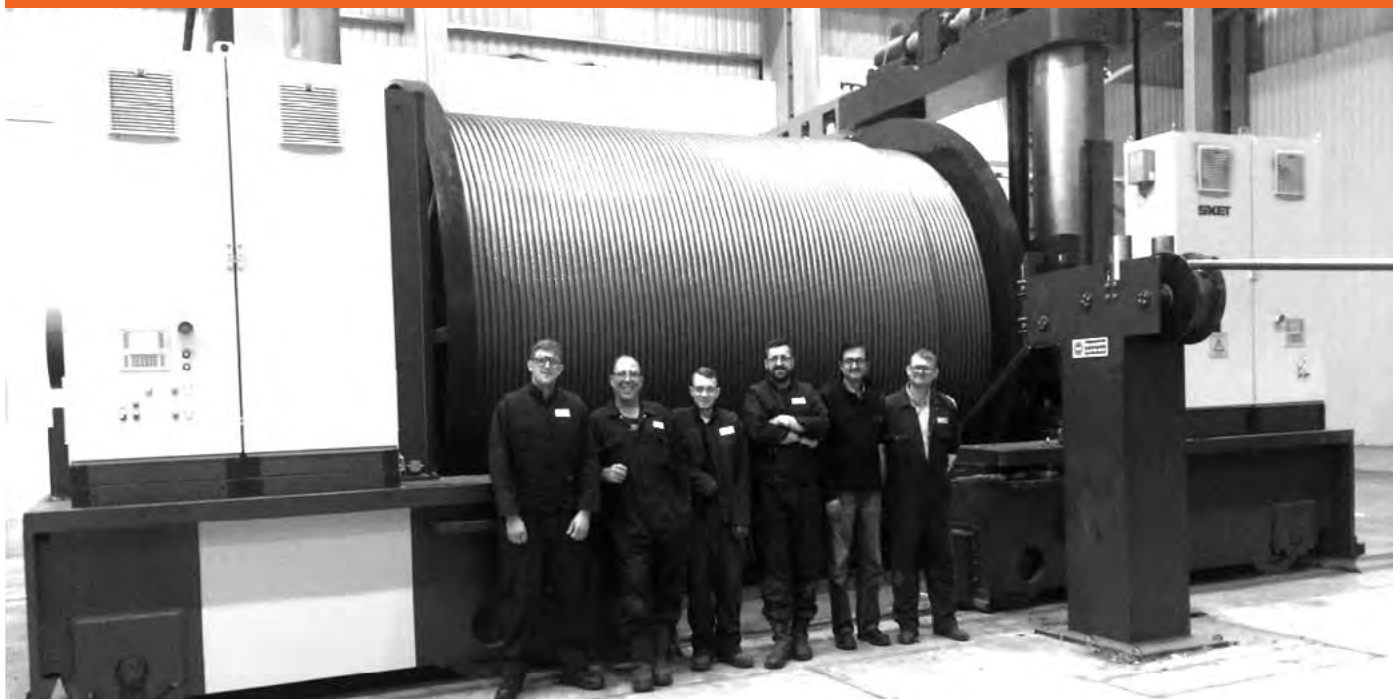


Consolidate **assets**.
Create **value**.
Conquer **frontiers**.





Brunton Wolf, Dubai team receiving Excellence Performance Award by DP World for 2014.



Brunton Shaw, UK team with newly manufactured wire rope 'Oceanmax', the next generation steel wire ropes for oil & gas application launched successfully in 2014-15.

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CORPORATE INFORMATION

Board of Directors

Mr. B K Jhawar	- Chairman Emeritus
Mr. Prashant Jhawar	- Chairman
Mr. Brij K Jhawar	- Director
Mr. S Singhal	- Director
Mrs. Ramni Nirula	- Director
Mr. G N Bajpai	- Director
Mr. Jitender Balakrishnan	- Director
Mr. P.S. Bhattacharyya	- Director
Mr. Rajeev Jhawar	- Managing Director
Mr. P K Jain	- Jt. Managing Director [Wire & Wire Rope Business]

Senior Management

India

Mr. Amitava Sircar	- Chief Operating Officer [Steel Division]
Mr. A K Somani	- Chief Financial Officer & Company Secretary
Mr. Pavan Trivedi	- President [Commercial & Accounts]
Mr. D J Basu	- President [HR]
Mr. Debasish Mazumdar	- Associate President [Steel]
Mr. Ashutosh Dixit	- Associate President [Wire & Wire Rope Business]
Mr. Sanjay Nath	- Sr. Vice President [Sales & Marketing]
Mr. S K Jala	- Sr. Vice President [IT]
Mr. Malay Kumar De	- Sr. Vice President [Metallurgical Services]
Dr. I N K Rao	- Sr. Vice President [Environment]
Mr. Anoop Saxena	- Sr. Vice President [TPM]
Mr. M A Dhere	- Sr. Vice President [SMS]
Mr. Debasish Majumder	- Sr. Vice President [QA]
Mr. A. K. Samanta	- Sr. Vice President [Sales & Marketing]

Europe

Mr. S Jodhawat	- Chief Executive Officer – Usha Martin International Limited
Mr. Simon Hood	- Director - Finance - Usha Martin International Limited
Mr. Paul Scutt	- Divisional Managing Director – European Management & Marine Corporation Limited
Mr. Len Allen	- Director Operations – Brunton Shaw UK
Mr. Rajesh Sharma	- Director – Brunton Shaw UK
Mr. Franco Clerici	- Director - Group R & D and Technical Services- Usha Martin Italia SRL

South East Asia

Mr. Amogh Sharma	- Managing Director – Usha Siam Steel Industries Public Co. Ltd.
Mr. Tapas Ganguly	- Chief Executive Officer – Usha Martin Singapore Pte Ltd.

Middle East

Mr. S. Mazumder	- GM, Sales & Marketing – Brunton Wolf Wire Ropes, Fzco.
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United States of America

Mr. Malay Vyas	- Chief Executive Officer – Usha Martin Americas Inc.
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Registered & Corporate Office :

2A, Shakespeare Sarani
Kolkata – 700 071, India
CIN : L31400WB1986PLC091621
Phone : 033 – 39800300; Fax : 033 – 39800400
Email : investor_relation@ushamartin.co.in
Website : www.ushamartin.com

Works :

India

Adityapur, Jamshedpur
Tatilswai, Ranchi
Hoshiarpur, Punjab
Sri Perumbudur, Tamil Nadu
Silvassa, (U M Cables)

Overseas

Navanakoran Industrial Estate, Thailand (Usha Siam Steel Industries)
Jebel Ali Free Zone, Dubai, UAE (Brunton Wolf Wire Ropes)
Worksop, Nottinghamshire, UK (Usha Martin UK)

Mines :

Barajamda, Jharkhand
Daltonganj, Jharkhand (upto 31st March, 2015)

Bankers :

State Bank of India
Axis Bank Limited
ICICI Bank Limited
HDFC Bank Limited
IndusInd Bank Limited
Bank of Baroda
The Ratnakar Bank Limited

Auditors :

Price Waterhouse
Kolkata

Share Listings :

NSE – Scripcode – USHAMART
BSE – Scripcode – 517146
Societe de la Bourse de Luxembourg - GDRs
ISIN No.INE228A01035

Registrar & Transfer Agent :

MCS Limited
77/2A, Hazra Road, Kolkata – 700 029
Phone : 033 – 24541892-93 / 40724051-53
Fax : 033 – 24541961 / 24747674 / 40724050
Email : mcskol@rediffmail.com

Usha Martin Limited

CIN: L31400WB1986PLC091621

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

Phone : 033- 39800300, Fax : 033-39800400

email- investor_relation@ushamartin.co.in, Website: www.ushamartin.com

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the TWENTY NINTH ANNUAL GENERAL MEETING of the members and shareholders of USHA MARTIN LIMITED will be held at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawaharlal Nehru Road, Kolkata – 700 020 on Thursday the 30th day of July, 2015 at 2.00 P.M to transact following businesses:

As Ordinary Business:

1. To receive and adopt the financial statements of the Company (both standalone and consolidated basis) for the year ended 31st March, 2015 together with the Directors' and Auditors' Reports thereon.
2. To appoint a director in place of Mr. B. K Jhavar (holding DIN: 00086237) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Brij K Jhavar (holding DIN: 00086200) who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and for the purpose to pass the following resolution as Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules 2014, , the appointment of M/s. Price Waterhouse, Chartered Accountants, (Firm Registration No. 301112E) for continuance as Auditors for financial year 2015 – 16 be and hereby ratified by the members of the Company at such remuneration as may be determined by the Board of Directors of the Company."

As Special Business:

To consider and if thought fit, to pass with or without modification(s), the following resolution:

5. As Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 1,75,000/- (plus service tax as applicable and reimbursement of actual out of pocket expenses) for the financial year ending 31st March, 2016 as approved by the Board of Directors of the Company, to be paid to Messrs Guha, Ghosh, Kar & Associates, the Cost Auditors appointed to conduct the cost audit of the Company's units as may be required under the Companies Act, 2013 and rules made thereunder, be and is hereby ratified and confirmed."

By Order of the Board

A K Somani

Company Secretary

Dated: 30th, June 2015

Membership No. F1705

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. A member holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Proxies, in order to be effective, must be deposited at the registered office of the Company, duly completed and signed, at least 48 hours before

commencement of the meeting. A proxy form is sent herewith.

- 2) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out details relating to Special Business at the meeting is annexed hereto.
- 3) The Registers of Members and the Share Transfer Books of the Company remain closed from 23rd July, 2015 to 30th July, 2015 (both days inclusive).
- 4) The shareholders of the Company are informed that the amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund ["the Fund"] constituted by the Central Government and the shareholder(s) would not be able to claim any amount of the dividend so transferred to the Fund. All unclaimed /unpaid dividends declared for and upto the financial year ended 31st March, 2007 has been transferred to the said Fund. The unclaimed/unpaid dividend declared for the financial year ended 31st March, 2008 shall be deposited in the Fund on or before 29th August, 2015.
- 5) The shareholders who have not encashed their earlier dividend warrants are requested to write to the Company immediately for claiming outstanding dividends declared by the Company.
- 6) Members holding shares in more than one folio are requested to write to the Company's R & T Agent, namely, MCS Limited, 77/2A, Hazra Road, Kolkata – 700 029 for consolidation of holding in one folio. The shareholders shall also send the relevant share certificates for this purpose.
- 7) As per RBI notification, with effect from 1st October, 2009, the remittance of the money through ECS was replaced by National -Electronic Clearing Service (NECS) and banks have been instructed to move to the NECS Platform. For the shareholders holding shares in electronic form, please furnish the new Bank Account Number as allotted to you by the bank after implementation of its Core Banking Solutions alongwith a photocopy of a cheque pertaining to the concerned account to your Depository Participant.
- 8) The Equity shares of the Company are tradable in dematerialized form with effect from 21st March, 2000. In view of the same and to avail of the in-built advantages of the ECS payment, nomination facility and other advantages, the shareholders are requested to get their shares in demat form. The ISIN No. of the Company is INE228A01035.
- 9) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the R & T Agent, namely, MCS Limited, 77/2A, Hazra Road, Kolkata – 700 029.
- 10) Electronic copy of the Annual Report for 2014 – 15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014 - 15 is being sent in the permitted mode.
- 11) Electronic copy of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

- 12) Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2014–15 will also be available on the Company's website www.ushamartin.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor_relation@ushamartin.co.in.
- 13) Pursuant to the provisions of section 108 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, Usha Martin Limited ("UML" or "the Company") is pleased to offer remote e- voting (Electronic Voting) facility to its members to cast their votes electronically on all resolutions set forth in this Notice convening the 29th Annual General Meeting to be held on Thursday, July 30, 2014, at 2.00 P.M.

The Company has engaged the services of Karvy Computershare Private Limited ("KCPL" or "Karvy") as the authorised agency to provide the remote e-voting facilities.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting	End of remote e-voting
From 9.00 A.M. (IST) on 27th July, 2015	Up to 5.00 P.M. (IST) on 29th July, 2015

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

Further, the members who have not casted their votes through remote e-voting may attend and cast their votes at the Annual General Meeting through Ballot Form (Form No. MGT-12) which shall be made available for use at the meeting.

The members who have already casted their votes through remote e – voting may attend the meeting but shall not be entitled to vote thereat.

Instructions and other information relating to remote e-voting are as under:

1. A. In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company / Depository participant(s)]:

- Launch internet browser by typing the URL : <https://evoting.karvy.com>
- Enter the login credentials (i.e. User ID and password mentioned in e-mail). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
- After entering these details appropriately, click on "LOGIN".
- You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forgot it. It is strongly recommended that you do not share your password with any other person and that you take most care to keep your password confidential.

- You need to login again with the new credentials.
 - On successful login, the system will prompt you to select the E-Voting Event Number for Usha Martin Limited.
 - On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and particular in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
 - Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - You may then cast your vote by selecting an appropriate option and click on "Submit".
 - A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
 - Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID : aklabhcs@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_ EVENT NO".
- B. In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:
- User ID and initial password-As mentioned in communication form
 - Please follow all steps from Sr. No. (a) to (l) as mentioned in (A) above, to cast your vote.
- Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.
 - The facility for voting through Ballot Form (Form No. MGT-12) shall be made available at the Annual General Meeting (the "Meeting") and the members attending the Meeting who have not cast their vote by remote e-voting shall be vote at the Meeting through Ballot Form (Form No. MGT-12).
 - The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - The Board of Directors of the Company has appointed Mr. Atul Kumar Labh , Practicing Company Secretary(FCS-4848/CP-3238) of M/s A K LABH & Co., Company Secretaries, Kolkata as Scrutinizer to scrutinise the Ballot Form (Form No. MGT-12) and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
 - Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23rd July, 2015.
 - A person, whose name is recorded in the register of members or in the

register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 23rd July, 2015 only shall be entitled to avail the facility of remote e-voting /Ballot Form (Form No. MGT-12) at the Meeting.

8. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 23rd July, 2015, may obtain the User Id and password in the manner as mentioned below:

- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space>

E-Voting Event Number+Folio No. Or DP ID Client ID to 9212993399.

Example for NSDL : MYEPWD <SPACE> IN12345612345678

Example for CDSL : MYEPWD <SPACE> 1402345612345678

Example for Physical : MYEPWD <SPACE> XXXX1234567890

- b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. Or DP ID Client ID and PAN to generate a password.

- c. Member may call Karvy's toll free number 1-800-3454-001.

- d. Member may send an e-mail request to evoting.uml@karvy.com

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

9. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 30th July, 2015.

10. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.

11. The Scrutinizer, after scrutinising the votes cast at the Meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website Company www.ushamartin.com and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.

14. Pursuant to the requirements of the Clause 49 of the listing agreements with the stock exchanges, information about the directors proposed to be re-appointed is given below:

Name of the Director	Basant Kumar Jhawar
Director Identification Number	00086237
Date of Joining the Board	19.05.1998
Profile of Director	Basant Kumar Jhawar, aged about 80 years is a commerce graduate and founder of Usha Martin Group. He has founded several successful industrial enterprises in India and abroad. Till 10th May, 2010, he served as Chairman on Board of Directors. Mr. Jhawar is actively involved and spearheading activities in the fields of community development, economic and social upliftment and empowerment of people and various other CSR initiatives on behalf of Usha Martin Group including through Krishi Gram Vikash Kendra, an NGO in operation for over 37 years in the state of Jharkhand.
No. of shares held in the Company (31.03.2015)	82310

Directorship (Indian Private/Public Companies) and Committee membership (Audit/Investors Grievance) in other companies.	Directorship in other Companies	Committee Position Held
	Orient Paper & Industries Limited	Audit Committee
	KGVK Agro Limited	-
	KGVK Social Enterprises Limited	-

Name of the Director	Brij Kishore Jhawar	
Director Identification Number	00086200	
Date of Joining the Board	27.10.2004	
Profile of Director	Brij Kishore Jhawar, aged about 78 years, co-founder of Usha Martin Group is a mechanical engineer from Jadavpur University and was graduated Diploma of Fellowship by the Institute of Engineers (India) in 1987 for his outstanding contribution to progress and advancement of mechanical engineering fraternity. He is a great believer in human values and human resource development. He is very conscious of industries' social obligations and is actively involved for over 35 years in discharging CSR obligations on behalf of Usha Martin group through Krishi Gram Vikash Kendra, an NGO operating in rural areas of Jharkhand.	
No. of shares held in the Company (31.03.2015)	945,865	
Directorship (Indian Private/Public Companies) and Committee membership (Audit/Investors Grievance) in other companies	Directorship in other Companies	Committee Position Held
	KGVK Agro Limited	-

EXPLANATORY STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No.5

The Board, on recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor Messrs Guha, Ghosh, Kar & Associates at a remuneration of Rs.1,75,000/- p.a (plus service tax as applicable and reimbursement of actual out of pocket expenses) to conduct the audit of the cost records of the Company in accordance with the provisions of the Companies Act, 2013 and rules made thereunder for the financial year ending March 31, 2016.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2016.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5. The Board recommends the Ordinary Resolution as set out at item No. 5 for approval of members.

By Order of the Board

A K Somani

Company Secretary

Membership No. F1705

Dated : 30th, June, 2015

CHAIRMAN'S MESSAGE



Dear Shareholders,

During the year 2014-15, your company has worked to deal with a continuous wave of challenges brought by industry headwinds and the regulatory environment.

The loss of our captive coal mine in Palamu in Jharkhand has been a setback since we were amongst those few companies that had worked to develop the mine and invested over many years in the welfare of the adjacent rural communities. The steel industry in the country has been under severe pricing pressure battling cheaper imports in the Indian market. The worldwide downturn in the oil sector has had an adverse impact on our wire rope business.

The optimisation of our new capacities, infrastructure and processes has been slower than expected in the later half of 2014-15. Our results are therefore disappointing. On a positive note, we have gained a coal mine in the recently concluded auctions. Its impact on our cost structure will be felt as we develop the mining resources. Our capacities are progressing to higher utilisation. Several indicators point towards an ability to deal with adversity and emerge stronger and profitable in the years ahead.

It is in difficult times that the ethos, values and principles set by my Father and Uncle, our Founders, are imbibed by our leadership and management and brought to bear on their efforts.

Shareholders and other stakeholders continue to repose their faith in Usha Martin. We gratefully acknowledge their patience. The management team has a strong resolve to deliver the results promised by the investments made.

I immensely value and acknowledge the unstinting support of our stakeholders and partners in the industry.

Prashant Jhawar
Chairman

MANAGING DIRECTOR'S OVERVIEW



Dear Shareholders,

In last year the company faced challenges in Steel as well as Value Added Business due to various global conditions like excessive steel production by China, oil price crash and currency fluctuation etc

Globally China produces half of world steel production. With steel export from China touching 90 million tonne, which is more than India's total steel production, globally there has been a fall in steel prices. Over production in China is likely to remain so in near future.

To overcome such adverse market conditions, the company has taken actions to move towards more high-value products and expand its presence in passenger vehicles, two wheelers, railways etc. where currently it has a limited presence. With technical assistance from Aichi Steel, the company is in process of building a strong foundation for entering car and 2-wheeler segment in coming time.

In Steel division, after completion of major projects, the focus of company in last year had been on improving operational efficiencies, improving quality levels and reducing cost. No major capex is being planned. Post cancellation of coal block, the company won Brinda-Sasai coal block the mine is likely to be operational by FY 18. In the meantime, every cost element, whether fixed or variable is being revisited.

In value added business, better performance in domestic market helped the company to strengthen its market position. In India, the company successfully launched Combination Rope for fishing segment. In the year, the UK subsidiary Brunton Shaw commissioned manufacturing facilities for Oceanmax – a specialized large dia rope for offshore application and successfully started supply to customers. The Rotterdam based subsidiary – DeRuiter Stalkaabel, shifted to its own new bigger premises which will help it to increase volume and service the customer better and faster.

Brunton Wolf, the group company at Dubai won Excellence Performance Award for 2014 from DP World, Dubai. The wire rope plant won Certificate of Merit in assessment of Green Manufacturing Excellence Award by M/s Frost & Sullivan in 'Believers Category'.

Globally, markets for wire rope business remained challenging throughout the year. Sharp fall in oil prices in 2nd half of the year and depreciation in currencies in many overseas markets had an adverse effect on value added business of the company. To strengthen its presence in such dynamic global conditions, the company is focusing on further enriching its product mix and expanding in more geographies.

The company continues to maintain its support to KGVK, the organization for sustainable growth of the society. KGVK has been instrumental in introducing Total Village Management in rural areas.

In near term, global markets are likely to remain challenging but domestic market is showing positive signs. With presence in diverse sectors and geographies the company expects to overcome the challenges and exploit emerging opportunities in coming time.

Rajeev Jhavar

Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

Economic Overview

The overall global economic conditions continued to remain suboptimal since 2012 at level of 3.2% to 3.4%, down from earlier level of 4%. The global economic growth in calendar year 2013 was at same level of 3.4% even in calendar year 2014. While the advanced economies achieved a growth of 1.8% in 2014 compared to 1.4% in 2013, the emerging and developing economies slowed down to 4.6% during 2014 from 5.0% in 2013.

The World Economic Outlook (World Bank) has forecasted growth in world economy, advanced economies and emerging / developing Economies for 2015 at 3.5%, 2.4% and 4.3% and expects average global growth improving to 3.8% and that of Emerging and Developing countries to about 4.7% in 2016.

Global GDP Growth				
	2013 (A)	2014 (E)	2015 (E)	2016 (E)
World	3.4%	3.4%	3.5%	3.8%
Advanced Economies	1.4%	1.8%	2.4%	2.4%
- USA	2.2%	2.4%	3.1%	3.1%
- Europe	-0.5%	0.9%	1.5%	1.6%
Emerging & Developing Economies	5.0%	4.6%	4.3%	4.7%

The Indian economy registered a GDP growth of 7.4% in FY'15 against 6.9% in FY'14. The Agriculture growth of 1.1% in FY 15 against 3.7% in FY'14 has to some extent neutralised growth in Infrastructure and Service sectors which went up to 5.9% and 10.1% in FY'15 from 4.5% and 9.1% respectively. Manufacturing grew from 5.3% in FY'14 to 6.8% in FY'15 and Mining slipped from 5.4% in FY'14 to 2.3% in FY'15.

Domestic GDP Growth			
	FY-13	FY-14	FY-15
Agriculture	1.2%	3.7%	1.1%
Industry & Infrastructure	2.4%	4.5%	5.9%
- Manufacturing	6.2%	5.3%	6.8%
- Mining	-0.2%	5.4%	2.3%
Services	8.0%	9.1%	10.6%
Overall	5.1%	6.9%	7.4%

Source : CSO, MOF, PMEAC

The Index of Industrial Production (IIP), which was significantly low at 1.1% in FY'13 and slipped to negative 0.1% in FY'14 recovered back to marginal level of 2.8% in FY'15.

The Manufacturing sector recovered to 2.2% in FY'15 from a negative of 0.8% in FY'14. Mining sector was at 1.4% in FY'15 after marginally recovering to 0.6% in FY'14.

After a prolonged period of concerns on inflation and trade gap fronts, the trends seem to have reversed on back of lower global oil prices FY'15.

During general elections held in May 2014, India has witnessed formation of Central Government with single party majority after 3 decades. This clear political mandate has ushered in new and significant hopes of India coming out of political uncertainties and taking long pending policy initiatives to accelerate economic recovery, improved

business conditions, better fiscal, monetary and trade environment and corrections in overall economic fundamentals.

IIP Data (YoY Growth %)			
	FY' 13	FY' 14	FY' 15
Sectoral			
Mining	-2.3%	-0.6%	1.4%
Manufacturing	1.3%	-0.8%	2.2%
Electricity	4.0%	6.1%	8.4%
Use Based			
Basic Goods	2.4%	2.1%	6.9%
Capital Goods	-6.0%	-3.6%	6.2%
IIP Total	1.1%	-0.1%	2.8%

Source : CSO, GOI

Other Key Economic Indicators (YoY Growth %)				
		FY' 13	FY' 14	FY'15 (RE)
Fiscal Deficit	% of GDP	4.9%	4.4%	4.1%
Trade Gap	US\$ in Bn	190.3	135.8	137.0
Current A/c Deficit	% of GDP	4.8%	1.7%	1.3%
WPI - Average	%	7.4%	6.0%	2.1%

Source : CSO, MOF, PMEAC

Company Overview

Business Configuration

Usha Martin is an integrated specialty steel and value added steel products Company, having business locations across various parts of the world including through its subsidiaries and/or joint ventures.

The Company has state-of-art integrated steel plant near Jamshedpur (Jharkhand) producing a wide range of specialty steel wire rods and bars, with captive iron ore mine in Jharkhand. The other/auxiliary products include iron ore pellet, coke, DRI, hot metal, pig iron, sinter, oxygen and power generation, primarily for captive consumption. Until 31st March, 2015 the Company had coal mining also at its' Kathautia block which got de-allocated by the decision of Hon'ble Supreme Court of India in September 2014. Under the new policy initiative of fresh e-auctions, the Company participated in bid and successfully won Brinda & Sasai Coal block in Jharkhand. The operations in this coal mine are likely to commence in FY'18.

With stabilization of projects like pellet, coke and additional DRI and power generation set up up to FY'14, the Company has strengthened cost model in its steel business to increase competitiveness.

The Company is one of the largest producers of specialty steel in India, catering to requirements of automotive, railways, defence and general engineering sectors.

The steel products manufactured at Jamshedpur facilities were sold in the market to the extent of 69% and balance 31% was for in-house production of value added products such as wire ropes, wires, strands and bright bars at Ranchi, Hoshiarpur, Chennai and Bangkok.

In steel wire rope manufacturing, the Company is the largest in India and one of the largest in the world. Its manufacturing plants are located at Ranchi and Hoshiarpur in India, and in Thailand, Dubai and the UK overseas. The wide range of wire ropes produced by the Company has

applications in offshore oil exploration, mining, elevators, cranes, bridges, infrastructure, construction, fishing and variety of general purposes.

Besides wire ropes, other value added products include cords, strands, wires, bright bars and oil tempered wires. The Company has also a plant at Chennai to manufacture bright bars.

The global business of wire rope is supported by marketing, distribution and rigging facilities at various locations in the USA, Europe and Asia. The Company provides products and solutions for oil and gas sectors for anchoring, drilling and mooring applications from its facilities at Aberdeen in UK. Further, the Company has an R&D Centre in Italy.

The Company has an in-house machinery manufacturing facility at Ranchi for captive engineering requirements as well as to cater to external demand in India and export markets.

Through one of its wholly owned subsidiary in India, the Company also manufactures a wide range of telecommunication cables meant for variety of applications and caters to requirements of domestic and export markets.

The strategy of integration places the Company distinctly in a unique

FY'15. These overall economic conditions continuing now for couple of years explain the adverse business environment, which the Company had to face during the year.

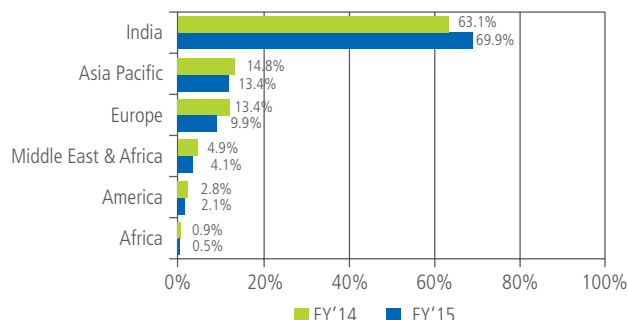
The domestic consumption of steel already subdued with growth of mere 0.6 % in FY'14 against 3.3% in FY'13 is estimated to be at 3.1% in FY'15. The consumption of Alloy Steel is estimated to have gone up to 8.0 MnT from 6.1 Mn T. However, within automobile, which accounts for major portion of consumption of alloy steel, the growth of M&HCV,LCV and Tractor segment is still hovering from negative to single digit in FY'15.

In addition to slow or no growth in steel consuming segments which kept steel prices lower than optimal levels, the pressure of cheaper imports of steel was significant on domestic prices of finished products. These circumstances had an adverse impact on selling prices of products of the Company, more particularly in 2nd half year of FY'15.

The year saw an unprecedented oil price crash and steep depreciation of currencies like Russian Ruble, Euro, Brazilian Real etc. This badly affected the oil & offshore segment of wire rope business of the Company. Not

Revenue Distribution

By Geography (Integrated Business)



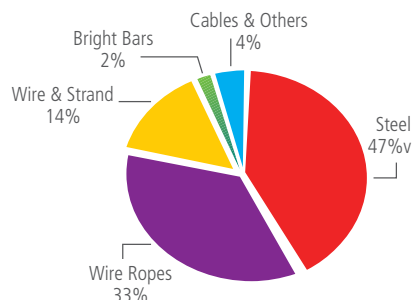
position by combining both ends of value chain, from iron ore mining to high value wire ropes and further providing end use solutions on its key product applications. In addition to providing benefits of quality, consistency and self-sufficiency for principal raw materials, it provides captive markets for a sizeable portion of the finished products, thereby de-risking both the businesses. Also it enables the Company to aspire to become truly competitive across the entire value chain of its chosen products.

Business Environment

The Index of Industrial Production for steel recorded a significant fall from 11.5% in FY'14 to mere 0.5% in FY'15. This is the lowest growth recorded in last 10 years. The last lowest growth recorded was 1.9% in 2008-09. The deep decline in overall Motor Vehicles segment remaining negative at 5.3% in FY'13 and 9.6% in FY'14 could just recover to small 2.4% in FY'15. The low growth in steel appears to be in line with growth in Manufacturing sector at 2.2% and in mining sector 1.4% in

Revenue Distribution

By Product



only is the demand for Oil & Offshore rope subdued, but global wire rope prices are under pressure due to intense competition and depreciation of Euro, Ruble etc.

Further, over production by China and continued export of steel from China contributed to a fall in global steel prices. Domestic automobile market remained subdued during the year.

IIP Growth

