

Monnet Ispat & Energy announces 20% growth in total sales for Q1FY11

Financial Highlights:

All figures in Rs Crore unless stated otherwise

Particulars	Q1FY11	Q1FY10	Growth %
Net Sales	420.38	356.15	18
EBITDA	121.28	107.64	13
PBT	90.76	73.56	23
PAT	72.72	61.24	19
Cash Profit	90.87	78.70	15

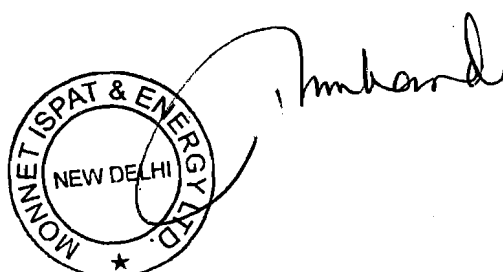
New Delhi, August 09, 2010; Monnet Ispat & Energy Limited has announced total sales for the first quarter ended June 30, 2010 stood at Rs 451.41 crore registering a growth of 20%. Net profit for the same period stood at Rs 72.72 crore up 19% from Rs 61.24 crore in the same period last fiscal. EBITDA for the period stood at Rs 103.11 crore up 14%.

Appointments:

Mr. Ajay Relan, the Managing Partner of CX Partners and Ex – Managing Director of CVC Internationale Citigroup affiliated has joined the board as an Independent Director. Mr. Relan was on the board of the company from 2004 to 2008 as a nominee of CVC International.

Operational Highlights:

- Recently Blackstone Group has invested Rs 2750 million for 12.5% equity stake in Monnet Power Company Limited ("MPCL"), an independent power producer ("IPP") a subsidiary of MIEL wherein, MPCL is developing a 1,050 MW coal fired power plant in Orissa backed by pit-head captive coal mines.



- MIEL formed JV with country's largest iron ore mining company National Mineral Development Corporation (NMDC) in ratio 49:51 to acquire and develop coal blocks in India. The newly formed company will bid for coal mines with reserves of 200 to 300 million tonne.
- The Indian Boxing Federation has signed a three-year USD one million deal with Monnet Ispat and Energy Limited to sponsor the national teams and take care of their kits.

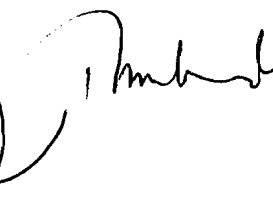
Management view on performance

Commenting on the performance of the group in the first quarter of current fiscal, Mr. Sandeep Jajodia, Executive Vice Chairman and Managing Director, MIEL, said, "The last quarter has been very tough for the steel industry at large; the prices have been under pressure which has impacted the margins of the industry. The raw material prices didn't fall and match with the prices of end product."

"It however, gives me immense pleasure to reiterate that our sharp focus on a sustainable operational efficiency has continued to deliver robust results for the company on account of efficient cost management, better production and better pricing & procurement of raw materials. I am confident that operational efficiencies along with good understanding of the market in which we operate in, will help Monnet in sustaining its growth trajectory." Mr. Jajodia added.

Monnet Power Company Limited: MPCL is an IPP that is in the process of developing power generation capacity of 1050 MW. The Company is finalizing the plans to augment its power generation capacity to 3000 MW.

Monnet Ispat & Energy Limited: MIEL is promoted by Mr. Sandeep Jajodia. Its principal activities include manufacturing and marketing of Sponge Iron, Steel and Ferro Alloys. In addition, MIEL is engaged in mining of mineral assets like coal & iron ore and is also involved in the generation of power for captive consumption. The Monnet Group has manufacturing facilities in Raipur and Raigarh in Chhattisgarh and is currently in the midst of implementing a 1.5 Million Tons integrated steel plant to produce plates,



structurals and rebars at its facility at Raigarh in Chhattisgarh to cater to the high growth infrastructure sector. MIEL through its subsidiary is now making measure of forays in the development of Merchant Power Plants and is currently implementing the first 1050 MW power plant at Angul.

Further information is available at <http://www.monnetgroup.com>

Forward-Looking Statements:- This report contains forward -looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, market position, expenditures, and financial results, are forward -looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward - looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

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