



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

P/L/SE/FCCB/2015

8th May, 2015

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

Ref: USD 60 Million 5.25% Convertible Bonds

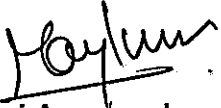
Dear Sir,

Please find attached herewith the copy of the letter sent to the Trustee, Bank of New York Mellon for further dissemination to the Bondholders.

This is for your information and necessary records please.

Thanking you,

Yours faithfully,
For Prakash Industries Limited


Manoj Aggarwal
Company Secretary

Encl : as above



THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF BONDHOLDERS (AS DEFINED BELOW). IF BONDHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN LEGAL AND FINANCIAL ADVICE, INCLUDING AS TO ANY ACCOUNTING, REGULATORY, TAX OR OTHER CONSEQUENCES, IMMEDIATELY FROM THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISOR.



PRAKASH INDUSTRIES LIMITED

(Incorporated in the Republic of India with limited liability under the Indian Companies Act, 1956)
(the "Company")

**Notice to the Holders of the USD 60 Million 5.25% Convertible Bonds Due April 30, 2015
convertible into ordinary shares of Prakash Industries Limited**

ISIN: XS0505342864

SEDOL: B435TV3

(the "Convertible Bonds")

UPDATE

The Company is pleased to inform you that there has been ongoing positive and constructive discussion with the Bondholders on the Restructuring Plan. In continuation with the above, the Company proposes to give all Bondholders an option to exchange their existing bonds for 50% cash to be paid across 3 tranches by April 2017 and balance of 50% due on each Bond be exchanged with a New Foreign Currency Convertible Bond [FCCB] with tenure of 5 years.

Subject to documentation, the finalised terms of the proposed offer will be sent to all the Bondholders through the clearing systems on or about 20th May 2015 for the Bondholders to elect their option.

The execution of the offer is subject to having obtained all necessary internal, corporate and other approvals & consents and complied with all applicable securities and other laws in relation to the Restructuring Plan (including, without limitation, obtaining the consent of the RBI to the Restructuring Plan and shareholder approval).

Elara Capital (Asia) is appointed as the Dealer Manager to the offer; Tel: +65 6692 0170 / 71.

We thank you for your continued support.

Yours faithfully,
For Prakash Industries Limited

Manoj Aggarwal
Company Secretary

