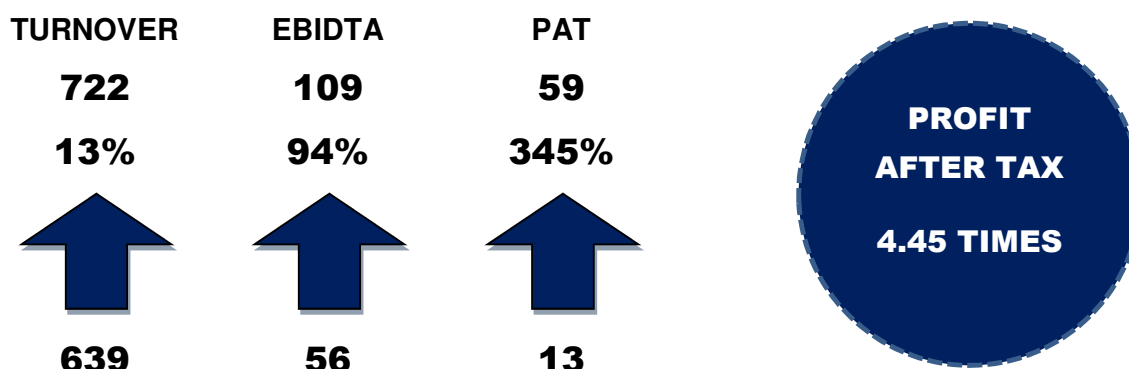


PRESS RELEASE

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.