

January 18, 2006

## **MAHARASHTRA SEAMLESS NINE MONTHS PROFIT BEFORE TAX**

### **ZOOMS TO 142 CRORES**

**Net Profit for third quarter increases by 152% to Rs.42 crore**

**Gross Turnover (including other income) increases by 28% to Rs.310 crore**

**Current Order book position over Rs.370 crore**

Maharashtra Seamless Limited, the flagship company of Rs.2000 crore D. P. Jindal group, market leader in seamless & higher dia ERW pipes in India today announced its results for Quarter and Nine months ended December 2005

#### **Q3 FY2005 v/s Q3 FY2004**

The company posted an increase in its turnover (including other income) for the quarter ended December 2005 at Rs.310 Crore, compared to Rs.241 Crore recorded for the quarter ended December 2004. Profit Before Tax has gone up to Rs.63 Crore as against Rs.26 crore in the corresponding quarter of last fiscal, an increase of 146%. Net profit increased by 152% to Rs.42 Crore as against Rs.17 Crore in the same period last year. Cash profit for the quarter was at Rs.48 Crore as against Rs.22 Crore during the quarter ended December 2004.

#### **NINE MONTHS FY2005 v/s NINE MONTHS FY2004**

During the nine months period ended December 2005 the Company has achieved a Turnover (including other income) of Rs.773 Crore, compared to Rs.622 crore recorded for the corresponding period ended December 2004. Profit Before Tax has gone up to Rs.142 Crore as against Rs.82 crore in the corresponding period, an increase of 73%. Net profit increased by 76% to Rs.95 Crore as against Rs.54 crore. Cash profit for the period was at Rs.111 Crore as against Rs.70 crore during the period ended December 2004.

For the financial year ended 31<sup>st</sup> March 2005 the Company posted a turnover (including other income) of Rs.879 crore, Profit Before Tax and After Tax were Rs.126 crore and Rs.85 crore respectively.

The Company had raised US\$ 75 Million through issue of Foreign Currency Convertible Bonds (FCCB) on July 29, 2005. The bonds, which have a maturity of 5 Years, are convertible at a conversion price of Rs.506.68 per share. The Bonds carry a zero coupon with a yield to maturity set at 6.20% at the end of 5 years if not converted into shares during this period.

The Company had entered into a 50:50 joint venture with US-based Hydril Company LP to manufacture premium-threaded connections on OCTG Pipes. The JV - Hydril Jindal International Pvt. Ltd., having an installed capacity of 200,000 connections (approx. 25,000 TPA), which have a wide application in the high-pressure oil & gas wells has started commercial production during November 2005. While Hydril will provide the joint venture company with threading technology and marketing support for exports as well as the Indian markets, Maharashtra Seamless Limited will exclusively provide JV the full range of its pipes.

The company is having current order book position over Rs.370 crore ranging in all sizes of Seamless and ERW from various customers and various countries such as USA, Middle East, Far-East etc. Globally the market of seamless pipes is continuously growing up on the upsurge of crude oil & gas sector with newer demands for pipes for the new wells.