

27th January, 2017**PRAKASH INDUSTRIES SECURES LONG-TERM COAL LINKAGES FOR SPONGE IRON**

The Company is pleased to inform that in the recent Coal linkage auction conducted by Coal India Ltd, the Company has secured Coal linkages of a total quantity of 649300 MT per annum for the next 5 years from various mines of South Eastern Coalfields Limited (SECL) in Chhattisgarh, for which the Company is going to sign the Fuel Supply Agreement (FSA).

Securing these linkages will provide long term stability in the operations of the Company, in addition to the cost savings in sponge iron production at its Integrated Steel Plant at Champa, Chhattisgarh. With this sourcing of Coal the operating margins and profitability of the Company would improve significantly in the following years.

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