



Prakash Industries Limited

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PIL/SE/PR/4/2018-19

21st May, 2019

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: Press Release

Dear Sir,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a press release given today by the Company for your information and record.

Thanking you,

Yours faithfully,
For **Prakash Industries Limited**

Ashwini Kumar

Ashwini Kumar
Company Secretary



Encls : as above

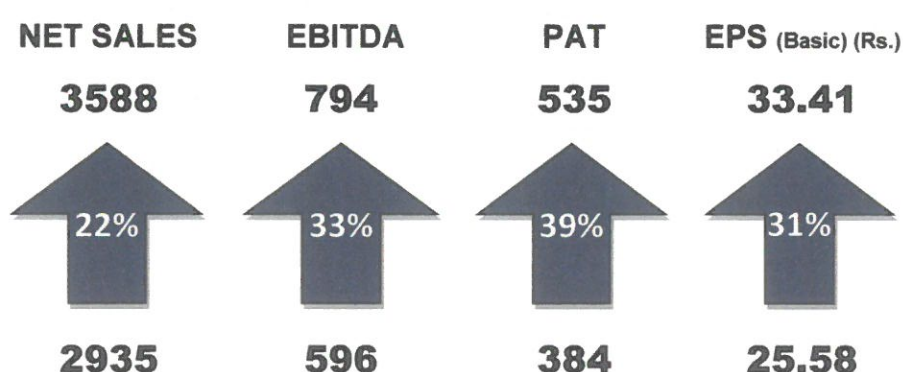
PRESS RELEASE

Date: 21st May, 2019

**FINANCIAL RESULTS FOR THE FINANCIAL YEAR AND QUARTER ENDED
31ST MARCH, 2019**

ANNUAL RESULTS

FY2019 vs FY2018 (Rs. In Crores)



During FY2019, the Company has achieved Net Sales of Rs. 3588 Crores and EBITDA of Rs. 794 Crores, reflecting growth of 22% and 33% respectively over the last financial year. After providing for interest, depreciation and tax, the Net Profit of the Company for FY2019 has increased by 39% to Rs. 535 Crores as against Rs. 384 Crores in last financial year. The increase in the profitability is due to **higher capacity utilisation, operational efficiencies and better sales realisation**. Keeping in view the strong financial results for FY2019, the Board of Directors of the Company have **recommended dividend of Rs. 1.20 per Equity Share of Rs. 10 each**.

During Q4FY2019, the Company has achieved Net Sales of Rs. 885 Crores and EBITDA of Rs. 185 Crores. After providing for interest, depreciation and tax, the Net Profit of the Company for Q4FY2019 was Rs. 124 Crores.

Note: In view of the Demerger of PVC Pipes undertaking with effect from 1st April, 2018(the appointed date), the figures of FY2019 and Q4FY2019 are exclusive of figures of PVC Pipes undertaking and the figures of FY2018 are inclusive of figures of PVC Pipes undertaking. Hence these figures are not comparable.

Highlights:

- **Update on Demerger**

The Hon'ble NCLT, Chandigarh had approved the scheme of Demerger of PVC Pipes undertaking into Prakash Pipes Limited (PPL) with effect from 1st April, 2018 (appointed date). PPL has already filed the listing application to the Stock Exchanges. Demerger is expected to provide better focused strategy for both Steel and PVC Pipe businesses.



- **Highest ever Production and Sales volume**

The Company achieved its highest ever steel production and sales volumes in FY 2019. The Company registered record production of 9.7 lac tonnes of Steel Billets during FY2019 as a result of installation of new furnaces and modernization of some of the exiting furnaces in the Steel Melting Shop (SMS). The Steel division also recorded highest ever sales volume of 9.4 lac tonnes during the year registering growth of 20% over last financial year.

- **Modernisation of 4th Rolling Mill**

The Company has modernized its 4th Rolling Mill at Raipur, Chhattisgarh in Q4FY2019, to increase the production of value added products i.e. Wire Rods. This will significantly improve the revenues and profitability of the company.

- **6th Sponge Iron Kiln with 15MW WHRB**

The 6th Sponge Iron Rotary Kiln having capacity of 2 lac tonnes and 15 MW Waste Heat Power co-generation project is complete and the commercial production is likely to commence from the end of July, 2019. This will lead to further integration of steel operations and result in cost savings, thereby improving the operating margins of the company.

- **Captive Iron Ore Mine**

The Company's captive Iron Ore Mine in Odisha has now largely received all statutory approvals and the Company is making all out efforts to operationalize the same very soon. This will significantly reduce the procurement cost of a major raw material.

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.

