



usha martin®

Usha Martin Limited

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Website:www.ushamartin.com

Date: 12th August 2024

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

The Manager
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra
Mumbai – 400 051
[Symbol: USHAMART]

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

Dear Sir / Madam,

Sub: Earnings Presentation- Q1 FY25

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed an Earnings Presentation on the Un-audited Financial Results of the Company for the quarter ended 30th June 2024.

The presentation is also being made available on the website of the Company i.e. www.ushamartin.com

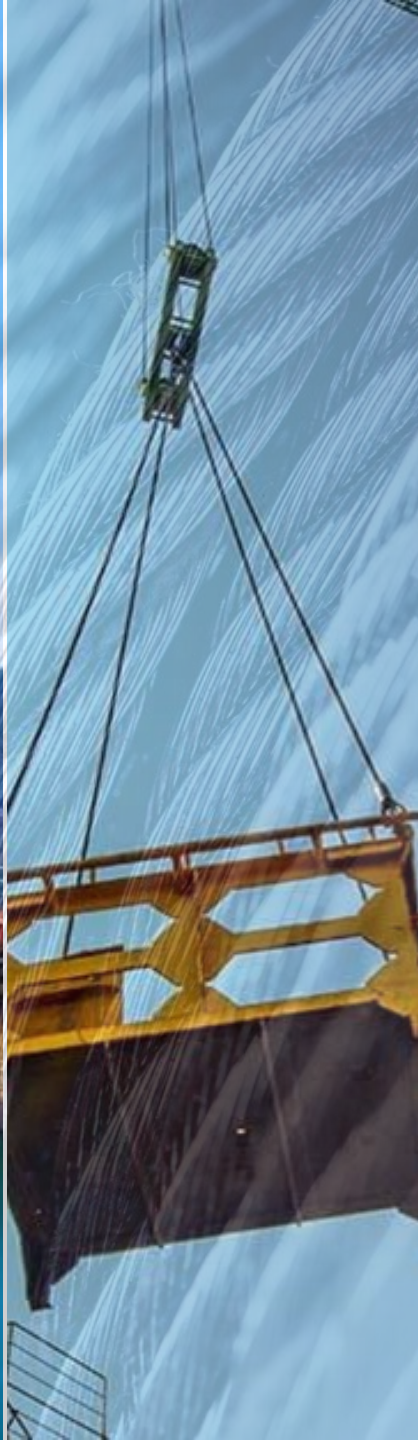
This is for your information and record.

Thanking you.

Yours faithfully,
For Usha Martin Limited

Abhijit Paul
Chief Financial Officer

Encl: as above



 **usha martin**[®]

*Specialty Wire Rope
Solutions Provider*

**Q1 FY25
Earnings Presentation**

August 12, 2024

Disclaimer

This presentation and the accompanying slides (the "Presentation"), which have been prepared by Usha Martin Ltd. (the "Company"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this presentation may contains certain forward looking statements concerning the Company's future business prospects and business profitability. Such forward-looking statements are not guarantees of future performance and are subject to a number of risks and uncertainties that are difficult to predict. These risks and uncertainties include, but are not limited to, the Company's ability to manage growth, the fluctuations in earnings, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, the Company's ability to manage its international operations, Government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

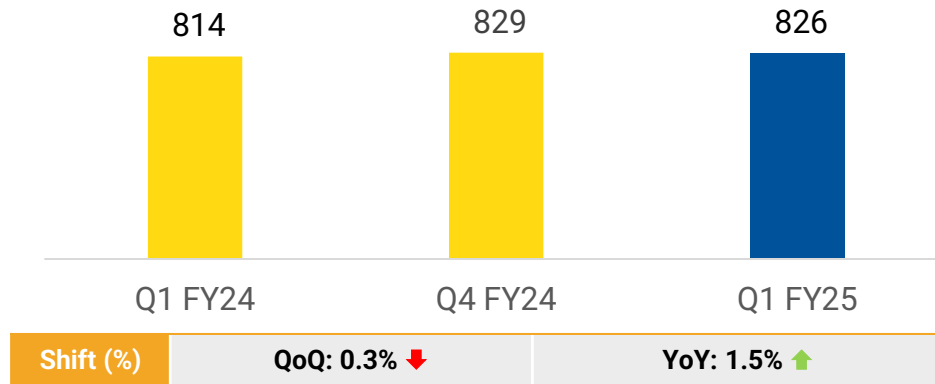


Q1 FY25 Results Overview

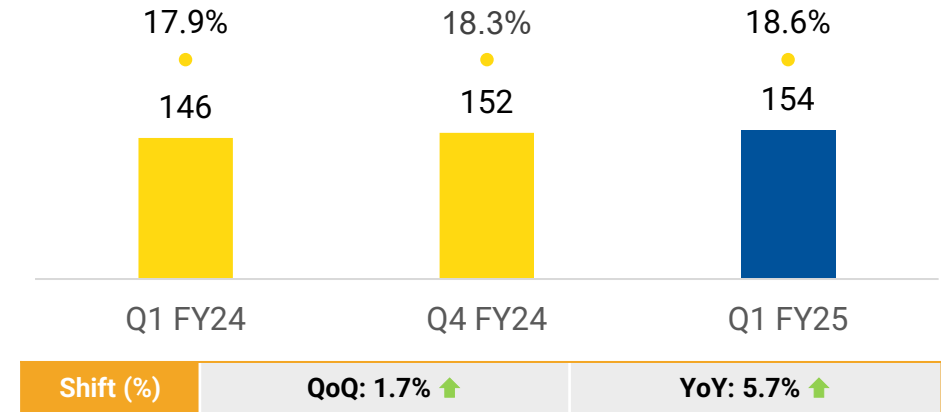
Key financial highlights – Consolidated Q1 FY25

In Rs. crore

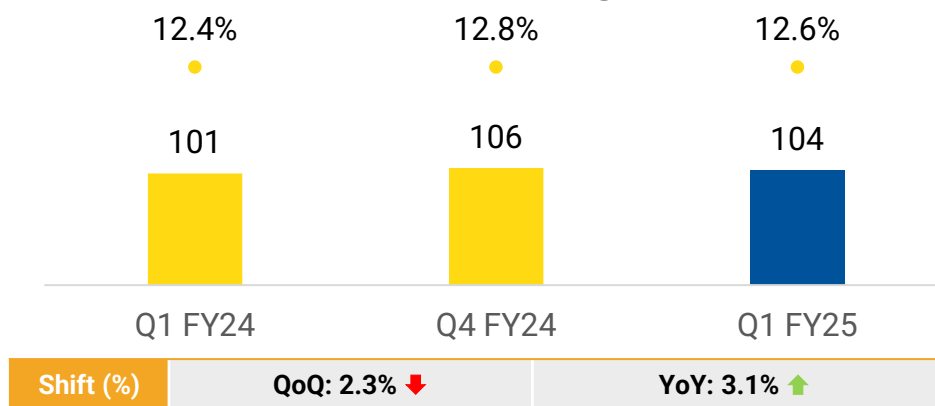
Net Revenue from operations



Operating EBITDA & Margins



PAT & Margins



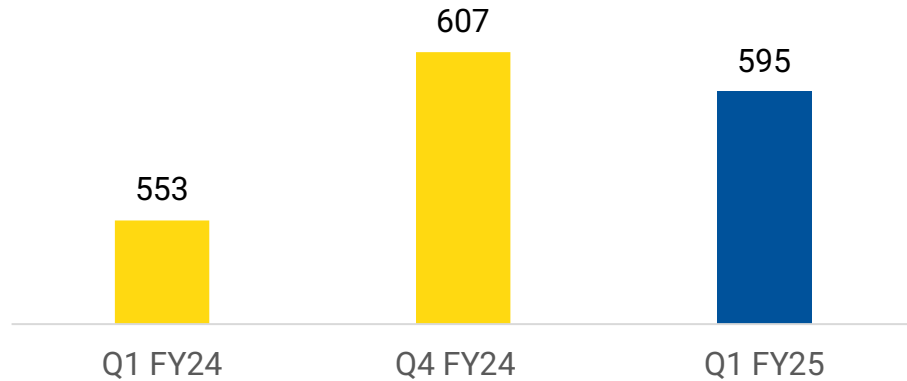
- Revenue from operations increased by 1.5% Y-o-Y to Rs. 826.4 crore in Q1 FY25
 - Steady performance registered in the core Wire Rope (7.5% YoY growth) and Wire & Strand (8.9% YoY growth) segments supported overall revenues, despite a 24.1% decline in the LRPC segment YoY
- Operating EBITDA increased by 5.7% Y-o-Y to Rs. 154.0 crore in Q1 FY25
 - EBITDA margin improved to 18.6% driven by an enhanced product mix
- Capitalization of new facilities led to higher depreciation; ramp-up in coming quarters is expected to better absorb these costs

Note 1: All figures mentioned in the slide are consolidated financials

Note 2: Operating EBITDA & EBITDA Margins calculated without other income

Revenue breakdown by segment

Wire Rope

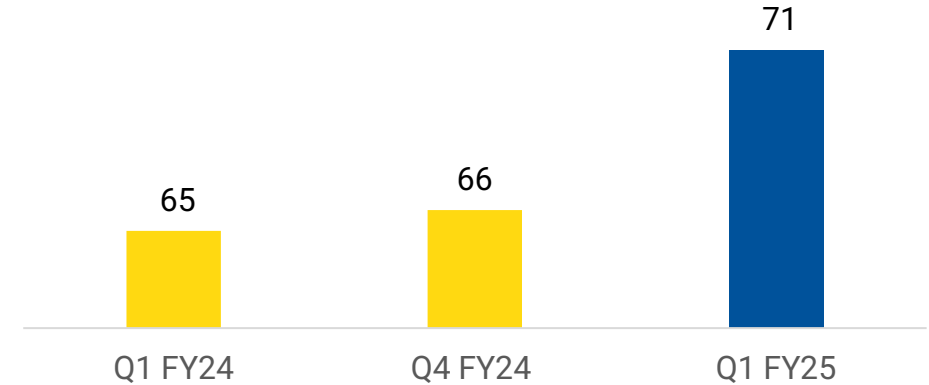


Shift (%)

QoQ: 2.1% ↓

YoY: 7.5% ↑

Wire & Strand

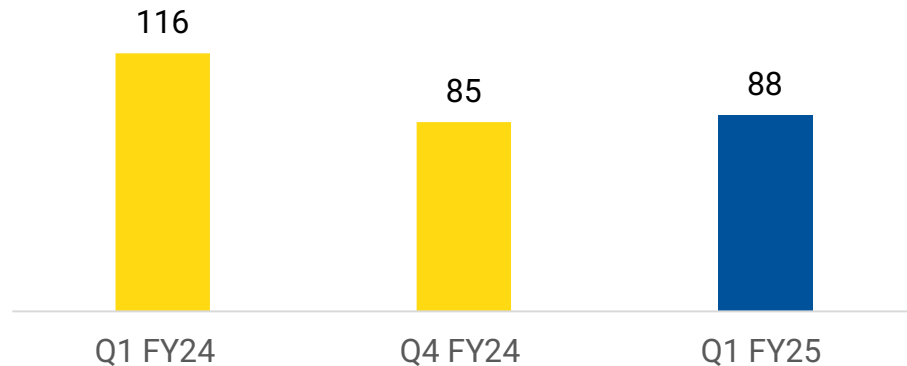


Shift (%)

QoQ: 7.8% ↑

YoY: 8.9% ↑

LRPC



Shift (%)

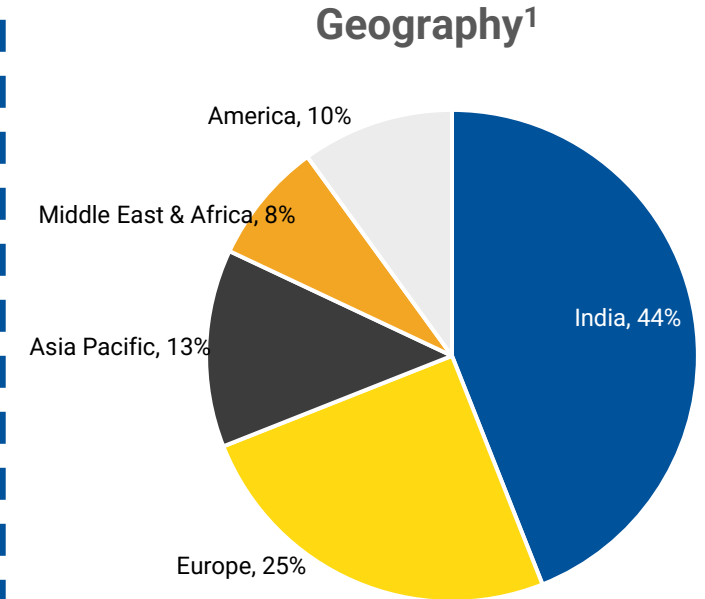
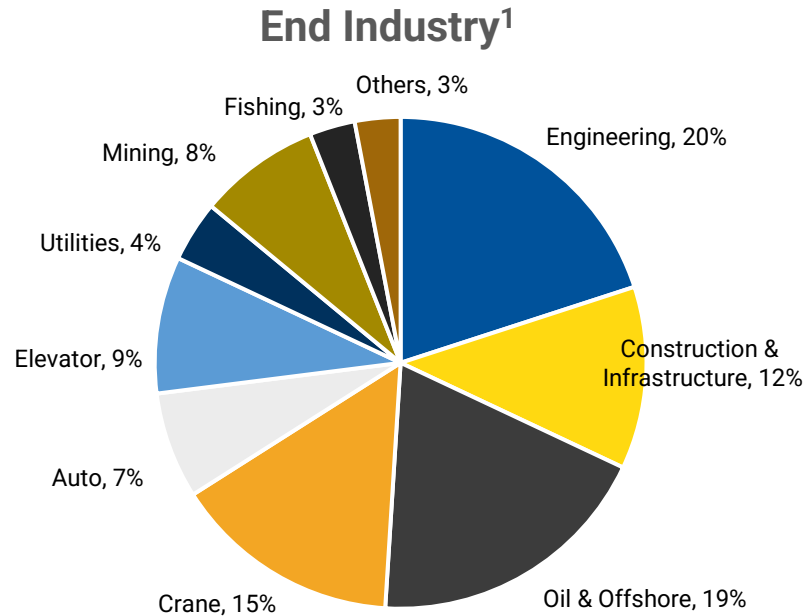
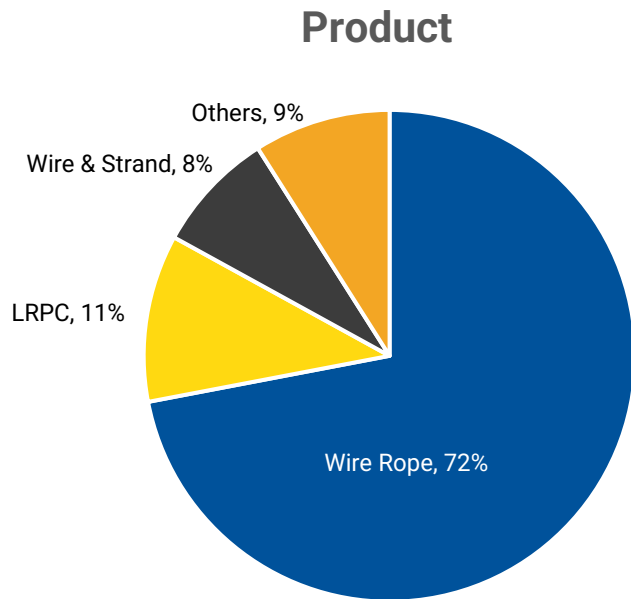
QoQ: 3.5% ↑

YoY: 24.1% ↓

- Core Wire-Rope segment revenues increased by 7.5% Y-o-Y in Q1 FY25
- Wire & Strand segment revenues registered an 8.9% Y-o-Y increase while LRPC segment registered a 24.1% Y-o-Y decline
- Segment wise % of overall sales Q1 FY25:
 - Wire Rope – 72% (FY24: 71%)
 - Wire & Strand – 8% (FY24: 8%)
 - LRPC – 11% (FY24: 12%)

Diversified presence across geographies and segments

Revenue Segmentation for Q1FY25



- Wire rope segments contribution to overall revenues increased to 72% in Q1 FY25 vs. 71% in FY24
 - Within Wire rope, the value-added segments (crane, oil & offshore, elevator, mining, fishing) share rose to 72% in Q1FY25 from 71% in FY24
- Share of International business stood at 56% in Q1 FY25 vs 55% in FY24

Note 1: For all product segments

Note 2: All figures mentioned in the slide are consolidated financials

Profitability indicators remain strong



ROCE (%)



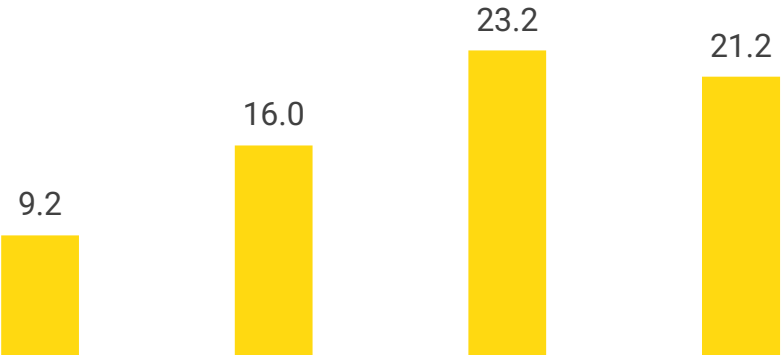
FY22 FY23 FY24 Jun'24*

ROE (%)



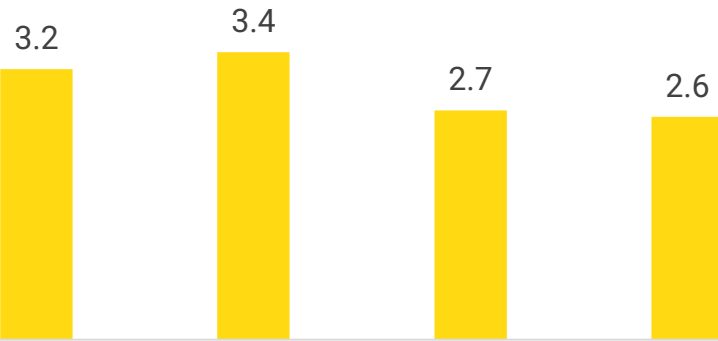
FY22 FY23 FY24 Jun'24*

Interest Coverage (x)



FY22 FY23 FY24 Jun'24

Fixed Asset Turnover (x)



FY22 FY23 FY24 Jun'24^

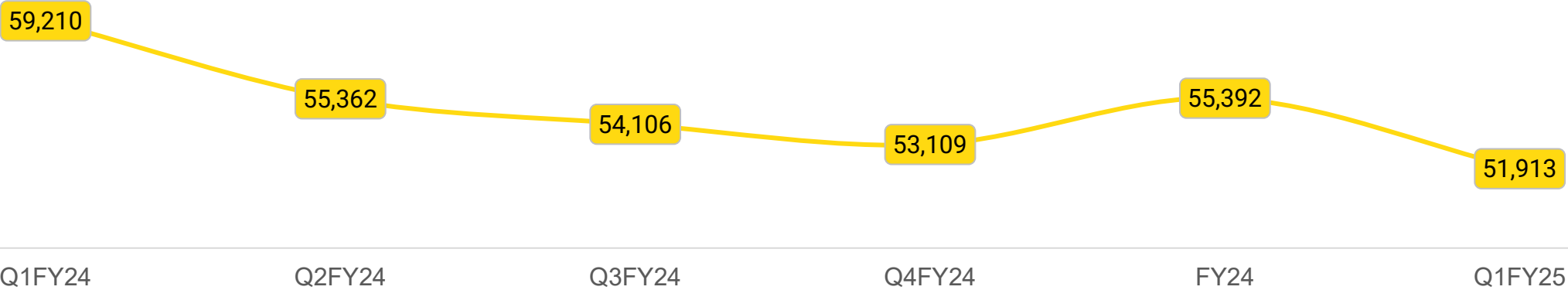
Note 1: All figures mentioned in the slide are consolidated financials

^ LTM
* Annualized

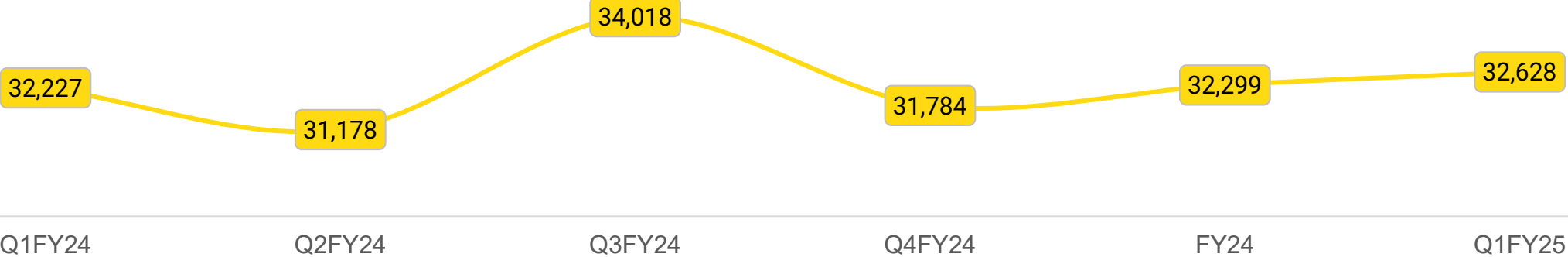
Successfully managing raw-material volatility



Steel Price (Rs. per tonne)



EBITDA/tonne² (Rs.)

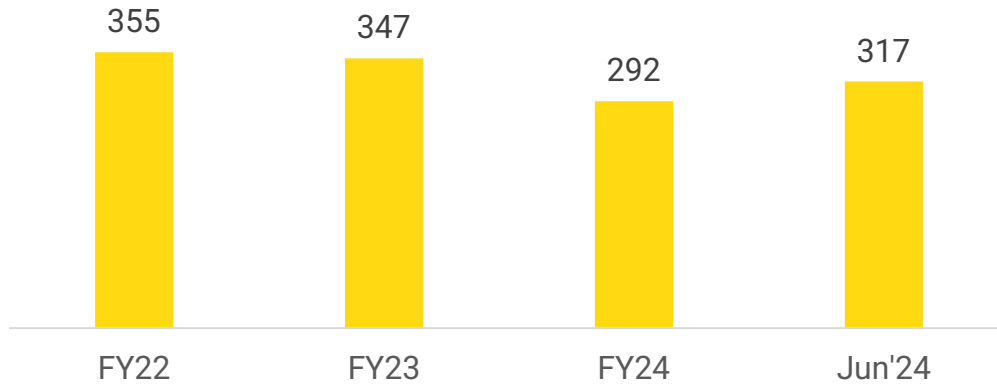


Note 1: All figures mentioned in the slide are consolidated financials
Note 2: EBITDA calculated without other income & excluding UM Cables

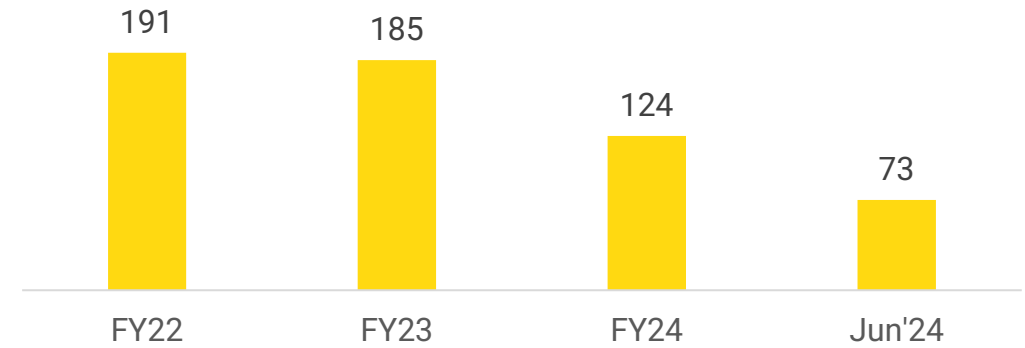
Balance sheet remains significantly de-risked

In Rs. crore

Gross Debt



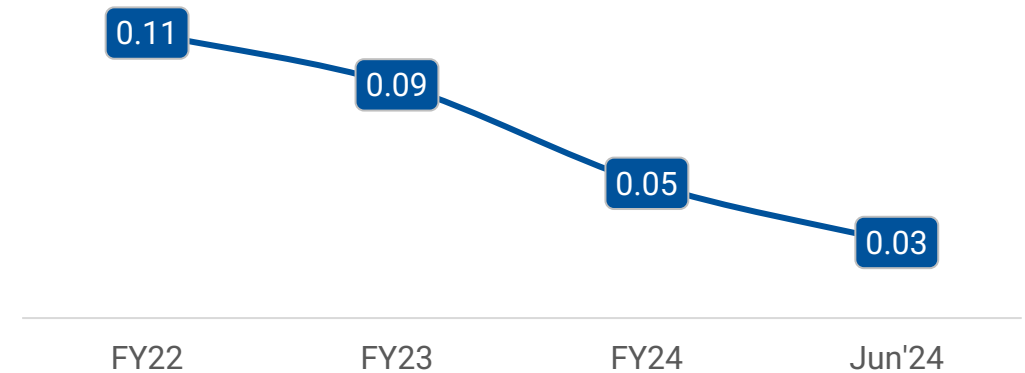
Net Debt



Gross Debt to Equity (x)

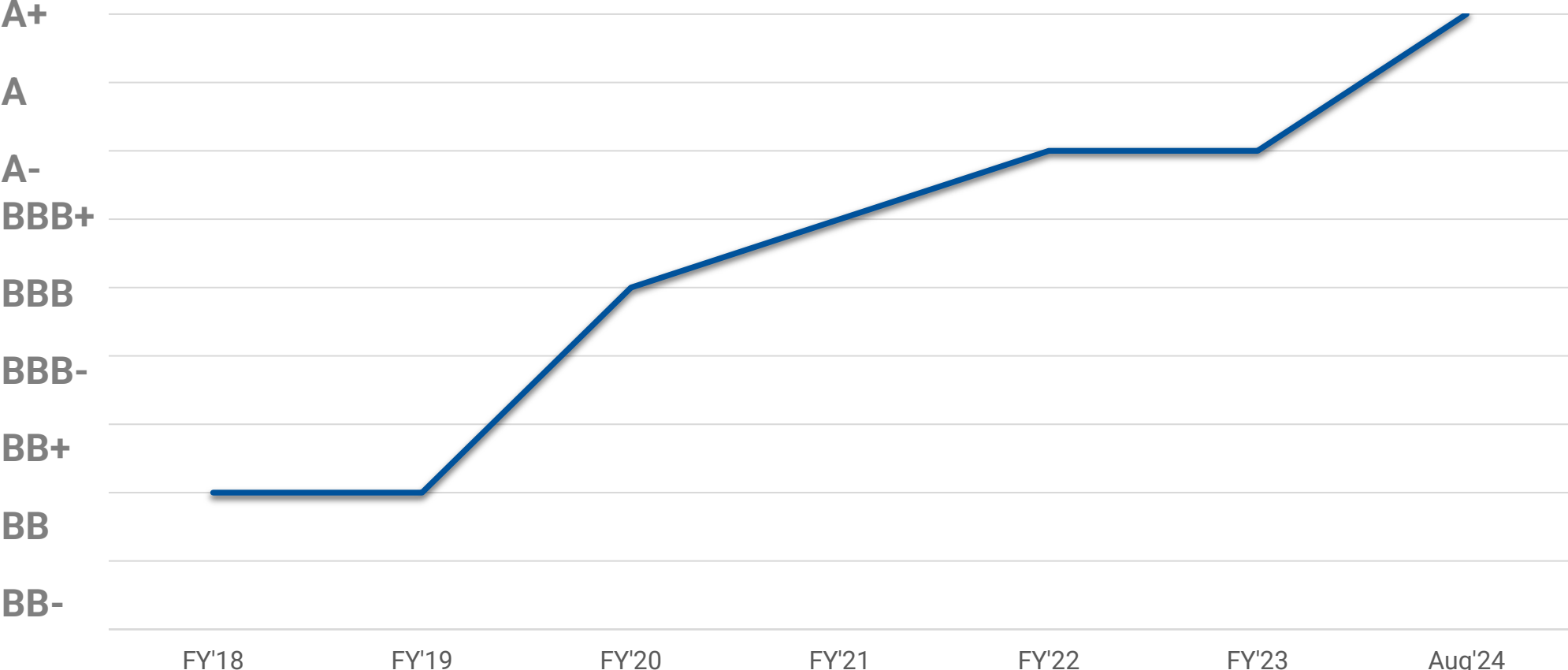


Net Debt to Equity (x)



Note 1: All figures mentioned in the slide are consolidated financials

Long term issuer rating upgraded to 'IND A+' / Outlook : Stable



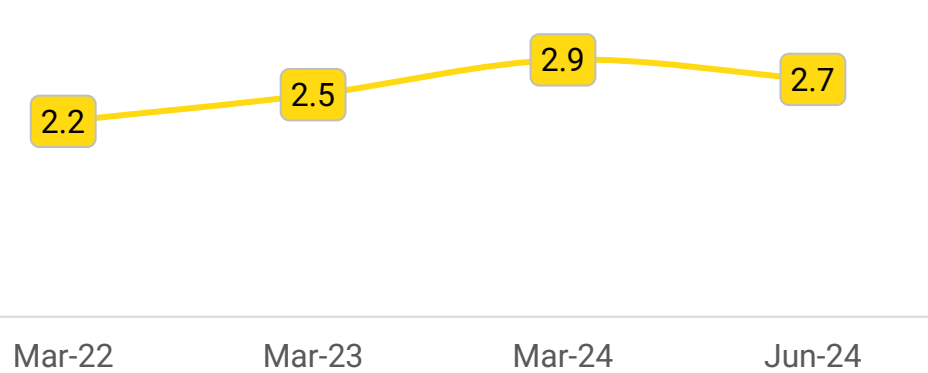
India Ratings & Research
A Fitch Group Company

- India Ratings and Research Pvt. Ltd. has upgraded Usha Martin Ltd.'s long-term issuer rating from 'IND A/Positive' to 'IND A+/Stable'
- The agency has also upgraded the Company's short-term credit facilities rating from 'IND A1' to 'IND A1+'

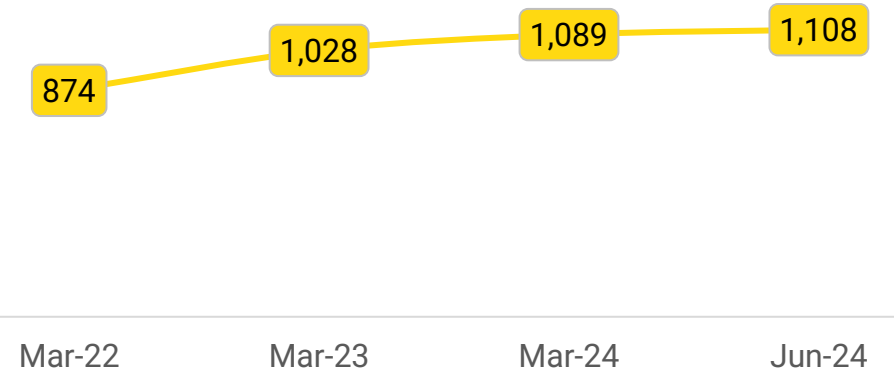
Current Rating	A+
Outlook	Stable
Last Review	Aug'24

Net working capital to turnover remains steady

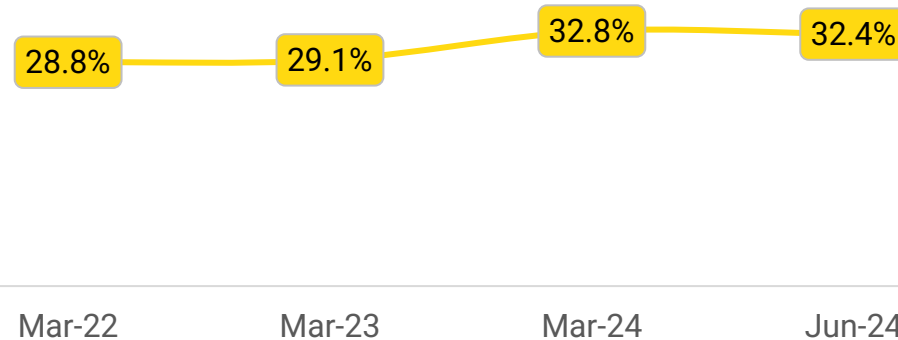
Current Ratio (x)



Net Working Capital (Rs. Crore)



Net Working Capital to Turnover (LTM, %)



Note 1: All figures mentioned in the slide are consolidated financials

Strategic near-term growth drivers

International Demand Drivers



- Key markets including South America, Middle-East and ASEAN region to strengthen performance
- OEM approvals and successful project references to drive performance in U.S. and Europe
- Opportunities in the oil & offshore sectors, including wind energy growing due to emphasis on energy security globally
- Launch of synthetic slings product in FY24-25, marking our first foray into the synthetics space

Domestic Demand Drivers



- Strong dealer network across India with healthy order booking continue to drive growth
- Domestic market potential strengthened by infrastructure initiatives, including bridges, ropeways, and high-speed railways
- Major projects such as Parvatmala Pariyojana are anticipated to drive demand over next few years
- Growing demand for elevator ropes, a key value-added product, is driven by the increase in high-rise constructions and urban expansion in tier-2 and tier-3 cities



Mr. Rajeev Jhavar
Managing Director

Commenting on the performance Mr. Rajeev Jhavar, Managing Director said:

“In the backdrop of challenging macroeconomic conditions, Usha Martin commenced FY25 on a positive note, reporting revenues of ~Rs. 826 crore and achieving an operating EBITDA margin of 18.6%. Our core wire ropes division continued to perform well, contributing 72% to our overall consolidated revenues.

During this quarter our primary focus was on ramping up the newly established lines for our value-added products. As we enhance utilization levels, we anticipate a stronger performance in the second half of the year.

In the face of global headwinds, our strategy in our international operations remains to enhance our reach and capture market share by delivering world-class quality products and services. Our integration of international businesses with Indian operations continues to drive growth synergies, further strengthening our position. Domestically, with infrastructure projects such as bridges, ropeways, and high-speed railways, along with the expansion in tier-2 and tier-3 cities, we are optimistic about the potential of the domestic market as well. Overall, the business pipeline remains promising in both overseas and Indian markets, particularly for our high-end specialty offerings.

Looking ahead, our focus remains on value-driven volume expansion to enhance our operational and financial performance. We anticipate maintaining the development momentum as we build on progress from multiple growth initiatives. With world-class capabilities and inherent strengths Usha Martin has developed over six decades, we believe we are well-positioned to create sustainable value for all stakeholders.”



Annexure

Abridged Consolidated P&L Statement

In Rs. crore

	Q1 FY25	Q1 FY24	Y-o-Y Change (%)	Q4 FY24	Q-o-Q Change (%)
Revenue from Operations	826.4	814.4	1.5%	829.0	-0.3%
Operating EBITDA	154.0	145.7	5.7%	151.5	1.7%
Operating EBITDA Margin (%)	18.6%	17.9%	0.8 pps	18.3%	0.4 pps
Operating EBITDA / ton^ (Rs.)	32,628	32,227	1.2%	31,784	2.7%
Other Income	5.0	3.6	38.3%	9.5	-47.5%
EBITDA	159.0	149.3	6.5%	161.0	-1.2%
EBITDA Margin (%)	19.2%	18.3%	0.9 pps	19.4%	-0.2 pps
Depreciation	21.7	17.6	23.3%	22.5	-3.5%
Finance Costs	6.7	5.5	20.8%	6.7	0.2%
Share of profit(-) /loss(+) of joint ventures	-4.1	-3.0	-37.7%	-4.5	9.9%
PBT	134.7	129.1	4.3%	136.4	-1.2%
PBT Margin (%)	16.3%	15.9%	0.4 pps	16.4%	-0.1 pps
Tax	30.9	28.3	8.9%	30.0	2.8%
PAT	103.8	100.8	3.1%	106.3	-2.3%
PAT Margin (%)	12.6%	12.4%	0.2 pps	12.8%	-0.3 pps
Basic EPS (in INR)	3.42*	3.31*	3.1%	3.49*	-2.3%

^ Excluding UM Cables

*EPS is not annualized

Abridged Standalone P&L Statement

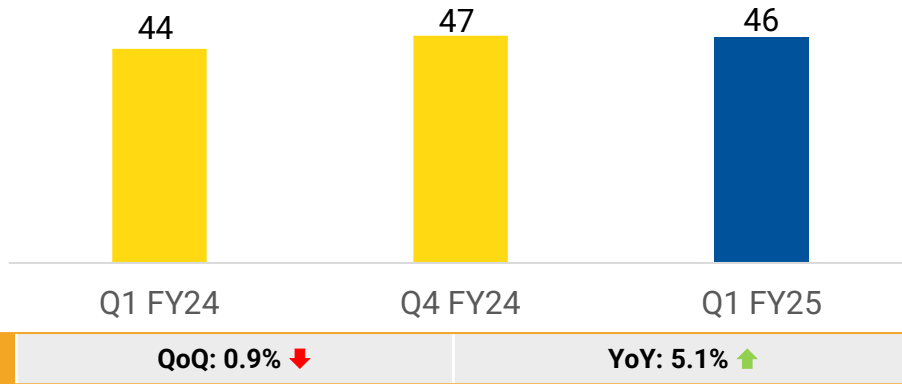
In Rs. crore

	Q1 FY25	Q1 FY24	Y-o-Y Change (%)	Q4 FY24	Q-o-Q Change (%)
Revenue from Operations	514.1	500.6	2.7%	515.1	-0.2%
Operating EBITDA	101.4	91.1	11.3%	97.0	4.6%
<i>Operating EBITDA Margin (%)</i>	<i>19.7%</i>	<i>18.2%</i>	<i>1.5 pps</i>	<i>18.8%</i>	<i>0.9 pps</i>
Operating EBITDA / ton (Rs.)	24,792	24,084	2.9%	24,513	1.1%
Other Income	3.0	17.3	-82.5%	8.4	-64.2%
EBITDA	104.4	108.4	-3.7%	105.4	-0.9%
<i>EBITDA Margin (%)</i>	<i>20.3%</i>	<i>21.7%</i>	<i>-1.3 pps</i>	<i>20.5%</i>	<i>-0.1 pps</i>
Depreciation	10.4	7.0	49.6%	10.8	-3.3%
Finance Costs	2.1	1.2	71.5%	2.2	-4.1%
PBT	91.9	100.2	-8.3%	92.4	-0.6%
<i>PBT Margin (%)</i>	<i>17.9%</i>	<i>20.0%</i>	<i>-2.1 pps</i>	<i>17.9%</i>	<i>-0.1 pps</i>
Tax	23.1	21.8	5.7%	21.3	8.3%
PAT	68.9	78.4	-12.2%	71.1	-3.2%
<i>PAT Margin (%)</i>	<i>13.4%</i>	<i>15.7%</i>	<i>-2.3 pps</i>	<i>13.8%</i>	<i>-0.4 pps</i>
Basic EPS (in Rs.)	2.23*	2.57*	-13.3%	2.33*	-4.4%

*EPS is not annualized

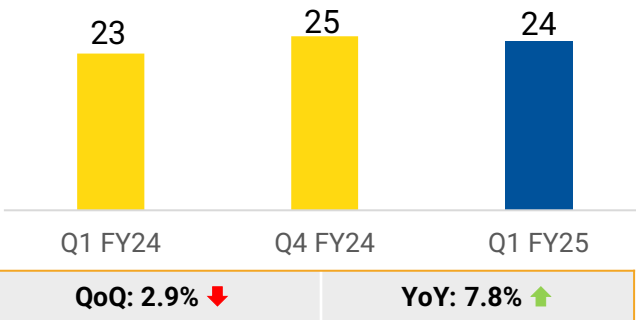
Key operational highlights – Consolidated Q1FY25

Sales Volumes¹ ('000 MT)

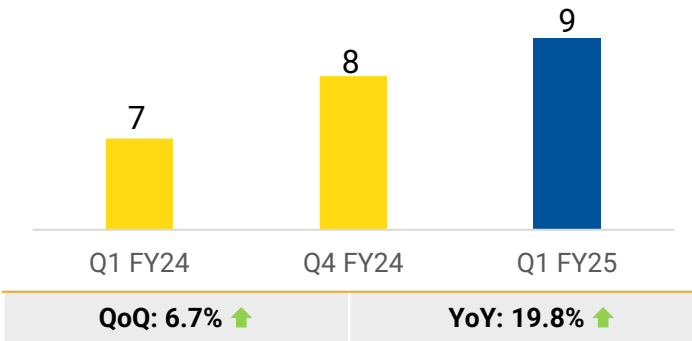


- Increase in overall volumes YoY, primarily due to an increase in Wire Rope and Wire & Strand volumes
- Segment wise contribution to overall volumes Q1 FY25:
 - Wire Rope – 53% (FY24: 52%)
 - Wire & Strand – 19% (FY24: 18%)
 - LRPC – 28% (FY24: 30%)

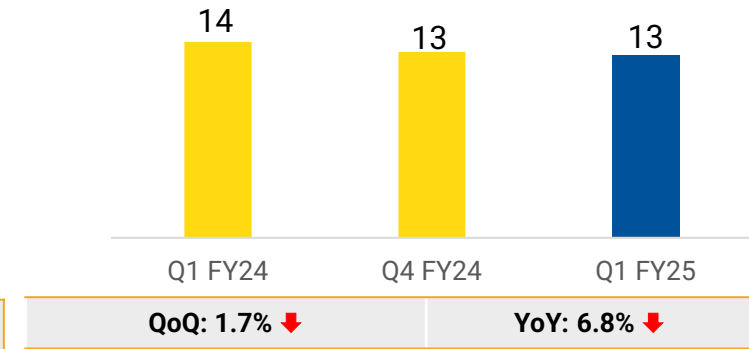
Wire Rope Sales Volumes ('000 MT)



Wire & Strand Sales Volumes ('000 MT)



LRPC Sales Volumes ('000 MT)

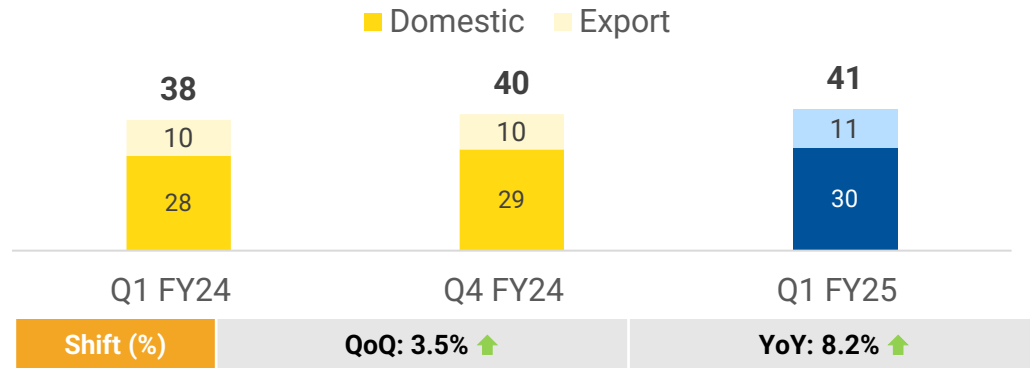


Note 1: For all product segments

Note 2: All figures mentioned in the slide are consolidated volumes

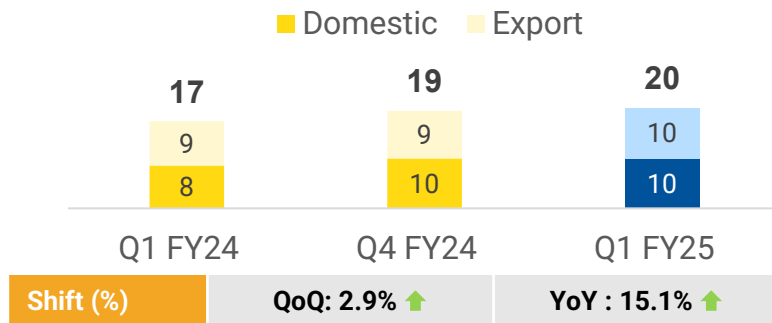
Key operational highlights – Standalone Q1 FY25

Sales Volumes¹ ('000 MT)

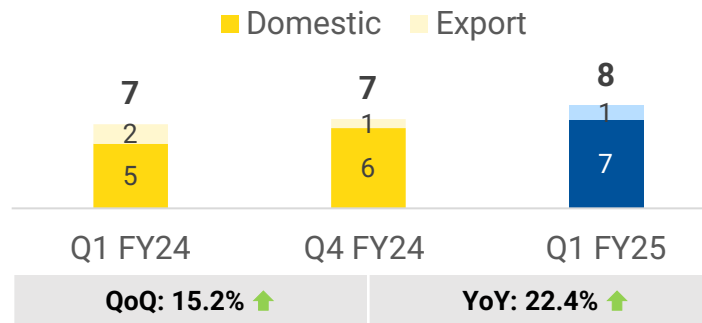


- Increase in overall volumes YoY, primarily due to an increase in Wire Rope and Wire & Strand volumes
- Segment wise contribution to overall volumes Q1 FY25:
 - Wire Rope – 48% (FY24: 47%)
 - Wire & Strand – 20% (FY24: 18%)
 - LRPC – 32% (FY24: 35%)

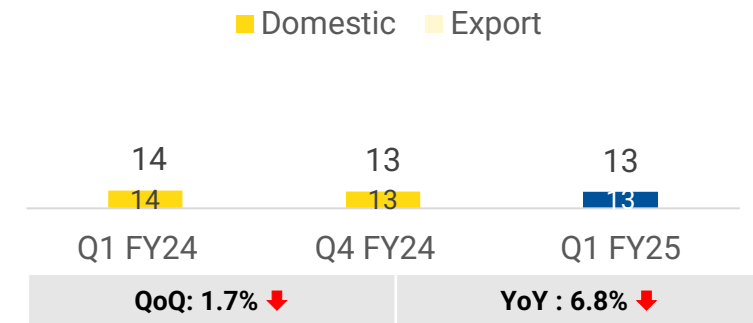
Wire Rope Sales Volumes ('000 MT)



Wire & Strand Sales Volumes ('000 MT)



LRPC Sales Volumes ('000 MT)



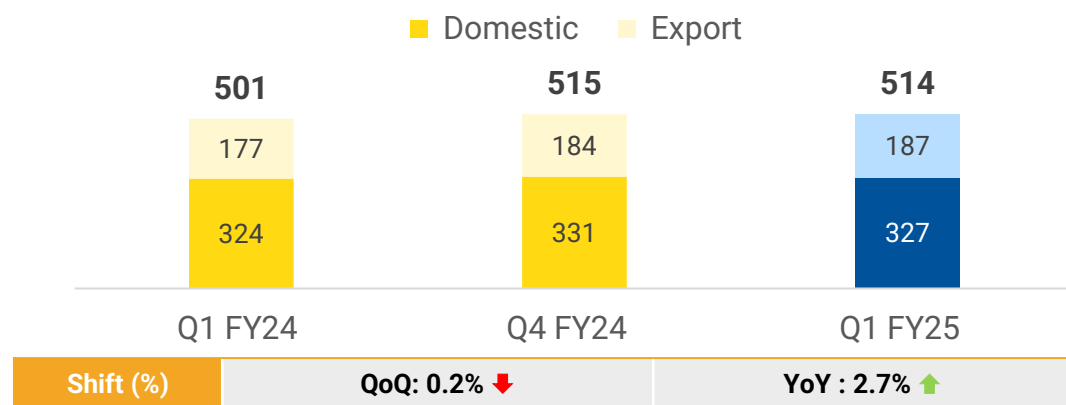
Note 1: For all product segments

Note 2: All figures mentioned in the slide are standalone volumes

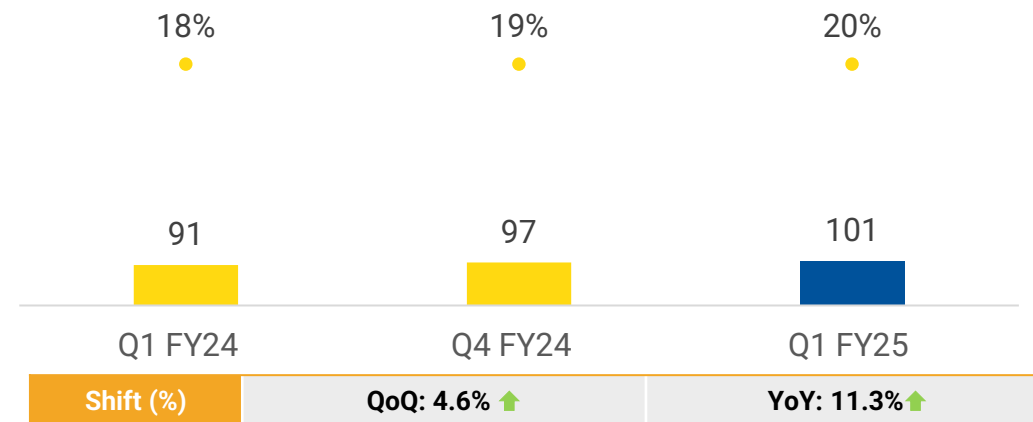
Key financial highlights – Standalone Q1 FY25

In Rs. crore

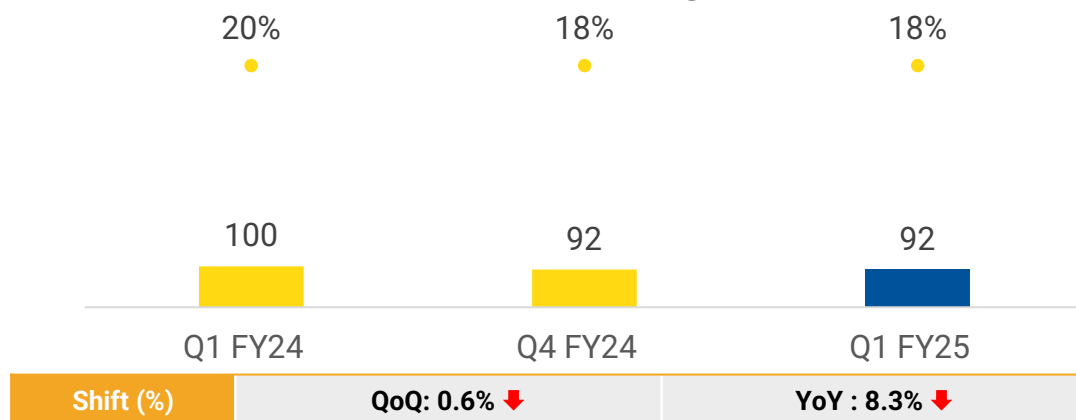
Net Revenue from operations



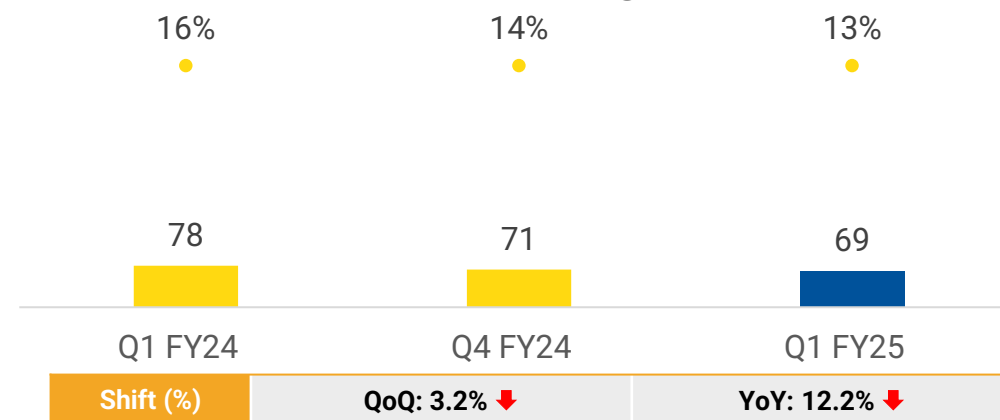
Operating EBITDA



PBT



PAT



Note 1: All figures mentioned in the slide are standalone financials

Note 2: Operating EBITDA & EBITDA Margins calculated without other income

Note 3: PBT includes dividend income of Rs 13.2 cr in Q1FY24

Globally recognized certifications and licenses



ISO 45001: 2018
Occupational Health & Safety



ISO 14001: 2015
Environmental management systems



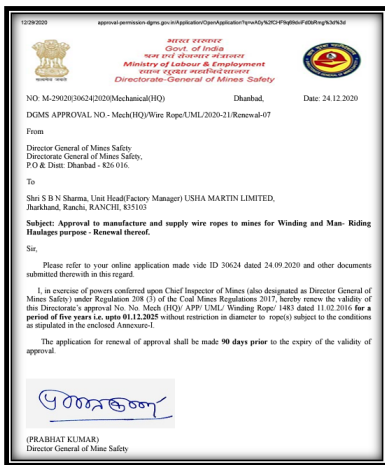
Certificate of Authority issued by
American petroleum institute



ISO 9001: 2015
Quality Management Systems



DGMS
Approval



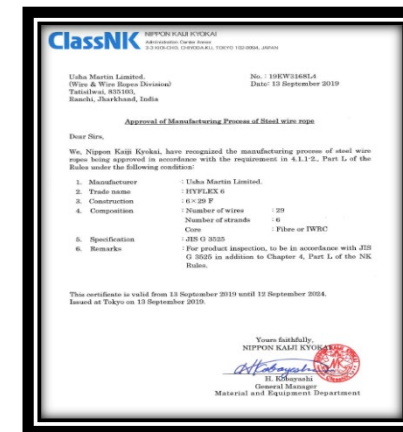
Manufacturing
Assessment issued by ABS



NABL Testing



Japan - Approval of
Manufacturing Process of
Steel Wire Rope



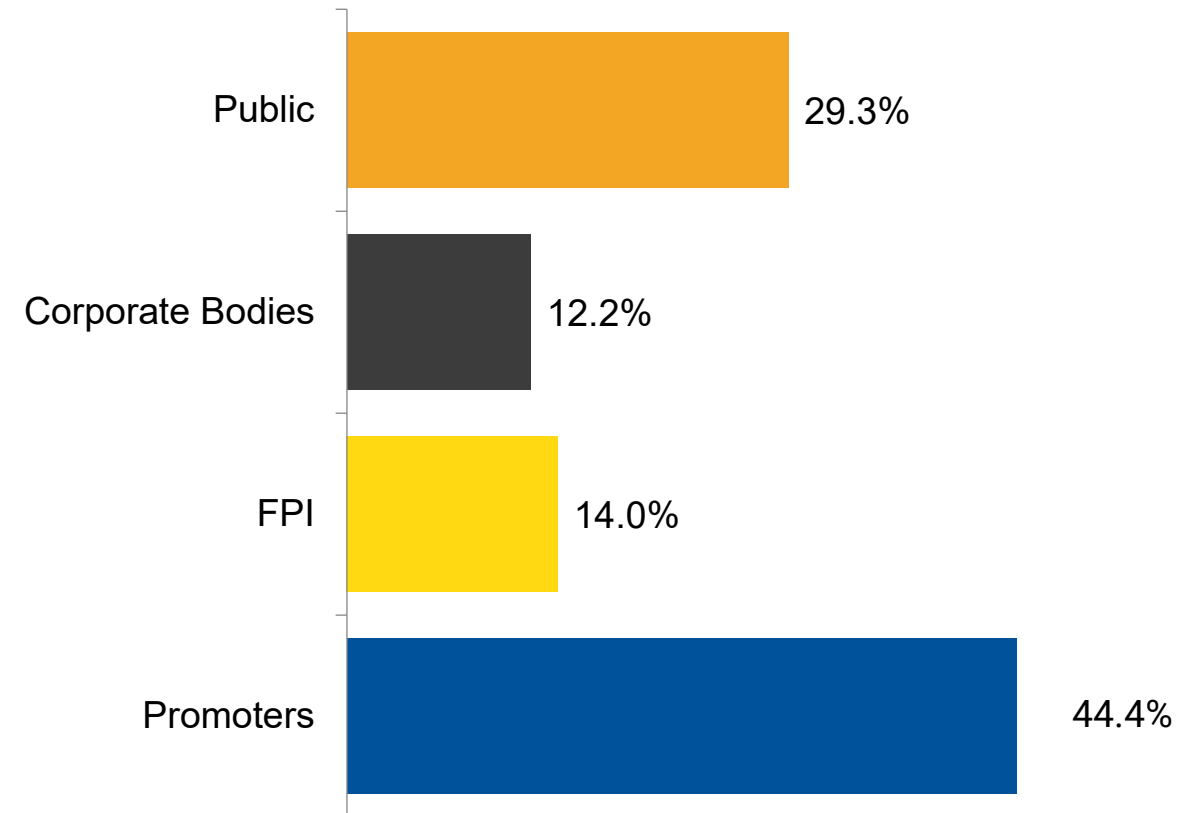
Approved Manufacturer of
Steel Wire Rope
issued by Lloyd's



Market snapshot

Key Market Statistics	As on 30 th June 2024
BSE/NSE Ticker	517146 / USHAMART
CMP (Rs)	387.50
Market Cap (Rs Crore)	11,808
Number of outstanding shares (Crore)	30.47
Face Value	1.00
52-week High / Low (Rs)	423.85 / 252.95

Shareholding pattern as on 30th June 2024

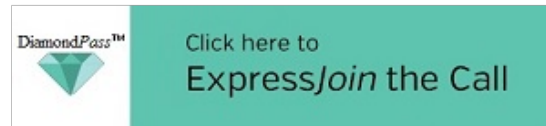


Usha Martin Ltd. Q1 FY25 Earnings Conference Call

Time: August 14, 2024 at 2:00 PM IST

To enable participants to connect to the conference call without having to wait for an operator, please register at the below mentioned link:

Pre-registration



You will receive dial in numbers, passcode and a pin for the concall on the registered email address provided by you. Kindly dial into the call on the Conference Call date and use the passcode & pin to connect to call

Conference dial-in Primary Number: +91 22 6280 1141 / +91 22 7115 8042

International Toll Free Number:
Hong Kong: 800 964 448
Singapore: 800 101 2045
UK: 0 808 101 1573
USA: 1 866 746 2133

Contact us

About Us:

Established in the year 1960, Usha Martin is a leading global and India's No. 1 specialty steel wire rope solutions provider. The Company is also engaged in the manufacturing of high-quality wires, low relaxation prestressed concrete steel strand (LRPC), bespoke end-fittings, accessories and related services.

Usha Martin's wire rope manufacturing facilities in Ranchi, Hoshiarpur, Dubai, Bangkok and UK produce the widest range of wire ropes that find application in various industries across the world. All of the company's facilities are equipped with the latest state-of-the-art high-capacity machines to manufacture world-class products.

Usha Martin's global R&D center located in Italy is actively engaged in designing of wire ropes and uses proprietary design software to develop products that are the best in class. The Company also has an extensive and dedicated network of distribution centers located across the globe.

Corporate Identification No: L31400WB1986PLC091621

Regd. Office: 2A, Shakespeare Sarani, Kolkata – 700 071, India

Mr. Abhijit Paul (Chief Financial Officer)

Usha Martin Limited

Tel: +033 – 71006 320 / 403

Email: investor@ushamartin.co.in

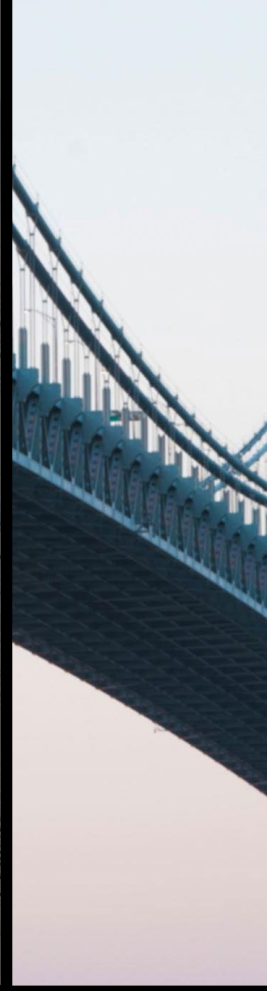
Anoop Poojari / Devrishi Singh

CDR India

Tel: +91 98330 90434/ + 91 98205 30918

Email: anoop@cdr-india.com

devrishi@cdr-india.com



Thank You

 **usha martin**[®]