



Usha Martin's consolidated net profit at Rs.168.62 Crores

Kolkata, May 10, 2010 : Usha Martin Limited, leading producer of speciality steel and one of the largest wire rope manufacturers globally, has posted satisfactory performance in the context of the prevalent market scenario.

During the **fourth quarter** of financial year 2009-10, the Company achieved, on **consolidated** basis, a turnover of Rs.644.46 crores and profit after tax of Rs.69.20 crores as against Rs.706.45 crores and Rs.28.83 crores respectively in the corresponding quarter of the previous year. The reduction of 8.8% in turnover was largely on account of lower price realization in the global markets.

On **standalone** basis, the Company could maintain net sales of Rs.523.15 crores in **fourth quarter** against Rs.530.05 crores and improved profit before tax to Rs.42.08 crores and profit after tax to Rs.45.74 crores as against Rs.31.09 crores and Rs.21.27 crores respectively in the corresponding quarter of the previous year.

During the year ended 31st March 2010, on a **consolidated** basis, the Company posted net sales of Rs. 2,514.41 crores, a decline of 14.8% from a level of Rs.2949.84 crores during corresponding period of the previous year. Profit before tax declined to Rs. 240.04 crores compared with Rs. 280.59 crores, a decrease of 14.5%. Profit after tax declined to Rs.168.62 crores from Rs.185.34 crores, a decrease of 9.0%.

The slow process of global economic recovery and subdued prices of finished products adversely affected profitability. The sales realization in standalone basis were down by 18% on overall basis. The share of value added products continued to remain at 56%.

With improvement in business conditions implementation of projects and benefits of full integration with iron ore and coal mines are expected to improve the Company's profitability.

The Company has commissioned DRI Plant, Bloom Mill, SMS-III and 30 MW Captive Power Plant at Jamshedpur and Bright Bar at Chennai. The coal mines of the Company are now fully operational. MBF-2, Sinter Plant and 20 MW Power Plant at Ranchi will be commissioned in Q-2 and Q-3 respectively.

The Company has decided to undertake a capex programme mainly aimed at further cost optimization consisting of setting up pellet plant, coke oven plant, ore beneficiation plant, additional DRI and power plant, etc. The projected outlay of Rs.1200 crores will be funded by debt and internal accruals.

The Board of Directors have recommended dividend @ Re.1 per share [100%] on the face value of Re.1 per share.

Usha Martin has manufacturing facilities at Ranchi, Jamshedpur, Hoshiarpur, UK, Thailand, UAE and USA. It has created a worldwide distribution, service and marketing network spread across the US, UK, Europe, Africa, the Middle East, South East Asia and Australia.

Summarised Financials Highlights

12 Months

(Rs. in Cr)

Particulars	Standalone		Consolidated	
	2009-10 12 Months	Growth (%)	2009-10 12 Months	Growth (%)
Turnover	1960.03	-15.0	2630.33	-16.4
Net Sales	1850.39	-13.0	2514.41	-14.8
PBT	139.21	-35.0	240.04	-14.5
PAT	92.21	-37.1	168.62	-9.0
EPS (FV Re.1)/ Rs. share	3.53	-39.8	6.46	-12.8

Quarter-4

(Rs. in Cr)

Particulars	Standalone		Consolidated	
	2009-10 Q-4	Growth (%)	2009-10 Q-4	Growth (%)
Turnover	555.59	-1.7	678.81	8.8
Net Sales	523.15	-1.3	644.46	8.8
PBT	42.08	+35.3	72.58	+64.3
PAT	45.74	+115.0	69.20	+140.0
EPS (FV Re.1)/ Rs. share	1.56	+81.4	2.36	+105.2

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