

August 16, 2021



Current Price: ₹ 1461.30

STOCK DATA

BSE Code	500470
NSE Symbol	TATASTEEL
Reuters	TISC.BO
Bloomberg	TATA IN

VALUE PARAMETERS

52 W H/L(Rs)	1481.25/343.00
Mkt. Cap.(Rs Cr)	175789.23
Latest Equity(Subscribed)	1202.96
Latest Reserve (cons.)	71955.78
Latest EPS (cons.) -Unit Curr.	181.22
Latest P/E Ratio -cons	8.06
Latest Bookvalue (cons.) -Unit Curr.	608.15
Latest P/BV - cons	2.40
Dividend Yield -%	1.70
Face Value	10

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 30/06/2021
Foreign	23.34
Institutions	19.29
Govt Holding	0.10
Non Promoter Corp. Hold.	3.70
Promoters	34.41
Public & Others	19.17

Consolidated Financial Results

Particulars	Qtr Ending		In Cr. Var. (%)
	Jun. 21	Jun. 20	
Total Income	53371.81	25474.52	110
OPM (%)	29.84	2.12	
OP	15928.22	539.23	2854
Other income	284.50	261.27	9
PBIDT	16212.72	800.50	1925
Net Finance Charges	1811.43	2006.43	-10
PBDT	14401.29	-1205.93	LP
Depreciation	2324.54	2174.65	7
PBT before EO	12076.75	-3380.58	LP
EO	-145.54	36.48	
PBT after EO	12222.29	-3417.06	LP
Tax expense	2308.41	1267.55	82
PAT	9913.88	-4684.61	LP
Minority Interest	861.39	-231.57	
Profit after Minority Interest	8906.96	-4416.56	LP
EPS (Rs)	75.32	-38.89	

Tata Steel reports Q1 PAT at Rs 9,913cr, beats estimates

Consolidated revenue from operations surged 109.51% to Rs 53,371.81 crore in Q1 FY22 as against Rs 25,474.52 crore in Q1 FY21. Pre-tax profit was at Rs 12,076.75 crore in Q1 FY22 as against a pre-tax loss of Rs 3,380.58 crore in Q1 FY21. The exceptional loss stood at Rs 182 crore during the quarter as compared to an exceptional gain of Rs (58) crore during the corresponding quarter, last year. On a consolidated basis, production grew 42.23% to 7.88 million tonnes in Q1 FY22 from 5.54 million tonnes in Q1 FY21. Deliveries climbed 33.14% to 7.11 million tonnes in Q1 FY22 from 5.34 million tonnes in Q1 FY21.

Consolidated EBITDA increased 13.3% QoQ and 25.7x YoY to Rs 16,185 crore with improved realization across key entities. Consolidated free cash flow stood at Rs 3,553 crore during Q1 FY22 despite working capital absorption of Rs 8,272 crore. The company spent Rs 2,011 crore on capex during the quarter, spending on Pellet plant, the Cold Roll Mill complex and the ongoing 5 million tonnes per annum (MTPA) expansion at Kalinganagar. Gross debt decreased to Rs 84,237 crore with a debt repayment of Rs 5,894 crore. Net debt declined to Rs 73,973 crore.

In India business operations, crude steel production jumped 54.8% on Y-o-Y basis, however, declined 2.6%Q-o-Q (quarter-on-quarter) to 4.63 million tonnes in Q1 June 2021, impacted by the supply of over 47,800 tons of liquid medical oxygen to hospitals during the quarter amidst the 2nd wave of COVID-19 pandemic. Overall deliveries soared 41.7% on Y-o-Y basis, however, declined 11% Q-o-Q to 4.15 million tonnes due to partial lockdowns announced by some of the states and temporary shutdowns in few steel consuming sectors amidst the second wave of COVID-19 pandemic. To compensate for the softness in domestic demand, exports were

increased to 16% of the total sales in Q1 FY22.

Tata Steel achieved highest ever quarterly EBITDA of Rs 13,946 crore, with 13.4% Q-o-Q and 9.6x Y-o-Y growth along with the highest ever PAT recorded at Rs 9,593 crore in Q1 FY22 as against Rs 411 crore in Q1 FY21. Tata Steel BSL registered its highest ever quarterly EBITDA of Rs 3,118 crore. Tata Steel Long Products also registered its highest ever quarterly EBITDA of Rs 554 crore. Steel deliveries at Tata Steel Europe surged 17.4% Y-o-Y to 2.33 million tonnes in Q1 FY22. The EBITDA improved sharply to £150 million in Q1 FY22.

Management Comment

T V Narendran, the chief executive officer (CEO) and managing director (MD) of Tata Steel, said, 'Over the last 15 months, the global economy has been recovering driven by policy support and progressive vaccination which has led to improvement in business and customer confidence. However, Indian markets were adversely impacted again during the last quarter due to the 2nd wave of COVID-19 which impacted our steel production as well as deliveries. Demand has begun recovering in India, though domestic steel prices continue to be at a steep discount to China import parity prices.'

'We continue to focus on our objective to attain and retain market leadership in chosen segments by building strong customer relationships, superior distribution network, rolling out brands and developing new products & solutions in steel and new materials. We are also focused on value accretive growth. Our 5 MTPA TSK phase II expansion is progressing well. It will drive product mix enrichment and cost reduction, further strengthening our competitive position. We have accelerated capex allocation for the 6 MTPA Pellet plant and the CRM complex, both are expected to be commissioned by 1st half of 2022.'

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