
Stampings Division:

- Domestic auto OEMs are the main customers of this division is doing well and this market segment is experiencing healthy growth. This is reflected in healthy performance of Stampings Division with a y-o-y increase in Sales and Profit on for the first 3 quarters of FY11.
- CAPEX is being incurred to take advantage of growth opportunities, and a new press line has been ordered for Kanhe unit to serve the demand of Mahindra Vehicles Manufacturers Ltd (MVML), Chakan.

Ongoing Activities

Steel Division

- Revisiting the process parameters to improve cost, quality and environment.
- Focusing on non auto products in domestic and export markets to improve margin.
- Effort is on to increase selling price in view of increase in input cost.

Stampings Division:

- Improvement of value addition through systems and assemblies
- New business development and expansion to make the division future-ready for the expected continued auto-boom in India.
- Enhancement of manufacturing Automation

Q4 (FY 2010-11)

OUTLOOK

- Existing order book indicates that volumes are expected to increase in both the Steel and Stamping divisions of your Company. Sales of Ring business unit is also likely to improve as production has ramped up.
- The price increase in Steel division from customers is important to sustain the revenue growth especially to customers in the auto sector.
- The Stamping Division's robust results mirror the operational excellence undertaken by the Division to capture opportunity provided by the strong auto demand. Outlook for stampings division is positive for Q4-FY11.

ABOUT MAHINDRA UGINE STEEL CO.LTD (MUSCO)

Mahindra Ugine Steel Company Limited is the one of the leading manufacturers of alloy steel and special steel products in India and has its Steel Plant in Khopoli, Maharashtra. MUSCO is also in the business of Stampings (Pressed Sheet Metal & Components) and is the leading player in this segment in India. MUSCO Stampings operates from three plants, Kanhe (near Pune), Nashik and Rudrapur. MUSCO is part of Mahindra Group and is subsidiary of Mahindra and Mahindra Limited.

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