



**Usha Martin Limited**

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CIN : L31400WB1986PLC091621  
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UML/SECT/

May 27, 2019

The Secretary  
The BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai – 400 001  
[Scrip Code : 517146]

Societe de la Bourse de Luxembourg  
35A Boulevard Joseph II  
L-1840, Luxembourg  
[Scrip Code: US9173002042]

The Secretary  
National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C/1, G Block,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051  
[Scrip Code : USHAMART]

Dear Sir / Madam,

The Board of Directors of the Company at their meeting held today has approved and taken on record audited financial results on standalone and consolidated basis for the quarter and year ended 31st March, 2019.

The said financial results (on standalone and consolidated basis) of the Company for the quarter and year ended 31st March, 2019 prepared in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with Auditors Report are enclosed herewith for your ready reference and record.

S R Batliboi & Co. LLP, the Statutory Auditors of the Company have issued auditor's reports with an unmodified opinion on the financial statements.

The Board Meeting commenced at 1:30 P.M. and concluded at 8:30 P.M. (IST).

Thanking you,

Yours faithfully,  
For Usha Martin Limited

  
**Rajeev Jhavar**  
Managing Director

Encl: as above

**Auditor's Report On Quarterly Financial Results and Year to Date Results of the  
Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and  
Disclosure Requirements) Regulations, 2015, as amended**

To

**Board of Directors of**

**Usha Martin Limited,**

1. We have audited the accompanying statement of quarterly standalone Ind AS financial results of Usha Martin Limited ('the Company') for the quarter and year ended March 31, 2019 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The standalone Ind AS financial results for the quarter and year ended March 31, 2019 have been prepared on the basis of the standalone Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual standalone Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these quarterly standalone Ind AS financial results as well as the year to date results:



- i. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
  - ii. give a true and fair view of the net profit including other comprehensive income and other financial information for the quarter ended March 31, 2019 and for the year ended March 31, 2019.
4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

**5. Emphasis of Matter**

We draw attention to Note 8 regarding recoverability of book values of Rs. 14,199 lakhs (net of discounting impact of Rs. 990 lakhs) of moveable and immoveable assets including land and advances for land pertaining to Kathautia and Lohari coal blocks that were deallocated during an earlier year. We have been informed that various measures have been initiated by the management for timely realisation of the aforesaid recoverable amounts. Pending outcome of such measures, no adjustments to the financial results in this regard have been considered necessary by the management. Our opinion is not modified in respect of this matter.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Bhaswar Sarkar

Partner

Membership No.: 055596

Place of signature: Kolkata

Date: May 27, 2019



| Particulars  | Quarter ended                   |                             |                                 | Year ended                |                           |
|--|---------------------------------|-----------------------------|---------------------------------|---------------------------|---------------------------|
|  | 31st March, 2019                | 31st December, 2018         | 31st March, 2018                | 31st March, 2019          | 31st March, 2018          |
|  | Audited<br>(Refer Note 2 and 5) | Unaudited<br>(Refer Note 5) | Audited<br>(Refer Note 2 and 5) | Audited<br>(Refer Note 5) | Audited<br>(Refer Note 5) |
| <b>Continuing Operations</b>   |                                 |                             |                                 |                           |                           |
| <b>Revenue</b>   |                                 |                             |                                 |                           |                           |
| Revenue from operations (refer note 3 and 4)                                       | 42,941                          | 42,681                      | 39,120                          | 1,69,048                  | 1,41,767                  |
| Other income (refer note 11)   | 1,222                           | 933                         | 3,855                           | 4,720                     | 7,515                     |
| <b>Total income</b>  | <b>44,163</b>                   | <b>43,614</b>               | <b>42,975</b>                   | <b>1,73,768</b>           | <b>1,49,282</b>           |
| <b>Expenses</b>  |                                 |                             |                                 |                           |                           |
| Cost of materials consumed   | 27,734                          | 27,526                      | 26,897                          | 1,15,529                  | 88,068                    |
| Purchases of stock-in-trade  | 156                             | 114                         | 103                             | 519                       | 514                       |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade      | (276)                           | 552                         | 314                             | (6,743)                   | 3,250                     |
| Excise duty on sale of goods (refer note 4)  | -                               | -                           | -                               | -                         | 3,102                     |
| Employee benefits expense  | 2,805                           | 3,027                       | 2,316                           | 11,387                    | 10,446                    |
| Finance costs  | 2,726                           | 2,074                       | 2,129                           | 9,022                     | 7,648                     |
| Depreciation and amortisation expense  | 694                             | 708                         | 734                             | 2,810                     | 2,896                     |
| Other expenses (refer note 4)  | 6,104                           | 6,754                       | 5,582                           | 24,844                    | 21,224                    |
| <b>Total expenses</b>  | <b>39,943</b>                   | <b>40,755</b>               | <b>38,075</b>                   | <b>1,57,368</b>           | <b>1,37,148</b>           |
| <b>Profit before tax for the period from continuing operations</b>                 | <b>4,220</b>                    | <b>2,859</b>                | <b>4,900</b>                    | <b>16,400</b>             | <b>12,134</b>             |
| <b>Tax expense</b>   |                                 |                             |                                 |                           |                           |
| Current tax  | 65                              | -                           | -                               | 65                        | -                         |
| Adjustment of tax relating to earlier periods                                      | 227                             | -                           | -                               | 227                       | -                         |
| Deferred tax charge/(credit) (refer note 9)  | (23,760)                        | -                           | -                               | (23,760)                  | -                         |
| Tax (income)/expense of continuing operations                                      | (23,468)                        | -                           | -                               | (23,468)                  | -                         |
| <b>Profit for the period from continuing operations (a)</b>                        | <b>27,688</b>                   | <b>2,859</b>                | <b>4,900</b>                    | <b>39,868</b>             | <b>12,134</b>             |
| <b>Discontinued operations (refer note 5)</b>                                      |                                 |                             |                                 |                           |                           |
| Loss for the period from discontinued operations before tax                        | (22,015)                        | (7,451)                     | (3,565)                         | (33,968)                  | (40,368)                  |
| Tax income/(expense) of discontinued operations                                    | -                               | -                           | -                               | -                         | -                         |
| Loss for the period from discontinued operations after tax (b)                     | (22,015)                        | (7,451)                     | (3,565)                         | (33,968)                  | (40,368)                  |
| <b>Profit/(loss) for the period [(c) = (a) + (b)]</b>                              | <b>5,673</b>                    | <b>(4,592)</b>              | <b>1,335</b>                    | <b>5,900</b>              | <b>(28,234)</b>           |
| <b>Other comprehensive income</b>  |                                 |                             |                                 |                           |                           |
| (a) Items that will not be reclassified to profit or (loss)                        | 251                             | (697)                       | 135                             | (74)                      | 15                        |
| (b) Tax benefit / (expense) on items that will not be classified to profit or loss | (86)                            | -                           | -                               | (86)                      | -                         |
| <b>Total Other comprehensive income for the period, net of tax (d)</b>             | <b>165</b>                      | <b>(697)</b>                | <b>135</b>                      | <b>(160)</b>              | <b>15</b>                 |
| <b>Total comprehensive income for the period [(c) + (d)]</b>                       | <b>5,838</b>                    | <b>(5,289)</b>              | <b>1,470</b>                    | <b>5,740</b>              | <b>(28,219)</b>           |
| <b>Paid-up equity share capital (face value of Re 1/- each)</b>                    | <b>3,054</b>                    | <b>3,054</b>                | <b>3,054</b>                    | <b>3,054</b>              | <b>3,054</b>              |
| <b>Other equity as per balance sheet</b>   |                                 |                             |                                 | <b>20,039</b>             | <b>14,301</b>             |
| <b>Earnings per share (Rs.) (*not annualised)</b>                                  |                                 |                             |                                 |                           |                           |
| <b>Earnings per equity share (for continuing operations) [refer note 9]</b>        |                                 |                             |                                 |                           |                           |
| Basic and Diluted  | 9.09 *                          | 0.94 *                      | 1.61 *                          | 13.08                     | 3.98                      |
| <b>Earnings per equity share (for discontinued operations)</b>                     |                                 |                             |                                 |                           |                           |
| Basic and Diluted  | (7.23) *                        | (2.45) *                    | (1.17) *                        | (11.15)                   | (13.25)                   |
| <b>Earnings per equity share (for continuing and discontinued operations)</b>      |                                 |                             |                                 |                           |                           |
| Basic and Diluted  | 1.86 *                          | (1.51) *                    | 0.44 *                          | 1.93                      | (9.27)                    |



(Amounts in Rs. Lakhs unless otherwise stated)

| Particulars  | Quarter ended                   |                             |                                 | Year ended                |                           |
|--|---------------------------------|-----------------------------|---------------------------------|---------------------------|---------------------------|
|  | 31st March, 2019                | 31st December, 2018         | 31st March, 2018                | 31st March, 2019          | 31st March, 2018          |
|  | Audited<br>(Refer Note 2 and 5) | Unaudited<br>(Refer Note 5) | Audited<br>(Refer Note 2 and 5) | Audited<br>(Refer Note 5) | Audited<br>(Refer Note 5) |
| <b>Segment Revenue</b>   |                                 |                             |                                 |                           |                           |
| Wire and Wire Ropes  | 42,758                          | 42,663                      | 38,539                          | 1,68,750                  | 1,41,029                  |
| Others   | 183                             | 18                          | 581                             | 298                       | 738                       |
| <b>Revenue from Continuing operations</b>  | <b>42,941</b>                   | <b>42,681</b>               | <b>39,120</b>                   | <b>1,69,048</b>           | <b>1,41,767</b>           |
| <b>Revenue from Discontinued operations (Refer note 5)</b>                                   | <b>80,357</b>                   | <b>1,02,343</b>             | <b>98,859</b>                   | <b>3,94,200</b>           | <b>3,44,627</b>           |
| Less : Inter segment revenue from discontinued operations to continuing operations           | 24,100                          | 23,307                      | 22,508                          | 96,448                    | 73,614                    |
| <b>Revenue from Discontinued operations to external customers</b>                            | <b>56,257</b>                   | <b>79,036</b>               | <b>76,351</b>                   | <b>2,97,752</b>           | <b>2,71,013</b>           |
| <b>Total Revenue from Continuing and Discontinued operations</b>                             | <b>99,198</b>                   | <b>1,21,717</b>             | <b>1,15,471</b>                 | <b>4,66,800</b>           | <b>4,12,780</b>           |
| <b>Segment Results</b>   |                                 |                             |                                 |                           |                           |
| <b>Profit/ (Loss) for the period before tax and finance costs from Continuing operations</b> |                                 |                             |                                 |                           |                           |
| Wire and Wire Ropes  | 6,264                           | 4,586                       | 6,484                           | 25,115                    | 19,834                    |
| Others   | (80)                            | (109)                       | (2)                             | 128                       | (274)                     |
| <b>Total</b>   | <b>6,184</b>                    | <b>4,477</b>                | <b>6,482</b>                    | <b>25,243</b>             | <b>19,560</b>             |
| Less:  |                                 |                             |                                 |                           |                           |
| Finance costs  | 2,726                           | 2,074                       | 2,129                           | 9,022                     | 7,648                     |
| Other Unallocable Expenditure (Net of Unallocable Income)                                    | (762)                           | (456)                       | (547)                           | (179)                     | (222)                     |
| <b>Profit for the period before tax from Continuing operations</b>                           | <b>4,220</b>                    | <b>2,859</b>                | <b>4,900</b>                    | <b>16,400</b>             | <b>12,134</b>             |
| <b>Discontinued operations (Refer note 5)</b>  |                                 |                             |                                 |                           |                           |
| <b>Steel : Loss for the period from Discontinued operations before tax and finance costs</b> | <b>(9,830)</b>                  | <b>5,135</b>                | <b>8,440</b>                    | <b>15,047</b>             | <b>9,081</b>              |
| Less:  |                                 |                             |                                 |                           |                           |
| Finance costs  | 12,185                          | 12,586                      | 12,005                          | 49,015                    | 49,449                    |
| <b>Loss for the period before tax from Discontinued operations</b>                           | <b>(22,015)</b>                 | <b>(7,451)</b>              | <b>(3,565)</b>                  | <b>(33,968)</b>           | <b>(40,368)</b>           |
| <b>Total Profit / (Loss) before tax</b>  | <b>(17,795)</b>                 | <b>(4,592)</b>              | <b>1,335</b>                    | <b>(17,568)</b>           | <b>(28,234)</b>           |
| <b>Segments Assets</b>   |                                 |                             |                                 |                           |                           |
| Steel  | 4,28,796                        | 4,67,330                    | 5,24,470                        | 4,28,796                  | 5,24,470                  |
| Wire and Wire Ropes  | 1,07,452                        | 1,10,981                    | 1,06,224                        | 1,07,452                  | 1,06,224                  |
| Others   | 65,023                          | 30,924                      | 11,550                          | 65,023                    | 11,550                    |
| <b>Total Assets</b>  | <b>6,01,271</b>                 | <b>6,09,235</b>             | <b>6,42,244</b>                 | <b>6,01,271</b>           | <b>6,42,244</b>           |
| <b>Segments Liabilities</b>  |                                 |                             |                                 |                           |                           |
| Steel  | 1,96,690                        | 2,26,555                    | 2,04,921                        | 1,96,690                  | 2,04,921                  |
| Wire and Wire Ropes  | 26,878                          | 26,404                      | 30,681                          | 26,878                    | 30,681                    |
| Others   | 3,54,610                        | 3,39,018                    | 3,89,287                        | 3,54,610                  | 3,89,287                  |
| <b>Total Liabilities</b>   | <b>5,78,178</b>                 | <b>5,91,977</b>             | <b>6,24,889</b>                 | <b>5,78,178</b>           | <b>6,24,889</b>           |

**Note:**

The Company is organised into business units based on its products and services and has three reportable segments, as follows:

- Steel segment, which manufactures and sells steel wire rods, bars, blooms, bright bar, billets, pig iron and allied products.
- Wire and Wire Ropes segment, which manufactures and sells steel wires, strands, wire ropes, cord, related accessories, etc.
- Others segment includes manufacturing and selling of wire drawing & allied machines and corporate office.



(Amounts in Rs. Lakhs unless otherwise stated)

| Particulars   | As at            | As at            |
|---|------------------|------------------|
|   | 31st March, 2019 | 31st March, 2018 |
|   | (Audited)        | (Audited)        |
| <b>ASSETS</b>   |                  |                  |
| <b>Non-current assets</b>   |                  |                  |
| (a) Property, plant and equipment   | 40,567           | 4,29,095         |
| (b) Capital work-in-progress  | 877              | 2,924            |
| (c) Intangible assets   | 831              | 3,404            |
| (d) Financial assets  |                  |                  |
| (i) Investments   | 15,065           | 15,065           |
| (ii) Loans  | 1,179            | 1,386            |
| (iii) Other financial assets  | 2,710            | 2,050            |
| (e) Advance income tax assets (net)   | 3,976            | 3,779            |
| (f) Deferred tax assets (net)   | 23,846           | -                |
| (g) Other non-current assets  | 16,921           | 11,131           |
| <b>Total non-current assets</b>   | <b>1,05,972</b>  | <b>4,68,834</b>  |
| <b>Current assets</b>   |                  |                  |
| (a) Inventories   | 24,296           | 87,226           |
| (b) Financial assets  |                  |                  |
| (i) Trade receivables   | 21,705           | 55,764           |
| (ii) Cash and cash equivalents  | 620              | 1,046            |
| (iii) Other bank balances   | 2,766            | 1,243            |
| (iv) Loans  | 53               | 1,094            |
| (v) Other financial assets  | 11,108           | 12,846           |
| (c) Other current assets  | 3,348            | 9,457            |
|   | <b>63,896</b>    | <b>1,68,676</b>  |
| Assets held for sale  | 2,607            | 4,734            |
| <b>Total current assets</b>   | <b>66,503</b>    | <b>1,73,410</b>  |
| Assets of discontinued operations classified as held for sale<br>(Refer Note 5)               | 4,28,796         | -                |
| <b>Total assets</b>   | <b>6,01,271</b>  | <b>6,42,244</b>  |
| <b>EQUITY AND LIABILITIES</b>   |                  |                  |
| <b>Equity</b>   |                  |                  |
| (a) Equity share capital  | 3,054            | 3,054            |
| (b) Other equity  | 20,039           | 14,301           |
|   | <b>23,093</b>    | <b>17,355</b>    |
| <b>Liabilities</b>  |                  |                  |
| <b>Non-current liabilities</b>  |                  |                  |
| (a) Financial liabilities   |                  |                  |
| (i) Borrowings  | 2,26,973         | 2,65,579         |
| (b) Provisions  | 1,409            | 4,536            |
| (c) Government grants   | -                | 3,152            |
| (d) Other non-current liabilities   | 1,675            | 1,592            |
| <b>Total non-current liabilities</b>  | <b>2,30,057</b>  | <b>2,74,859</b>  |
| <b>Current liabilities</b>  |                  |                  |
| (a) Financial liabilities   |                  |                  |
| (i) Borrowings  | 66,256           | 82,516           |
| (ii) Trade payables   |                  |                  |
| (A) Total outstanding dues of micro enterprises and<br>small enterprises                      | 7                | 1,436            |
| (B) Total outstanding dues of creditors other than<br>micro enterprises and small enterprises | 21,828           | 1,82,830         |
| (iii) Other financial liabilities   | 51,946           | 49,135           |
| (b) Provisions  | 626              | 1,356            |
| (c) Current tax liabilities (net)   | 175              | 110              |
| (d) Other current liabilities   | 10,593           | 32,647           |
| <b>Total current liabilities</b>  | <b>1,51,431</b>  | <b>3,50,030</b>  |
| Liabilities of discontinued operations classified as held for<br>sale (Refer Note 5)          | 1,96,690         | -                |
| <b>Total liabilities</b>  | <b>5,78,178</b>  | <b>6,24,889</b>  |
| <b>Total equity and liabilities</b>   | <b>6,01,271</b>  | <b>6,42,244</b>  |



**Notes:**

1. The above results of Usha Martin Limited ("the Company") for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 27, 2019.
2. These results have been prepared on the basis of the audited financial statements for the year ended March 31, 2019 and the interim financial results for the quarter and nine months period ended December 31, 2018, which are prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015. The figures of the last quarter are the balancing figures between audited figures for the full financial year and unaudited year to date figures up to the third quarter of the respective financial year which are subjected to limited review.
3. The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' with effect from April 1, 2018 using the modified retrospective method. The application of Ind AS 115 did not have any significant impact on retained earnings as at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on the recognition and measurement of revenue and related items in the financial results for the quarter and year ended March 31, 2019.
4. As per requirements of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015, and Indian Accounting Standard (Ind AS), revenue for the period upto June 30 2017, is grossed up for Central Excise Duty. Post the applicability of Goods and Service Tax (GST) with effect from July 01, 2017, Central Excise was also abolished from that date and revenue from operations is disclosed net of GST. As mandated by Ind AS 115 and Schedule III of Companies Act 2013, GST is not to be included as part of Revenue and hence revenue from operations for the year ended March 31, 2019 is not comparable with revenue from operations for the year ended March 31, 2018 presented in the results.
5. The Board of Directors and shareholders of the Company at their meeting held on September 22, 2018 and November 10, 2018 respectively, approved the sale and transfer of the Company's Steel Business and Plant and Machinery of the Bright Bar Business ("SBB Business") to Tata Steel Limited or its subsidiaries ("TSL") on a going concern basis under a slump sale arrangement. The SBB business includes a specialised steel alloy manufacturing plant, an operative iron ore mine, a coal mine under development, captive power plants and Plant and Machinery of Bright Bar Business. Accordingly, a Business Transfer Agreement ('BTA') was executed on September 22, 2018 between the Company and TSL. Subsequently, on October 24, 2018, the Company has entered into a novation agreement with TSL and Tata Sponge Iron Limited (the 'Purchaser'), a subsidiary of TSL whereby all rights and obligations of TSL under the terms of the BTA was assumed by the Purchaser. On April 7, 2019, the Company further entered into a supplemental agreement ('Supplemental BTA') with the Purchaser to record the amendment and substitution of certain provisions of the BTA. The transfer of SBB Business to the Purchaser was subject to the satisfaction of conditions precedent as stipulated in the BTA and Supplemental BTA and receipt of applicable permissions and consents from concerned regulators / authorities.

In the Standalone Financial Statements, the net results of SBB business has been determined taking into consideration directly attributable and appropriately allocated income and expenditure including interest costs and has been disclosed separately as discontinued operation as required by Indian Accounting Standard (Ind AS) 105 Asset Held for Sale and Discontinued Operations and Schedule III to the Companies Act, 2013. Consequently, the Company's results for the periods presented pertains to its continuing operations only and for that purpose the results for the quarter and year ended March 31, 2018 had to be restated accordingly.

Assets and liabilities of SBB business covered by the BTA has been disclosed as held for sale and disclosed separately in the Standalone Statement of Assets and Liabilities as at March 31, 2019. As mandated by Ind AS 105, assets and liabilities has not been reclassified or re-presented for prior period i.e. year ended March 31, 2018.

In terms of the BTA, certain assets pertaining to SBB Business which are pass through in nature, which would be paid back to the Company as and when received by the Purchaser, hence shown as part of the continuing business.

On April 9, 2019 (closing date), the Company has completed the sale of its steel business to the Purchaser (except for transfer of an operative iron ore mine, coal mine under development and some of the assets which would be transferred subsequently subject to fulfilment of certain conditions precedent contained in the BTA and supplemental BTA). Cash consideration of Rs 346,863 lakhs [after adjustments for provisional negative working capital (NWC) of Rs 43,093 lakhs on the closing date and holdbacks of Rs 64,000 lakhs pending transfers of some of the assets including mines and certain land parcels] was discharged by the Purchaser in the Escrow accounts. The Company has utilised the above cash consideration to prepay the borrowings of various lenders. Certain adjustments to current assets and liabilities (NWC) as required by the terms of BTA would be quantifiable at the time of transfer of the entire SBB business and hence will be accounted for at the time of such transfer.

The closing date being subsequent to the balance sheet date, no gain/loss with respect to sale of steel business has been recognised in the Statement of Profit and Loss for the year ended March 31, 2019. Subject to final working capital adjustments, total assets and liabilities of SBB business is Rs 428,796 lakhs and Rs 196,690 lakhs respectively as at March 31, 2019.

6. The Board of Directors of the Company had in their meeting held on April 8, 2019 approved sale of Wire Mill facility situated at Jamshedpur on a going concern basis to the Purchaser or to its parent company or its subsidiaries or its associates ("Buyer") for a consideration not exceeding Rs 1000 lakhs and at such other terms and conditions as may be mutually agreed between the Company and Buyer. The proposed sale of wire mill has been considered as non-adjusting event as per Ind AS 10 "Events after the Reporting Period".



**Notes:**

7. The details of discontinued operations are as follows:

(Amounts in Rs. Lakhs unless otherwise stated)

| Particulars  | Quarter ended                      |                             |                                    | Year ended                |                           |
|--|------------------------------------|-----------------------------|------------------------------------|---------------------------|---------------------------|
|  | 31st March,<br>2019                | 31st December,<br>2018      | 31st March,<br>2018                | 31st March,<br>2019       | 31st March,<br>2018       |
|  | Audited<br>(Refer Note 2<br>and 5) | Unaudited<br>(Refer Note 5) | Audited<br>(Refer Note 2<br>and 5) | Audited<br>(Refer Note 5) | Audited<br>(Refer Note 5) |
| Total income   | 85,449                             | 1,02,964                    | 99,816                             | 4,00,911                  | 3,48,170                  |
| Total expenses   | 1,07,464                           | 1,10,415                    | 1,03,381                           | 4,34,879                  | 3,88,538                  |
| Loss before tax for the period from discontinued operation | (22,015)                           | (7,451)                     | (3,565)                            | (33,968)                  | (40,368)                  |

8. Pursuant to the Hon'ble Supreme Court order dated September 24, 2014 followed by promulgation of the Coal Mines (Special Provision) Act, 2015 (CMSP Act), the allocation of Lohari and Kathautia coal blocks was cancelled with effect from September 24, 2014 and April 1, 2015 respectively. Consequently, the Company is carrying an amount of Rs.14,199 lakhs (net of discounting impact of Rs 990 lakhs) as Assets held for sale/Advance against land, which consists of assets in the form of land, movable and immovable properties, advances etc. During the year, the Company has filed an application before Hon'ble Delhi High Court for refund of Rs 10,545 lakhs deposited with State of Jharkhand towards acquisition of land which was subsequently de-notified. Based on regular follow-up with the concerned Government authorities, negotiations with the Company to whom the aforesaid Coal Block was subsequently allotted, related judicial ruling, other recourses available to the Company and the advice of the Company's Legal Counsel, management expects to realize at least the carrying values of the aforesaid assets in the near future. The Statutory auditors of the Company have drawn an Emphasis of Matter in their audit report in this regard.
9. Till previous year ended March 31, 2018, the Company was recognising deferred tax assets (DTA) arising on unabsorbed depreciation and brought forward business losses to the extent of aggregate deferred tax liabilities only and balance were not recognised in view of prudence and uncertainty of recovery of such assets against future taxable income. Pursuant to sale of SBB business during the year, the Company has recognised net DTA of Rs 23,846 lakhs as part of continuing business. Management believes that it is probable that such DTA can be utilised against long-term capital gain arising from sale of SBB business and balance against future taxable income arising from the continuing business. The earnings per share of continuing operations for the quarter and year ended 31st March, 2019 are hence not comparable with the earnings per share of the previous periods reported.
10. During the quarter ended March 31, 2019, the Company has received demand letter from Adityapur Industrial Area Development Authority (AIADA) for Rs 3,091 lakhs in relation to 92.14 acres of leased land on account of past merger purportedly under Regulation 24(i) of the Jharkhand Industrial Area Development Authority Regulations, 2016 ("JIADA Regulations") and Rs 5,550 lakhs in relation to 207.12 acres of freehold land on account of charges for past merger purportedly under JIADA regulations, outstanding land rent, land levy and processing fees on account of name change. The Company intends to pursue this matter for refund of the amount paid before appropriate authorities. The Company has paid the above amount under protest and without prejudice to Company's rights and contentions, including the right to refund of the same. Management believes that the final outcome in this matter will be in favour of the Company which is duly supported by a legal opinion obtained and accordingly no adjustment are considered necessary in the financial results.
11. Other income from continuing operations for the year ended March 31, 2019 includes Rs 609 lakhs on account of profit on sale of assets, dividend income amounting to Rs 513 lakhs (Year ended March 31, 2018 from continuing operations includes Rs 3,361 lakhs on account of profit on sale of assets, Rs 1,018 lakhs towards liabilities no longer required written back).
12. Previous period figures have been regrouped / rearranged wherever necessary, to conform to current period presentation.

Place : Kolkata  
Dated : May 27, 2019

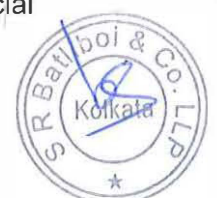
  
Rajeev Jhwar  
Managing Director





**Auditor's Report On Quarterly Consolidated Financial Results and Year to Date  
Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing  
Obligations and Disclosure Requirements) Regulations, 2015, as amended****To****Board of Directors of****Usha Martin Limited,**

1. We have audited the accompanying statement of quarterly consolidated Ind AS financial results of Usha Martin Limited ('the Company') comprising its subsidiaries (together, 'the Group') and its jointly controlled entities for the quarter and year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular'). The consolidated Ind AS financial results for the quarter and year ended March 31, 2019 have been prepared on the basis of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018, the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these consolidated Ind AS financial results based on our review of the consolidated Ind AS financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 Interim Financial Reporting, specified under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual consolidated Ind AS financial statements as at and for the year ended March 31, 2019; and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements and the other financial information of subsidiaries and jointly controlled entities, these quarterly consolidated Ind AS financial results as well as the year to date results:
  - i. includes the results of the entities as mentioned in Annexure I;
  - ii. are presented in accordance with the requirements of the Regulation read with the Circular, in this regard; and
  - iii. give a true and fair view of the consolidated net profit including other comprehensive income and other financial information for the quarter and year ended March 31, 2019.
4. We did not audit the financial statements and other financial information, in respect of nineteen subsidiaries (including ten step down subsidiaries), whose Ind AS financial



statements include total assets of Rs 136,457 lakhs as at March 31, 2019, and total revenues of Rs 31,156 lakhs and Rs 121,036 lakhs for the quarter and year ended on that date respectively. These Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net profit of Rs. 130 lakhs and Rs. 284 lakhs for the quarter and for the year ended March 31, 2019 respectively, as considered in the consolidated Ind AS financial results, in respect of three jointly controlled entities, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such subsidiaries and jointly controlled entities is based solely on the report of other auditors. Our opinion is not modified in respect of this matter.

5. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.


**6. Emphasis of Matter**

We draw attention to Note 8 regarding recoverability of book values of Rs. 14,199 lakhs (net of discounting impact of Rs. 990 lakhs) of moveable and immoveable assets including land and advances for land pertaining to Kathautia and Lohari coal blocks that were deallocated during an earlier year. We have been informed that various measures have been initiated by the management for timely realisation of the aforesaid recoverable amounts. Pending outcome of such measures, no adjustments to the consolidated financial results in this regard have been considered necessary by the management. Our opinion is not modified in respect of this matter.

For S.R. BATLIBOI & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

  
per Bhaswar Sarkar  
Partner



Membership No.: 055596

Place of signature: Kolkata

Date: May 27, 2019

**Annexure I****List of subsidiaries/jointly controlled entities****Subsidiaries**

| S. No. | Name   |
|--------|--|
| 1      | UM Cables Limited                                    |
| 2      | Usha Martin Power and Resources Limited              |
| 3      | Bharat Minex Private Limited                         |
| 4      | Gustav Wolf Speciality Cords Limited                 |
| 5      | Usha Martin International Limited                    |
| 6      | Usha Martin UK Limited @                             |
| 7      | European Management and Marine Corporation Limited @ |
| 8      | Brunton Shaw UK Limited @                            |
| 9      | De Rooter Staalkabel B.V. @                          |
| 10     | Usha Martin Europe B.V. @                            |
| 11     | Usha Martin Italia S.R.L. @                          |
| 12     | Brunton Wolf Wire Ropes FZCO.                        |
| 13     | Usha Martin Americas Inc.                            |
| 14     | Usha Siam Steel Industries Public Company Limited    |
| 15     | Usha Martin Singapore Pte. Limited                   |
| 16     | Usha Martin Australia Pty Limited @                  |
| 17     | Usha Martin Vietnam Company Limited @                |
| 18     | PT Usha Martin Indonesia @                           |
| 19     | Usha Martin China Company Limited @                  |

@ Represents step-down subsidiaries

**Jointly controlled entities**

| S. No. | Name                                      |
|--------|---|
| 1      | Pengg Usha Martin Wires Private Limited   |
| 2      | CCL Usha Martin Stressing Systems Limited |
| 3      | Tesac Usha Wirerope Company Limited*      |

\* Represents step-down jointly controlled entities



| Particulars  | Quarter ended                   |                             |                                 | Year ended                |                           |
|--|---------------------------------|-----------------------------|---------------------------------|---------------------------|---------------------------|
|  | 31st March, 2019                | 31st December, 2018         | 31st March, 2018                | 31st March, 2019          | 31st March, 2018          |
|  | Audited<br>(Refer Note 2 and 5) | Unaudited<br>(Refer Note 5) | Audited<br>(Refer Note 2 and 5) | Audited<br>(Refer Note 5) | Audited<br>(Refer Note 5) |
| <b>Continuing Operations</b>   |                                 |                             |                                 |                           |                           |
| <b>Revenue</b>   |                                 |                             |                                 |                           |                           |
| Revenue from operations (refer note 3 and 4)   | 62,666                          | 61,541                      | 57,152                          | 2,46,952                  | 2,09,967                  |
| Other income (refer note 12)   | 560                             | 1,547                       | 4,219                           | 3,976                     | 7,679                     |
| <b>Total income</b>  | <b>63,226</b>                   | <b>63,088</b>               | <b>61,371</b>                   | <b>2,50,928</b>           | <b>2,17,646</b>           |
| <b>Expenses</b>  |                                 |                             |                                 |                           |                           |
| Cost of materials consumed   | 38,045                          | 36,991                      | 37,901                          | 1,59,047                  | 1,28,278                  |
| Purchases of stock-in-trade  | 170                             | 184                         | 117                             | 698                       | 592                       |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade        | (447)                           | 402                         | (212)                           | (8,515)                   | (980)                     |
| Excise duty on sale of goods (refer note 4)  | -                               | -                           | (14)                            | -                         | 3,395                     |
| Employee benefits expense  | 6,979                           | 7,110                       | 6,192                           | 27,891                    | 24,880                    |
| Finance costs  | 3,269                           | 2,927                       | 2,550                           | 11,353                    | 9,248                     |
| Depreciation and amortisation expense  | 1,506                           | 1,525                       | 1,542                           | 6,086                     | 6,026                     |
| Other expenses (refer note 4)  | 9,488                           | 10,396                      | 8,222                           | 38,197                    | 31,988                    |
| <b>Total expenses</b>  | <b>59,010</b>                   | <b>59,535</b>               | <b>56,298</b>                   | <b>2,34,757</b>           | <b>2,03,427</b>           |
| <b>Profit before tax for the period from continuing operations</b>                   | <b>4,216</b>                    | <b>3,553</b>                | <b>5,073</b>                    | <b>16,171</b>             | <b>14,219</b>             |
| <b>Tax expense:</b>  |                                 |                             |                                 |                           |                           |
| (1) Current tax  | 342                             | 99                          | 82                              | 767                       | 518                       |
| (2) Adjustment of tax relating to earlier periods                                    | 227                             | -                           | -                               | 227                       | -                         |
| (3) Deferred tax charge/(credit) [refer note 10]                                     | (23,752)                        | 225                         | (321)                           | (23,740)                  | (7)                       |
| <b>Tax (Income) / expense of continuing operations</b>                               | <b>(23,183)</b>                 | <b>324</b>                  | <b>(239)</b>                    | <b>(22,746)</b>           | <b>511</b>                |
| <b>Profit before share of profit of joint ventures from continuing operations</b>    | <b>27,399</b>                   | <b>3,229</b>                | <b>5,312</b>                    | <b>38,917</b>             | <b>13,708</b>             |
| Share of profit of joint ventures  | 129                             | 80                          | 36                              | 284                       | 84                        |
| <b>Profit after share of profit of joint ventures from continuing operations (a)</b> | <b>27,528</b>                   | <b>3,309</b>                | <b>5,348</b>                    | <b>39,201</b>             | <b>13,792</b>             |
| <b>Discontinued operations (refer note 5)</b>  |                                 |                             |                                 |                           |                           |
| <b>Loss before tax for the period from discontinued operations</b>                   | <b>(22,721)</b>                 | <b>(6,855)</b>              | <b>(4,091)</b>                  | <b>(34,271)</b>           | <b>(40,587)</b>           |
| <b>Tax income/(expense) of discontinued operations</b>                               | <b>-</b>                        | <b>-</b>                    | <b>-</b>                        | <b>-</b>                  | <b>-</b>                  |
| <b>Loss for the period from discontinued operations after tax (b)</b>                | <b>(22,721)</b>                 | <b>(6,855)</b>              | <b>(4,091)</b>                  | <b>(34,271)</b>           | <b>(40,587)</b>           |
| <b>Profit/(loss) for the period [(c) = (a) + (b)]</b>                                | <b>4,807</b>                    | <b>(3,546)</b>              | <b>1,257</b>                    | <b>4,930</b>              | <b>(26,795)</b>           |
| <b>Other comprehensive income</b>  |                                 |                             |                                 |                           |                           |
| <b>Items that will not be reclassified to profit or (loss), net of tax</b>           |                                 |                             |                                 |                           |                           |
| Re-measurements gain/(loss) on defined benefit plans                                 | 183                             | (695)                       | 113                             | (124)                     | (8)                       |
| <b>Items that will be reclassified to profit or (loss), net of tax</b>               |                                 |                             |                                 |                           |                           |
| Exchange difference on translation   | 230                             | (3,125)                     | 3,114                           | 821                       | 5,364                     |
| <b>Total other comprehensive income for the period, net of tax (d)</b>               | <b>413</b>                      | <b>(3,820)</b>              | <b>3,227</b>                    | <b>697</b>                | <b>5,356</b>              |
| <b>Total comprehensive income for the period [(c) + (d)]</b>                         | <b>5,220</b>                    | <b>(7,366)</b>              | <b>4,484</b>                    | <b>5,627</b>              | <b>(21,439)</b>           |
| <b>Profit / (loss) for the period attributable to :</b>                              |                                 |                             |                                 |                           |                           |
| Equity shareholders of the Company   | 4,789                           | (3,743)                     | 1,137                           | 4,798                     | (27,123)                  |
| Non controlling Interest   | 18                              | 197                         | 120                             | 132                       | 328                       |
| <b>Other comprehensive income attributable to :</b>                                  |                                 |                             |                                 |                           |                           |
| Equity shareholders of the Company   | 410                             | (3,821)                     | 3,232                           | 692                       | 5,361                     |
| Non controlling Interest   | 3                               | 1                           | (5)                             | 5                         | (5)                       |
| <b>Total comprehensive income for the period attributable to :</b>                   |                                 |                             |                                 |                           |                           |
| Equity shareholders of the Company   | 5,199                           | (7,564)                     | 4,369                           | 5,490                     | (21,762)                  |
| Non controlling Interest   | 21                              | 198                         | 115                             | 137                       | 323                       |
| <b>Paid-up equity share capital (face value of Re 1/- each)</b>                      | <b>3,054</b>                    | <b>3,054</b>                | <b>3,054</b>                    | <b>3,054</b>              | <b>3,054</b>              |
| <b>Other equity as per balance sheet</b>   |                                 |                             |                                 | <b>75,147</b>             | <b>69,652</b>             |
| <b>Earnings per share (Rs.) (*not annualised)</b>                                    |                                 |                             |                                 |                           |                           |
| <b>Earnings per equity share (for continuing operations) [refer note 10]</b>         |                                 |                             |                                 |                           |                           |
| Basic and Diluted  | 9.03 *                          | 1.02 *                      | 1.71 *                          | 12.82                     | 4.42                      |
| <b>Earnings per equity share (for discontinued operations)</b>                       |                                 |                             |                                 |                           |                           |
| Basic and Diluted  | (7.46) *                        | (2.25) *                    | (1.34) *                        | (11.25)                   | (13.32)                   |
| <b>Earnings per equity share (for continuing and discontinued operations)</b>        |                                 |                             |                                 |                           |                           |
| Basic and Diluted  | 1.57 *                          | (1.23) *                    | 0.37 *                          | 1.57                      | (8.90)                    |

(Amounts in Rs. Lakhs unless otherwise stated)

| Particulars  | Quarter ended                   |                             |                                 | Year ended                |                           |
|--|---------------------------------|-----------------------------|---------------------------------|---------------------------|---------------------------|
|  | 31st March, 2019                | 31st December, 2018         | 31st March, 2018                | 31st March, 2019          | 31st March, 2018          |
|  | Audited<br>(Refer Note 2 and 5) | Unaudited<br>(Refer Note 5) | Audited<br>(Refer Note 2 and 5) | Audited<br>(Refer Note 5) | Audited<br>(Refer Note 5) |
| <b>Segment Revenue</b>   |                                 |                             |                                 |                           |                           |
| Wire and Wire Ropes  | 60,318                          | 58,634                      | 53,844                          | 2,36,472                  | 1,97,253                  |
| Others   | 2,348                           | 2,907                       | 3,308                           | 10,480                    | 12,714                    |
| <b>Revenue from Continuing operations</b>  | <b>62,666</b>                   | <b>61,541</b>               | <b>57,152</b>                   | <b>2,46,952</b>           | <b>2,09,967</b>           |
| Revenue from Discontinued operations (Refer note 5)  | 80,357                          | 1,02,343                    | 98,859                          | 3,94,200                  | 3,44,627                  |
| Less : Inter segment revenue from discontinued operations to continuing operations           | 26,603                          | 24,886                      | 24,766                          | 1,04,899                  | 79,640                    |
| <b>Revenue from Discontinued operations to external customers</b>                            | <b>53,754</b>                   | <b>77,457</b>               | <b>74,093</b>                   | <b>2,89,301</b>           | <b>2,64,987</b>           |
| <b>Total Revenue from Continuing and Discontinued operations</b>                             | <b>1,16,420</b>                 | <b>1,38,998</b>             | <b>1,31,245</b>                 | <b>5,36,253</b>           | <b>4,74,954</b>           |
| <b>Segment Results</b>   |                                 |                             |                                 |                           |                           |
| <b>Profit/ (Loss) for the period before tax and finance costs from Continuing operations</b> |                                 |                             |                                 |                           |                           |
| Wire and Wire Ropes  | 7,728                           | 7,380                       | 7,134                           | 28,120                    | 22,693                    |
| Others   | (802)                           | (170)                       | 276                             | (438)                     | 842                       |
| <b>Total</b>   | <b>6,926</b>                    | <b>7,210</b>                | <b>7,410</b>                    | <b>27,682</b>             | <b>23,535</b>             |
| Less:  |                                 |                             |                                 |                           |                           |
| Finance costs  | 3,269                           | 2,927                       | 2,550                           | 11,353                    | 9,248                     |
| Other Unallocable Expenditure (Net of Unallocable Income)                                    | (559)                           | 730                         | (213)                           | 158                       | 68                        |
| <b>Profit for the period before tax from Continuing operations</b>                           | <b>4,216</b>                    | <b>3,553</b>                | <b>5,073</b>                    | <b>16,171</b>             | <b>14,219</b>             |
| <b>Discontinued operations (Refer note 5)</b>  |                                 |                             |                                 |                           |                           |
| <b>Steel : Loss for the period from Discontinued operations before tax and finance costs</b> | <b>(10,536)</b>                 | <b>5,731</b>                | <b>7,914</b>                    | <b>14,744</b>             | <b>8,862</b>              |
| Less:  |                                 |                             |                                 |                           |                           |
| Finance costs  | 12,185                          | 12,586                      | 12,005                          | 49,015                    | 49,449                    |
| <b>Loss for the period before tax from Discontinued operations</b>                           | <b>(22,721)</b>                 | <b>(6,855)</b>              | <b>(4,091)</b>                  | <b>(34,271)</b>           | <b>(40,587)</b>           |
| <b>Total Profit/ (loss) before tax and share of Joint Venture</b>                            | <b>(18,505)</b>                 | <b>(3,302)</b>              | <b>982</b>                      | <b>(18,100)</b>           | <b>(26,368)</b>           |
| <b>Segments Assets</b>   |                                 |                             |                                 |                           |                           |
| Steel  | 4,28,418                        | 4,67,898                    | 5,29,327                        | 4,28,418                  | 5,29,327                  |
| Wire and Wire Ropes  | 1,99,220                        | 1,98,861                    | 1,98,029                        | 1,99,220                  | 1,98,029                  |
| Others   | 73,481                          | 47,800                      | 18,071                          | 73,481                    | 18,071                    |
| <b>Total Assets</b>  | <b>7,01,119</b>                 | <b>7,14,559</b>             | <b>7,45,427</b>                 | <b>7,01,119</b>           | <b>7,45,427</b>           |
| <b>Segments Liabilities</b>  |                                 |                             |                                 |                           |                           |
| Steel  | 1,96,690                        | 2,26,555                    | 2,04,921                        | 1,96,690                  | 2,04,921                  |
| Wire and Wire Ropes  | 35,964                          | 34,921                      | 37,795                          | 35,964                    | 37,795                    |
| Others   | 3,87,022                        | 3,76,836                    | 4,26,636                        | 3,87,022                  | 4,26,636                  |
| <b>Total Liabilities</b>   | <b>6,19,676</b>                 | <b>6,38,312</b>             | <b>6,69,352</b>                 | <b>6,19,676</b>           | <b>6,69,352</b>           |

**Note:**

The Group is organised into business units based on its products and services and has three reportable segments, as follows:

- Steel segment, which manufactures and sells steel wire rods, bars, blooms, bright bar, billets, pig iron and allied products.
- Wire and Wire Ropes segment which manufactures and sells steel wires, strands, wire ropes, cord, related accessories, etc.
- Others segment includes manufacturing and selling of wire drawing & allied machines, investment in Jelly Filled Telecommunication Cables and corporate office.



**Usha Martin Limited**
**Consolidated statement of assets and liabilities**

(Amounts in Rs. Lakhs unless otherwise stated)

| Particulars  | As at            | As at            |
|--|------------------|------------------|
|  | 31st March, 2019 | 31st March, 2018 |
|  | (Audited)        | (Audited)        |
| <b>ASSETS</b>  |                  |                  |
| <b>Non - current assets</b>  |                  |                  |
| (a) Property, plant and equipment  | 86,044           | 4,76,163         |
| (b) Capital work-in-progress   | 1,338            | 11,298           |
| (c) Investment property  | 741              | 734              |
| (d) Goodwill on consolidation  | 5,522            | 5,522            |
| (e) Other intangible assets  | 1,173            | 3,809            |
| (f) Equity accounted investments   | 4,216            | 3,850            |
| (g) Financial assets   |                  |                  |
| (i) Investments  | 5                | 5                |
| (ii) Loans   | 89               | 111              |
| (iii) Other financial assets   | 3,751            | 2,934            |
| (h) Advance income tax assets (net)  | 4,162            | 3,842            |
| (i) Deferred tax assets (net)  | 24,970           | 896              |
| (j) Other non-current assets   | 16,921           | 11,131           |
| <b>Total non-current assets</b>  | <b>1,48,932</b>  | <b>5,20,295</b>  |
| <b>Current assets</b>  |                  |                  |
| (a) Inventories  | 64,693           | 1,22,568         |
| (b) Financial assets   |                  |                  |
| (i) Trade receivables  | 32,545           | 67,137           |
| (ii) Cash and cash equivalents   | 4,553            | 4,973            |
| (iii) Other bank balances  | 2,766            | 1,243            |
| (iv) Loans   | 860              | 907              |
| (v) Other financial assets   | 10,806           | 12,620           |
| (c) Other current assets   | 4,939            | 10,950           |
|  | <b>1,21,162</b>  | <b>2,20,398</b>  |
| Assets held for sale   | 2,607            | 4,734            |
| <b>Total current assets</b>  | <b>1,23,769</b>  | <b>2,25,132</b>  |
| Assets of discontinued operations classified as held for sale (Refer Note 5)               | 4,28,418         | -                |
| <b>Total assets</b>  | <b>7,01,119</b>  | <b>7,45,427</b>  |
| <b>EQUITY AND LIABILITIES</b>  |                  |                  |
| <b>Equity</b>  |                  |                  |
| (a) Equity share capital   | 3,054            | 3,054            |
| (b) Other equity   | 75,147           | 69,652           |
| <b>Equity attributable to equity shareholder of the Company</b>                            | <b>78,201</b>    | <b>72,706</b>    |
| Non-controlling interest   | 3,242            | 3,369            |
| <b>Total Equity</b>  | <b>81,443</b>    | <b>76,075</b>    |
| <b>Liabilities</b>   |                  |                  |
| <b>Non - current liabilities</b>   |                  |                  |
| (a) Financial liabilities  |                  |                  |
| (i) Borrowings   | 2,30,597         | 2,75,265         |
| (b) Provisions   | 2,834            | 5,751            |
| (c) Government grants  | -                | 3,151            |
| (d) Deferred tax liabilities (net)   | 1,931            | 1,633            |
| (e) Other non-current Liabilities  | 1,675            | 1,592            |
| <b>Total non-current liabilities</b>   | <b>2,37,037</b>  | <b>2,87,392</b>  |
| <b>Current liabilities</b>   |                  |                  |
| (a) Financial liabilities  |                  |                  |
| (i) Borrowings   | 85,371           | 96,989           |
| (ii) Trade payables  |                  |                  |
| (A) Total outstanding dues of micro enterprises and small enterprises                      | 93               | 1,856            |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 32,360           | 1,94,556         |
| (iii) Other financial liabilities  | 55,535           | 53,116           |
| (b) Provisions   | 877              | 1,716            |
| (c) Current tax liabilities (net)  | 259              | 402              |
| (d) Other current liabilities  | 11,454           | 33,325           |
| <b>Total current liabilities</b>   | <b>1,85,949</b>  | <b>3,81,960</b>  |
| Liabilities of discontinued operations classified as held for sale (Refer Note 5)          | 1,96,690         | -                |
| <b>Total liabilities</b>   | <b>6,19,676</b>  | <b>6,69,352</b>  |
| <b>Total equity and liabilities</b>  | <b>7,01,119</b>  | <b>7,45,427</b>  |



**Notes:**

1. The above consolidated results of Usha Martin Limited ("the Company") and its nineteen subsidiaries (including ten step-down subsidiaries) and three joint ventures (including one step-down joint venture) for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 27, 2019.
2. These results have been prepared on the basis of the consolidated audited financial statements for the year ended March 31, 2019 and the consolidated interim financial results for the quarter and nine months period ended December 31, 2018, which are prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015. The figures of the last quarter are the balancing figures between audited figures for the full financial year and unaudited year to date figures up to the third quarter of the respective financial year which are subjected to limited review.
3. The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' with effect from April 1, 2018 using the modified retrospective method. The application of Ind AS 115 did not have any significant impact on retained earnings as at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on the recognition and measurement of revenue and related items in the financial results for the quarter and year ended March 31, 2019.
4. As per requirements of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015, and Indian Accounting Standard (Ind AS), revenue for the period upto June 30 2017, is grossed up for Central Excise Duty. Post the applicability of Goods and Service Tax (GST) with effect from July 01, 2017, Central Excise was also abolished from that date and revenue from operations is disclosed net of GST. As mandated by Ind AS 115 and Schedule III of Companies Act 2013, GST is not to be included as part of Revenue and hence revenue from operations for the year ended March 31, 2019 is not comparable with revenue from operations for the year ended March 31, 2018 presented in the results.
5. The Board of Directors and shareholders of the Company at their meeting held on September 22, 2018 and November 10, 2018 respectively, approved the sale and transfer of the Company's Steel Business and Plant and Machinery of the Bright Bar Business ("SBB Business") to Tata Steel Limited or its subsidiaries ("TSL") on a going concern basis under a slump sale arrangement. The SBB business includes a specialised steel alloy manufacturing plant, an operative iron ore mine, a coal mine under development, captive power plants and Plant and Machinery of Bright Bar Business. Accordingly, a Business Transfer Agreement ('BTA') was executed on September 22, 2018 between the Company and TSL. Subsequently, on October 22, 2018, the Company has entered into a novation agreement with TSL and Tata Sponge Iron Limited (the 'Purchaser'), a subsidiary of TSL whereby all rights and obligations of TSL under the terms of the BTA was assumed by the Purchaser. On April 7, 2019, the Company further entered into a supplemental agreement ('Supplemental BTA') with the Purchaser to record the amendment and substitution of certain provisions of the BTA. The transfer of SBB Business to the Purchaser was subject to the satisfaction of conditions precedent as stipulated in the BTA and Supplemental BTA and receipt of applicable permissions and consents from concerned regulators/authorities.

In the Consolidated Financial Statements, the net results of SBB business has been determined taking into consideration directly attributable and appropriately allocated income and expenditure including interest costs and has been disclosed separately as discontinued operation as required by Indian Accounting Standard (Ind AS) 105 Asset Held for Sale and Discontinued Operations and Schedule III to the Companies Act, 2013. Consequently, the Company's results for the periods presented pertains to its continuing operations only and for that purpose the results for the quarter and year ended March 31, 2018 had to be restated accordingly.

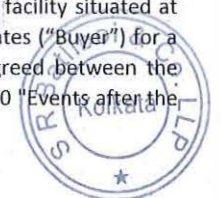
Assets and liabilities of SBB business covered by the BTA has been disclosed as held for sale and disclosed separately in the Standalone Statement of Assets and Liabilities as at March 31, 2019. As mandated by Ind AS 105, assets and liabilities has not been reclassified or re-presented for prior period i.e. year ended March 31, 2018.

In terms of the BTA, certain assets pertaining to SBB Business which are pass through in nature, which would be paid back to the Company as and when received by the Purchaser, hence shown as part of the continuing business.

On April 9, 2019 (closing date), the Company has completed the sale of its steel business to the Purchaser (except for transfer of an operative iron ore mine, coal mine under development and some of the assets which would be transferred subsequently subject to fulfilment of certain conditions precedent contained in the BTA and supplemental BTA). Cash consideration of Rs 346,863 lakhs [after adjustments for provisional negative working capital (NWC) of Rs 43,093 lakhs on the closing date and holdbacks of Rs 64,000 lakhs pending transfers of some of the assets including mines and certain land parcels] was discharged by the Purchaser in the Escrow accounts. The Company has utilised the above cash consideration to prepay the borrowings of various lenders. Certain adjustments to current assets and liabilities (NWC) as required by the terms of BTA would be quantifiable at the time of transfer of the entire SBB business and hence will be accounted for at the time of such transfer.

The closing date being subsequent to the balance sheet date, no gain/loss with respect to sale of steel business has been recognised in the Statement of Profit and Loss for the year ended March 31, 2019. Subject to final working capital adjustments, total assets and liabilities of SBB business is Rs 428,796 lakhs and Rs 196,690 lakhs respectively as at March 31, 2019.

The Board of Directors of the Company had in their meeting held on April 8, 2019 approved sale of Wire Mill facility situated at Jamshedpur on a going concern basis to the Purchaser or to its parent company or its subsidiaries or its associates ("Buyer") for a consideration not exceeding Rs 1,000 lakhs and at such other terms and conditions as may be mutually agreed between the Company and Buyer. The proposed sale of wire mill has been considered as non-adjusting event as per Ind AS 10 "Events after the Reporting Period".



**Notes:**

7. The details of discontinued operations are as follows:

(Amounts in Rs. Lakhs unless otherwise stated)

| Particulars                                 | Quarter ended       |                        |                     | Year ended          |                     |
|---|---------------------|------------------------|---------------------|---------------------|---------------------|
|   | 31st March,<br>2019 | 31st December,<br>2018 | 31st March,<br>2018 | 31st March,<br>2019 | 31st March,<br>2018 |
|   | Audited             | Unaudited              | Audited             | Audited             | Audited             |
| Total income                                | 85,649              | 1,02,764               | 99,817              | 4,00,911            | 3,48,171            |
| Total expense                               | 1,08,370            | 1,09,619               | 1,03,908            | 4,35,182            | 3,88,758            |
| Loss before tax from discontinued operation | (22,721)            | (6,855)                | (4,091)             | (34,271)            | (40,587)            |

8. Pursuant to the Hon'ble Supreme Court order dated September 24, 2014 followed by promulgation of the Coal Mines (Special Provision) Act, 2015 (CMSP Act), the allocation of Lohari and Kathautia coal blocks was cancelled with effect from September 24, 2014 and April 1, 2015 respectively. Consequently, the Company is carrying an amount of Rs.14,199 lakhs (net of discounting impact of Rs 990 lakhs) as Assets held for sale/Advance against land, which consists of assets in the form of land, movable and immovable properties, advances etc. During the year, the Company has filed an application before Hon'ble Delhi High Court for refund of Rs 10,545 lakhs deposited with State of Jharkhand towards acquisition of land which was subsequently de-notified. Based on regular follow-up with the concerned Government authorities, negotiations with the Company to whom the aforesaid Coal Block was subsequently allotted, related judicial ruling, other recourses available to the Company and the advice of the Company's Legal Counsel, management expects to realize at least the carrying values of the aforesaid assets in the near future. The Statutory auditors of the Company have drawn an Emphasis of Matter in their audit report in this regard.
9. During the year, UM Cables Limited (a subsidiary of Company) has sold block of assets lying under capital-work-in-progress aggregating Rs 10,362 lakhs to Tata Sponge Iron Limited (TSIL) for a consideration of Rs 7,500 lakhs pursuant to agreement dated September 22, 2018. On March 25, 2019, UM Cables has received the sale consideration and utilised this proceed to prepay long-term borrowings.
10. Till previous year ended March 31, 2018, the Company was recognising deferred tax assets (DTA) arising on unabsorbed depreciation and brought forward business losses to the extent of aggregate deferred tax liabilities only and balance were not recognised in view of prudence and uncertainty of recovery of such assets against future taxable income. Pursuant to sale of SBB business during the year, the Company has recognised net DTA of Rs 23,846 lakhs as part of continuing business. Management believes that it is probable that such DTA can be utilised against long-term capital gain arising from sale of SBB business and balance against future taxable income arising from the continuing business. The earnings per share of continuing operations for the quarter and year ended 31st March, 2019 are hence not comparable with the earnings per share of the previous periods reported.
11. During the quarter ended March 31, 2019, the Company has received demand letter from Adityapur Industrial Area Development Authority (AIADA) for Rs 3,091 lakhs in relation to 92.14 acres of leased land on account of past merger purportedly under Regulation 24(i) of the Jharkhand Industrial Area Development Authority Regulations, 2016 ("JIADA Regulations") and Rs 5,550 lakhs in relation to 207.12 acres of freehold land on account of charges for past merger purportedly under JIADA regulations, outstanding land rent, land levy and processing fees on account of name change. The Company intends to pursue this matter for refund of the amount paid before appropriate authorities. The Company has paid the above amount under protest and without prejudice to Company's rights and contentions, including the right to refund of the same. Management believes that the final outcome in this matter will be in favour of the Company which is duly supported by a legal opinion obtained and accordingly no adjustment are considered necessary in the financial results.
12. Other income from continuing operations for the year ended March 31, 2019 includes liabilities no longer required written back of Rs 367 lakhs (Year ended March 31, 2018 from continuing operations includes Rs 3,417 lakhs on account of profit on sale of assets, Rs 1,063 lakhs towards liabilities no longer required written back).
13. Previous period figures have been regrouped / rearranged wherever necessary, to conform to current period presentation.

Place : Kolkata  
Dated : May 27, 2019

  
Rajeev Jhawar  
Managing Director

