



Usha Martin raises Rs.468.15 Crores through QIP

Kolkata, January 22, 2010 : Usha Martin Limited, leading producer of speciality steel and one of the largest wire rope manufacturer globally, raised equity of Rs.468.15 crores through Qualified Institutions Placement [QIP] of 5,45,00,0000 equity shares at a price of Rs.85.90 per share of face value of Re.1 each. The funds raised would help strengthening balance sheet of the Company and allow it to look for future growth opportunities.

During third quarter of financial year 2009-10, on a **consolidated** basis, the Company posted net sales of Rs.591.73 crores, a decline of 19.9% from a level of Rs.738.33 crores during corresponding period of previous year. Profit before tax increased to Rs.60.28 crores compared with Rs.56.79 crores, an increase of 6.2%. Overseas subsidiaries continued to perform satisfactorily despite difficult market conditions.

During **nine months** of financial year 2009-10, the **consolidated** net sales (net of inter segment adjustment) stood at Rs.1869.94 crores, a decline of 16.6%, from a level of Rs.2243.39 crores during corresponding period of previous year. Profit before tax declined to Rs.167.46 crores compared with Rs.236.41 crores, a decline of 29.2%.

The profits after tax for quarter and nine months were further impacted adversely due to increased incidence of deferred tax liability on account of higher initial depreciation apart from shutdown of Mini Blast Furnace for relining.

The Company's Kathautia coal mine, having coal with higher calorific value, has commenced production and its' full integration is expected by end of current financial year.

Most of projects envisaged under the Company's ongoing capex plan to create enhanced capacity of state of art facilities in steel division have been commissioned except Blast Furnace and Sinter plant, which are expected to be operational by Q-2 of financial year 2010-11. With this, the Company is geared for rapid growth.

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 USA, UK, Europe, Africa, Middle East, South East Asia and Australia.

Summarised Consolidated Financial Highlights

(Rs. in Crs.)

Particulars	2009-10 Qtr III	Growth %	2009-10 9 Months	Growth (%)	2008-09 Annual
Turnover	618.20	-20.2	1951.53	-18.8	3146.79
Net Sales	591.73	-19.9	1869.94	-16.6	2949.85
PBT	60.28	6.2	167.46	-29.2	280.59
PAT	34.78	-11.0	99.42	-36.5	185.34
EPS (FV Re.1)/ Rs.	1.39		3.97		7.41
EPS (FV Re.1)/Rs. w/o deferred tax liability	1.92		5.30		6.49

For further information please contact:

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