



**Tata Metaliks Limited reports Financial Results for the quarter ended December 31, 2020**

**PBT jumped ~20% q-o-q and almost double y-o-y**

**Kolkata, January 19, 2021:** Tata Metaliks Limited (“TML”) today declared its Financial Results for the third quarter of FY’21. TML recorded **Revenue** from Operations of **Rs.526 Crores** and **Profit after Tax (PAT) of Rs.75 Crores** for the quarter ended December 31, 2020. For the period of nine months ended December 31, 2020, TML recorded Revenue from Operations of Rs.1,256 Crores and PAT of Rs.145 Crores.

- TML achieved a **growth in PBT of ~20% in Q3 FY’21 over Q2 FY’21** and **~97% over Q3 FY’20**.
- The Company demonstrated robust performance in Pig Iron division and **recorded highest quarterly deliveries in last 5 years**, which was higher by ~ 4% and ~ 3%, compared to Q2 FY’21 and Q3 FY’20 respectively. This was possible due to strong market demand post reopening and ramping up of operations in all major foundry clusters with 80-90% utilization levels. The strong business results have been supported by stable blast furnace operations, raw materials optimization, higher coal injection and oxygen enrichment.
- Ductile Iron (DI) Pipe deliveries were however lower by ~12% and ~19% compared to Q2 FY’21 and Q3 FY’20 respectively. Post Covid, the DIP industry has been under stress due to slowdown of executable projects and limited release of Govt funds towards Water Infrastructure projects. However, signs of recovery are visible with deliveries picking up by the end of the quarter with December’20 recording the highest monthly DI Pipe sales in the current fiscal for TML.
- The quarter saw steep rise in domestic iron ore prices by ~80% to 110% mainly due to uncertainty in resumption of merchant mines in Odisha post mines auction last year. Market price of domestic coke also saw an increase of 10-15% q-o-q. Despite the hefty increase in price of major raw materials, the Company could achieve an operating margin of ~24% compared to ~22% in Q2 FY’21 owing to strong operational performance and steep rise in Pig Iron prices.

**Managing Director’s Comments**

Mr. Sandeep Kumar, Managing Director of Tata Metaliks said: “*The Company has delivered excellent results in its Pig Iron business despite over a month long shutdown of one of its blast furnaces for capital repairs. Strong focus on operational performance coupled with a buoyant market for Pig Iron has contributed to the high margins. Pig Iron demand is expected to remain healthy in Q4 FY’21 but the spreads may get impacted on account of the continuing hike in raw material prices. Though DI Pipe business has been subdued this year due to impact of Covid, the outlook is quite encouraging for Q4 and beyond with good pick-up in demand and several new water projects on the anvil. The DI Pipe expansion project which was moving slowly due to Covid, has been put on fast track for completion within the next financial year.*”

**TATA METALIKS LIMITED**

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## Performance Highlights:

Figures in Rs. crores unless specified

FY'20	9M FY'20	9M FY'21		Q3 FY'21	Q2 FY'21	Q3 FY'20
314	235	207	Pig iron sales (KT)	89	86	86
218	163	119	DI Pipe sales (KT)	43	49	54
300.42	177.45	251.49	EBIDTA	128.58	111.66	81.36
65.06	47.60	51.16	Depreciation	15.13	16.41	16.99
33.14	24.13	17.63	Finance costs	4.49	5.04	9.14
202.22	105.72	182.70	PBT - from continuing operations	108.96	90.21	55.23
165.96	88.92	144.82	PAT	75.18	82.00	45.91
59.09	31.66	49.38	Earnings per Share – Basic (Rs.)	23.81	28.96	16.35
52.55	28.16	45.86	Earnings per Share – Diluted (Rs.)	23.81	25.97	14.54

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.

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