

PRESS RELEASE

MAHARASHTRA SEAMLESS TURNOVER ZOOMS TO RS.622 CRORE

MAHARASHTRA SEAMLESS LIMITED, THE FLAGSHIP COMPANY OF RS. 1400 CRORE D. P. JINDAL GROUP, MARKET LEADER IN SEAMLESS & HIGHER DIA ERW PIPES IN INDIA HAS POSTED AN INCREASE IN ITS GROSS TURNOVER FOR THE QUARTER ENDED DECEMBER 31, 2004, AT RS.241 CRORE, COMPARED WITH RS.145 CRORE RECORDED FOR THE QUARTER ENDED DECEMBER 31, 2003. PROFIT BEFORE TAX HAS GONE UP TO RS. 26 CRORE AS AGAINST RS. 21 CRORE IN THE CORRESPONDING QUARTER. NET PROFIT HAS INCREASED TO RS.17 CRORE AS AGAINST RS.16 CRORE IN THE CORRESPONDING QUARTER OF THE LAST FISCAL. CASH PROFIT FOR THE QUARTER ENDED DECEMBER 31, 2004 STOOD AT RS. 22 CRORE AS AGAINST RS.18 CRORE DURING THE QUARTER ENDED DECEMBER 31, 2003.

THE COMPANY, FOR THE NINE MONTHS ENDED DECEMBER 31, 2004 HAS REPORTED A GROSS TURNOVER OF RS. 622 CRORE AS COMPARED TO RS. 389 CRORE RECORDED FOR THE CORRESPONDING NINE MONTHS ENDED DECEMBER 31, 2003. PROFIT BEFORE TAX HAS BEEN Rs. 82 CRORE AS COMPARED TO Rs. 71 CRORE IN THE CORRESPONDING PERIOD. NET PROFIT AFTER TAX HAS GONE UP TO Rs. 54 CRORE AS COMPARED TO Rs 52 CRORE. CASH PROFIT FOR THE NINE MONTHS ENDED DECEMBER 31, 2004 STOOD AT RS. 70 CRORE AS AGAINST RS. 57 CRORE DURING THE CORRESPONDING PERIOD. DURING THE LAST FISCAL THE COMPANY HAD REPORTED A TURNOVER OF Rs 569 CRORE AND PROFIT BEFORE TAX OF RS. 105 CRORE.

WITH THE BOOM IN OIL & GAS SECTOR BOTH IN DOMESTIC AND INTERNATIONAL MARKET, THE PIPES AND TUBES INDUSTRY IS GOING TO WITNESS A DEMAND GROWTH OF 20-25% IN NEXT 3-5 YEARS. THE COMPANY HAS VISUALISED THIS OPPORTUNITY AND ACCORDINGLY EMPHASISED ON PRODUCTION OF BOTH HIGHER DIA SEAMLESS AND ERW PIPES. MSL WITH ITS NEWLY EXPANDED CAPACITY IS THE ONLY COMPANY IN THE COUNTRY MANUFACTURING UPTO 20" DIA. ERW PIPES & UPTO 14" SEAMLESS PIPES IN INDIA.

THE COMPANY IS HAVING VERY GOOD ORDER BOOK POSITION RANGING IN ALL SIZES OF SEAMLESS AND ERW FROM VARIOUS CUSTOMERS AND VARIOUS COUNTRIES SUCH AS USA, MIDDLE EAST, FAR EAST, BANGLADESH ETC. GLOBALLY THE MARKET OF SEAMLESS PIPES IS CONTINUOUSLY GROWING UP ON THE UPSURGE OF CRUDE OIL & GAS WITH NEWER DEMANDS FOR PIPES FOR THE NEW WELLS. THE COMPANY HAS ALSO BENEFITTED WITH THE INCREASE IN EXPORT QUANTITIES COMPARED TO LAST YEAR WITH ALSO BETTER REALISATION.

THE COMPANY EXPECTS GOOD INCREASE IN BOTH ITS TOPLINE AND BOTTOMLINE WITH ITS NEW MILL IN THE REMAINING PORTION OF THE CURRENT YEAR DURING JANUARY TO MARCH 05.