Prakash Industries Limited

Near I.O.C.L. Depot, Najafgarh - Bijwasan Road,
Bijwasan, New Delhi-110061
Tel. : 28062115, 28063838, Fax : 91-11-28062119,
E-mail : pilho@prakash.com, Website : www.prakash.com

PIL/SE/AFR/03/2010-11

30th May, 2011

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

Fax : 022-26598237 -- 38
26598347 – 48

Listing Department
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

022-22723121 & 3719
22722037, 39, 41, 61

Reg. : ***Out come of Board Meeting***

Dear Sir,

We would like to inform you that the Board of Directors of the Company in their meeting held on 30th May, 2011 have approved the following:

- The Audited Financial Results for the year ended 31st March, 2011. Copy of the said results is enclosed and the same have also been sent for publication.
- Dividend @ 10 % on the equity shares subject to approval of members

Company has also given a press release; copy of the same is enclosed.

This is for your information and records please.

Thanking you,

Yours faithfully,
For **Prakash Industries Limited**

(Manoj Agarwal)
Company Secretary

Encls : as above

PRAKASH INDUSTRIES LIMITED NEW DELHI

Prakash Industries Limited

• Regd. Office : 15 Km. Stone, Delhi Road, Hisar -125044 (Haryana) • Head Office : Srivan, Bijwasan, New Delhi - 110061

Audited Financial Results for the year ended 31st March, 2011

(₹ in lacs)

Sl. No.	Particulars	Quarter ended		Year ended	
		31.03.11	31.03.10	31.03.11	31.03.10
	Sales/Income from Operations	43280	50338	182115	169076
	Less:Excise Duty	3642	3829	15705	12310
1	**Net Sales/Income from Operations**	39638	46509	166410	156766
2	Total Expenditure				
	a) (Increase)/Decrease in stock in trade	42	647	(205)	(449)
	b) Consumption of raw materials	23140	25972	100886	89510
	c) Manufacturing Expenses	4176	5961	18818	19512
	d) Employees Cost	2449	2219	7779	6807
	e) Depreciation	1612	1710	6725	5679
	f) Other Expenditure	1331	1806	5079	5676
	Total	32750	38315	139082	126735
3	**Profit from Operations before Other Income, Interest & Tax (1-2)**	6888	8194	27328	30031
4	Other Income	545	154	873	305
5	**Profit before Interest & tax(3+4)**	7433	8348	28201	30336
6	Financial Expenses	155	570	570	2548
7	Expenses Amortised	68	68	270	270
8	**Profit from Ordinary Activities before tax (5-6-7)**	7210	7710	27361	27518
9	Provision for taxation				
	-Corporate Tax	1474	1360	5490	4726
	-Minimum Alternate Tax Credit Adjustment	(1473)	(1217)	(4837)	(4017)
10	**Profit from Ordinary Activities after tax (8-9)**	7209	7567	26708	26809
11	Exceptional Items	-	193	-	193
12	**Net Profit for the period (10-11)**	7209	7374	26708	26616
13	Paid up Equity Share Capital (Face Value ₹10 per share)	13449	12169	13449	12169
14	Reserves excluding Revaluation Reserves	-	-	143286	107970
15	Earning Per Share (₹)				
	- Before Exceptional Items(₹)	5.36	6.31	21.07	22.99
	- After Exceptional Items(₹)	5.36	6.15	21.07	22.82
16	Public Shareholding				
	-No.of Shares	72748011	58667937	72748011	58667937
	-Percentage of Shareholdings	54.09	48.21	54.09	48.21
17	Promoters and Promoter group shareholding				
	a) Pledged / Encumbered				
	- No. of shares	-	5000000	-	5000000
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	-	7.93	-	7.93
	- Percentage of shares (as a % of the total share capital of the Company)	-	4.11	-	4.11
	b) Non-encumbered				
	- No. of shares	61740503	58025777	61740503	58025777
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	100.00	92.07	100.00	92.07
	- Percentage of shares (as a % of the total share capital of the Company)	45.91	47.68	45.91	47.68
1	**Segment Revenue**				
	a) Power	7457	8012	30742	30134
	b) Steel	39106	47305	167927	157806
	c) PVC Pipe & Others	3792	2973	13110	10963
	Total	50355	58290	211779	198903
	Less : Inter Segment Revenue	7075	7952	29664	29827
	Sales	43280	50338	182115	169076
2	**Segment Results**				
	Profit before tax and interest from each segment				
	a) Power	6203	5938	23291	23543
	b) Steel	971	1851	3519	5347
	c) PVC Pipe & Others	259	559	1391	1446
	Total	7433	8348	28201	30336
	Less : Financial Expenses	155	570	570	2548
	Unallocable expenditure	68	404	923	1172
	Total	7210	7374	26708	26616
3	**Capital Employed** (Segment Assets - Segment Liabilities)				
	a) Power	91224	46036	91224	46036
	b) Steel	132399	108037	132399	108037
	c) PVC Pipe & Others	3842	3321	3842	3321
	Total	227465	157394	227465	157394

Highlights for FY - 2011

SALES ₹1821 Crores

EBIDTA ₹349 Crores

PAT ₹267 Crores

Notes: 1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on 30th May, 2011.

2. The Board has recommended a dividend of 10% for the year ended 31st March,2011 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

3. During the year, the Company has allotted 27,94,800 equity shares on conversion of Foreign Currency Convertible Bonds (FCCB) and 1,00,00,000 equity shares on conversion of Warrants.

4. The Company has received 8 complaints during the quarter from investors and all complaints have been resolved and no complaint is pending.

5. Figures have been regrouped / rearranged wherever considered necessary.

By order of the Board
Vikram Agarwal
Joint Managing Director

Place : New Delhi
Date : 30th May, 2011

Website:www.prakash.com

PRAKASH INDUSTRIES LIMITED NEW DELHI

Prakash

Press Release

Prakash Industries Limited- Summary of Financial Performance for FY 2010-11

Sales up 8% at Rs.1821 crores; Profit after Tax at 267 crores
Declares 10% Dividend

Highlights – FY11:	
◦ Sales	Rs. 1821 Crore
◦ EBIDTA	Rs. 349 Crore
◦ PAT	Rs. 267 Crore
Highlights – Q4FY11:	
◦ Sales	Rs. 433 Crore
◦ EBIDTA	Rs. 90 Crore
◦ PAT	Rs. 72 Crore

New Delhi; May 30th, 2011: Prakash Industries Ltd (PIL), a business house with interests in steel & power has reported the sales growth of 8% to Rs 1821 crores for the year ended March 2011 as against Rs.1691 crores for the year ended March 2010. The Profit After Tax during the year grew to Rs.267 crores as against Rs.266 crores reported in the year 2009-2010. The EBIDTA during the year was at Rs.349 crores.

The Board has recommended a dividend @ 10% per Equity Share of Rs. 10 each of the Company for the year ended 31st March, 2011. The proposed dividend translates to a payout ratio of 6% of the consolidated profits for the year.

OPERATIONAL REVIEW

The performance of the Integrated Steel Plant of the company with capacities for Sponge Iron, Steel Melting, Ferro Alloys and Power Generation has been satisfactory. The Sponge iron production has registered an impressive growth largely due to capacity expansion which was completed in the later part of the previous financial year

The Wire Rod Division of the Company has continued to give impressive performance primarily due to strong positioning of the company's product in the market. The Captive Coal mining division have also performed exceedingly well during the year resulting into substantial cost reduction. Rigid PVC Pipes Division has further improved upon the performance and has achieved highest ever production during the year.

PRAKASH INDUSTRIES LIMITED

FUTURE OUTLOOK

The company is further enhancing its sponge iron capacity by commissioning an additional module during the current financial year. The company is in the midst of a major expansion in the Power Division and is implementing a total capacity of 625 MW in a phased manner. The first phase of the project is getting completed and is expected to be commissioned by the next quarter. The subsequent phases have been taken for implementation and will be completed in due course of time.

The Company has been making continues efforts to become self-reliant in iron ore supplies. In this direction, various steps have been taken so that the company's iron ore mines may get started soon. The Company has firmed up plans to improve upon the capacity utilization in the finished products of the Company in the current financial year. These steps along with capacity addition in the Sponge Iron and Power generation are expected to improve upon the operating margin of the company substantially in the current financial year.

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