



**Tata Metaliks Limited reports Financial Results for the quarter ended
June 30, 2019**

Kolkata, July 15, 2019: Tata Metaliks Limited (“TML”) today declared its Financial Results for the first quarter (Q1 FY’20) ended on June 30, 2019. TML recorded revenue from operations of Rs 499 Crores and PBT of Rs 27 Crores for quarter (Q1). Highlights of the Company’s performance are:

- Pig iron and Ductile Iron (DI) pipe sales during Q1 FY’20 improved by 5% and 14% respectively in comparison with same quarter in FY’19.
- Despite increase in production of Hot Metal and improved operational parameters including coke rates, the profitability of the Company in Q1 FY’20 was lower than Q1 FY’19 by 34% primarily due to the squeeze in Pig Iron spreads.
- Domestic demand of Pig Iron was muted due to slow-down in automobile sector and liquidity issues. There was further impact due to muted exports of Pig Iron which forced the major pig iron suppliers to divert their supplies to the domestic market, causing over-supply and therefore lower price realisation.
- Ductile iron pipe business however, performed well with increased sales volume and improved price realization despite a weaker sentiment and slow-down in order bookings during the quarter when general elections were held.

One of the blast furnaces that faced several operational issues during April and May has been relined in May, after which performance has improved significantly and in June ‘19 the furnace achieved its highest ever monthly hot metal production of about 49 kt. With the commissioning of new oxygen plant in July ‘19, production volume as well as coal injection rates are expected to go up which should improve the profitability of the pig iron business.

The outlook for FY’20 and beyond for the Company looks positive with government’s emphasis on further strengthening and investing in water projects that should give a thrust to the company’s DI pipe business.

Managing Director’s Comments

Mr. Sandeep Kumar, Managing Director of Tata Metaliks said: “While the DI pipe business performed well in Q1 FY’20 with highest-ever first quarter sales of about 54 kt, the Pig Iron business was a drag in the overall profitability of the Company due to lower than planned volumes and market pressures. Re-lining of the furnace and supply of additional oxygen through a new oxygen plant (and therefore higher coal injection) should help improve the operational performance in Q2 FY’20. Market pressures will however, continue in the Pig Iron business due to subdued demand and over-supply. DI Pipe business, which has shown excellent all round performance is expected to be the primary profitability driver for the Company in the coming quarters”.

TATA METALIKS LIMITED

Tata Centre 43 Jawaharlal Nehru Road Kolkata 700 071 India
Tel 91 33 66134205 Fax 91 33 2288 4372 e-mail tml@tatametaliiks.co.in
CIN L27310WB1990PLC050000



Performance Highlights:

Figures in Rs. Cr. unless specified

FY'19		Q1 FY'20	Q4 FY'19	Q1 FY'19
283,454	Pig iron sales (t)	71,577	69,574	68,393
235,671	DI pipe sales (t)	53,626	72,002	47,043
312.96	EBITDA	49.14	83.53	67.22
57.64	Depreciation	14.48	15.32	15.19
43.26	Finance costs	7.34	11.54	10.57
212.06	PBT	27.31	56.67	41.46
181.89	PAT	19.62	64.35	30.39
71.84	Earnings per Share (Rs.) - Basic	6.99	25.41	12.02
71.73	Earnings per Share (Rs.) - Diluted	6.21	25.37	12.02

Tata Metaliks Limited is a subsidiary of Tata Steel which started its commercial production in 1994. It has its manufacturing facilities at Kharagpur, West Bengal, India which produces Pig Iron and Ductile Iron pipes.

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.

For media enquiries contact:

Rajesh Mishra

Tel: +91 9831107788

E-mail: rajesh.mishra@tatametaliiks.co.in

TATA METALIKS LIMITED

Tata Centre 43 Jawaharlal Nehru Road Kolkata 700 071 India
Tel 91 33 66134205 Fax 91 33 2288 4372 e-mail tml@tatametaliiks.co.in
CIN L27310WB1990PLC050000