



# MAITHAN ALLOYS LIMITED

**Press Release: 31<sup>st</sup> July 2019, Kolkata**

Maithan Alloys Limited, India's largest manganese alloy producer and exporter announced its Unaudited Financial Results for the quarter ended 30<sup>th</sup> June, 2019

## **Business Highlights for Q1FY20**

- Revenue from Operations for the quarter stood at Rs. 486 crores of which our Manufacturing Revenues was at Rs. 443 crores. Our volume remains intact even in this slowdown in steel industry and we were able to optimally utilise our capacity
- Manufacturing EBITDA for the quarter stood at Rs. 66 crores with margin at 14.9%. It was impacted on the back of sluggish market condition leading to increased competitive intensity
  - Even in this challenging environment we were able to maintain the margins in the range of our Sustainable long-term EBITDA margin of 15% - 17%;
- Profit After Tax (PAT) stood at Rs. 52 crores with margin of 10.7%

## **Capex Update**

- Maithan Alloys Limited has participated in the auction of Impex Metal & Ferro Alloys Limited (under liquidation) as a going concern. The Liquidator officer has intimated that the bid has been ranked as the highest bid and has been declared as H1 BIDDER. The necessary approval of National Company Law Tribunal in this regard is still awaited.
- Maithan Alloys Limited has forayed into organic growth to set up a Greenfield Ferro alloy manufacturing unit in West Bengal. The entire CAPEX will be funded from internal accruals.



**Commenting on the results and performance, Mr. Subodh Agarwalla, Whole-time Director and CEO said:**

*“During the quarter, despite the domestic slowdown and a sluggish market environment, our Company was able to increase its Revenues by 7%. We were able to achieve the long term average EBITDA margins even in below-average market conditions.*

*Notwithstanding slowing domestic demand, steel companies have raised concerns over rising steel imports at zero percent duty from countries such as Japan and South Korea that have signed a free trade agreement. With demand remaining sluggish, we expect prices to remain depressed for some time.*

*At Maithan, our aim is to consistently outperform. Our cost efficiencies and the new processes adopted are the best in the industry which help us reduce our operating costs and improve profits.*

*Clear emphasis has been laid on the infrastructure development in the budget and thereby increase the demand for steel. Over the next three years, Capex of over Rs. 75,000 crores are to be invested in the Steel Industry with steelmakers looking to increase the capacities further by ~16 million tonne. With the steel industry set to grow, the demand for ferro alloys will grow at a much faster pace going ahead.*

*With a complete basket of ferro alloys product, strong relationship with the customers and financial flexibility, we feel Maithan continues to be at a sweet spot and will be in a position to grow faster than the Industry.”*



### **About Maithan Alloys Ltd.**

Maithan Alloys Ltd. (“Maithan Alloys”) is amongst India’s leading manufacturers and exporters of niche value-added Manganese Alloys with over 20 years of experience. The Company has emerged as a reputed provider of customized Manganese Alloys to large and high growth industries. The Company manufactures Ferro Manganese, Silico Manganese and Ferro Silicon from its multi-locational plants at Kalyaneshwari (West Bengal), Visakhapatnam (Andhra Pradesh) and Ri-Bhoi (Meghalaya).

Over the last two decades, the Company has developed long term relationships with prominent steel manufacturing clients like SAIL, Tata’s and Jindal’s in India and also international client base comprises of traders and manufacturers across five continents. Its competitive advantage lies in its versatile product range, low cost curve and commitment to efficiency.

For more information, please visit [www.maithanalloys.com](http://www.maithanalloys.com)

### **Safe Harbor Statement**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

#### **For further information, please contact:**

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