



usha martin®

Usha Martin Limited

2A, Shakespeare Sarani, Kolkata - 700 071, India

Phone : (00 91 33) 71006300, Fax : (00 91 33) 71006400

CIN:L31400WB1986PLC091621

Email:contact@ushamartin.co.in

Website:www.ushamartin.com

Date: 14th February 2023

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

The Secretary
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]

Dear Sirs,

Sub: Investor Presentation

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and further to our intimation dated 11th February 2023 regarding “Earnings presentation – Q3 & 9M FY23”, please find enclosed the Investor Presentation.

This presentation is also being hosted on the website of the Company i.e. www.ushamartin.com

You are requested to take the same on record.

Yours sincerely,
For Usha Martin Limited

Shampa Ghosh Ray
Company Secretary

Encl: as above



 **usha martin[®]**

***Specialty Wire Rope
Solutions Provider***

Investor Presentation

February 2023

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 contain 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.

Contents

1 Company
Overview

2 Competitive
Edge

3 Financial
Overview

4 Growth
Strategy

5 ESG

6 Summary

7 Annexure



Company Overview

Leading global and India's no.1 specialty steel wire rope solutions provider...



Offering wide range of:

- Specialty wire ropes
- High-quality wires
- Low relaxation prestressed concrete steel strand (LRPC)
- Bespoke end-fittings, accessories and related services



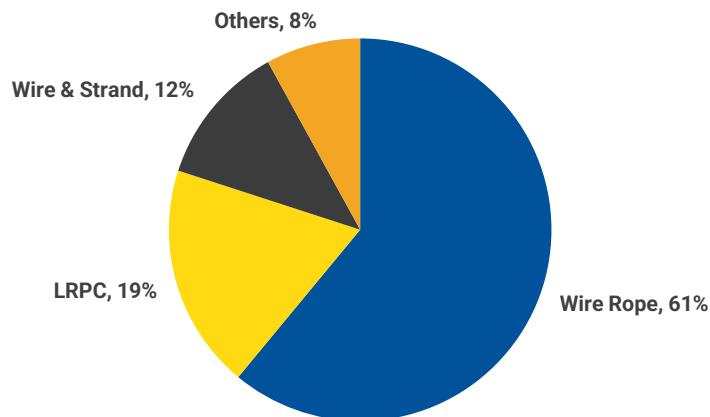
Note: As on 31st March 2022

...With diversified presence across geographies and end-industries

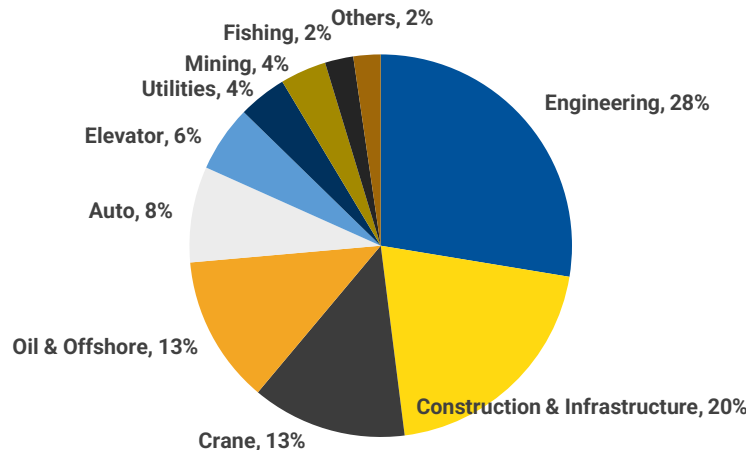
- **State-of-the-art manufacturing facilities:** Ranchi, Hoshiarpur, Dubai, Bangkok, UK and Silvassa
- **Global Design Center at Italy:** Engaged in designing / using proprietary design software to develop best in class products
- **Worldwide network:** Extensive and dedicated network spread across the globe enabling closer proximity to international market & uninterrupted services to customers
- **SKUs:** Highly customized offerings have enabled high number of SKUs across various industries having critical applications

Consolidated Revenue Break-up¹

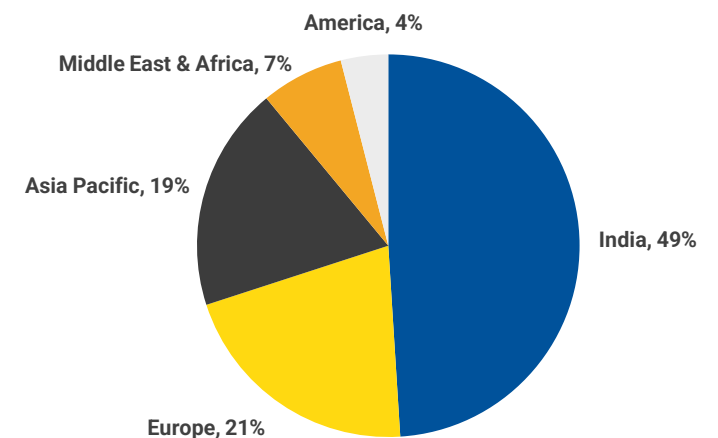
Product Segmentation



End Industry Segmentation²



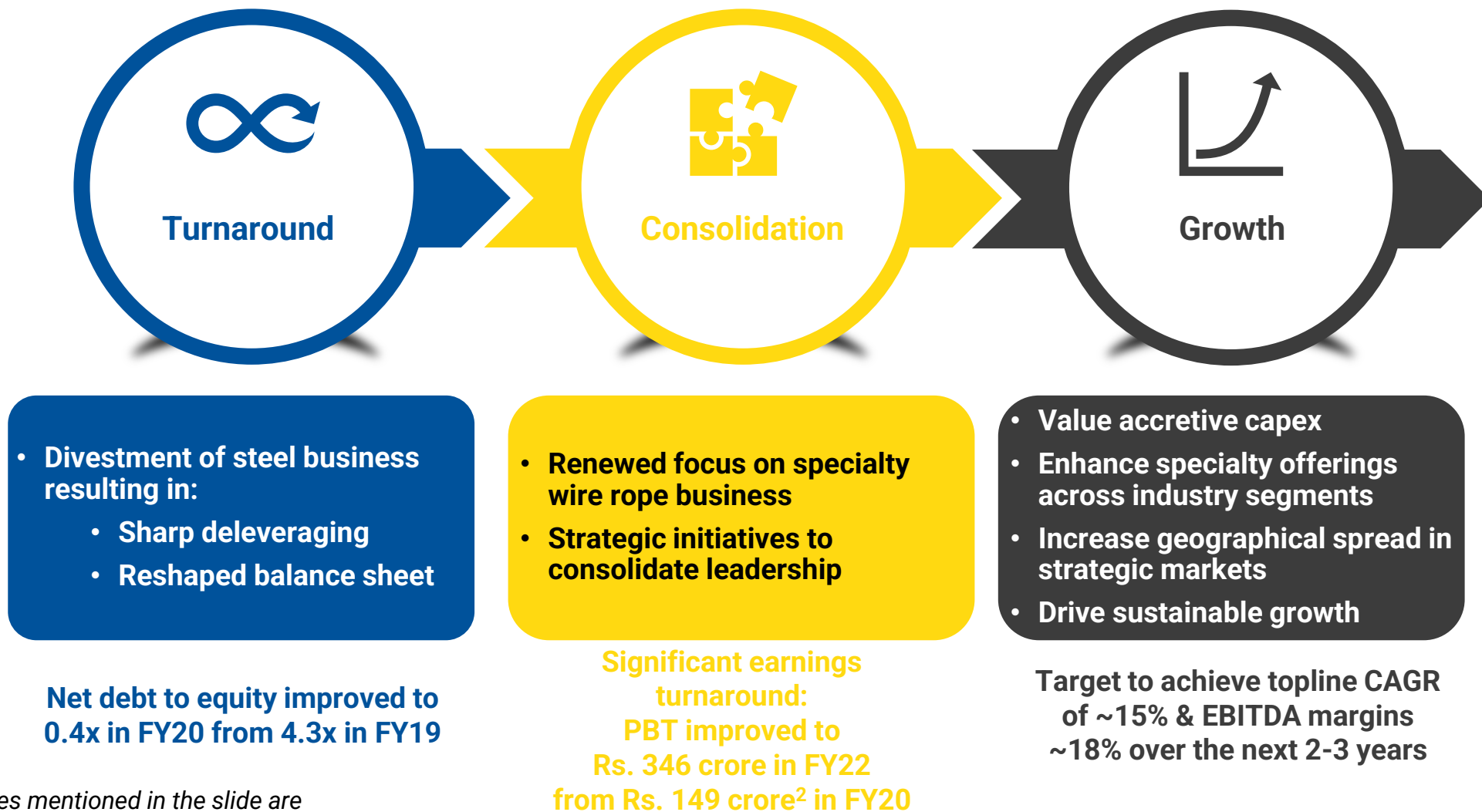
Geographic Segmentation²



Note 1: As on 31st March 2022

Note 2: For all business segments

We are undergoing a strategic transformation and are poised for growth



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

Note 2: PBT from continuing operations



Our vision echoes our long-term growth agenda

To be the global leader in the wire rope industry by delivering customer delight, adopting modern technology and ensuring sustainable growth for all of its stakeholders

A large-scale industrial scene featuring an offshore oil rig in the background and a massive blue cable reel in the foreground. A worker in an orange safety suit and white hard hat is in the lower foreground, handling a thick steel cable. Another worker is visible near the cable reel. A green crane is positioned behind the reel. The scene is set on a flat, industrial surface under a clear sky.

**Competitive
Edge**

In an industry with high entry barriers...



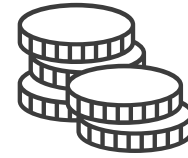
Critical Component Of End-product

High-end applications of wire ropes are a mission critical component of end-product, making safety an absolute priority



Close Customer Engagement

Customer approvals and engagement are built over many years



High Customer Switching Costs

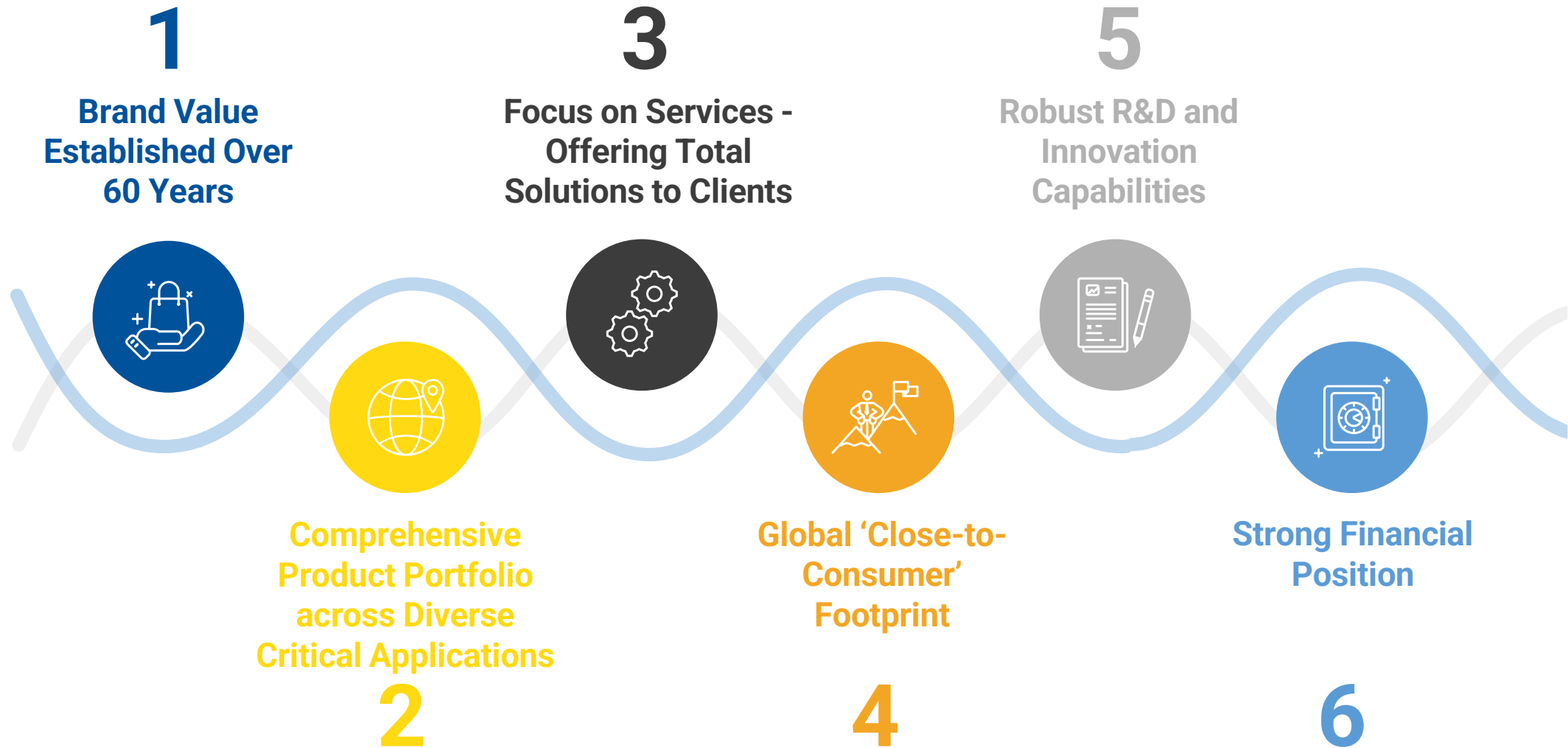
Customers have little incentive to switch once product is entrenched in their ecosystem



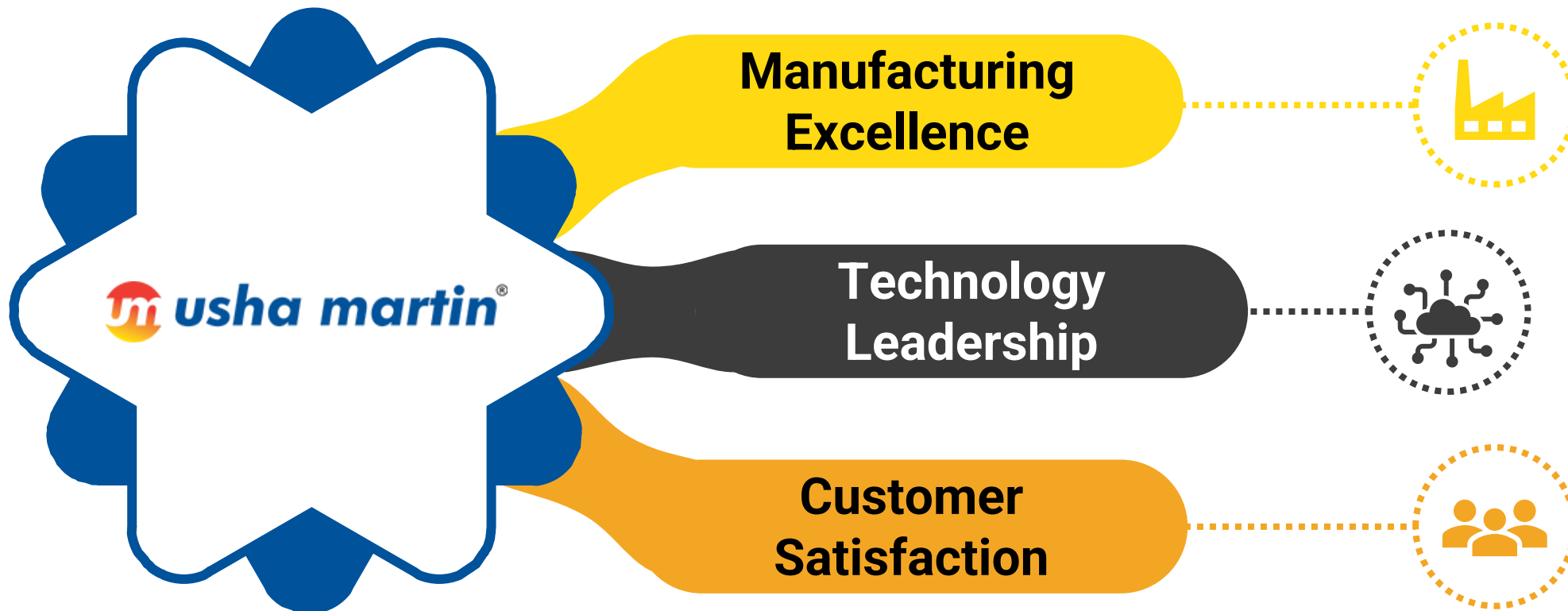
Technical Know-how

Design application and knowledge for the industry takes years to build

...We have the competitive edge to fuel growth



Brand value established over 60 years



Comprehensive product portfolio across diverse critical applications



Wire Rope



Wire



LRPC



**High Capacity
Cranes-Ports**



Mining



**Cable Supported
Bridges & Structures**

**Elevated
Structures for
Transportation**



**Aerial
Transportation**



Fishing



**High-Speed
Elevator**

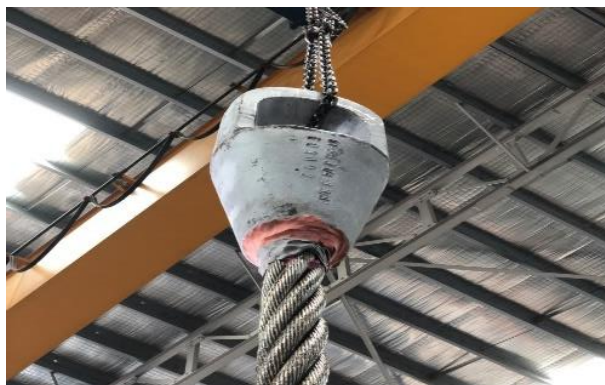
Focus on services - offering total solutions to clients

Cutting & Socketing

Spooling and Cutting of Heavy Reels Up to 100 Ton



Resin Socketing



Splicing, Fused & Tapering

Mechanical Splicing



Fused and Tapering



Testing & Site Inspection Services

Site Inspection



Load Test or Destruction Test with 500 Ton Test Bed



Global 'close-to-consumer' footprint

6

Manufacturing Facilities 

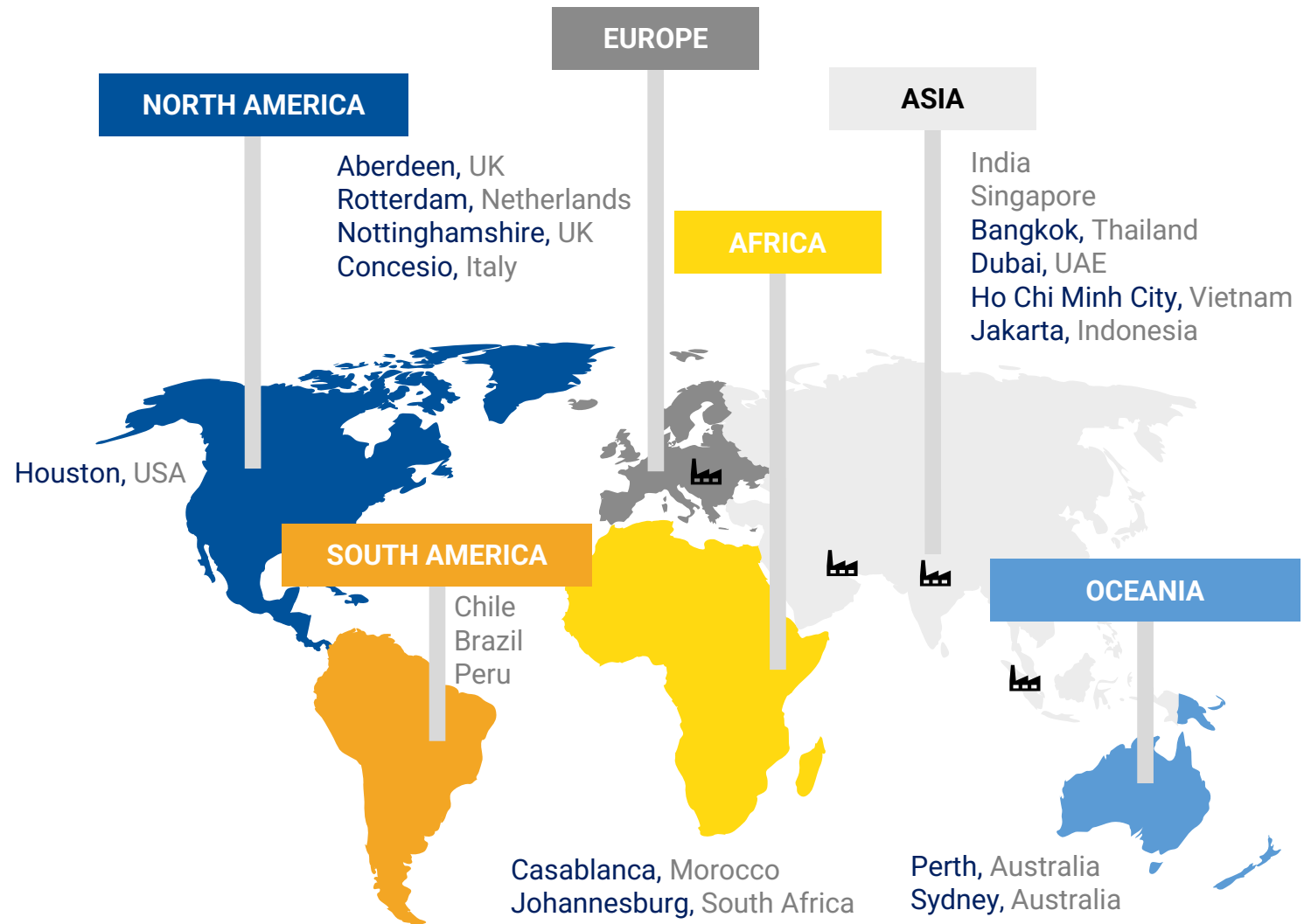
Presence Across


6

Continents

30+

Distribution Centers



 **Note 1:** These are KEY markets and centers, but the list is not exhaustive

Robust R&D capabilities

- GDC has >40 years experience in rope design and application engineering
- Technical guidance for product development
- In-depth R&D and product testing
- Project management and quality assurance for critical supplies
- Close co-operation with customers, universities and research institutes

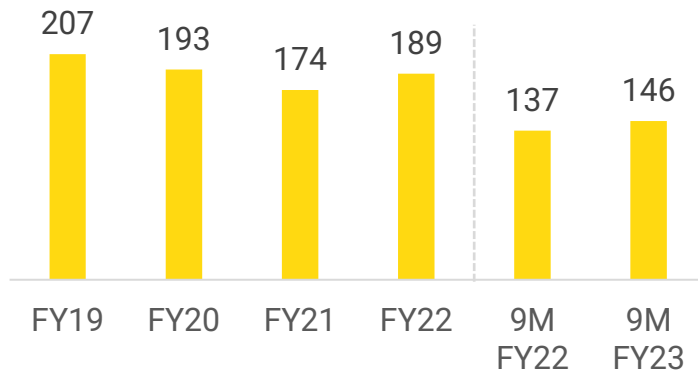


A low-angle, upward-looking shot of a modern building's interior. Two glass-enclosed elevators are visible, moving vertically along a track. The architecture features clean lines, white structural beams, and perforated metal panels on the upper levels. Bright light filters through the glass, creating a high-contrast, blue-tinted scene. A semi-transparent dark grey rectangle is overlaid on the left side, containing the text 'Financial Overview' in a bold, yellow, sans-serif font.

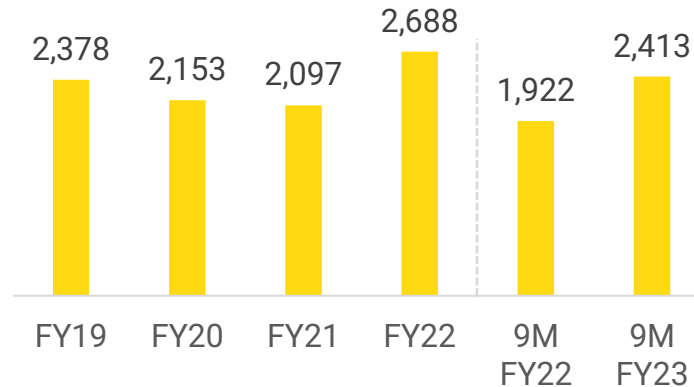
Financial Overview

Strategic initiatives have strengthened our consolidated operational and financial performance

Delivery Volumes ('000 MT)

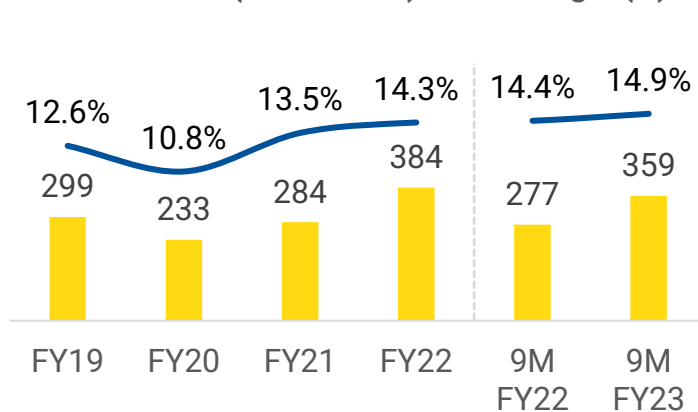


Revenue (in Rs. crore)

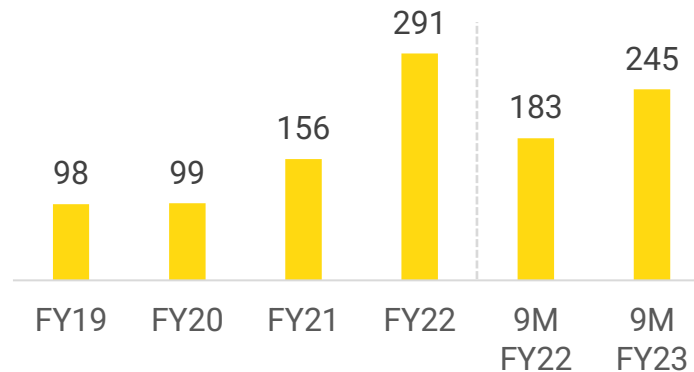


- Registered consistent performance by leveraging inherent strengths
- Greater focus on high value offerings to continue driving margins and overall growth
- Conscious decision to exit low-value products
- Ability to manage spread despite extreme volatility in steel input costs
- Focus on international markets enabling to realize higher value through increased solution sales

■ EBITDA¹(in Rs. crore) — Margin (%)



PAT² (in Rs. crore)

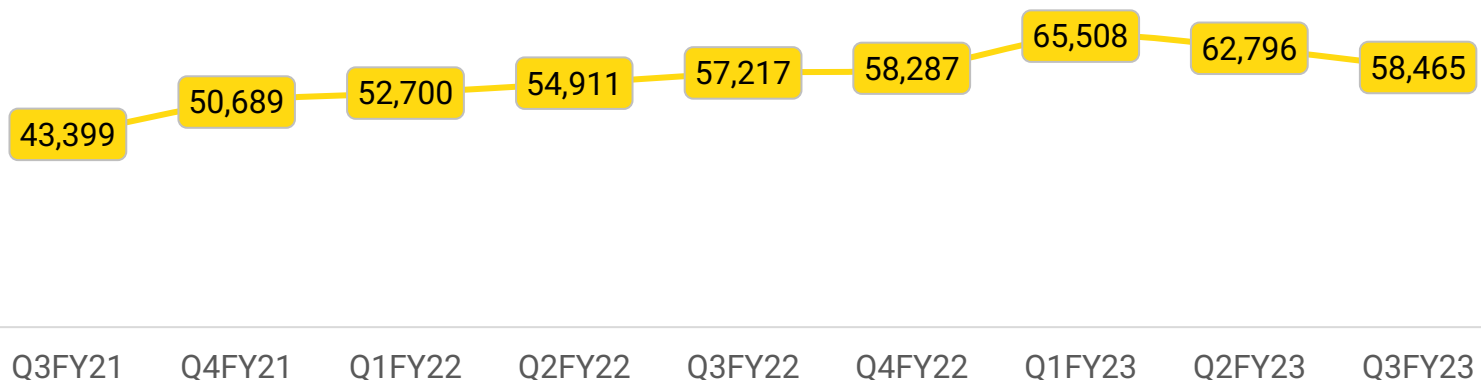


Note 1: EBITDA calculated without other income

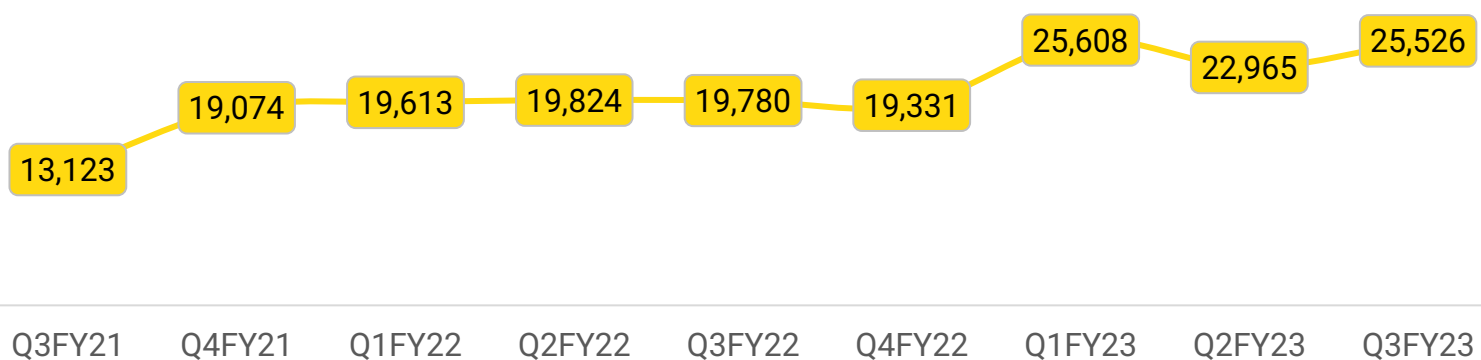
Note 2: PAT from continuing operations adjusted for normalized tax for FY19 & FY20; FY22 PAT includes exceptional income of Rs. 31 crore

We have been successfully navigating raw material volatility

Steel Price¹ (Rs. per tonne)



EBITDA/tonne² (Rs.)



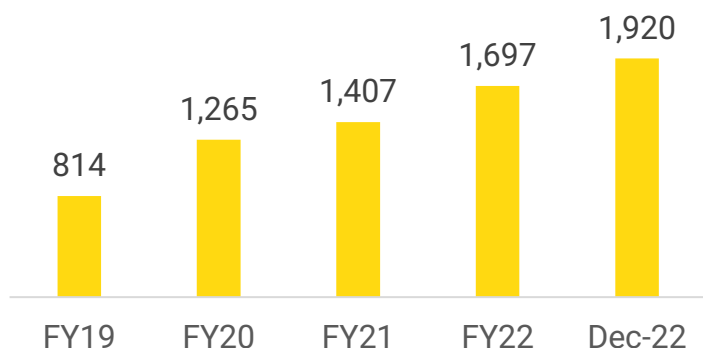
- Sustained EBITDA/ton in a volatile raw material environment
 - Robust pass-on mechanism in place to consistently manage raw-material price volatility
 - Active product portfolio management and customer feedback mechanisms enabling to increase high value offerings

Note 1: Average consumption rate in India for the mentioned period

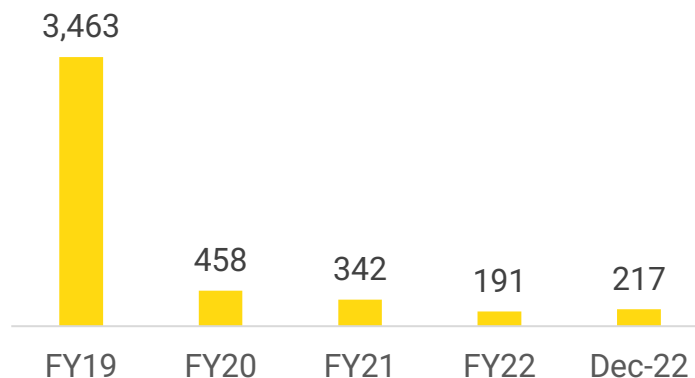
Note 2: Consolidated EBITDA calculated without other income & excluding UM Cables

Healthy balance sheet to support growth initiatives

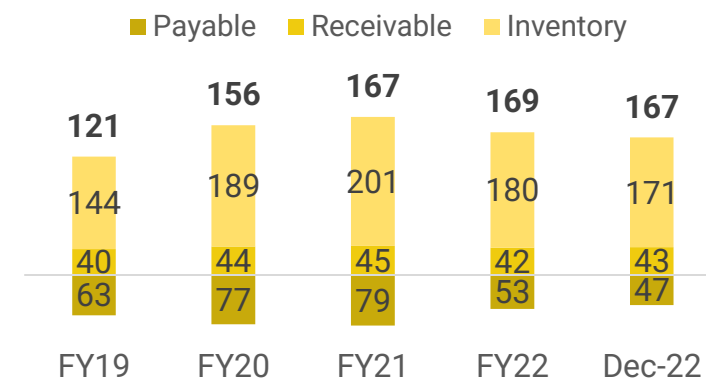
Networth (in Rs. crore)



Net Debt (in Rs. crore)

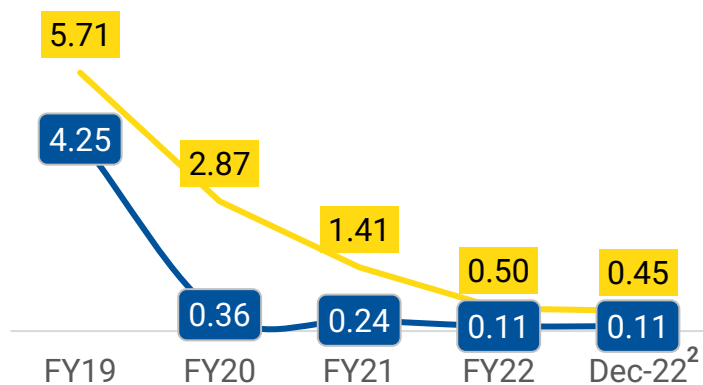


Net Working Capital Days

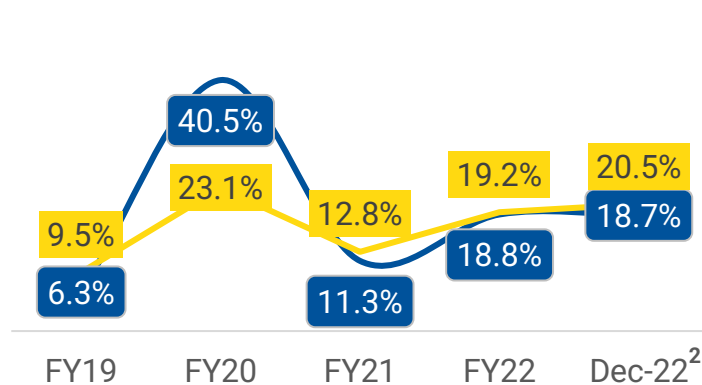


- Divestment exercise in FY20 led to a significant improvement in balance sheet position
- Continuous focus on optimizing working capital to reduce cash conversion cycle
- Shift from volume to value offerings coupled with solution sales in ropes enabled higher profitability and robust return ratios

Net Debt to Equity — Net Debt to EBITDA



ROE¹ — ROCE¹



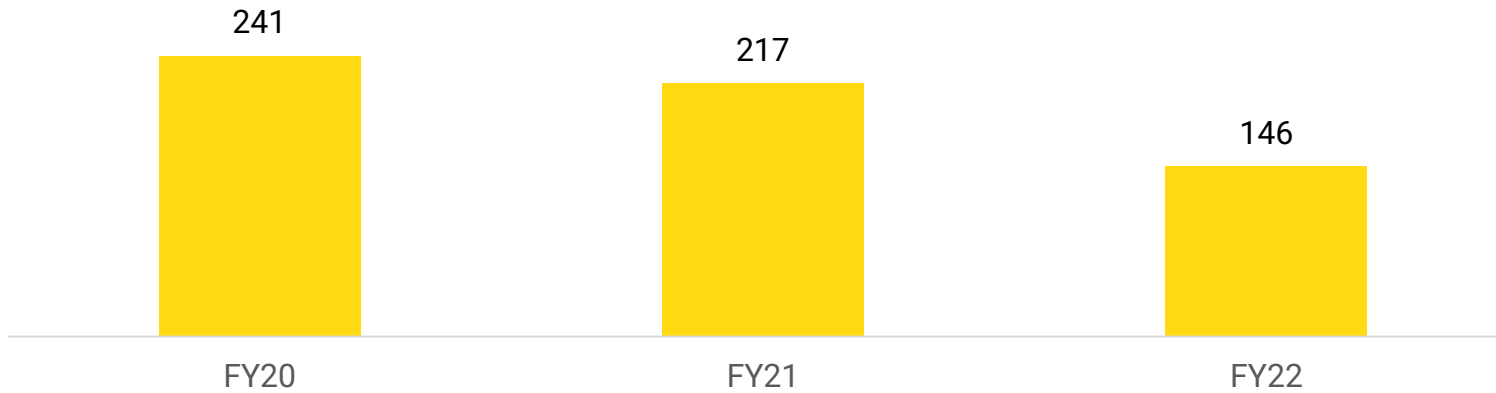
Note 1: FY19 & FY20 includes continuing + discontinued business; FY20 PAT includes Profit from sale of discontinued business Rs. 557 crore; FY22 PAT includes exceptional income of Rs. 31 crore

Note 2: Annualised figures

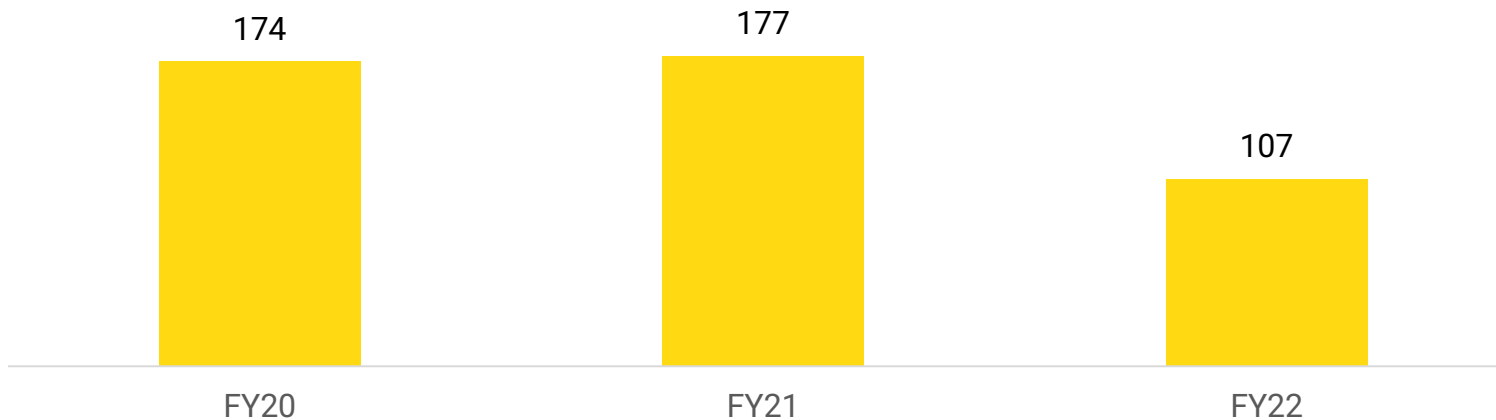
Note 3: All figures mentioned in the slide are consolidated financials

Robust free cash flow

Operating Cash Flow before Income Tax (in Rs. crore)



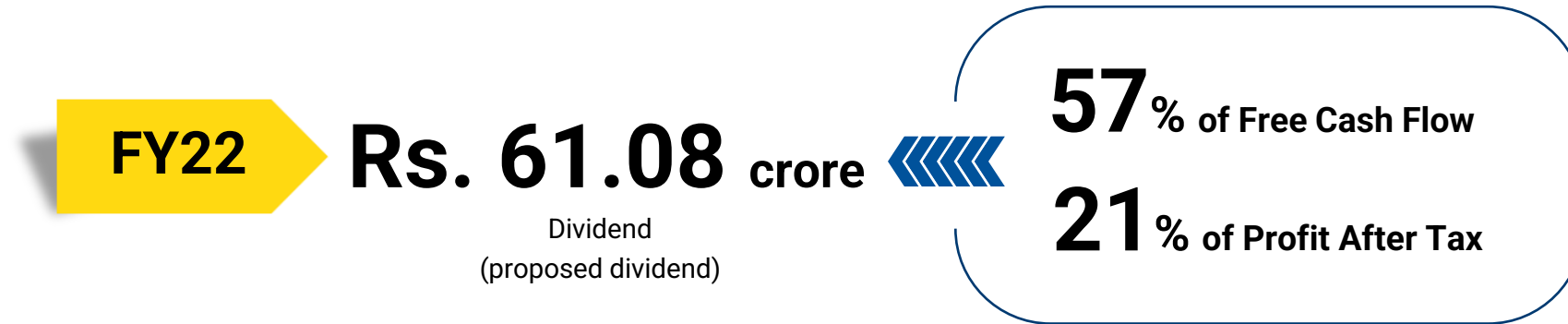
Free Cash Flow (in Rs. crore)



- Healthy Free Cash Flow generating businesses
- Focus on optimizing working capital to further strengthen OCF generation

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

Focus on enhancing shareholder value



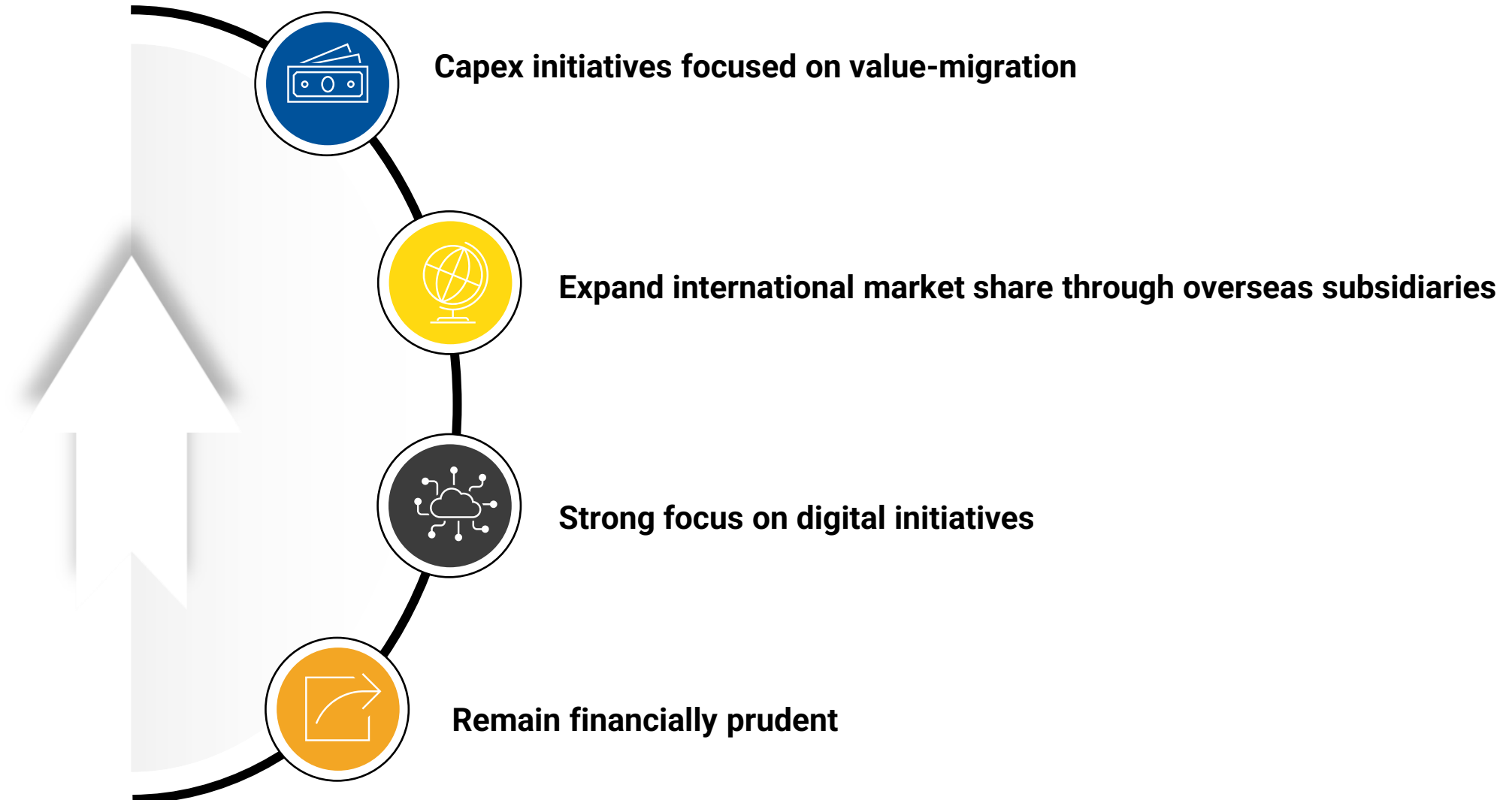
Dividend Payout Policy

- New dividend policy adopted during FY22 ([Link](#))
- Aspires to maintain healthy dividend payout

A composite image featuring an offshore oil rig in the background and a large blue cable reel in the foreground. A worker in an orange jumpsuit and white hard hat is in the foreground, handling a thick steel cable. Another worker is visible near the cable reel. The scene is set on a construction or industrial site.

Growth Strategy

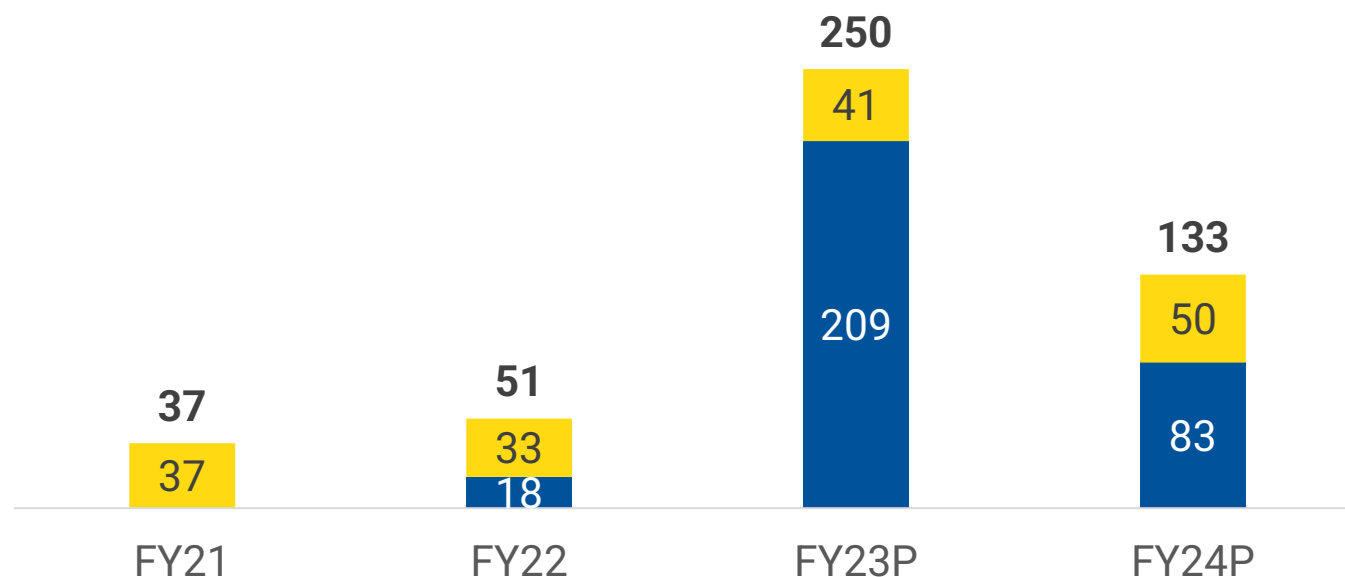
Multi-faceted growth strategy



Capex initiatives focused on value-migration

Consolidated Capex Spend (in Rs. crore)

■ Capex program ■ Sustenance & Other projects

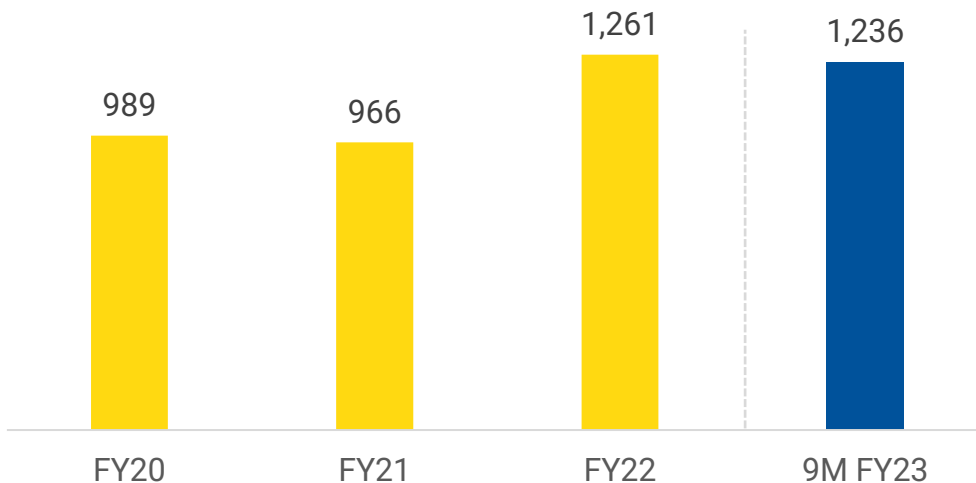


Increased capacities to primarily focus on value-added products such as mining ropes, non-rotating ropes, compacted ropes, plasticated ropes

- Capital allocation towards growth initiatives
 - Capex plan of Rs. 310 crore during FY22 – expected to be completed by Q3FY24
- Objectives include:
 - Expansion of capacity by 47,000 tonnes / 25% over FY22 volumes
 - Modernization of existing production facilities to improve productivity and reduce the cost to serve
 - Enhancement of R&D and testing facilities
 - Improvement in infrastructure of the plant
 - Digitalization
- To fund majority of the capex through internal accruals - about 20-25% would be through debt
- Focus on achieving asset turns of 2–3x over the next two years at optimal utilization levels
- To actively evaluate and undertake future capex across all manufacturing locations

Expand international market share through overseas subsidiaries

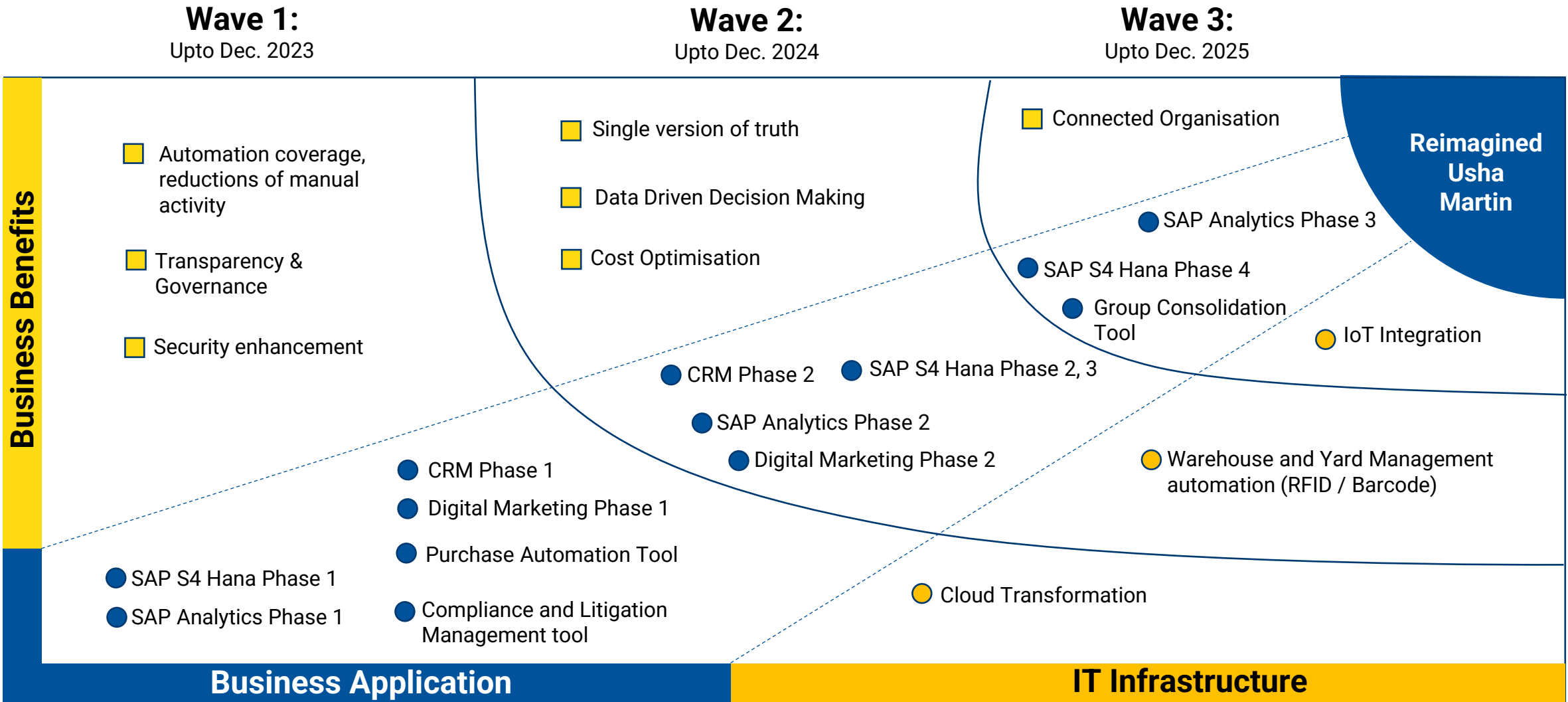
Revenue from International Operations¹
(in Rs. crore)



- International operations have recorded a substantial growth in revenue with 9M FY23 revenue nearly at full-year FY22 levels
- Macro-economic factors that continue to strengthen our performance
 - Growth in oil & gas and renewable energy sectors specifically offshore wind
 - Strong activity level in shipping and container terminals
 - Supply chain disruptions and higher cost structures faced by global competitors
- Internal factors that are supporting our growth
 - Closer integration of international businesses with Indian operations to drive growth synergies
 - Focused cross-functional groups for key growth segments such as mining, energy, elevator, fishing, and ports
 - One-stop-shop approach through focus on services
 - Strengthening of international teams and organization structure

 **Note 1:** For all business segments

Strong focus on digital initiatives



Remain financially prudent

Outlook (2-3 years)


**Consolidated
Revenue**


~15%
(CAGR growth)


**EBITDA
margin**

~18%


**Net Debt
leverage**

<1
Net Debt/EBITDA


**Net Working
Capital Days**

<150
Days



ESG

Focus on sustainability

Energy And Carbon Intensity

- Reduce GHG emissions
- Supply products to renewable energy sector

Sustainable Supply Chain

- Child labor due-diligence
- Strict adherence to supplier code of conduct and supplier sustainability
- Preference to inclusive suppliers, proximity suppliers, and women-owned businesses

Community Engagement

- Investment in skill development programs for women, vulnerable groups, diverse and underserved communities
- Mandatory volunteering hours to serve local communities

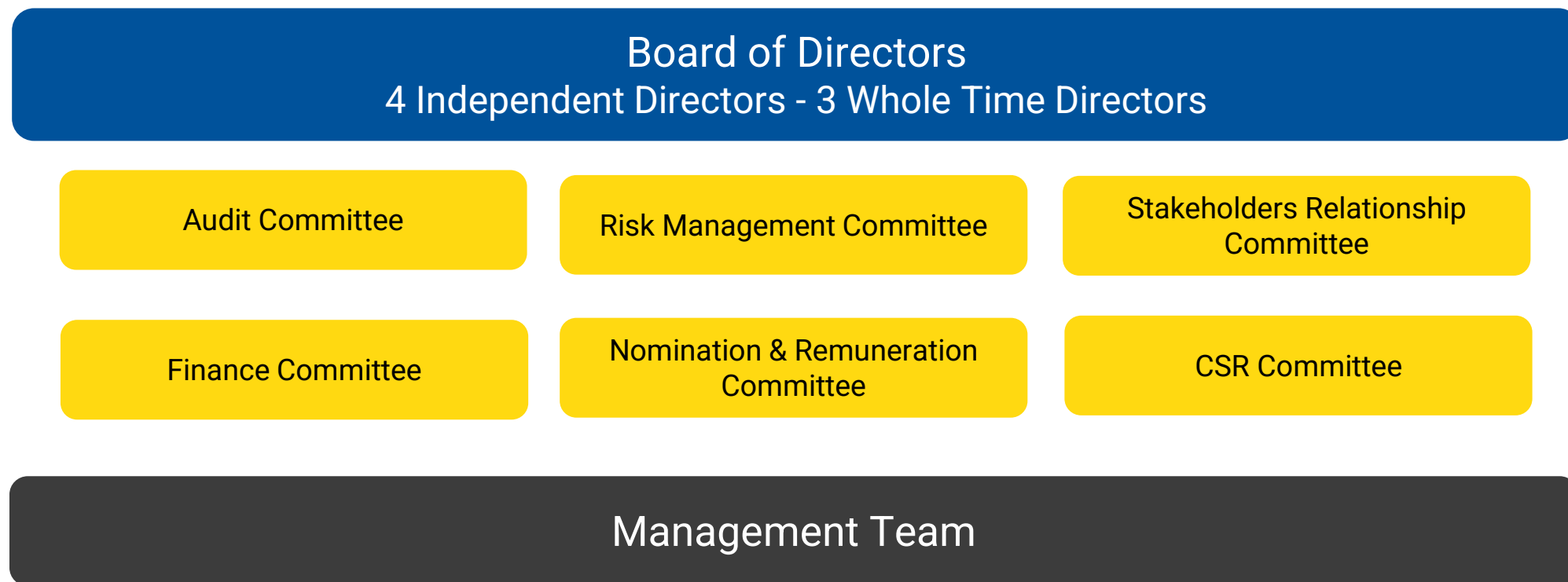
Water And Waste Management

- Strengthening water management system
- Revamping and modernization of water related facilities
- Conducting water audits to develop benchmarks for different processes

Employee Engagement

- Human rights training to all employees
- Organizational health and safety training to all employees

Governance structure in place to drive transparency, accountability and sustainability



Corporate social responsibility (CSR) initiatives



USHA MARTIN FOUNDATION



Natural Resource Management

- Well construction
- Drip irrigation
- Hand pump repair
- Systematic rice intensification
- Social forestry

Health, Nutrition & Sanitation

- Village hospitals
- Health camps
- Health awareness session through school & adolescent meeting

Women Empowerment

- Strengthening of self-help group
- Training of capacity building
- Quality circle for problem solving



Education

- School
- Adult education
- Computer training to rural children

Livelihood & Financial Inclusion

- Poultry
- Fishery
- Mushroom
- Piggery
- Animal health camp
- Cattle shed

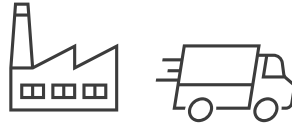
COVID-19 Support

- Covid test for villagers
- Food distribution among needy villagers
- Mask and sanitizer distribution among unorganized workers



Summary

Focused on creating sustainable value for all stakeholders



State-of-the-art manufacturing, R&D capabilities and well entrenched global distribution network – ‘close-to-customer’ strategy enables the company to provide customized solutions



Business undergoing strategic transformation



Multi dimensional business initiatives to support shift towards value-added specialty products and substantial growth in international businesses



Established global player with proven capabilities



Healthy financial position to assist next phase of growth initiatives





Annexure

Manufacturing set-up - India



Ranchi Facility

Spread across an area of more than 100 acres, this facility is one of the world's largest wire rope manufacturing facility



Ismal Unit, Ranchi

Well-equipped facility with over 3 decades of experience in manufacturing and supply of pre-stressing machines & accessories



Hoshiarpur Plant

Set up in 1974 in Punjab, India, spread over 8 hectare is the largest wire & wire rope unit in Northern India

UM Cables Plant, Silvassa

A dedicated manufacturer and exporter of high-quality telecommunication cables, fiber reinforced plastic rods (FRP)



Pengg - Usha Plant, Ranchi

Pengg Usha is a JV between Usha Martin and Joh Pengg AG of Austria to produce oil tempered wire, required by the automotive industry

Manufacturing set-up - International

Brunton Wire Ropes FZCO



Located at Jebel Ali Free Zone in Dubai (UAE), this facility was set up in the year 2003



UAE

Brunton Shaw UK Ltd.

Located at Nottinghamshire in UK, manufacturers high quality wire ropes for a wide range of applications



UK



Usha Siam Steel Industries



THAILAND

Manufacturing facility in Bangkok, Thailand, since early 1980s

TESAC Usha Wirerope Co. Ltd.

Usha Siam has 50:50 JV with Tesac Wire ropes Co. Ltd of Japan under name 'Tesac Usha Wire rope Co. Ltd' for manufacturing elevator ropes



Globally recognized certifications and licenses

ISO 9001: 2015 Quality management Systems



ISO 14001: 2015 Environmental management systems



Certificate of Authority issued by American petroleum institute



Manufacturer Certificate issued by DNV - GL



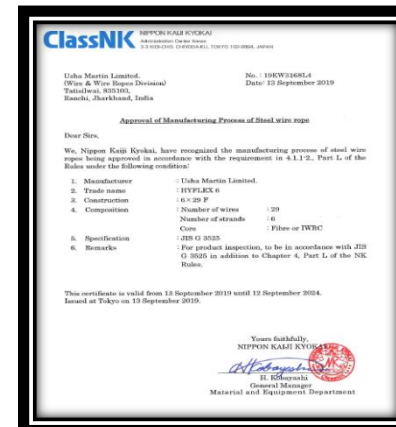
Manufacturing Assessment issued by ABS



NABL Testing



Japan - Approval of Manufacturing Process of Steel Wire Rope



Approved Manufacturer of Steel Wire Rope issued by Lloyd's



Board of Directors



Mr. Vijay Singh Bapna,
Chairman

- Over four decades of experience in accounts, costing & taxation, project implementation and plant operation
- Has been associated with Aditya Birla Group, Reliance Petroleum, Vedanta Group in various senior capacities in the past



Mr. Rajeev Jhawar
Managing Director

- An Indian industrialist with over three decades of experience in strategic management
- Became the Managing Director of Usha Martin Ltd in 1998
- Also, a Director on the Boards of Usha Martin's overseas subsidiaries



Mr. Venkatachalam Ramakrishna Iyer
Director

- Has rich experience of nearly five decades in the fields of banking and finance
- Was with State Bank of India (SBI) since 1974 and until his retirement in 2014 as Dy. Managing Director & Chief Credit and Risk Officer



Mrs. Ramni Nirula
Director

- Over four decades of experience in the financial sector having held various leadership positions in the areas of Project Financing, Strategy, Planning and Resources and Corporate Banking
- Has been on the Boards of DCM, CG Power and Industries Solution Limited and HEG Ltd.



Mr. Sethurathnam Ravi,
Director

- Founder and Managing Partner of M/s Ravi Rajan & Co, an advisory and accountancy firm
- Former Chairman of Bombay Stock Exchange (BSE) and currently serves as an Independent Director of Tourism Finance Corporation of India
- Has been on the Boards of LIC Housing Finance, BHEL, IDBI Bank, etc. in the past



Mr. D J Basu
Whole Time Director

- Has over four decades of experience in human resource development and industrial relations
- Has been associated with companies like GKW Ltd, Lafarge India Ltd and BOC in the past
- Been part of the Usha Martin group for nearly two decades



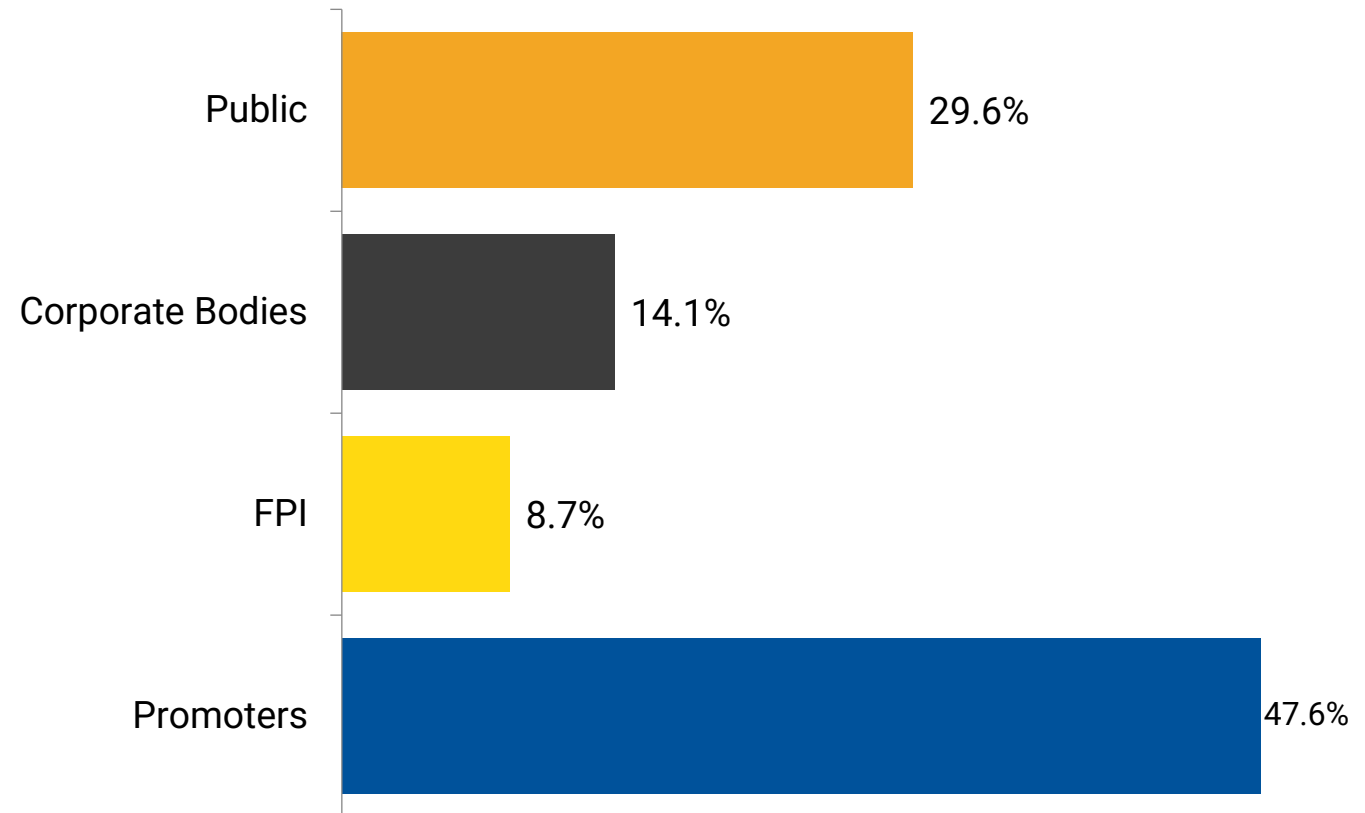
Mr. Devadip Bhowmik,
Whole Time Director

- Has nearly three decades of corporate experience in marketing, project implementation, brand building and business development, sales and service and client relationship
- Joined Usha Martin in 1999 and traversed various roles in India and abroad within the Usha Martin Group

Market snapshot

Key Market Statistics	As on 31 st Dec. 2022
BSE/NSE Ticker	517146 / USHAMART
CMP (Rs.)	171.2
Market Cap (Rs. Crore)	5,248
Number of outstanding shares (Crore)	30.47
Face Value	1.00
52-week High / Low (Rs.)	177.6 / 84.2

Shareholding pattern as on 31st Dec. 2022



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 a comprehensive R&D facility in its manufacturing unit at Ranchi, India. Usha Martin 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. Anirban Sanyal (Chief Financial Officer)

Usha Martin Ltd.

Tel: +033 – 7100 6300

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

um usha martin®