



**Tata Metaliks Limited reports Financial Results for the quarter and six month ended
September 30, 2020**

4 fold jump in Profit before Tax Y-o-Y

Kolkata, October 19, 2020: Amidst the continuing Covid-19 pandemic, Tata Metaliks (“TML”) today declared its Financial Results for the second quarter (Q2 FY’21) that ended on September 30, 2020.

Despite the continuing economic slowdown due to the Covid-19 pandemic, TML has delivered a strong quarterly performance led by increased sales volumes and improved efficiency; it has recorded Revenue from Operations of Rs 520 crores and Profit before Tax of Rs 90 crores for the quarter (Q2). For the first half of the current fiscal (H1 FY’21), its Revenue from Operations and Profit before Tax stands at Rs 730 crores and Rs 74 crores respectively. Highlights of the Company’s performance are:

- After a muted performance in the first quarter (Q1 FY’21) due to suspension of production and dispatch for most of the quarter due to nationwide lockdown, the Company has been able to put up a healthy performance in Q2. Delivery of Pig Iron for the quarter was around 170% higher than Q1 FY’21 and 12% higher than Q2 FY’20. Delivery of DI Pipe was also 80% higher than Q1 FY’21, though it dropped 13% compared to Q2 FY’20 because of delays in project sites arising out of Covid impact.
- The Company reported Q2 EBITDA of ~Rs 112 crores (EBITDA margin at around 21%), which is 140% higher YoY against ~Rs 47 crores in Q2 FY’20. This is mainly attributable to higher spreads between raw material and finished goods prices as also due to results of the structural and operational cost reduction initiatives that the company has embarked on in the recent past.

Performance Highlights:

Figures in Rs. Cr. unless specified

FY’20	H1 FY’20	H1 FY’21		Q2 FY’21	Q1 FY’21	Q2 FY’20
313,992	148,316	117,789	Pig Iron sales (t)	85,684	32,105	76,739
217,712	109,659	76,052	DI Pipe sales (t)	48,908	27,144	56,033
300.42	96.09	122.91	EBITDA	111.66	11.25	46.74
65.06	30.61	36.03	Depreciation	16.41	19.62	16.13
33.14	14.99	13.14	Finance costs	5.04	8.10	7.65
202.22	50.49	73.74	PBT – from continuing operations	90.21	(16.47)	22.96
165.96	43.01	69.64	PAT	82.00	(12.36)	23.39
59.09	15.31	24.69	Earnings per Share – Basic (Rs.)	28.96	(4.40)	8.32
52.55	13.61	22.05	Earnings per Share – Diluted (Rs.)	25.97	(4.40)	7.40

TATA METALIKS LIMITED

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Managing Director's Comments

Mr. Sandeep Kumar, Managing Director of Tata Metaliks said: *"The Company has had an almost vertical ramp-up of its production and sales in both its businesses despite the continuing uncertainty caused by the pandemic. In Q2 the Company has bounced back with the blast furnaces delivering robust performance in terms of higher productivity, reduced fuel rates and higher coal injection rates; DI Pipe plant operations have also done well with further visible improvements. While Pig Iron demand has shown a healthy pull with foundries ramping up to 80-90% of their capacities, DI Pipe demand may remain under pressure till government spending picks up in infrastructure (including water, sanitation and irrigation infrastructure projects) in the months to come. The Company has been focused on conserving cash and has been successful in significantly bringing down its net borrowings q-o-q. With infusion of Rs.168 crore by Tata Steel against preferential allotment of equity shares, TML today stands at zero debt and cash positive. While demand of Pig Iron is expected to remain healthy in Q3 FY'21, the spread between realisation and raw materials prices would be under pressure due to rising raw material prices."*

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.

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