



Prakash Industries Limited

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PIL/SE/MIS/2018

1st May, 2018

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

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

Company Code : 506022

Company Symbol : PRAKASH

**Sub: Intimation under Regulation 30(6) of the Securities and
Exchange Board of India (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

Dear Sir,

Please find enclosed herewith Presentation on Q4FY18 and FY2018
Results for your kind information and record. You are requested to
kindly update the same on your website.

Thanking you,

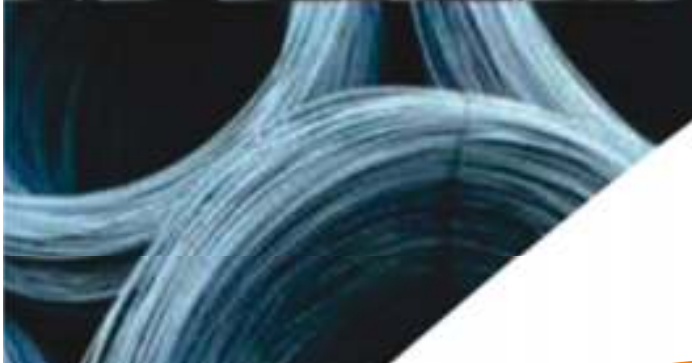
Yours faithfully,
For **Prakash Industries Limited**

Ashwini Kumar

Ashwini Kumar
Company Secretary

Encls : as above





PRAKASH INDUSTRIES LIMITED



People... Prosperity... Progress...

INVESTOR PRESENTATION MAY 2018

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AGENDA



KEY UPDATES & FINANCIAL HIGHLIGHTS

KEY UPDATES



❖ Sales Realisation at all time high

- During Q4FY18, steel prices witnessed a steep rise of more than 30% YoY

❖ Expansion in Steel and Power co-generation capacity in FY19

- Expanding Sponge Iron capacity by 0.40 MTPA
 - 0.20 MTPA by September, 2018
 - 0.20 MTPA by March, 2019
- Expanding Power co-generation capacity by 30 MW
 - 15 MW by September, 2018
 - 15 MW by March, 2019

❖ Efficient Raw Material Management

- Signed Long Term Fuel Supply Agreement with Coal India Limited at stable prices
- Tied up the supplies of iron ore from Odisha miners and NMDC on long term basis

❖ Captive Iron ore Mining

- In Q1FY19, Sirkaguttu Iron Ore Mine in Odisha is going to commence production
- By April, 2019 Kawardha Mine in Chhattisgarh is likely to be operational

KEY UPDATES



❖ PVC Pipe Division

- Doubling PVC Pipes and Fittings capacity to 1,10,000 TPA in a phased manner by next year
- Ventured into **Flexible Plastic Packaging Business, Production** expected to commence by **June, 2018**
- Facility being set up at the existing location at **Kashipur, Uttarakhand**
- NSE & BSE have conveyed their consent to the Draft Scheme of Arrangement for Demerger of PVC business

❖ Credit Rating upgrade

- Credit rating upgraded to “CARE BB” with stable outlook

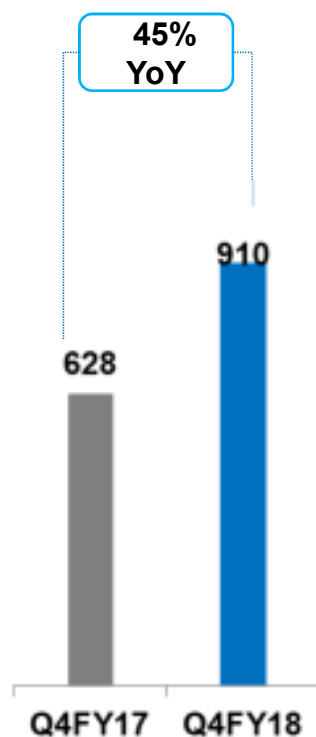
❖ Preferential Issue to Promoters

- Issued **98,96,278 Convertible Equity Warrants to Promoters** for a total amount aggregating to **Rs. 208 crores**

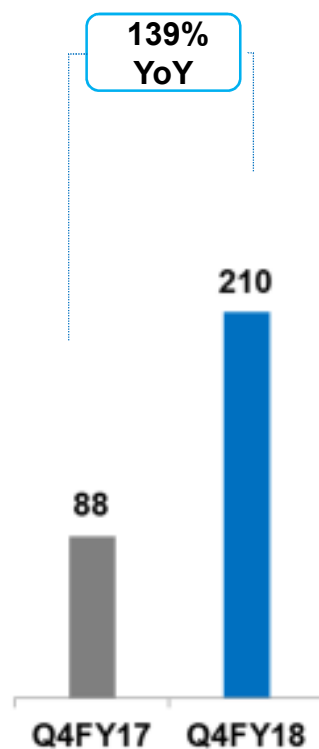
FINANCIAL HIGHLIGHTS – Q4FY18



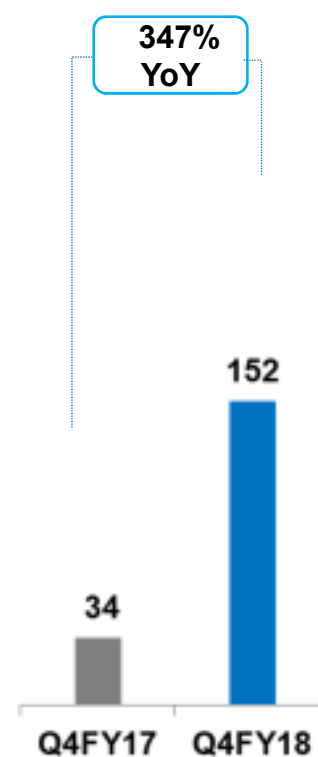
Revenue (Rs. Cr)



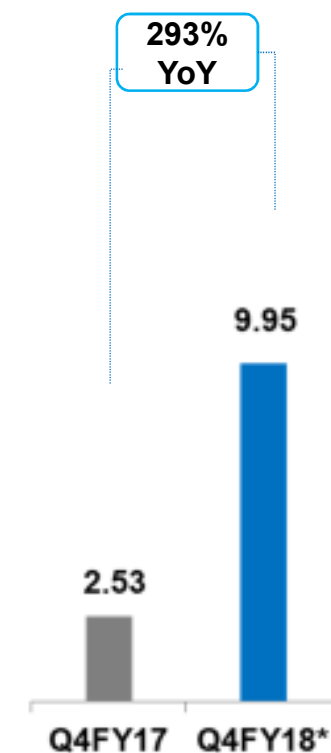
EBITDA (Rs. Cr)



PAT (Rs. Cr)



EPS Basic (Rs.)

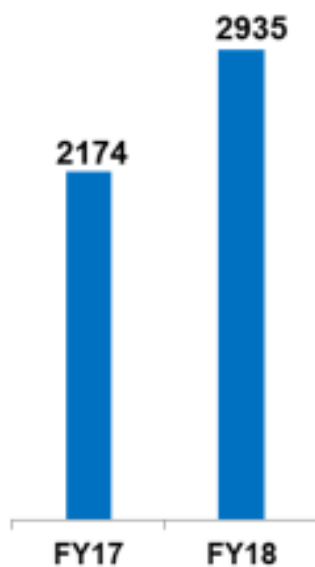


On annualized basis, the quarterly EPS works out to **Rs. 39.80*

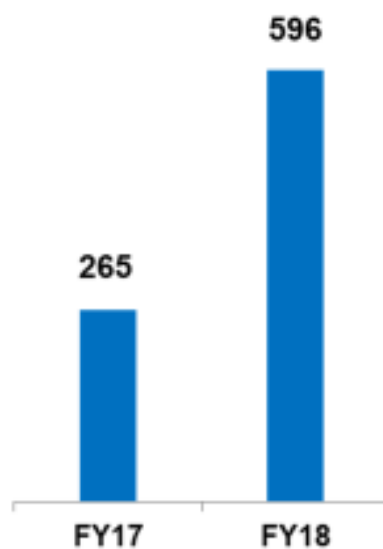
FINANCIAL HIGHLIGHTS FY-18



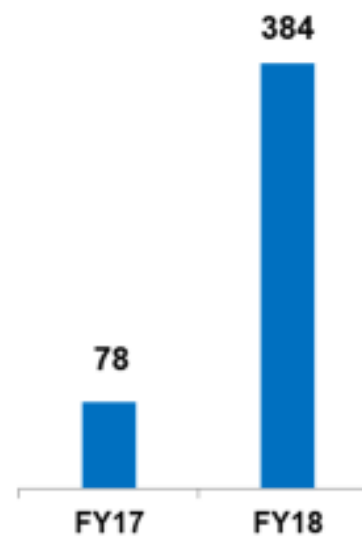
Revenue (Rs. Cr)



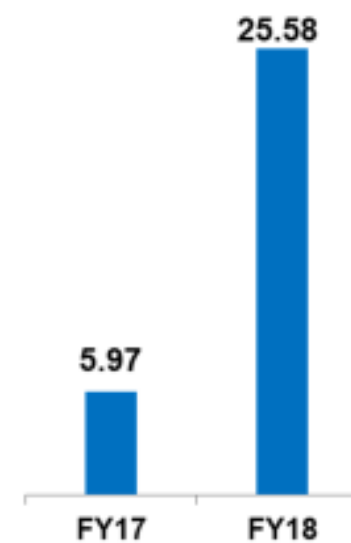
EBITDA (Rs. Cr)



PAT (Rs. Cr)



EPS Basic (Rs.)



Constant improvement in operational efficiencies, higher production volumes, & better sales realization led to increase in profitability

PROFITABILITY HIGHLIGHTS



Rs. in Cr	Q4FY18	Q4FY17	YoY	FY18	FY17	YoY
Revenues	910	628	45%	2,935	2,174	35%
Other Income	7	1		15	3	
Total Income	917	629		2,950	2,177	
Raw Material	571	435		1,841	1,493	
Employee Expenses	57	42		196	155	
Other Operating Expenses	79	63		317	265	
EBITDA	210	88	139%	596	265	125%
EBITDA Margin (%)	23%	14%		20%	12%	
Depreciation	31	26		121	103	
Interest	25	21		87	73	
Profit Before Tax	154	42		388	88	
Tax	2	7		2	7	
Other Comprehensive income	0	0		-2	-3	
PAT	152	34	347%	384	78	392%
PAT Margin (%)	17%	5%		13%	4%	

BALANCE SHEET HIGHLIGHTS



Rs. Crore	Mar-18	Mar-17
Shareholder's Funds	2,736	2,221
Share capital	157	139
Other Equity	2,579	2,082
Non-current liabilities	635	608
Long term borrowings	601	579
Long-Term Provisions	34	29
Current liabilities	522	587
Short Term Borrowings	115	143
Trade Payables	141	97
Other Financial Liabilities	158	265
Short-term provisions	16	13
Other Current liabilities	38	51
Current tax liability	54	18
Total Equities & Liabilities	3,893	3,416

Rs. Crore	Mar-18	Mar-17
Non-current assets	3,363	3,003
Fixed assets	3,067	2,720
Non Current Tax Asset	136	129
Deferred Tax assets	160	154
Current Assets	529	413
Other Financial Assets	42	35
Inventories	251	188
Trade receivables	99	76
Cash & Cash equivalents	23	17
Bank Balance (other then Cash equivalents)	24	11
Other Current Assets	90	86
Total Assets	3,893	3,416

Key Balance Sheet Ratios	FY18
Total Debt to Equity	0.31
Fixed Asset Coverage Ratio	4.5x

COMPANY AT GLANCE

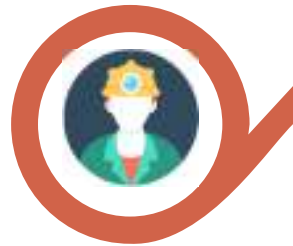
COMPANY OVERVIEW



One of the
Largest
**Integrated
Steel
Manufacturers**
in India



Strategically
located plants
in
Chhattisgarh,
one of the
major coal and
Iron ore belts



**Captive Iron
ore mines** in
Odisha &
Chhattisgarh;
Step towards
Backward
integration



**230MW captive
power plant** at
its integrated
steel plant



PVC Pipes &
Fittings- **Strong
brand presence**
in North India

DIVERSIFIED BUSINESS SEGMENTS



Steel

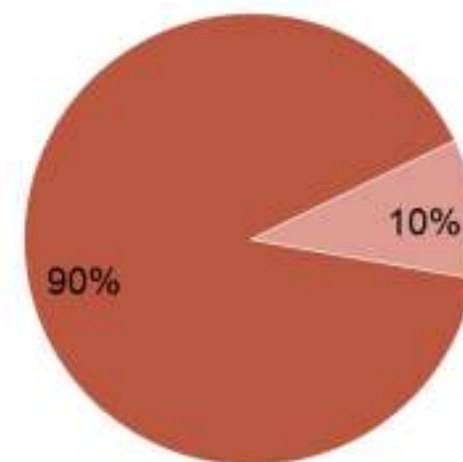


Power



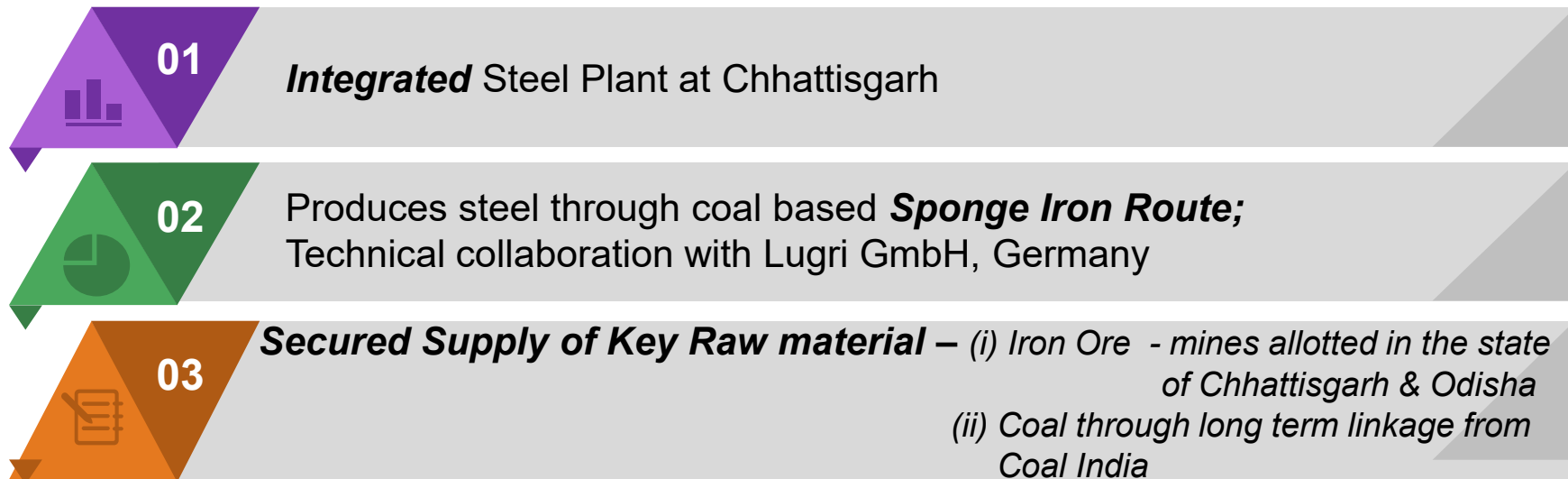
PVC Pipes

**Revenue Break-up
FY18**



■ Steel ■ PVC Pipe

INTEGRATED STEEL BUSINESS



Product	Location	Existing Capacity
Sponge Iron	Champa, Chhattisgarh	1.0 Mn Tons
Steel Billets	Champa, Chhattisgarh	1.1 Mn Tons
Ferro Alloys	Champa, Chhattisgarh	0.13 Mn Tons
Finished Steel (<i>Wire Rods, TMT Bars, Structural</i>)	Raipur, Chhattisgarh	1.1 Mn Tons

STEEL – PRODUCT PORTFOLIO



Wire Rods



HB Wire



Structural Steel



TMT bars



Ferro Alloy

POWER BUSINESS



Operating **230 MW captive power** at its Integrated Steel Plant



Power generated partly by **harnessing waste gases** emanating from Sponge Iron process and partly through **Thermal route**



Newly commenced Fifth Sponge Iron Rotary Kiln generating **additional 15MW power**

KEY GROWTH DRIVERS – STEEL & POWER



National Steel Policy 2017

- Build a globally competitive industry with a crude steel capacity of **300 MT by 2030-31**
- Increase per Capita Steel Consumption to **160 Kg by 2030-31**
- **Domestically meet entire demand** of high grade automotive steel, electrical steel, special steels and alloys for strategic applications by 2030-31
- **Become net exporter** of steel by 2025-26
- **World leader** on energy and raw material efficient steel production by 2030-31
- Develop and implement **quality standards** for domestic steel products
- Development of **power evacuation** infrastructure

Focus on Affordable Housing & Infrastructure

- Emphasis on **Housing for All by 2022** by the Government
- Aim to build **50 million** new low-cost houses over the next **5 years**
- **Incentivizing Affordable Housing** by increasing project completion timeline to 5 years from 3 years
- **Interest subsidy & Tax** incentives for the Affordable housing Projects
- **Governments push for infrastructure development**
 - Railways
 - Defence
 - Roadways
 - Inland Waterways
 - Metros
 - Ports
 - Airports

PVC PIPES BUSINESS – TO BE DEMERGED



Plant Strategically located in Uttarakhand; with current capacity of **55,000 MTPA**



Strong Brand presence in the states of UP, Uttarakhand, Delhi, Haryana & Punjab



Enhanced product portfolio with PVC fittings and Garden Pipes

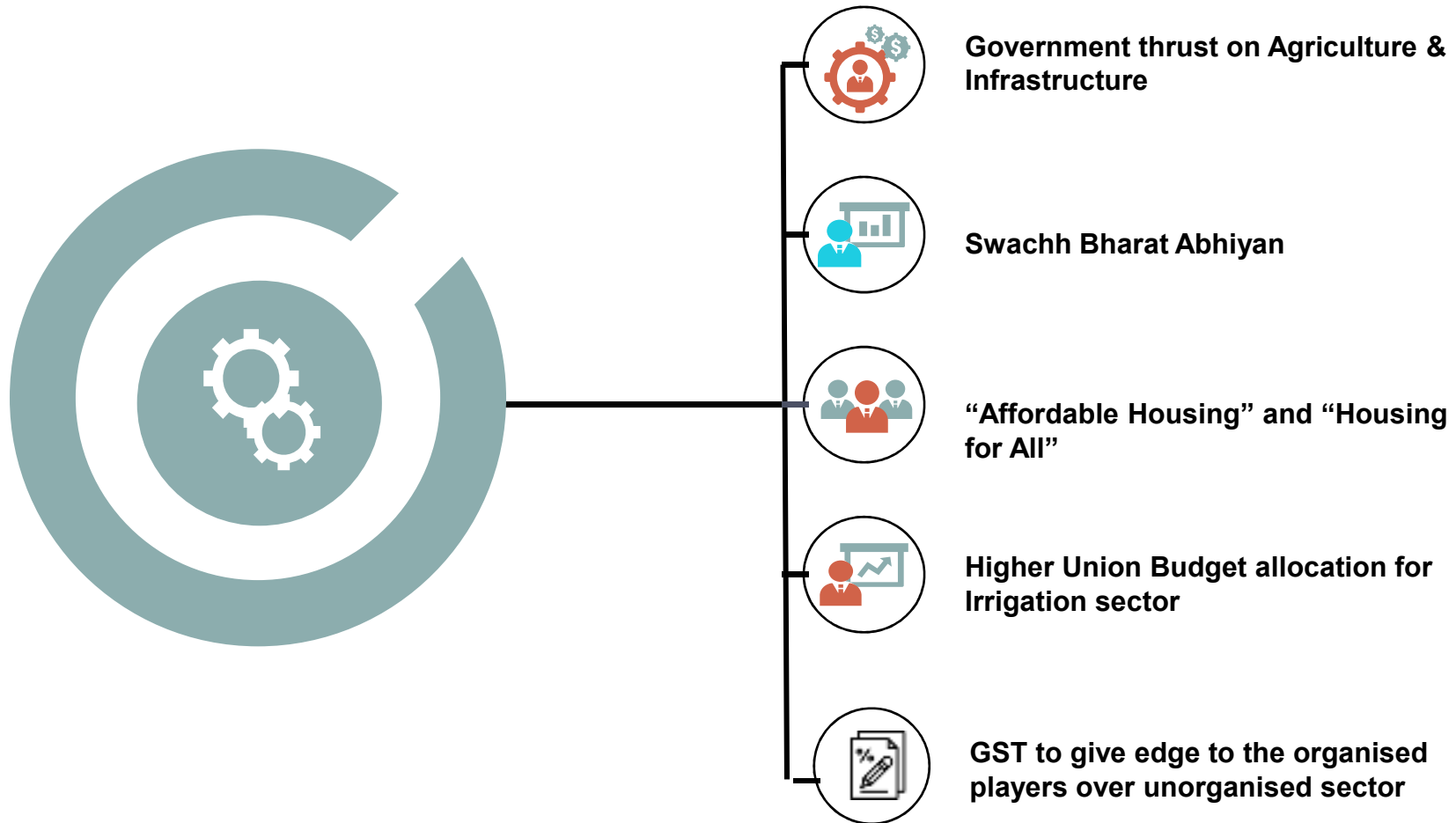


Ventured into Flexible Plastic Packaging business at Kashipur

PVC PIPES – PRODUCT PORTFOLIO



KEY GROWTH DRIVERS – PVC BUSINESS



CAPACITY EXPANSION TO ADD VALUE IN FY19



Product	Location	Existing Capacity	Future Capacity	Total Capacity	Time Line
Integrated Steel					
Finished Steel	Raipur, Chhattisgarh	1.1 Mn Tons	-	1.1 Mn Tons	-
Sponge Iron	Champa, Chhattisgarh	1.0 Mn Tons	0.40 Mn Tons	1.4 Mn Tons	Mar, 2019
Steel Billets	Champa, Chhattisgarh	1.1 Mn Tons	-	1.1 Mn Tons	-
Ferro Alloys	Champa, Chhattisgarh	0.13 Mn Tons	-	0.13 Mn Tons	-
Power	Champa, Chhattisgarh	230 MW	30 MW	260 MW	Mar, 2019
PVC Pipes	Kashipur, Uttarakhand	55,000 Tons	10,000 Tons	65,000 Tons	Sep, 2018
Flexible Packaging	Kashipur, Uttarakhand	-	-	5,400 Tons	Jun, 2018



Thank You



For more information visit:

www.prakash.com