing pipe making capacity.
