



Tata Metaliks Q4 FY18 PAT rises 35% to Rs 54.65 cr

Board recommends 30% dividend on equity shares

Key Highlights

- The outlook for DI pipes business is encouraging with major projects in States like Madhya Pradesh, Jharkhand, Odisha, Maharashtra and Haryana getting finalised for being awarded to EPCs.
- The domestic market for Pig Iron continues to be robust, though a downward trend in raw material prices coupled with additional production might lead to some course correction in Pig Iron prices in the coming months
- PBT in Q4 FY18 was higher than Q3 FY18 by 32% primarily because of higher sales of DI Pipes and better realisations on both Pig Iron and DI Pipes.
- DI Pipe business in Q4 FY18 recorded 29% higher sales than Q3 FY18 as a result of improved demand for project completion ably supported by increased pipe production.
- Pig Iron price realisations in Q4 FY18 improved by 14% compared with Q3 FY18, but sales volumes were lower by 16% on account of planned shutdown of one of the blast furnaces.
- Company's Board recommended a dividend of 30% on equity shares.

Kolkata, April 27, 2018 Tata Metaliks Limited (TML) has reported a 35.3% rise in its Profit After Tax (PAT) at Rs 54.65 crore for the quarter ended March 31,2018 compared with Rs 40.38 crore in the corresponding quarter of the previous year.

The Company's turnover for the quarter stood at Rs 546 crore, up by 31.5% compared with Rs 415 crore in Q4 FY17.

The company recorded sales deliveries of 291 KT of Pig Iron and over 209 KT of DI Pipes for the financial year. Deliveries for the quarter were 71 KT of Pig Iron and 65 KT of DI Pipes.

For the fiscal ended March 31,2018, the Company recorded a turnover of Rs 1,894 crore, up 34.3% compared with Rs 1,410 crores in FY 17. PAT for FY18 was Rs 159.18 crore, up by 37% from Rs 116.06 crore in FY 17.

The Company's Board has recommended a dividend of 30% on equity shares for the year gone by.

Management Comment:

Mr Sandeep Kumar, Managing Director of Tata Metaliks Limited said: "The Company's DI pipe business recorded robust performance with consistent focus on operational excellence backed by improved market outlook in water and irrigation sectors. The Company has a healthy order book of DI pipes. The Pig Iron business is also showing encouraging results with healthy realisation from major markets. The Company continues to work on structural cost improvement projects with the objective of attaining cost leadership".

Consolidated Performance Highlights:

All figures in Rs crore (unless specified)

FY17	FY18		Q4 FY18	Q3 FY18	Q4 FY17
199,084	290,902	Pig iron sales (t)	71,229	85,045	30,811
182,480	209,475	DI pipe sales (t)	64,628	50,180	65,640
1,410	1,894	Turnover	546	490	415
225.60	296.54	EBITDA	97.04	72.44	75.60
36.43	49.07	Depreciation	13.22	12.27	12.35
37.50	47.09	Finance costs	17.72	10.05	11.49
151.67	200.38	PBT	66.10	50.12	51.76
116.06	159.18	PAT	54.65	40.35	40.38
45.89	62.95	Earnings per Share (Rs)	21.61	15.96	15.97

Note: PBT & PAT shown above is after taking charge of dividend on preference shares & tax thereon (as per requirement of IND AS).

Tata Metaliks Limited is a subsidiary of Tata Steel which was established in 1990. It has its manufacturing facilities at Kharagpur, West Bengal, India which produces pig iron and ductile iron pipes. The plant's annual hot metal production capacity is 500,000 tonnes out of which about 200,000 tonnes is converted into Ductile Iron (DI) pipes and the rest into pig iron.

Disclaimer

Statements in this press release describing the Company's performance may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in or due to the environment, Government regulations, laws, statutes, judicial pronouncements and/or other incidental factors.

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