



*Diversified Performance of
Global Excellence*



Electrotherm (India) Ltd

Investors Update

Q3 Dec'09

key figures Q3 31st December'09

4,391

million revenues

693

million EBITDA

78

million net profit

+23.0%

growth in revenues

+33.0%

growth in EBITDA

+35.8%

growth in net profit

15.8%

EBITDA margin

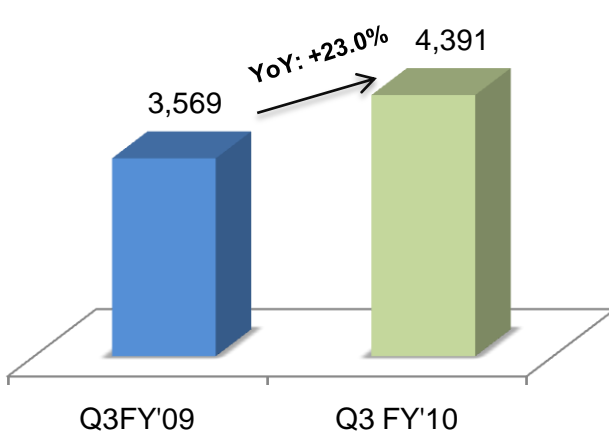
1.8%

net profit margin

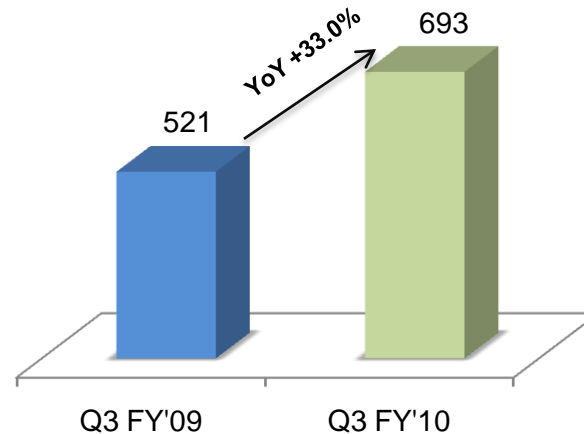
Numbers in Indian Rupee

Performance Review

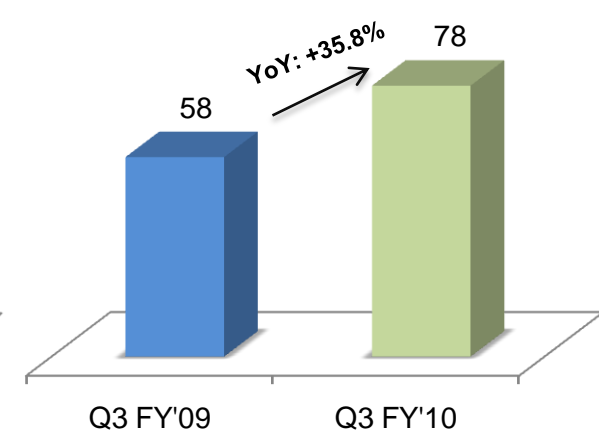
Revenue (INR M)



EBITDA (INR M)



Net Profit (INR M)



- **Net Revenues** increased by INR 822M from INR 3,569M in Q3 FY'09 to INR 4,391M in Q3 FY'10, growing at 23.0% YoY
 - Driven primarily due to 55% increase in revenues from steel division, partially declined by decline in revenues from engineering business
- **EBITDA** increased by INR 172M from INR 521M in Q3 FY'09 to INR 693M in Q3 FY'10, growing at 33.0% YoY
 - EBITDA grew primarily due to backward integration for Steel and DI Pipe plant
 - EBITDA margin improved from 14.6% in Q3 FY'09 to 15.8% in Q3 FY'10
- **Net Profit** increased by INR 21M from INR 58M in Q3 FY'09 to INR 78M in Q3 FY'10, growing at 35.8%
 - Net Profit margin improved marginally from 1.6% in Q3 FY'09 to 1.8% in Q3 FY'10

Consolidated Income Statement (Q3 Dec'09)

<i>Figures in INR million</i>	Q3 FY'09	Q3 FY'10	YoY Growth
Total Revenues	3,569	4,391	23.0%
Increase (Decrease) in Stock	202	(373)	
Consumption of Raw materials	(2,558)	(2,378)	
Employee Cost	(110)	(113)	
Other Expense	(582)	(834)	
EBITDA	521	693	33.0%
Depreciation & Amortization	(98)	(210)	
EBIT	423	483	14.1%
Other Income	19	34	
Interest	(359)	(396)	10.5%
Profits Before Tax (PBT)	83	120	44.5%
Taxation Charges	(26)	(42)	
Net profits	58	78	35.8%
Basic Weighted Avg. shares (M)	11.48	11.48	
Basic EPS (INR)	5.03	6.83	35.8%

Key Ratios

<u>Return ratios</u>	Q3 FY'09	Q3 FY'10
EBITDA margin	14.6%	15.8%
EBIT margin	11.8%	11.0%
Net Profits margin	1.6%	1.8%

Consolidated Income Statement (Q1 – Q3)

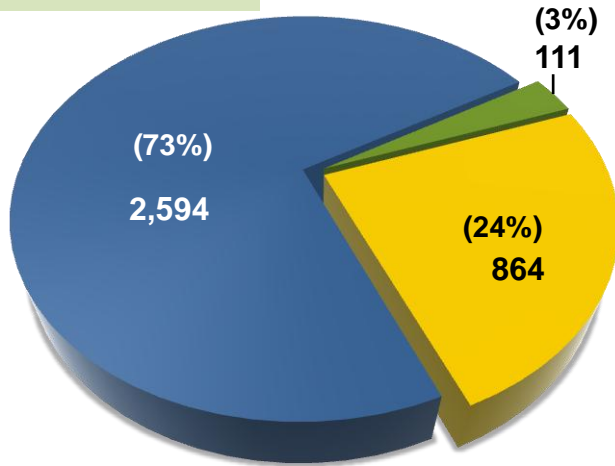
<i>Figures in INR million</i>	9M FY'09	9M FY'10	YoY Growth
Total Revenues	12,043	13,339	10.8%
Increase (Decrease) in Stock	698	64	
Consumption of Raw materials	(8,833)	(8,639)	
Employee Cost	(364)	(359)	
Other Expense	(1,772)	(2,290)	
EBITDA	1,772	2,115	19.4%
Depreciation & Amortization	(291)	(588)	
EBIT	1,481	1,528	3.2%
Other Income	36	98	
Finance Charges	(958)	(1,093)	(14.1%)
Profits Before Tax (PBT)	558	533	(4.5%)
Taxation Charges	(184)	(177)	
Net profits	374	356	(4.9%)
Extra Ordinary Items (Net of Tax Expense)	0	-	
Profit after Prior Period Adjustment	374	356	(4.9%)
Basic Weighted Avg. shares (M)	11.48	11.48	
Basic EPS (INR)	32.61	30.99	(5.0%)

Key Ratios

<u>Return ratios</u>	9M FY'09	9M FY'10
EBITDA margin	14.7%	15.9%
EBIT margin	12.3%	11.5%
Net Profits margin	3.1%	2.7%

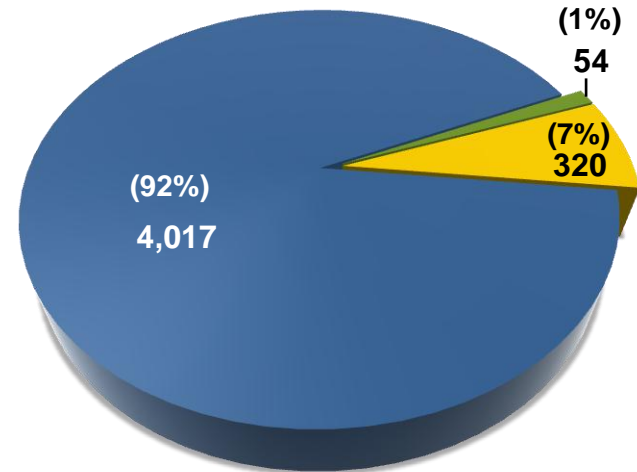
Revenue Breakdown

Q3 FY'09 – INR 3,569M



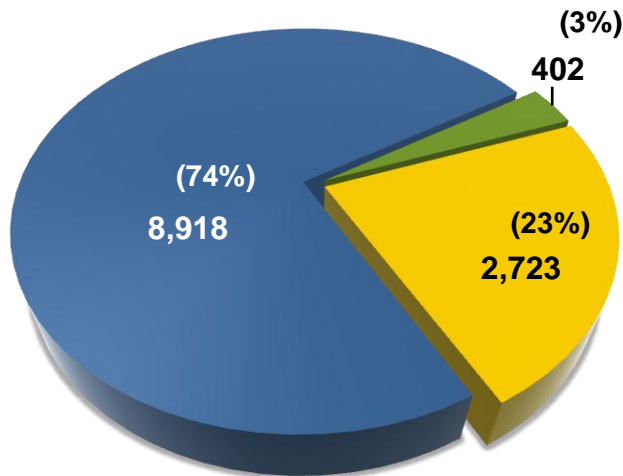
■ Engineering ■ Steel ■ Electric Vehicles

Q3 FY'10 – INR 4,391M



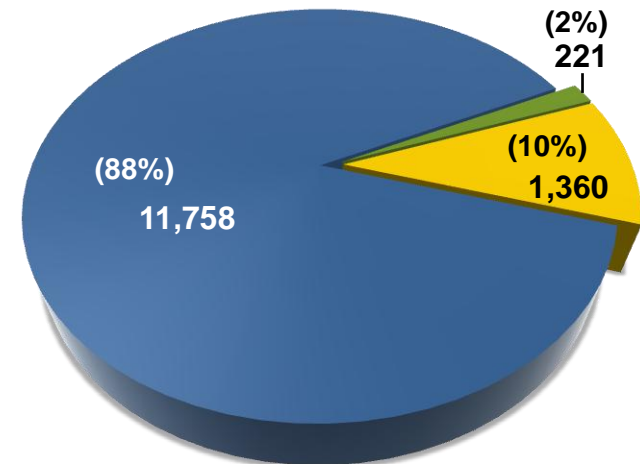
■ Engineering ■ Steel ■ Electric Vehicles

9M FY'09 – INR 12,043M



■ Engineering ■ Steel ■ Electric Vehicles

9M FY'10 – INR 13,339M



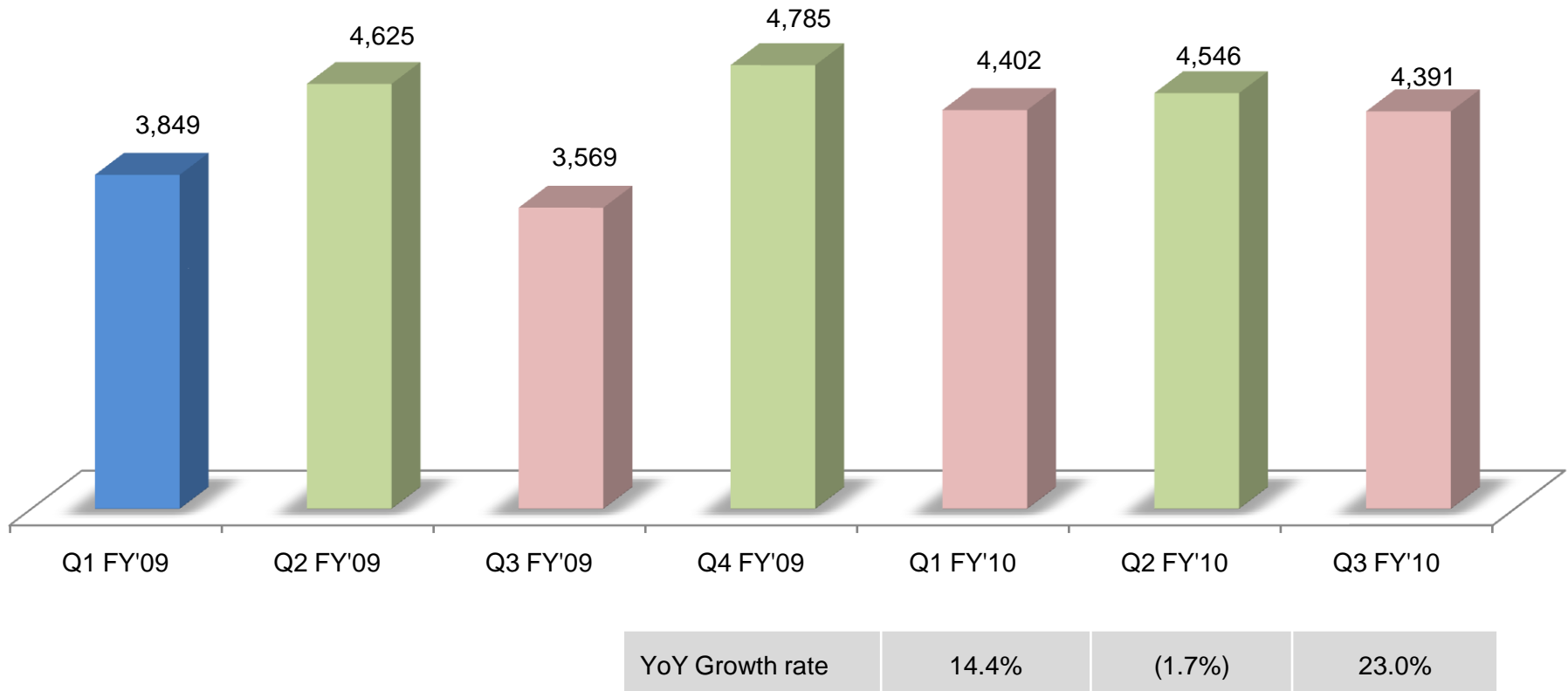
■ Engineering ■ Steel ■ Electric Vehicles

Engineering division share declined due to decline in order book* in FY'09 in recessionary environment, which however has picked up in current fiscal year

* Orders normally take 6-12 months for execution

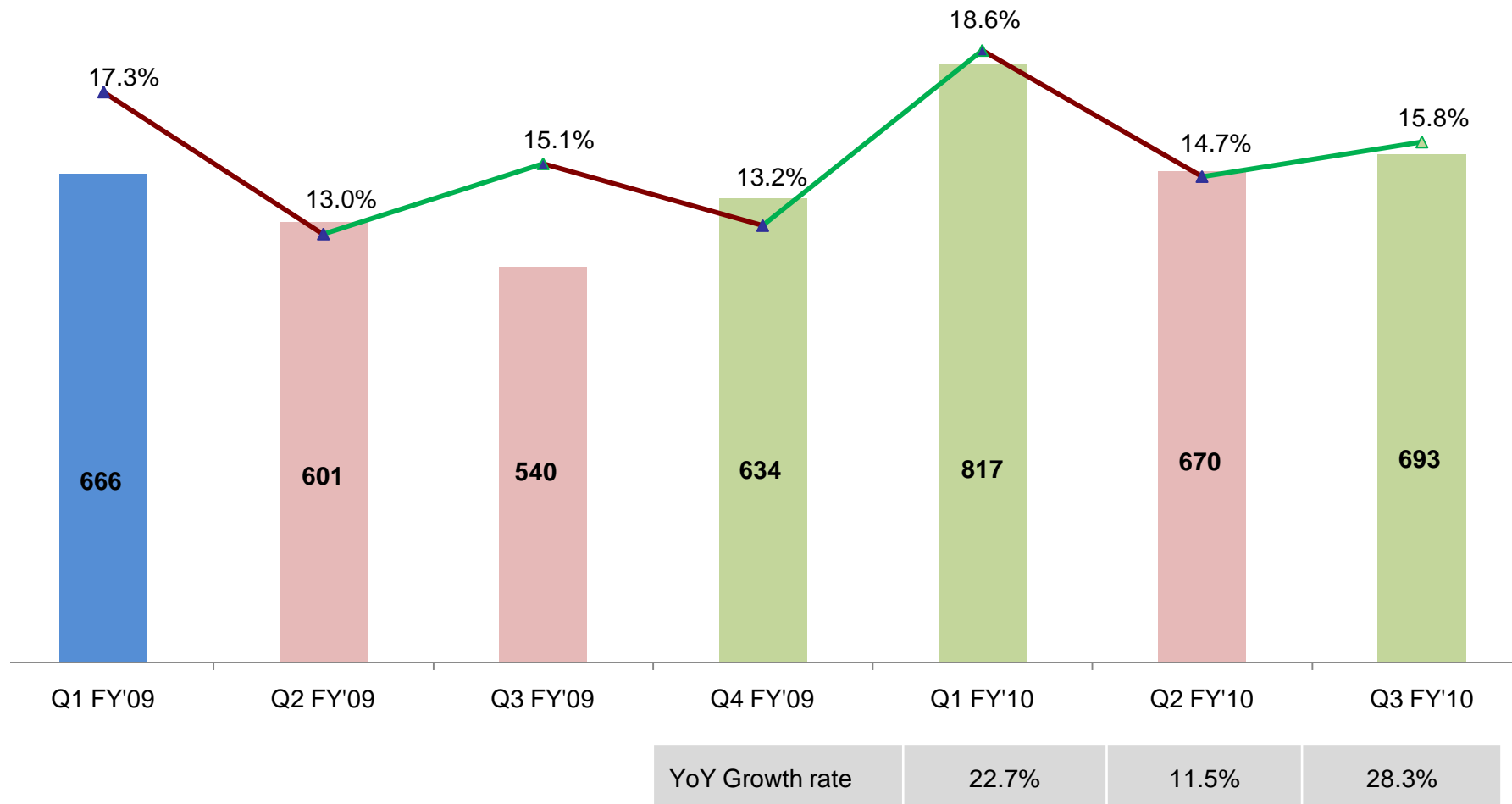
Consolidated Revenues

Revenues = INR M



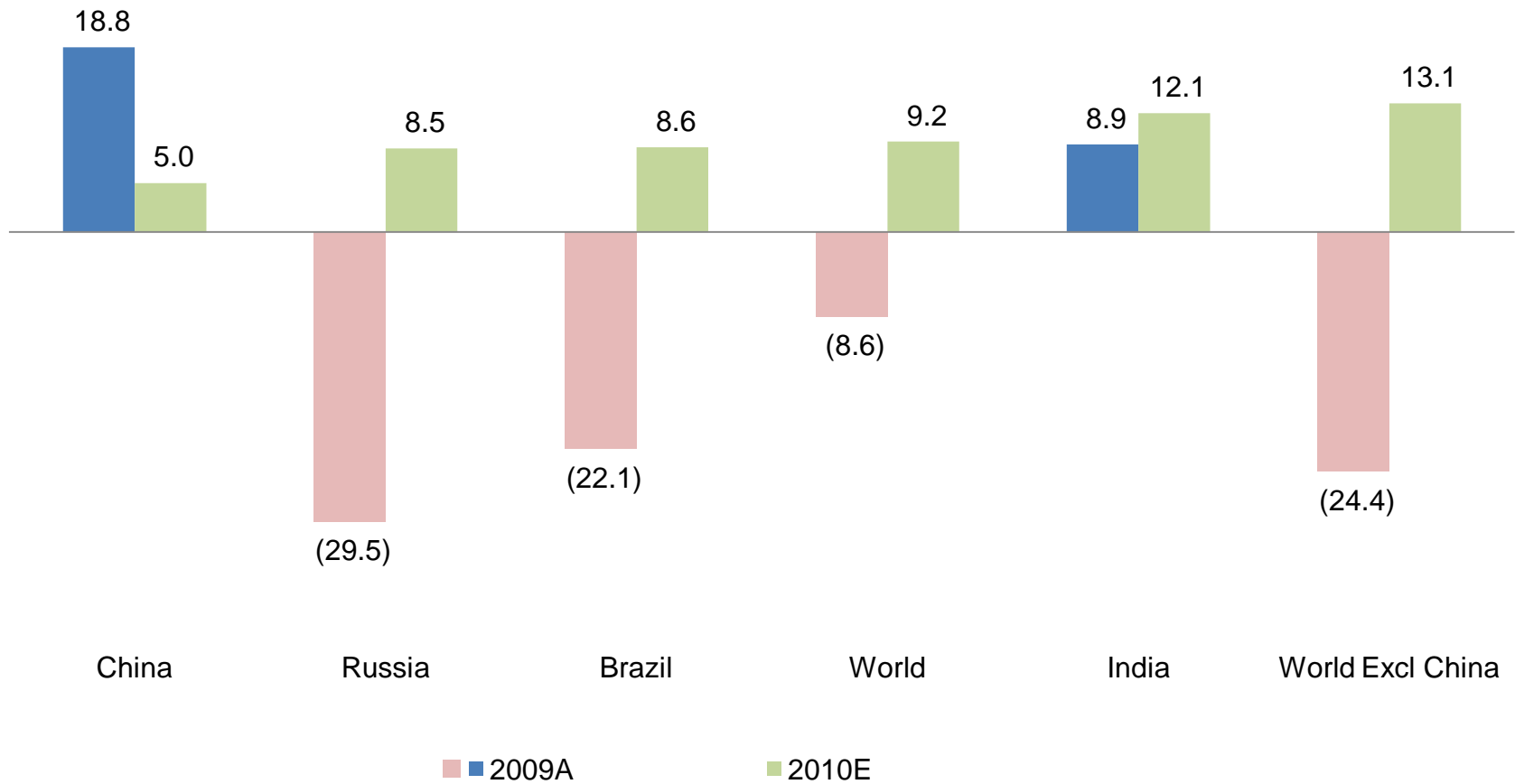
Operating Income (EBITDA)

EBITDA = INR M
EBITDA Margin = %age



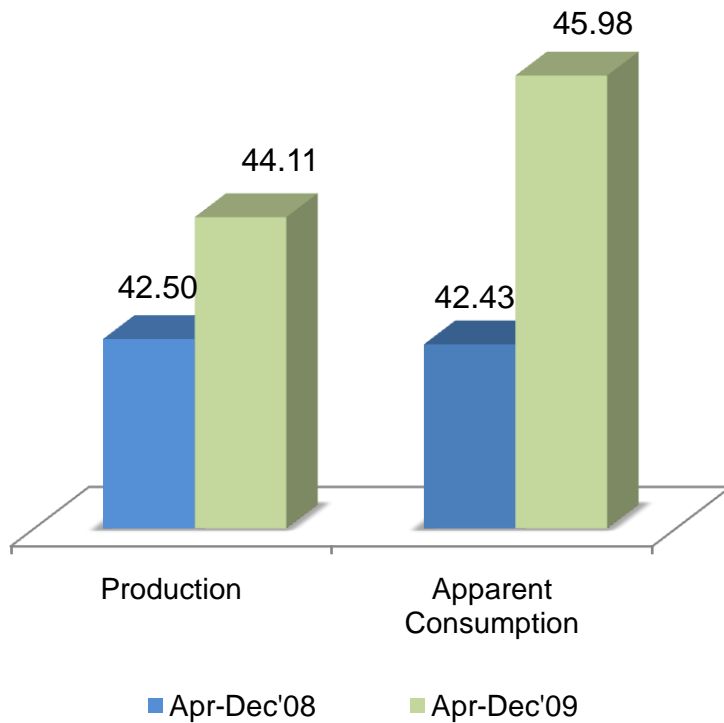
Global Steel Consumption

Apparent Steel Consumption Growth (in %)

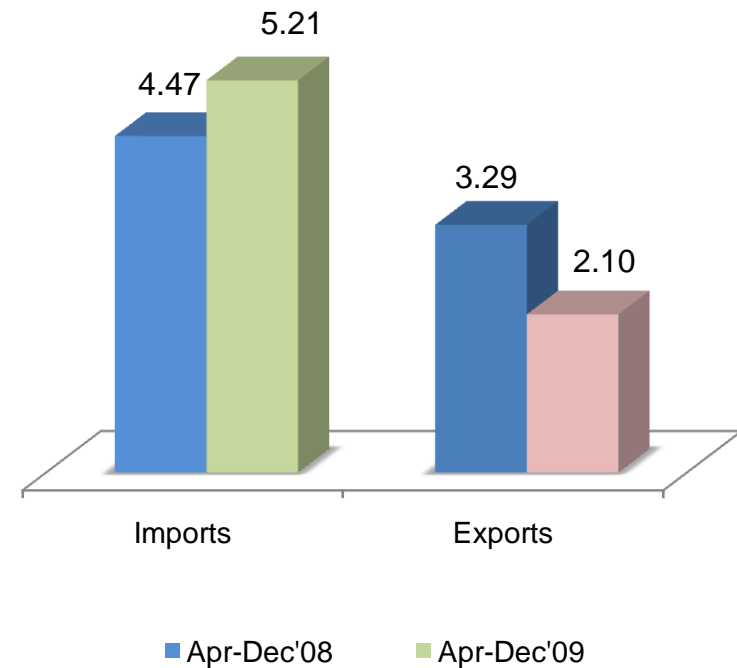


India's Steel Consumption & Production

Steel Production vs. Consumption
(Metric Tonnes)



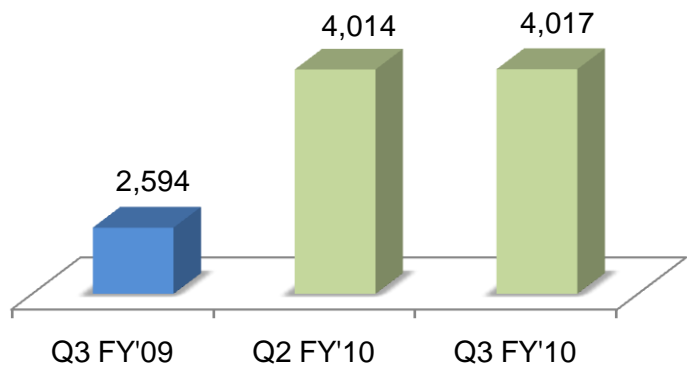
Steel Imports vs. Exports
(Metric Tonnes)





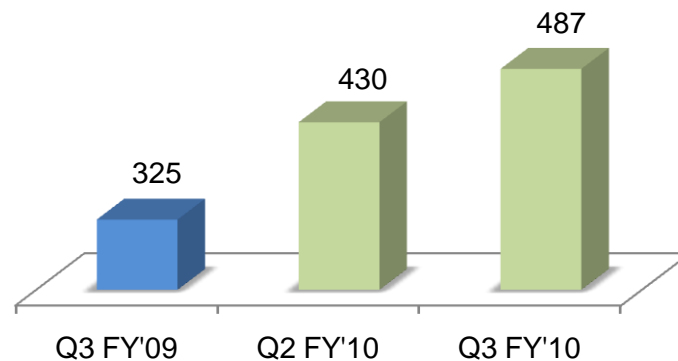
Special Steel Segment

Revenues (INR M)



- **Revenues** increased from INR 2,594M in Q3 FY'09 to INR 4,017M in Q3 FY'10, graphing an upward trend of 54.8% YoY
- Increased marginally by 0.8% QoQ
- Revenues growth was driven by increase in production of all products in steel segment

EBIT (INR M)

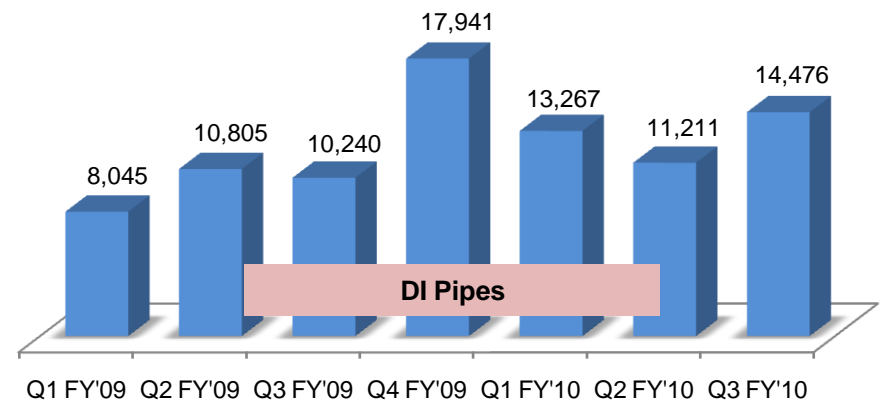
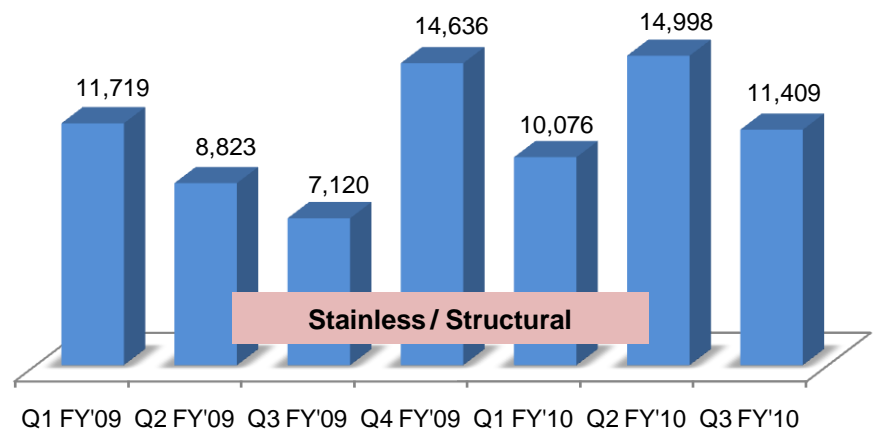
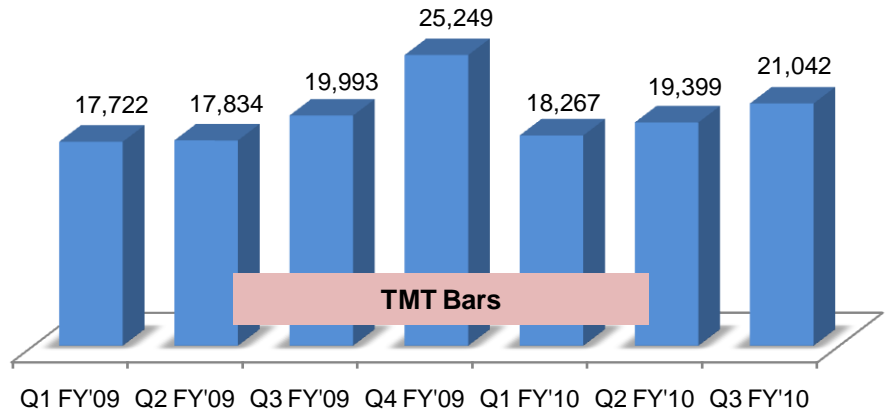
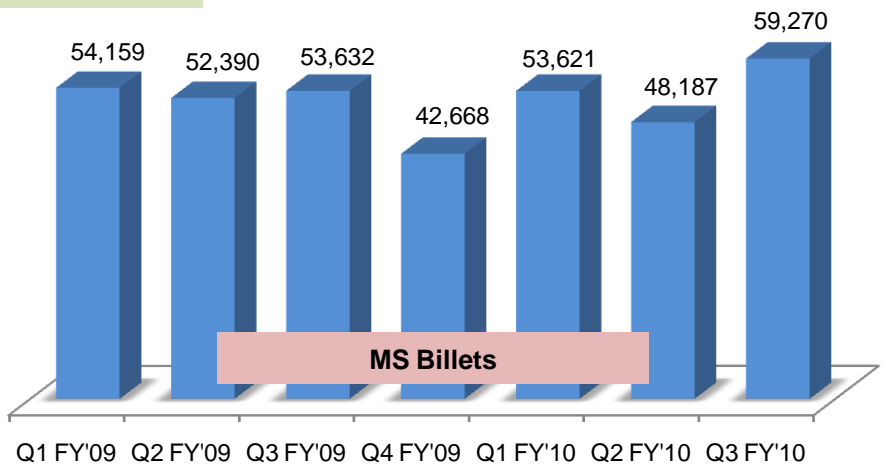


- **EBIT** increased from INR 325M in Q3 FY'09 to INR 487M in Q3 FY'10, growing at 49.7% YoY
- Increased 13.3% QoQ



Production – Steel Segment

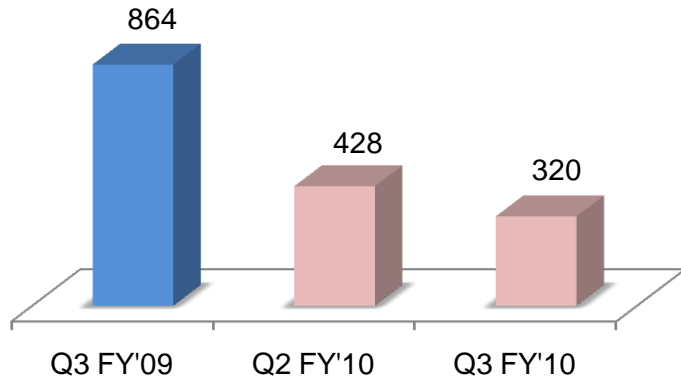
Metric Tonnes





Engineering & Product Segment

Revenues (INR M)

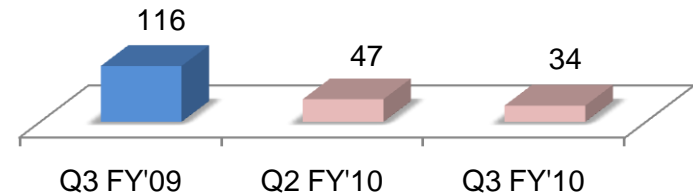


- Net Revenues decreased from INR 864M in Q3 FY'09 to INR 320M in Q3 FY'10, graphing a downward trend of 62.9%

- Revenues declined due to decline in order book* in FY 2008-09 in recessionary environment, which however has picked up in current fiscal year

- Declined by 25.2% QoQ

EBIT (INR M)



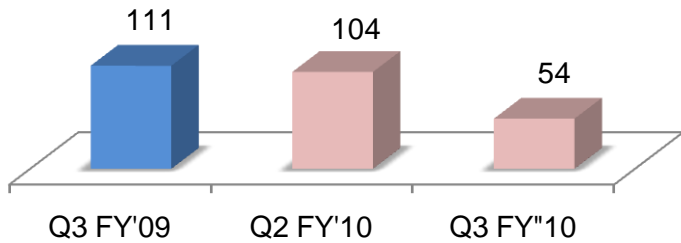
- EBIT decreased from INR 116M in Q3 FY'09 to INR 34M in Q3 FY'10, declining by 70.9% YoY

- Declined by 28.1% QoQ

* Orders normally take 6-12 months for execution

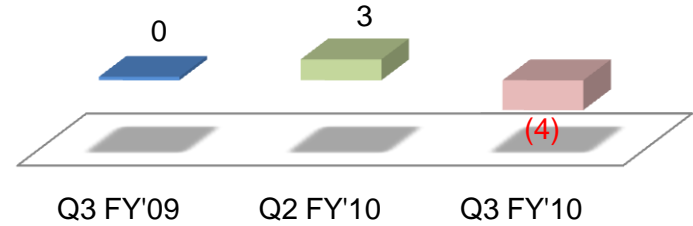
Electric Vehicle Segment

Revenues (INR M)



- ❑ **Net Revenues** decreased from INR 111M in Q3 FY'09 to INR 54M in Q3 FY'10, graphing a downward trend of 51.4%
- ❑ Decreased 48.3% QoQ

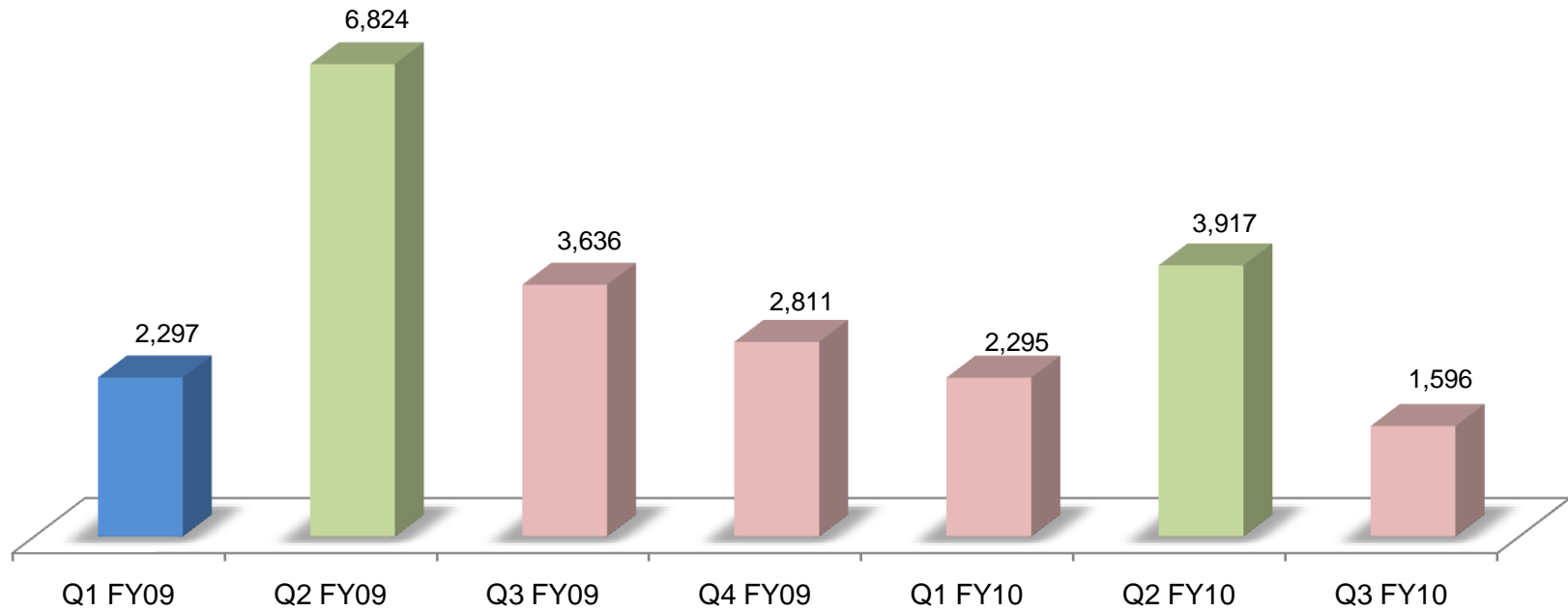
EBIT (INR M)



- ❑ **EBIT** declined to negative territory from INR 0.49M in Q3 FY'09 to INR 4M in Q3 FY'10, declining 975.5% YoY
- ❑ Declined by 243.0% QoQ

Production – Electric Bikes

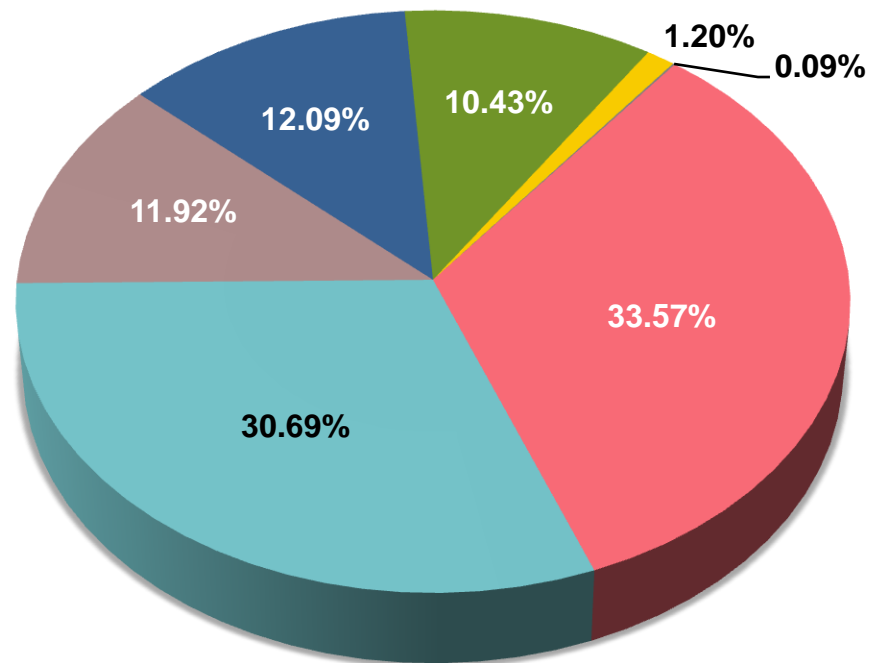
Volume



Shareholding Pattern...31st Dec'09

Shareholder Type	No. of Shares
Promoters	3,853,075
Mutual Funds	9,800
Financial Institutions	21,275
FII's	1,366,666
Body Corporates	3,521,879
Individuals	1,197,189
Trusts	1,368,333
Others	138,157
Total	11,476,374

%age Shareholding



- Promoters
- Body Corporates
- Trusts
- Foreign Institutional Investors
- Individuals
- Others
- Other Institutional investors

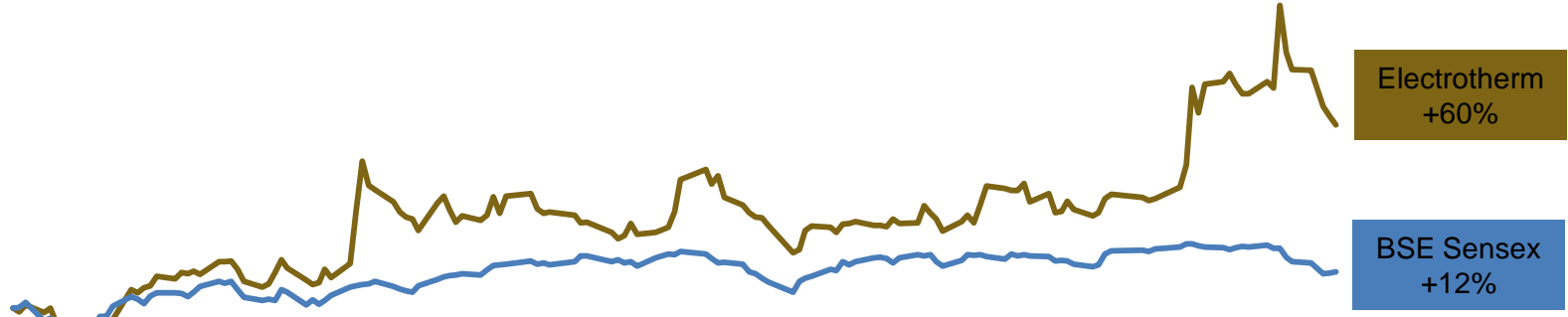
Shareholding Pattern

Investor	Jun'08	Sep'08	Dec'08	Mar'09	Jun'09	Sep'09	Dec'09
Promoters (A)	29.16	32.27	32.27	33.57	33.57	33.57	33.57
Institutional Investors							
DII's	1.64	1.53	1.40	0.10	0.09	0.09	0.09
FII's	12.66	12.11	12.09	12.09	12.09	12.09	12.09
Sub Total (B)	14.30	13.64	13.49	12.19	12.18	12.18	12.18
Non Institutional Investors							
Individuals	11.90	11.52	11.47	11.60	10.87	10.77	10.43
Body Corporate	31.00	29.46	29.37	29.32	29.91	30.41	30.69
Trusts	12.48	11.92	11.92	11.92	11.92	11.92	11.92
Others	1.16	1.19	1.48	1.40	1.54	1.15	1.20
Sub Total (C)	56.54	54.09	54.24	54.24	54.25	54.25	54.24
Total	100%	100%	100%	100%	100%	100%	100%

Outshining the Benchmark Index

Stock performance 1st Jul'09 – 31st Jan'10

In %	Since 1 st Jul'09	6 Months	3 Months	2 Months	1 Month
Electrotherm	60%	43%	26%	25%	18%
BSE Sensex	12%	6%	(3%)	(3%)	(6%)



As of 15 th Feb'09			
CMP	INR 298	EV* (INR M)	14,999
Market Cap (B)	INR 3.4	52 week range (INR)	82 / 412

01 Jul'09 11 Jul'09 21 Jul'09 31 Jul'09 10 Aug'09 20 Aug'09 30 Aug'09 09 Sep'09 19 Sep'09 29 Sep'09 09 Oct'09 19 Oct'09 29 Oct'09 08 Nov'09 18 Nov'09 28 Nov'09 08 Dec'09 18 Dec'09 28 Dec'09 07 Jan'10 17 Jan'10 27 Jan'10

* Balance sheet as of FY'09





Thank You

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