An Integrated Speciality Steel

&

Global Wire Rope Company

STRENGTH THROUGH INTEGRATION

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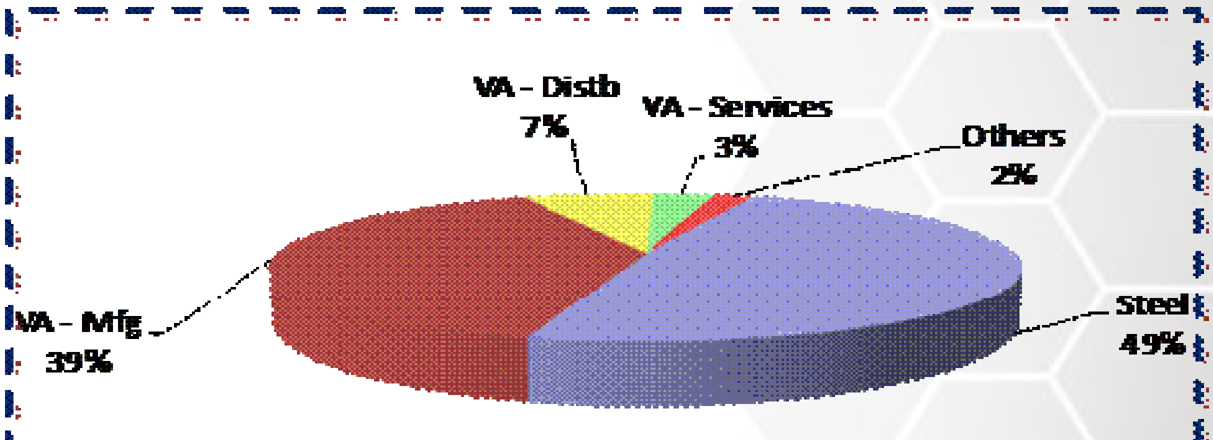
Business Profile
9M' FY 11

Global Turnover
Rs 3,165Crs
(USD 694 Mn)

Value Added Products	Steel	Others
Rs 1,560 Crs (USD 342 Mn)	Rs 1,541 Crs (USD 338 Mn)	Rs 64 Crs (USD 14 Mn)

Value Added Products:

- Manufacturing
  Rs 1246 Crs
  (USD 274 Mn)
- Distribution
  Rs 212 Crs
  (USD 46 Mn)
- Services
  Rs 102 Crs
  (USD 22 Mn)



Net Turnover	
Stand Alone	**Consolidated**
Rs 1,802 Crs	**Rs 2,182 Crs**
(USD 395 Mn)	**(USD 478 Mn)**

Note: Turnover reported above represents Gross level of activities and are without adjusting inter unit/company sales

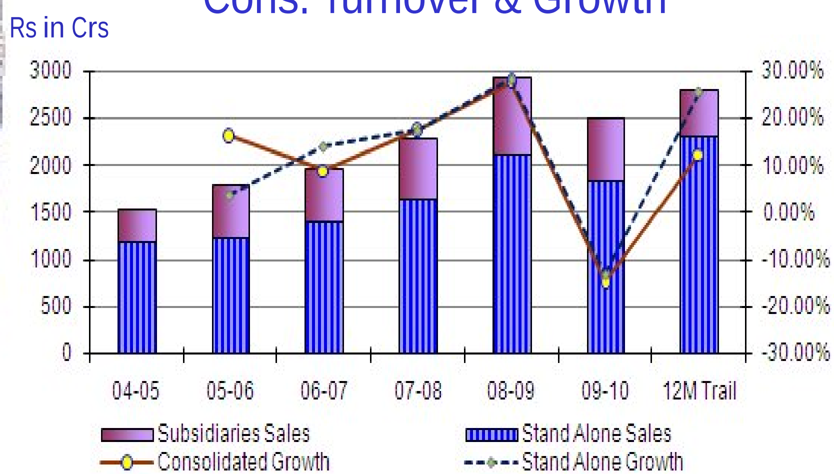
Consolidated Key Financials

Rs in Crs

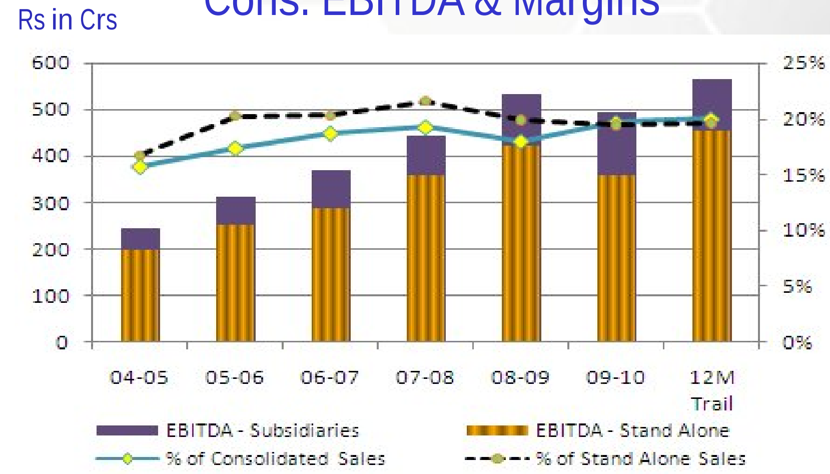
Particulars		04-05(A)	05-06(A)	06-07(A)	07-08(A)	08-09 (A)	09-10 (A)	CAGR %	Trail 12M
Gross Turnover		1,648	1,969	2,148	2,528	3,147	2,630	9.8%	3,018
Net Turnover		1,550	1,802	1,965	2,309	2,950	2,514	10.2%	2,827
PBDIT		244	313	368	445	531	495	15.2%	565
PBT		71	126	183	247	281	240	27.7%	220
PAT		50	84	137	175	185	169	27.5%	170
ROCE	(%)	10.2%	14.1%	16.9%	20.1%	24.1%	18.2%		14.2%
RONW	(%)	13.1%	20.3%	22.3%	21.6%	19.2%	13.7%		10.5%
EPS (FV Rs 1/-)	(Rs)	2.7	4.2	6.1	7.0	7.4	6.5	19.0%	5.58
Debt Equity Ratio	(x)	2.5	1.4	1.2	1.3	2.00	1.02		1.24
Debt / EBIDTA Ratio	(x)	4.3	2.8	2.6	2.8	4.3	3.5		3.9
Interest Cover	(x)	2.8	3.4	4.0	4.4	3.7	3.9		3.4

Financial Trends

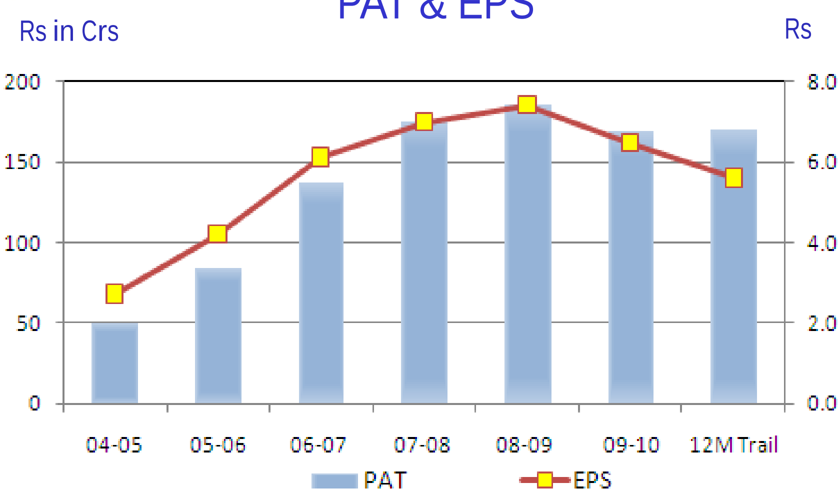
Cons. Turnover & Growth



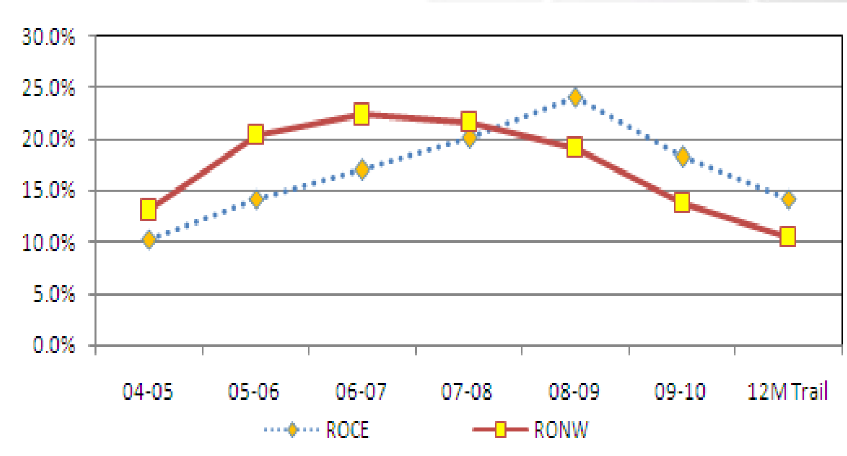
Cons. EBITDA & Margins



PAT & EPS

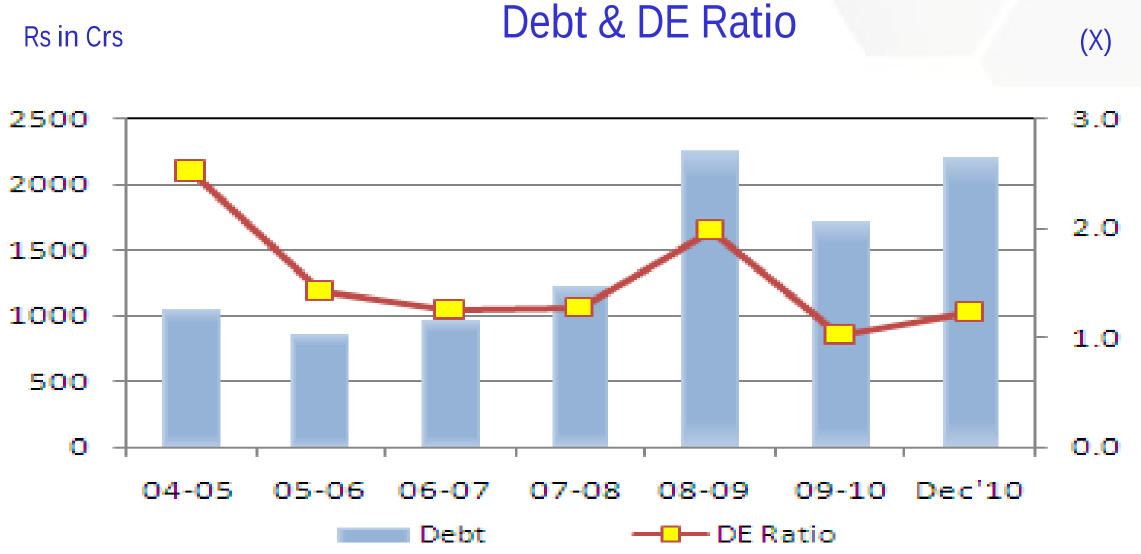


ROCE & RONW

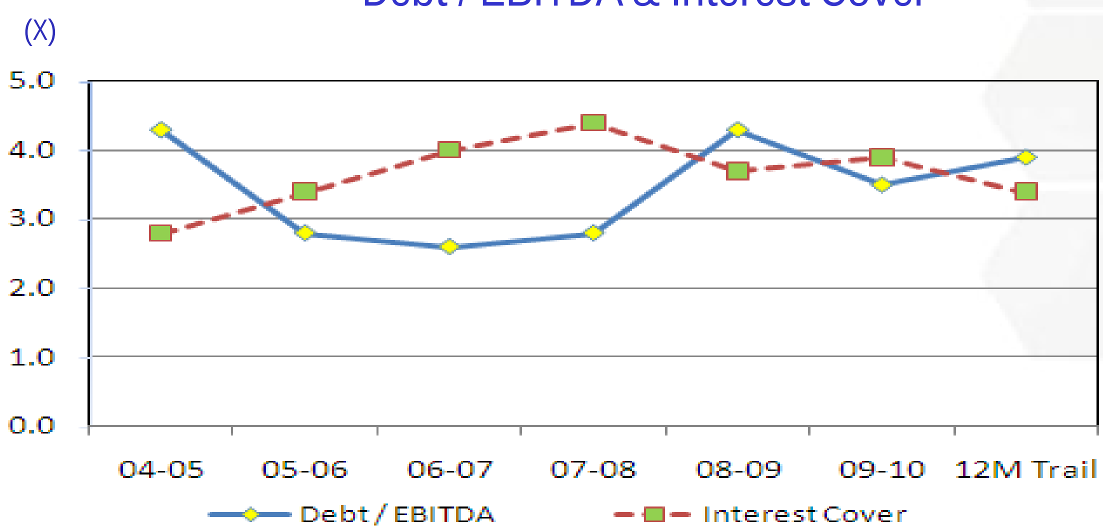


Financial Trends

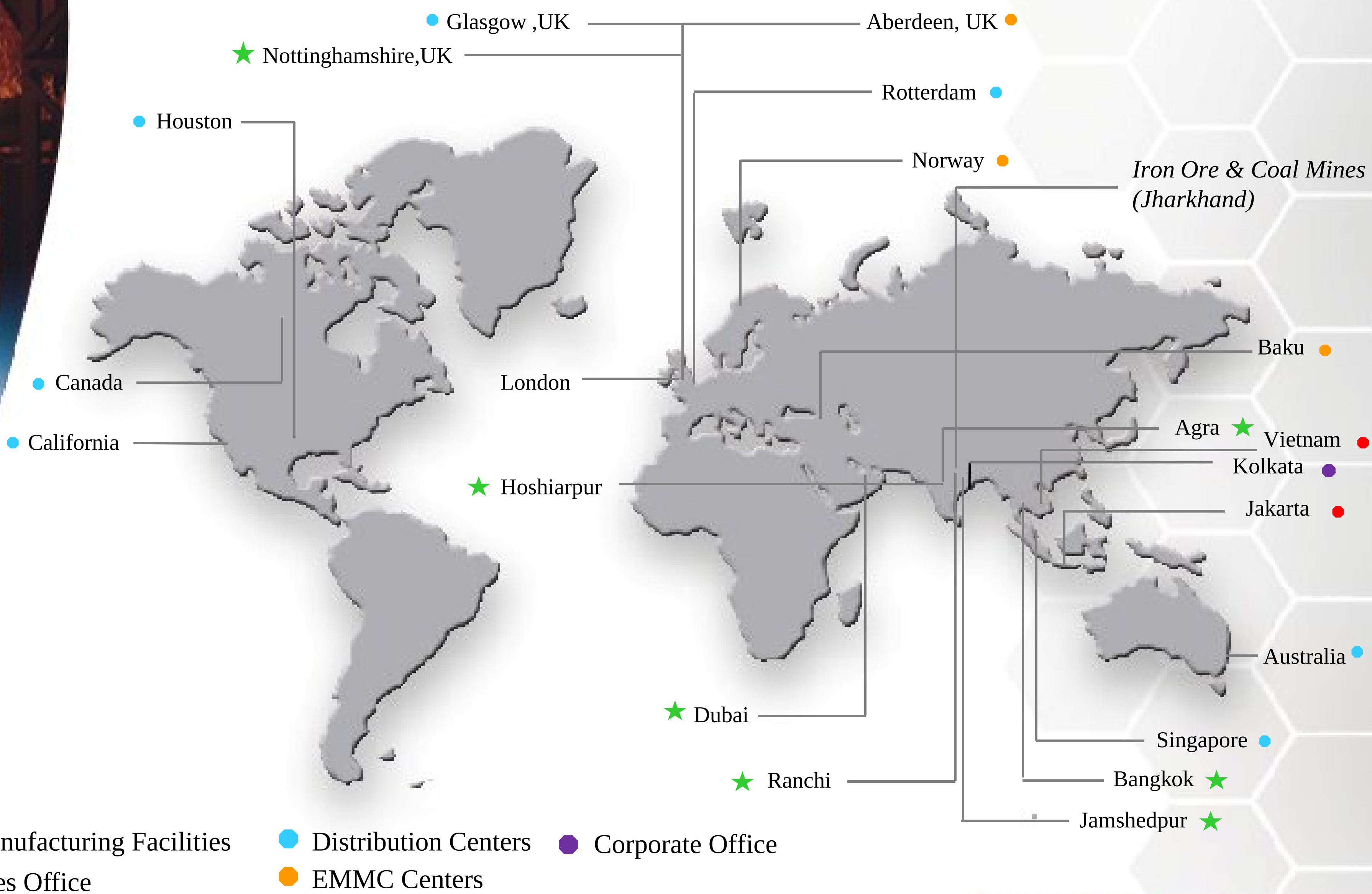
Debt & DE Ratio



Debt / EBITDA & Interest Cover



Global Footprint



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Architecture of Integrated Business

Mineral Resource

- Iron Ore Mine
  Est. Reserve 80 MnT
  Crushing & Screening
- Coal Block – "A- C" grade
  Est. Reserve 40 MT
- Washing Plant
- Beneficiation Plant

Power Module

- 18.3 MW WHRB
- 55 MW Thermal JSR
- 51 MW WHRB
- 9 MW Thermal
- 20 MW Thermal - Ranchi (Under Completion)
- Total - 153.3 MW

Iron Making Module

- Blast Furnace 600 KT
- DRI 300 KT
- 200 KT
- Sinter Plant 800 KT
- O_2 & Lime Kiln Plant
- Coke Oven 400 KT
- Pellet Plant 1200 KT

Distribution Marketing & Service Module

Singapore	Netherland
Bangkok	South Africa
Indonesia	Glasgow (UK)
Vietnam	Houston/ (USA)
Australia	California (USA)
Dubai	Canada
	Aberdeen (UK)
	Norway

Value Addition Module

- Bright Bar 26 KT
- Cord 4 KT
- 10 KT
- OT Wire 6 KT

Ranchi	174 KT
Hoshiarpur	48 KT
Jamshedpur	30 KT
Bangkok	44 KT
UK	10 KT
Dubai	16 KT

- VA Products – 50 KT

Steel Making Module

- SMS I & II
  EAF 35 T & 40 T
  LF & VD
  150 x 150 &
  110x110 Caster
- SMS III
  EAF 70 T
  LF & VD
  360 X 300
  Bloom Caster
- 1,000 KT Billets
- Wire Rod Mill 400 KT
- Blooming & Section Mill 275 KT
- Section Bar Mill 50 KT
- TMT Bars 72 KT

Under Implementation

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Performance Update

Q3 & 9M FY'11

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Highlights

- Performance could have been better, but for –
  - Lower generation of captive power due to break down
  - Inconsistent availability of power from JSEB
  - Disruption in supply of captive coal due to logistic issues
- Normalcy has since been restored.
- Volatile - to - stable conditions in international business kept check on turnover and profitability.
- Financial closure achieved for capex of Rs 1200 Crs.
- Hardening in rates increased interest charge, current wtd average rate at 7.9%.

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Production Volume Growth
Consolidated

Billets	Rolled Products	Bright Bars	Wires & Strands	Wire Ropes

Q o Q

Q o PQ

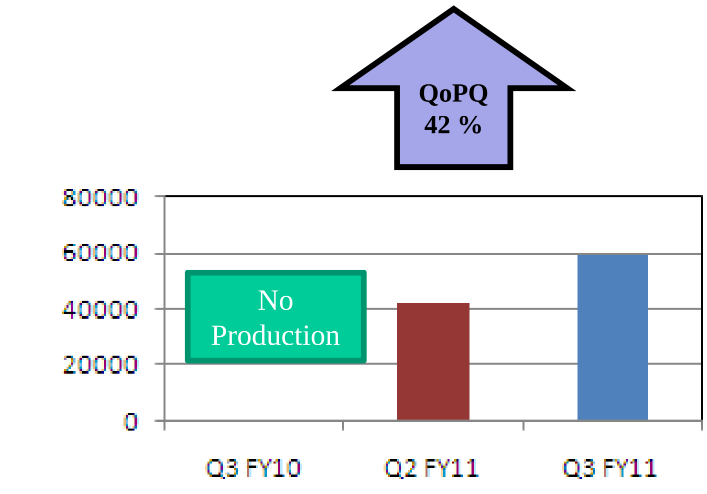
112,809 MT	120,082 MT	4,773 MT	35,470 MT	23,786 MT
29 %	20 %	40 %	31 %	3 %
13 %		9 %	7 %	5 %

9M o 9M

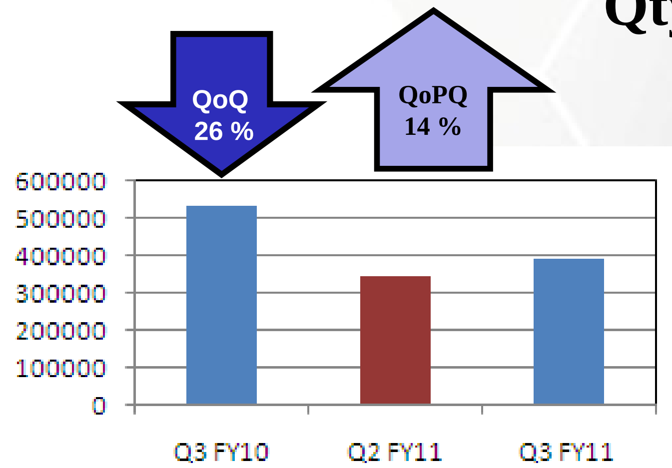
363,025 MT	358,847 MT	14,604 MT	104,610 MT	71,510 MT
44 %	40 %	48 %	24 %	1 %

Production Performance (Consolidated)

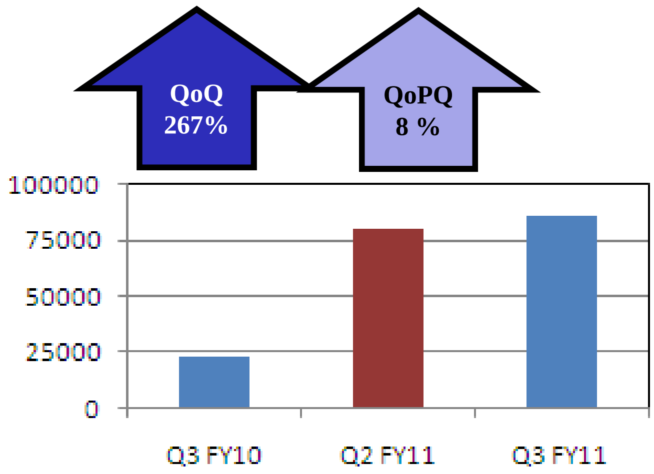
Qty in Mt



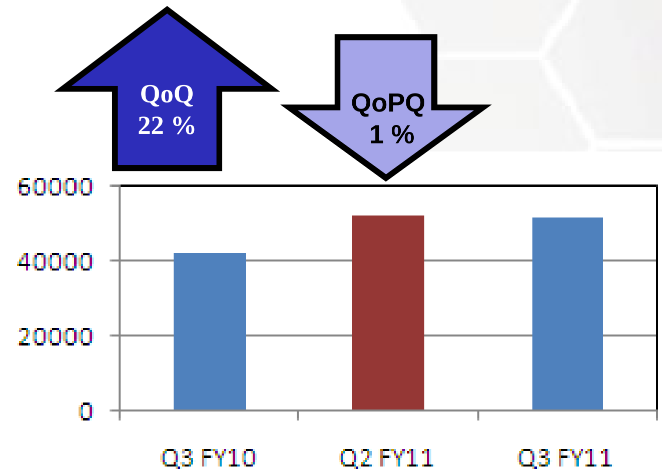
Coal



Iron Ore



Hot Metal



DRI

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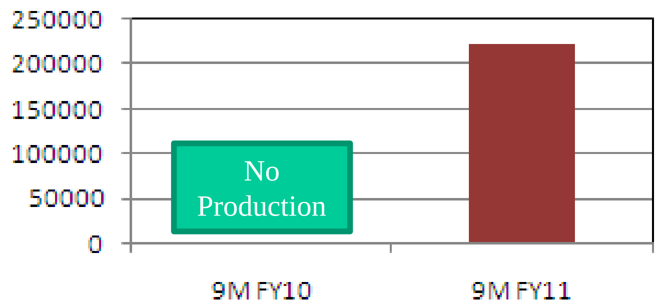
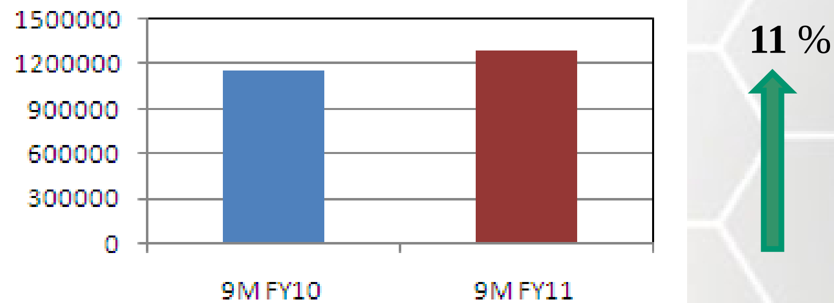
Production Performance Y o Y (Consolidated)

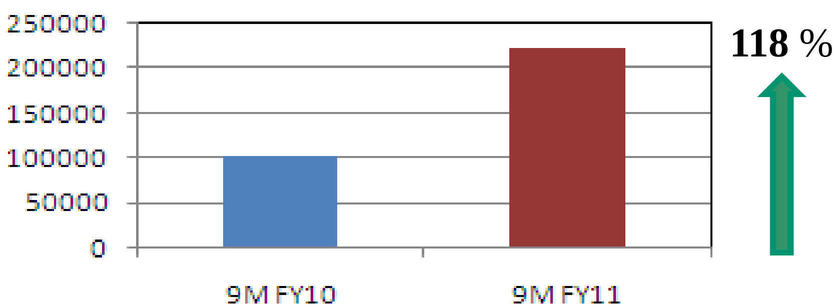
Qty in Mt



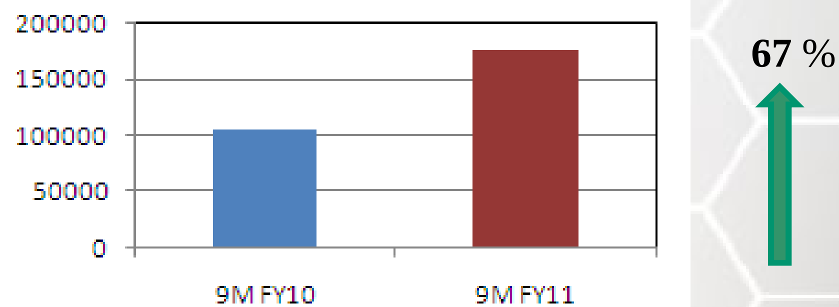
Coal



Iron Ore



Hot Metal



DRI

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Financial Highlights
Consolidated

Growth	Net Sales	PBDIT	PBT	PAT
Qtr III QoQ	26% ↑	10% ↓	70% ↓	62% ↓
9M YoY	17% ↑	20% ↑	12% ↓	2% ↑

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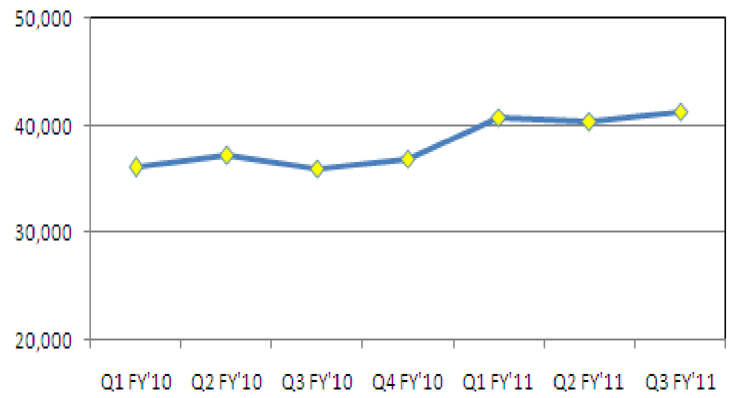
Financial Performance
Consolidated

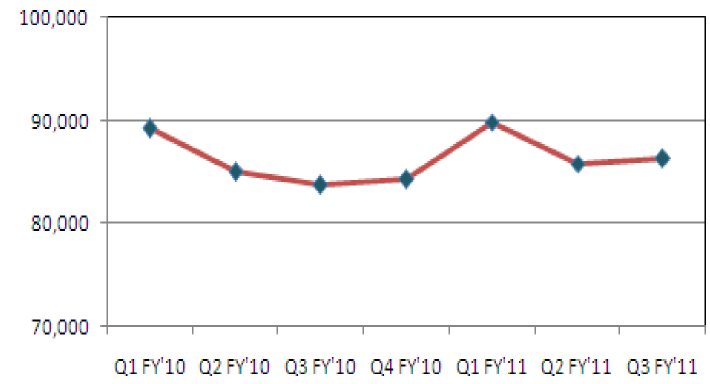
Particulars	Qtr III FY 11	QoQ	9 M FY 11	YoY
Gross Sales	800.59	↑ 30 %	2,339.30	↑ 20 %
Net Sales	745.71	↑ 26 %	2,182.41	↑ 17 %
PBDIT *% of Sales*	119.24 *16.0 %*	↓ 10 %	424.36 *19.4 %*	↑ 20 %
PBT	18.36	↓ 70 %	147.48	↓ 12 %
Net Profit	13.10	↓ 62 %	100.88	↑ 2 %
EPS	0.43	↓ 70 %	3.31	↓ 18 %

Sales Realisation Trend

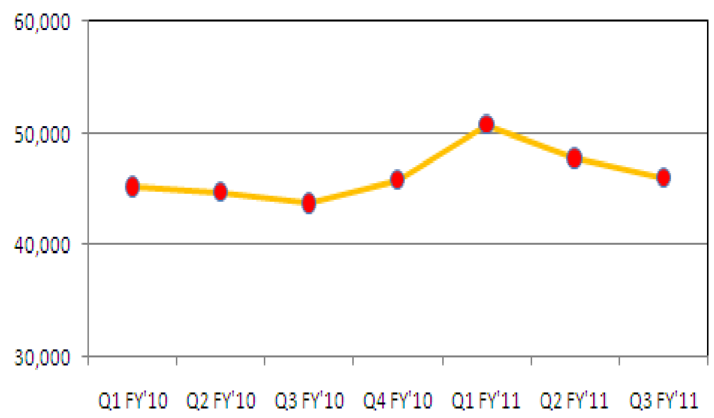
Rs per Mt



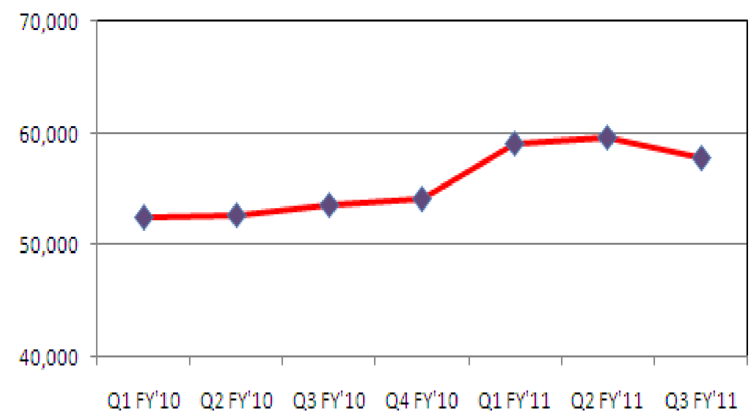
Wire Rods & Bar



Wire Ropes



Wire & Strand



Bright Bar

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Financial Ratios Consolidated

Particulars		Dec - 10	Mar – 10
ROCE	(%)	10.6%	18.2%
RONW	(%)	8.0%	13.7%
EPS - Annualised	(Rs)	4.4	6.5
Debt Equity Ratio ★	(x)	1.2	1.0
Debt / EBITDA Ratio ★	(x)	3.9	3.6
Interest Cover	(x)	3.2	3.9

★ **Including capex L/C's**

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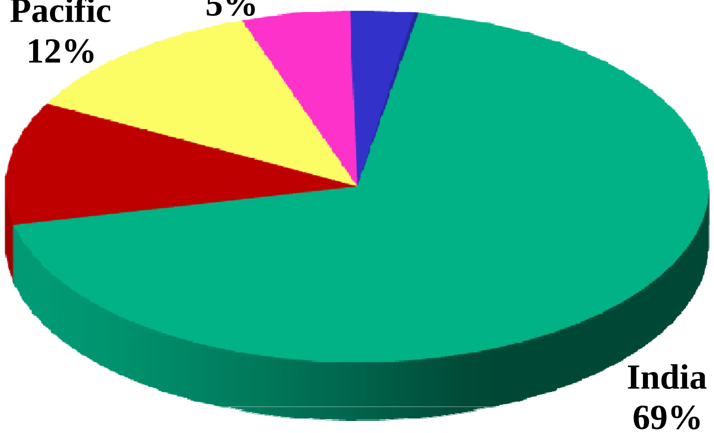
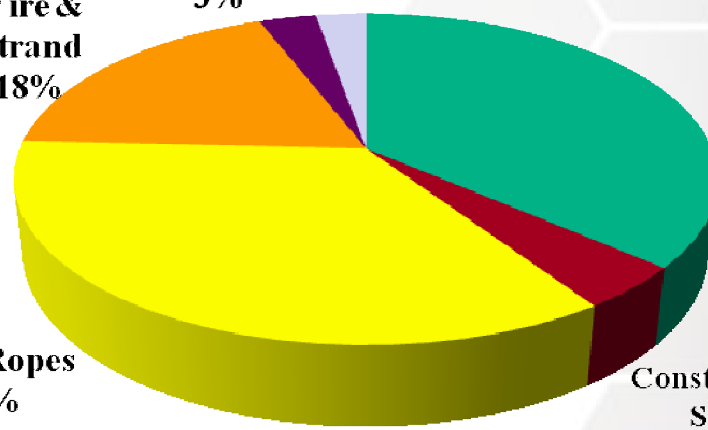
Revenue Distribution
9M FY 11



By Geographies
(Integrated Business)



By Products

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