



Tata Metaliks Limited reports Financial Results for the quarter ended December 31, 2019

Kolkata, January 16, 2020 Tata Metaliks Limited (“TML”) today declared its Financial Results for the third quarter of FY’20. TML recorded Revenue from Operations of Rs.519 Crores (compared to Rs.511 Crores in Q2 FY’20) and Profit after Tax (PAT) of Rs.46 Crores for the quarter ended December 31, 2019. For the period of nine months ended December 31, 2019, TML recorded Revenue from Operations of Rs.1,529 Crores and PAT of Rs.89 Crores.

- TML achieved a growth in PAT of 96% in Q3 FY20 over Q2 FY’20.
- The Company demonstrated robust performance in Pig Iron division with deliveries higher by 12% compared to Q2 FY’20 and 40% compared to Q3 FY’19. This was possible due to improved blast furnace performance, raw materials optimisation and higher coal injection along with oxygen enrichment.
- Although Ductile Iron (DI) Pipe deliveries were lower by 4% and 18% compared to Q2 FY’20 and Q3 FY’19 respectively, good operational performance on cost front helped DI Pipe division achieve an operating margin of 20% (as compared to 13% in Q3 FY’19).
- The quarter saw a continual slide in prices of major raw materials like coal, coke and iron ore which fell by around 10-15% compared to Q2 FY’20. This also impacted the price realisation of both Pig Iron and DI pipe-both lower by around 3% compared to Q2 FY’20.

Outlook for Q4 FY’20 for the DI Pipe business is cautiously optimistic as Q4 is usually the best quarter for DI Pipe business but there are some concerns on fund flow to projects. With recent firming up of iron and steel prices, outlook for Pig Iron market is optimistic and with the expected stable blast furnace operations, overall profitability for Pig Iron business in Q4 FY’20 is expected to improve further.

Managing Director’s Comments

Mr. Sandeep Kumar, Managing Director of Tata Metaliks Limited said: “Significantly improved blast furnace performance and stable DI pipe operation with strong cost focus helped the Company improve the operating margin to around 15% from 9% in Q2. The blast furnaces are expected to continue performing well with increased coal injection and oxygen enrichment in Q4 FY’20. The outlook for the Q4 appears to be promising for the Company despite some concerns on project fund flows that might impact the despatches of DI Pipes. Though key raw material prices are also expected to firm up, the Company is well positioned on the cost front with prudent purchases on coke and iron-ore front”.

Performance Highlights:

Figures in Rs. crores unless specified

FY’19	9M FY’19	9M FY’20		Q3 FY’20	Q2 FY’20	Q3 FY’19
283,454	213,880	234,505	Pig iron sales (t)	86,189	76,739	61,503
235,671	164,312	163,386	DI pipe sales (t)	53,727	56,033	66,536
312.96	229.43	176.80	EBIDTA	81.14	46.53	75.68
57.64	42.32	47.60	Depreciation	16.99	16.13	13.63
43.26	31.72	24.13	Finance costs	9.14	7.65	11.14
212.06	155.39	105.07	PBT	55.01	22.75	50.91
181.89	117.55	88.92	PAT	45.91	23.39	39.63
71.84	46.47	31.66	Earnings per Share (Rs.)	16.35	8.32	15.67

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



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 DI Pipes. The plant annually produces around 550,000 tonnes of hot metal, out of which over 200,000 tonnes is converted into 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.

For media enquiries contact:

Ananya Ganguli

Tel: +91 7574842026

E-mail: ananya.g@tatametaliks.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@tatametaliks.co.in
CIN L27310WB1990PLC050000