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Q3 & 9M’ 13

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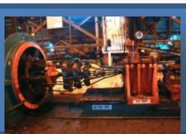
Economic Overview

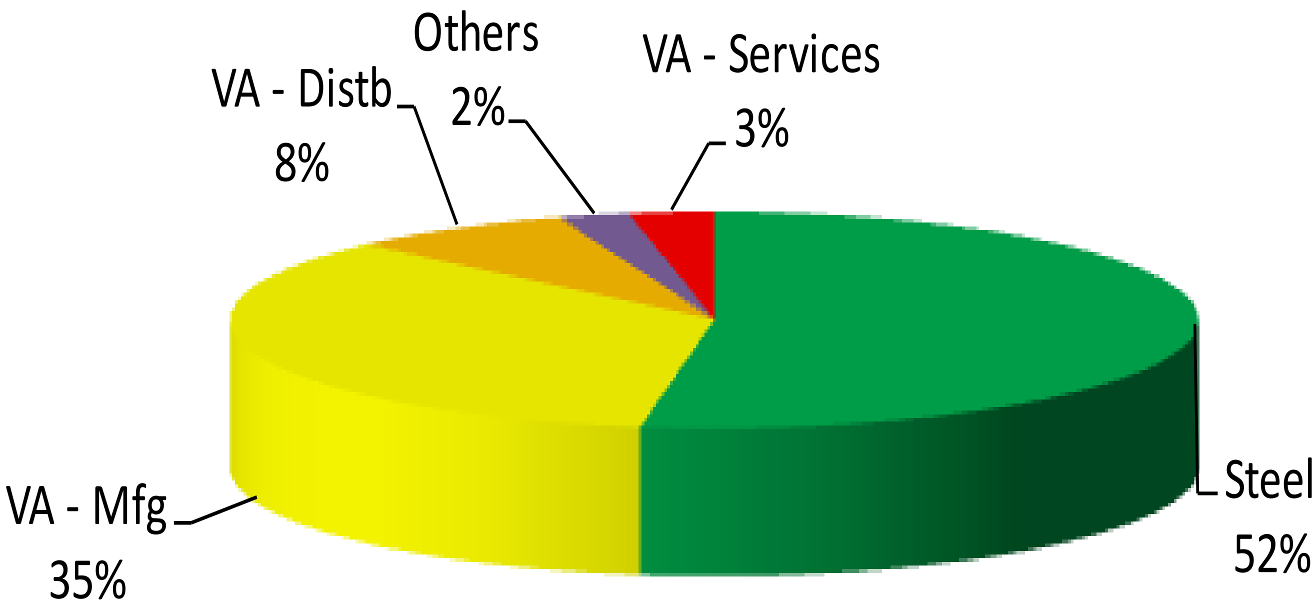
- Global uncertainty continues to impact economic environment, severely impacting growth of global steel demand, driven by a sharp demand contraction in Europe and slower growth in Asia and North America.
- Excess global capacity can create futher trade distortion
- Higher interest rate and volatile forex market in the quater
- Domestic business sentiments remains negative and conditions being difficult.
- Significant slowdown with moderate to negative growth rates in domestic auto sector kept sales and margins under pressure.



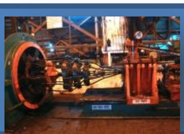
Business Profile 9M FY’13

Gross Level of Activities – Rs 4,086 Crs

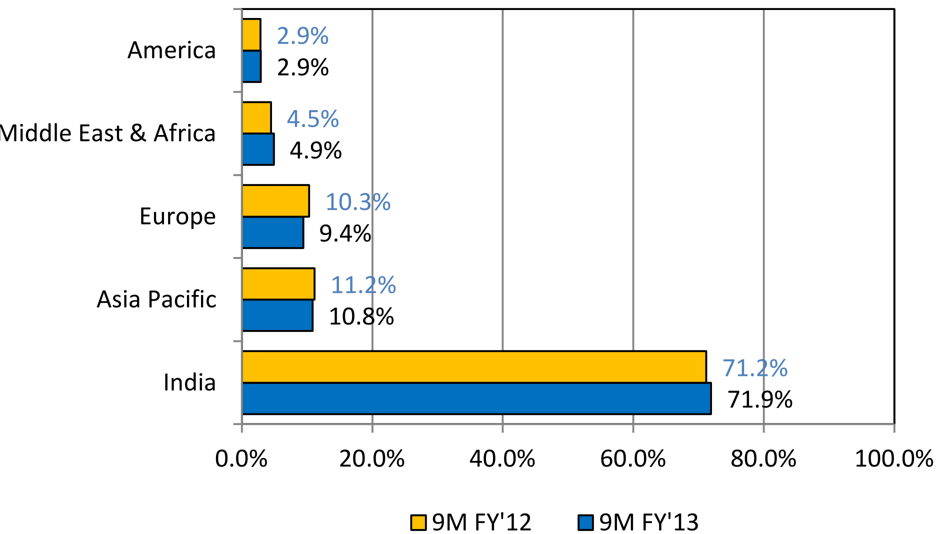


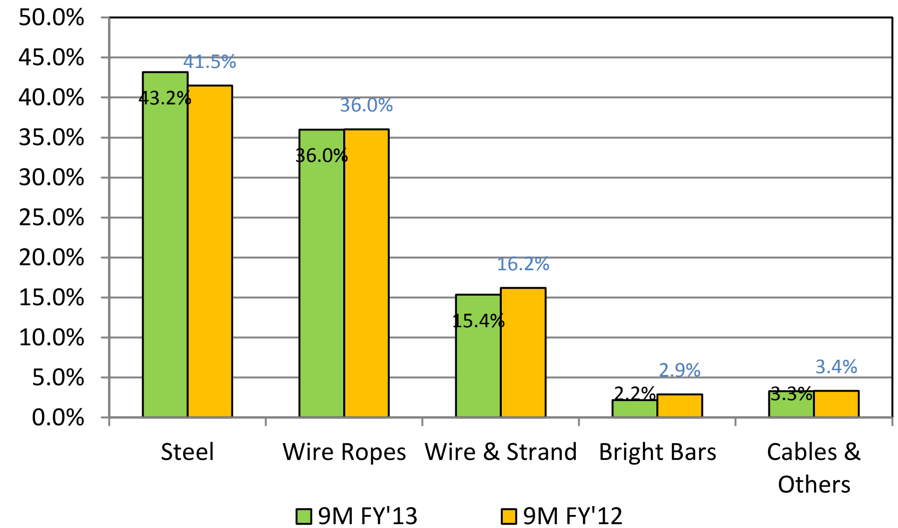
Net Turnover (Rs in Crs)	9M’ FY 13	9M FY’12
Stand Alone	2,243	2,006
Consolidated	2,674	2,406



Revenue Distribution

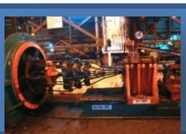




By Geographies

By Products



Architecture of Integrated Business

Mineral Resource

- Iron Ore Mine Crushing & Screening
- Coal Block – "A- C" grade
- Washing Plant
- Beneficiation Plant

Power Module

- 48.3 MW WHRB
- 55 MW Thermal JSR
- 26 MW WHRB
- 9 MW Thermal
- 20 MW Thermal - Ranchi
- Total - 158.3 MW

Iron Making Module

- Blast Furnace 600 KT
- DRI 500 KT
- Sinter Plant 800 KT
- O_2 & Lime Kiln Plant
- Coke Oven 400 KT
- Pellet Plant 1200 KT

Distribution Marketing & Service Module

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

Value Addition Module

- Bright Bar 36 KT
- Cord 4 KT
- OT Wire 6 KT

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

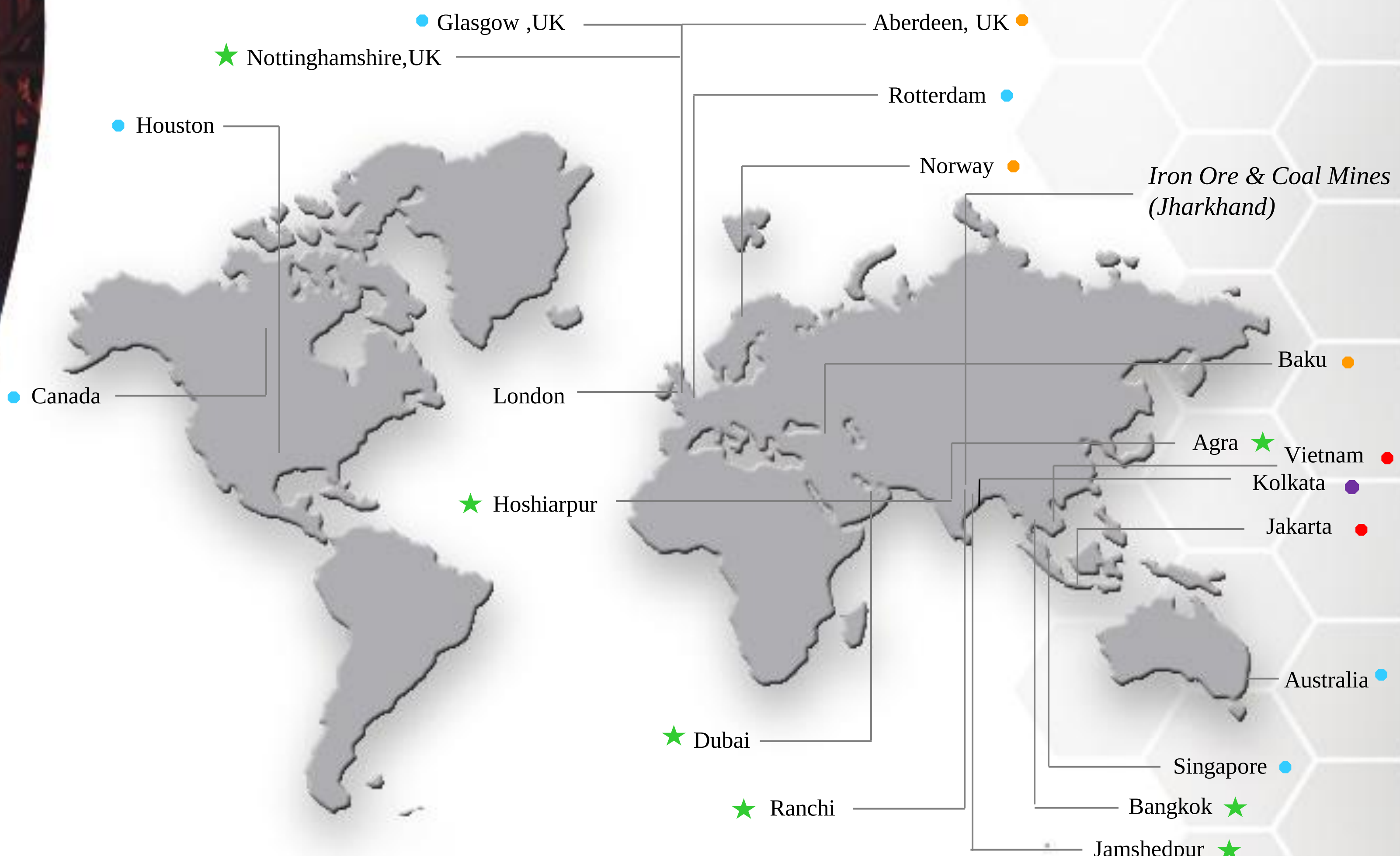
VA Products – 50 KT

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

Global Footprint



Manufacturing Facilities
Distribution Centers
Corporate Office
Sales Office
EMMC Centers

Further setting up R & D Centre in Italy

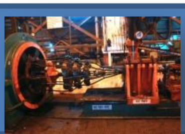
Consolidated Key Financials Trend

Rs in Crs

Particulars		07-08(A)	08-09 (A)	09-10 (A)	10-11 (A)	11-12 (A)	Trail 12M★
Net Turnover		2,309	2,950	2,514	3,046	3,361	3,629
PBDIT		445	531	495	595	498	666
PBT		247	281	240	204	11	97
PAT		175	185	169	137	4	72
Cash Profit		278	271	347	383	214	320
ROCE	(%)	20.1%	24.1%	18.2%	13.9%	7.2%	10.1%
RONW	(%)	21.6%	19.2%	13.7%	8.1%	0.2%	4.0%
EPS (FV Rs 1)	(Rs)	7.0	7.4	6.5	4.5	0.1	2.4
Net Debt Equity Ratio	(x)	1.20	1.90	0.99	1.12	1.40	1.74
Interest Cover	(x)	4.4	3.7	3.9	3.1	1.9	2.1

★ Restated as per current forex accounting practice

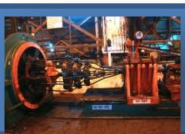


Performance Update

9M & Q3 FY'13

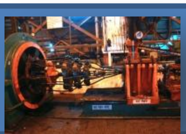


Highlights Q3 & 9M'13

- Turnover increased by 11% on consolidated basis & 12% on stand alone over 9M'12
- Consolidated EBITDA margin at 19.2 %
- Mining operations performed better , Iron ore & Coal Production up by 17 % and 93% respectively
- Achieved 150,000 MT of Billet Production in the quarter
- Successful commissioning of DRI- 4
- International subsidiaries continue to do well
- Depressed business conditions, moderate to negative growth in auto sector and higher interest rates eroded profitability



Production Volume Growth Consolidated

Billets

Rolled Products

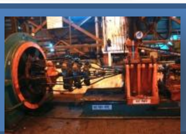
Bright Bars

Wires & Strands

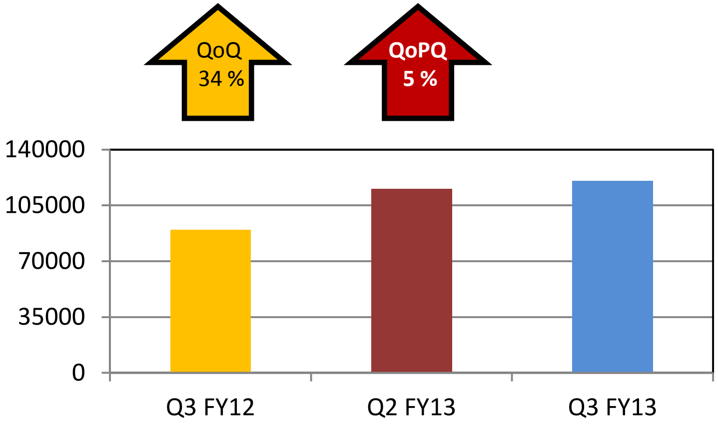
Wire Ropes

	Billets	Rolled Products	Bright Bars	Wires & Strands	Wire Ropes
Quarter production	150,207 MT	135,677 MT	2,799 MT	33,740 MT	22,090 MT
Q o Q	↑ 7 %	↓ 1 %	↓ 17 %	↑ 9 %	↑ 1 %
Q o PQ	↑ 11 %	↑ 2 %	↑ 7 %	↑ 6 %	↓ 10 %
9M o 9M	435,442 MT	408,097 MT	9,156 MT	98,561 MT	71,511 MT
9M o 9M growth	↑ 15 %	↑ 6 %	↓ 22 %	↑ 6 %	↓ 4 %

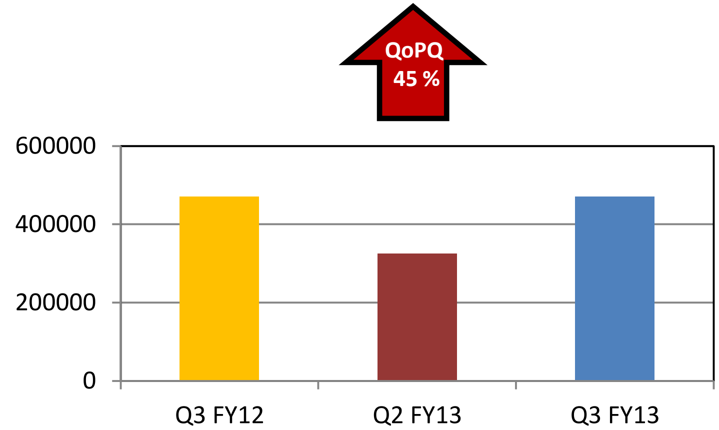


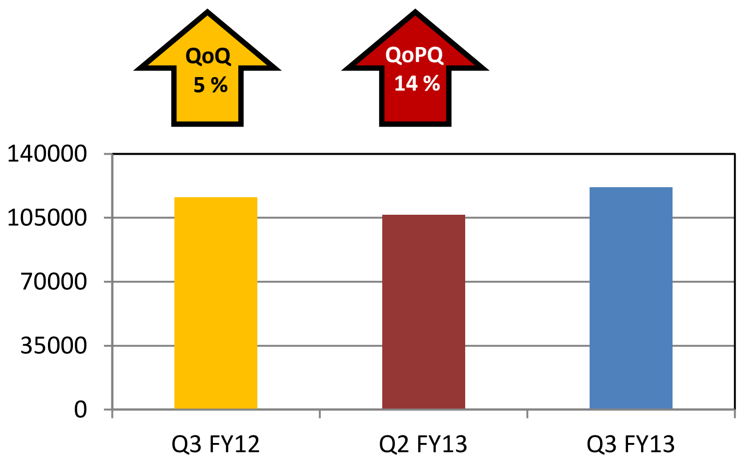
Production Performance



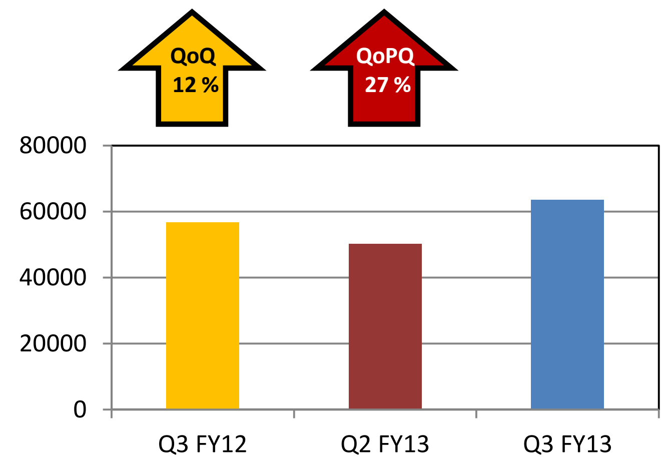
Coal



Iron Ore

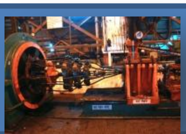


Hot Metal

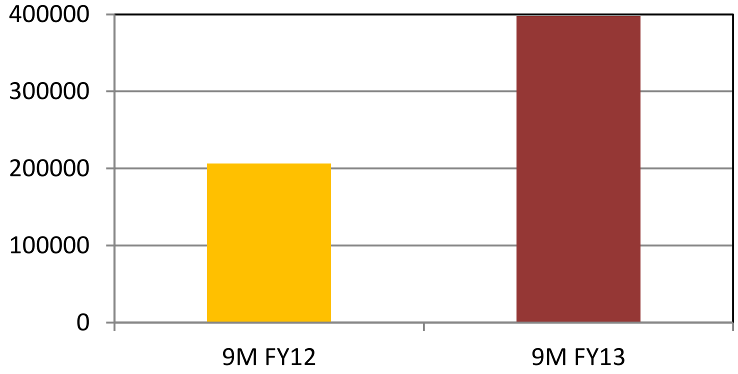


DRI



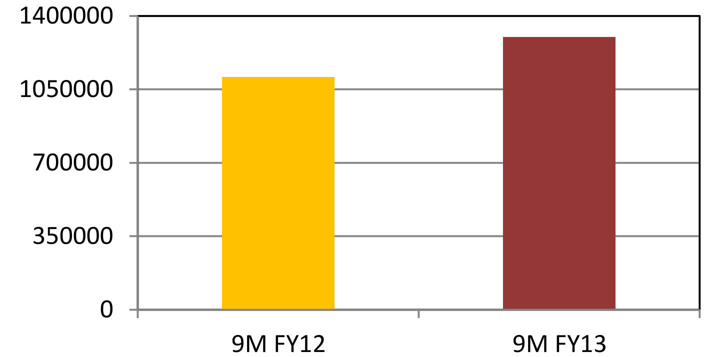



Production Performance



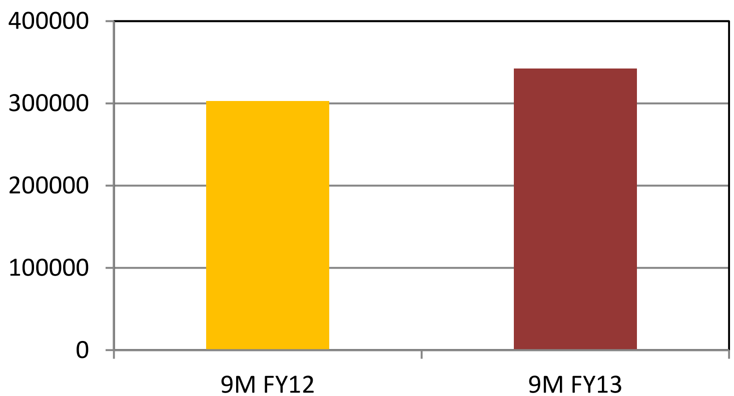
93 %

Coal



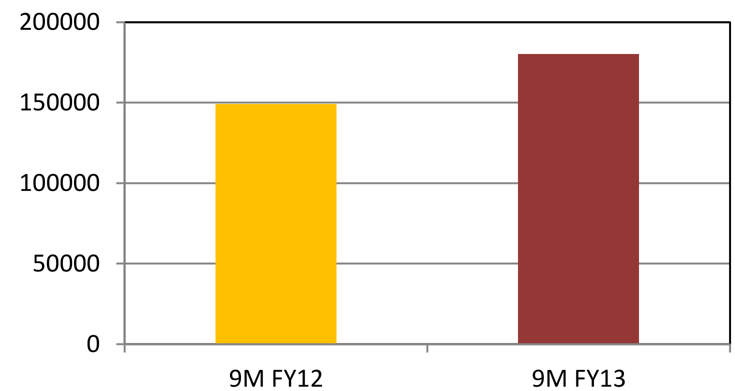
17 %

Iron Ore



13 %

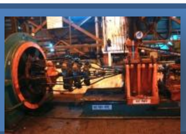
Hot Metal



21 %

DRI



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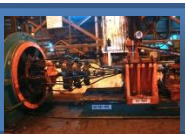
Forex Accounting Practices

The effect of fluctuation in value of FCY assets and liabilities were accounted for as under:

Accounting Period / Qrtr	On Loan Exposure	On Trade Exposure
Previous Year 2011 - 12		
Q1'12	• Shown as normal item (pre EBITDA) in P&L A/c	• Shown as normal item (pre EBITDA) in P&L A/c
Q2'12	• Shown as exceptional Item in P&L A/c (including effect of Q1'12)	• Shown as exceptional item in P&L A/c
Q3' 12	Followed clause 46A of AS -11, w.e.f. Q1'12 • On capex loans - routed through Fixed Assets • On other loans – ammortised over maturity period of loans Shown as exceptional in Q2' 12 was reversed	• Shown as exceptional item in P&L A/c
Q4' 12	As per clause 46A of AS – 11 • On capex loans - routed through Fixed Assets • On other loans – ammortised over maturity period of loans	• Shown as normal item in P&L A/c • Exceptional in Q2'12 & Q3'12 and still outstanding was reversed
Current Year 2012 – 13		
Q1' 13, Q2' 13 & Q3' 13	As per clause 46A of AS – 11 • On capex loans - routed through Fixed Assets • On other loans – ammortised over maturity period of loans	• Shown as normal item in P & L A/c



Summarised Results

Current Forex Accounting Practice for change in valuation of FCY assets and liabilities is as under:

- **On Capex Loans** – Routed through Fixed Assets
- **On Other Loans** – Ammortised over maturity period of loan
- **On Trade Exposure** – Routed through Profit & Loss A/C

Applying the Current Forex Accounting Practice in previous year, the restated results of Q1, Q2, Q3 & 9M of FY 11-12 would be, and compared with current year, as under :

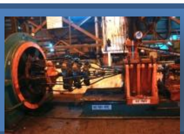
Consolidated

Particulars	2011-12				2012-13			
	Q1	Q2	Q3	9M	Q1	Q2	Q3	9M
Net Turnover	762.6	827.6	816.3	2,406.4	846.1	939.0	889.1	2,674.1
PBDIT	150.5	119.8	74.6	345.0	140.9	176.6	195.3	512.8
% of Sales	19.7%	14.5%	9.1%	14.3%	16.7%	18.8%	22.0%	19.2%
Depreciation	54.9	54.0	59.9	168.7	63.6	63.1	65.9	192.6
Interest	55.8	61.8	70.7	188.3	74.0	81.0	91.2	246.2
PBT	39.9	4.1	(56.0)	(12.1)	3.2	32.4	38.3	73.9

Stand Alone

Particulars	2011-12				2012-13			
	Q1	Q2	Q3	9M	Q1	Q2	Q3	9M
Net Turnover	607.6	685.5	712.8	2,005.9	728.5	774.7	739.7	2,242.9
PBDIT	117.5	96.1	70.3	284.0	111.5	144.5	150.7	406.7
% of Sales	19.3%	14.0%	9.9%	14.2%	15.3%	18.6%	20.4%	18.1%
Depreciation	49.0	48.0	53.4	150.3	56.8	56.1	58.7	171.6
Interest	53.8	59.6	68.6	182.1	71.8	78.3	88.1	238.2
PBT	14.7	(11.5)	(51.7)	(48.4)	(17.1)	10.1	4.0	(3.1)



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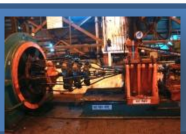
Looking Forward

- **Implementation of new projects to further enhance competitiveness in specialty segment – Beneficiation, Pellet, Coke Oven and 35 MW Power are underway**
- **The company has created a R&D and Distribution centre in Italy for wire ropes under Usha Martin International Limited a subsidiary of the company under the name of Usha Martin Italia S.R.L**
- **Usha Siam Steel Industries Public Company Limited, a subsidiary of the company, has formed a 50:50 joint venture in Thailand with Tesac Wire Ropes Company Limited of Japan, under the name and style of "Tesac Usha Wirerope Company Limited", for manufacture of high performance steel wire ropes**

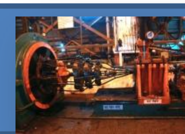


Project Status

Major Projects	Completion Status
DRI – 5	Commissioned
30 MW CPP (With DRI - 5)	Commissioned
DRI – 4	Commissioned
Coke Oven with 35 MW Power Plant	Q4 FY’ 13 / Q1 FY’14
Pellet Plant	H1 FY’ 14



THANKS

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STRENGTH THROUGH INTEGRATION

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