



Prakash Industries Limited

Near I.O.C.L. Depot, Najafgarh - Bijwasan Road,
Bijwasan, New Delhi-110061. CIN : L27109HR1980PLC010724
Tel. : 25305800, 28062115, Fax : 91-11-28062119
E-mail : pilho@prakash.com, Website : www.prakash.com

PIL/SE/UFR/Q1/2017-18

17th July, 2017

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1
G Block, Bandra-Kurla Complex, Bandra (E)
Mumbai - 400051

Listing Department
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400001

Company Symbol : PRAKASH

Company Code : 506022

Sub : Outcome of the Board Meeting

Dear Sir,

We would like to inform you that the Board of Directors of the Company in their meeting held on 17th July, 2017 have approved the following :

1. Financial Results :

- ❖ The Unaudited Financial Results for the quarter ended 30th June, 2017 with limited review carried out by the Auditors of the Company. Copy of the said results is enclosed and also sent for publication in the prescribed format

2. A Copy of press release on the financial result update and key business highlights

The Board meeting commenced at 11.30 a.m. and concluded at 12.05 p.m.

This information is pursuant to Regulation 33 & 52 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you,

Yours faithfully
For Prakash Industries Limited

Ashwini Kumar

Ashwini Kumar
Company Secretary

Encls : as above



Prakash Industries Limited

(CIN : L27109HR1980PLC010724)

Regd. Office : 15 Km. Stone, Delhi Road, Hissar -125044 (Haryana)

Corporate Office : SRIVAN, Bijwasan, New Delhi - 110061

Website:www.prakash.com

Statement of Unaudited Financial Results for the quarter ended 30th June, 2017

(₹ in lakhs)

S.No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.17	31.03.17	30.06.16	31.03.17
		Unaudited	Audited (refer note 4)	Unaudited	Audited
1	Income from operations				
	Revenue from operations	72,233	69,872	63,896	2,41,480
2	Other Income	129	112	46	332
3	Total Income (1+2)	72,362	69,984	63,942	2,41,812
4	Expenses				
	a)Cost of material consumed	41,504	43,506	40,207	1,49,270
	b)Changes in inventories of finished goods and work-in-progress	374	(1438)	879	(1052)
	c)Employee benefit expenses	4,743	4,243	3,760	15,488
	d)Finance costs	2,059	2,090	1,708	7,307
	e)Depreciation and amortisation expenses	2,707	2,574	2,540	10,303
	f)Excise duty expenses	7,186	7,099	6,313	24,130
	g)Other expenses	7,616	7,739	7,131	27,526
	Total expenses	66,189	65,813	62,538	2,32,972
5	Profit before Exceptional items and Tax(3-4)	6,173	4,171	1,404	8,840
6	Exceptional items	-	-	-	-
7	Profit before tax(5+6)	6,173	4,171	1,404	8,840
8	Tax expenses				
	-Current Tax	1,318	891	300	1,887
	-Minimum Alternate Tax Credit Entitlement	(1086)	(151)	(300)	(1147)
9	Profit after tax(7-8)	5,941	3,431	1,404	8,100
10	Extraordinary items	-	-	-	-
11	Profit for the period (9+10)	5,941	3,431	1,404	8,100
12	Other Comprehensive Income				
	a)Items that will not be reclassified to Profit or loss				
	-Remeasurement of defined benefit plans	(66)	(9)	(85)	(265)
	b)Income tax relating to items that will not be reclassified to Profit or Loss*				
	-Remeasurement of defined benefit plans	-	-	-	-
13	Total Comprehensive Income for the period(11+12)	5,875	3,422	1,319	7,835
14	Paid up Equity Share Capital (Face Value ₹10 per Share)	14,896	13,905	13,507	13,905
15	Earning Per Share (Face value of ₹ 10 each)				
	(a)Basic ₹	4.38	2.53	1.04	5.97
	(b)Diluted ₹	3.96	2.29	0.92	5.40
	(figures for the quarter not annualised)				

*Deferred tax liability is adjusted against Securities Premium Account in terms of an order of the High Court.



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Unaudited Segment Information for the quarter ended 30th June, 2017

(₹ in lakhs)

S.No.	Particulars	Quarter ended 30.06.17	Quarter ended 31.03.17	Quarter ended 30.06.16	Year ended 31.03.17
		Unaudited	Audited (refer note 4)	Unaudited	Audited
1	Segment Revenue				
	a) Power	12,775	10,298	8,910	35,858
	b) Steel	63,477	62,611	55,340	2,12,682
	c) PVC Pipe	8,638	7,162	8,467	28,319
	Total	84,890	80,071	72,717	2,76,859
	Less : Inter Segment Revenue	12,657	10,199	8,821	35,379
	Sales/Revenue from Operations	72,233	69,872	63,896	2,41,480
2	Segment Results				
	Profit before tax and interest from each segment				
	a) Power	5,050	5,283	1,625	10,168
	b) Steel	2,187	266	388	2,671
	c) PVC Pipe	995	712	1,099	3,308
	Total	8,232	6,261	3,112	16,147
	Less: Financial Expenses	2,059	2,090	1,708	7,307
	Exceptional Items	-	-	-	-
	Total Profit before tax	6,173	4,171	1,404	8,840
3	Segment Assets				
	a) Power	1,49,859	1,42,564	1,45,452	1,42,564
	b) Steel	1,77,899	1,75,981	1,57,939	1,75,981
	c) PVC Pipe	6,462	7,150	5,724	7,150
	d) Unallocated	27,155	24,568	25,167	24,568
	Total	3,61,375	3,50,263	3,34,282	3,50,263
	Segment Liabilities				
	a) Power	61,469	64,663	64,942	64,663
	b) Steel	49,548	47,449	39,952	47,449
	c) PVC Pipe	1,864	1,361	1,575	1,361
	d) Unallocated	16,593	14,694	12,091	14,694
	Total	1,29,474	1,28,167	1,18,560	1,28,167



Notes

1. The above results for the quarter ended June 30,2017 have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on 17th July, 2017 and the statutory auditors of the Company have carried out a limited review.
2. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. During the quarter ended June 30,2017, the Company has allotted 99,10,606 equity shares pursuant to the conversion option exercised by certain Foreign Currency Convertible Bond holders.
4. The figures for the quarter ended March 31,2017 are the balancing figures between the audited figures in respect of the full financial year ended March 31,2017 and published figures up to the end of the third quarter of the said financial year.

Place: New Delhi
Date: July 17, 2017

By order of the Board

Vikram Agarwal
Managing Director



CHATURVEDI & CO.

Chartered Accountants

203 KUSAL BAZAR, 32-33 NEHRU PLACE, NEW DELHI-110019
Phones: 26432388 / 26463013 / 26284488 Fax: 26467586
E-mail: delhi@chaturvedico.com * Website: www.chaturvedico.com

Independent Auditor's Review Report on Interim Financial Results of Prakash Industries Limited for the Quarter ended June 30, 2017 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Prakash Industries Limited

1. We have reviewed the accompanying Statement of unaudited Financial Results of **Prakash Industries Limited** ("the Company") for the Quarter ended June 30, 2017 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This statement, which is the responsibility of the company's management and approved by the Board of Directors, has been compiled from the related interim financial statements which has been prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34"), specified under Section 133 of the Companies Act 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement based on our review of such financial statements.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. We refer to following matters:
 - a. In terms of a court order, the deferred tax liability of Rs 397 lakhs for the quarter ended June 30, 2017 has been adjusted against Securities Premium Account. Had the deferred tax liability been accounted for pursuant to Ind AS -12 'Income Taxes', total comprehensive income after tax for the quarter ended June 30, 2017 would have been lower by Rs. 397 lakhs.
 - b. No provision for interest aggregating to Rs. 206 lakhs for the quarter ended June 30, 2017 and Rs. 1,738 lakhs as at June 30, 2017 has been made in respect of restructured Foreign Currency Bonds/Convertible Bonds. Had such provision for interest been made, Capital work in progress and Other Current financial liabilities would have been higher to that extent.
4. Based on our review conducted as above, except for the effects of our observations stated in para 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters:
 - a. The provision for tax expenses made by the Company is subject to assessment by the tax authorities and set off of MAT credit entitlement is subject to availability of taxable income in future periods within the prescribed time limit as per the relevant provisions of the Income Tax Act, 1961.



- b. The Coal mine blocks allocated to two Joint Venture Companies have been cancelled pursuant to an order of Hon'ble Supreme court. No provision has been made for any diminution in the value of investments of Rs. 218 lakhs made by the Company in these companies and the advance of Rs. 189 lakhs given by the Company.
- c. The Company has not received the full and final compensation for the assets of Chotia coal mine transferred in terms of a government order. The necessary adjustment for the gain/loss on transfer of these assets will be made after receipt of full and final amount of compensation.
- d. Managerial remuneration amounting to Rs. 523 lakhs paid/provided for the financial year ended March 31, 2016 is subject to awaited approval of the Central Government.

Our report is not qualified in respect of these matters.

For CHATURVEDI & CO.
Chartered Accountants
Firm Registration No. 302137E



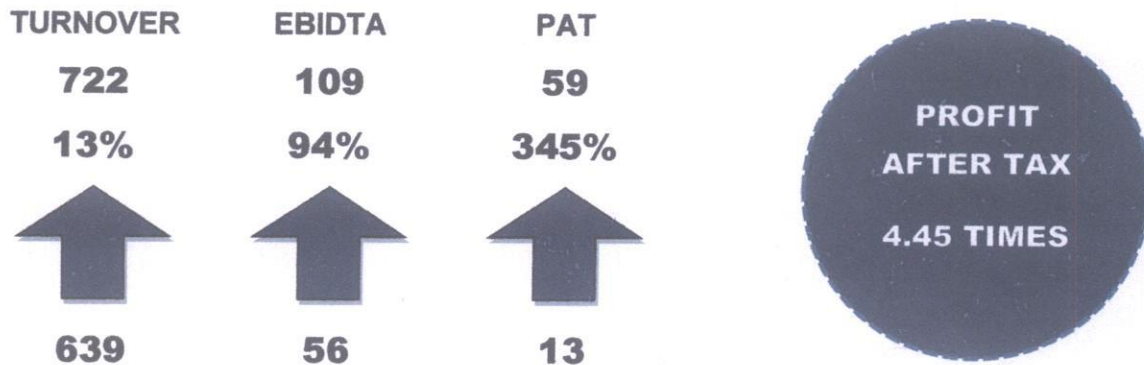
PANKAJ CHATURVEDI
Partner
Membership No. 091239

New Delhi
July 17, 2017

PRESS RELEASE

FINANCIAL RESULT UPDATE FOR QUARTER ENDED 30TH JUNE, 2017

Q1FY2017 vs Q1FY2018 (Rs. in Crores)



During Q1FY2018, the Company has achieved Turnover of Rs. 722 crores and EBIDTA of Rs. 109 crores, reflecting growth of 13% and 94% respectively over the corresponding quarter of the last financial year. After providing for interest, depreciation and tax, the Net Profit of the Company jumped 4.45 times to Rs. 59 crores as against Rs. 13 crores in Q1FY17. The growth in the profitability is backed by better sales realisation and major cost saving measures taken by the Company.

Key Performance Highlights

- **Additional Sponge Iron and Power Co-generation capacity**
During the quarter, the Company successfully commissioned its new **Sponge Iron Rotary Kiln and Power co-generation capacity**, which has since stabilised. The full impact of the operations of the new kiln and additional power generation therefrom, will result in further improved margins from the current quarter onwards.
- **Securing Additional Long Term Coal Linkages**
During the quarter, the Company secured additional **Long Term Coal Linkage of 0.57 million tonnes from Coal India Limited** to meet the fuel requirement of its Captive Power Plant operations, which shall contribute significantly to the bottom line from the current quarter.
- **Positive GST effect**
Despite destocking by customers due to GST, the Company has been able to maintain its sales volume in this quarter viz-a viz last year (1.94 lac tonnes in Q1FY18 against 1.89 lac tonnes in Q1FY17). Post GST implementation also, we are **foreseeing growth of around 30% in the volumes over the corresponding Q2 quarter of the last financial year.**
- **Demerger of PVC Pipes Division**
The Company has engaged PricewaterhouseCoopers as advisors for Demerger of PVC Pipes Division. The Scheme is under preparation.

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.

