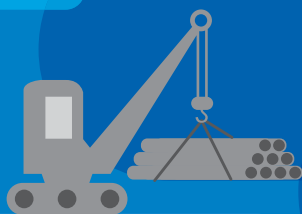




Accelerating value-led growth

FOR A SUSTAINABLE TOMORROW



Our approach to reporting

Tata Metaliks Limited (TML) presents its second Integrated Report and Annual Accounts 2018-19. Through this Report we are providing a holistic narrative of our value-creation process during FY 2018-19. It provides balanced information on our performance, governance, strategy and prospects to all our stakeholders. The key non-financial aspects include our operational, environmental and social performance. The report aims to provide an account of the material concerns we faced during the year under review, their impact on our value-creation process and outcomes in a complete and concise manner.

Standards and framework

The non-statutory sections of the Report follows the International Integrated Reporting Council (IIRC) recommended International Integrated Reporting <IR> Framework. The other statutory reports, including the Directors' Report, its annexures, including the Management Discussion and Analysis (MDA), and the

Corporate Governance Report, are as per the Companies Act, 2013 (including the Rules framed thereunder), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standards issued by The Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards

Scope and boundary of the Report

The reported information for FY 2018-19 covers the Company's manufacturing operations at Village Maheshpur PO: Samraipur, Gokulpur, Kharagpur Paschim Midnapur Pincode - 721301, West Bengal and its Corporate Office at Tata Centre, 10th Floor, 43, J. L. Nehru Road, Kolkata-700071. The report also covers the Company's sales and marketing activities, value-chain related as well as other community initiatives. Comparative figures for the last four years have been incorporated, wherever relevant.

Materiality

The Report provides information on all issues that are identified as material by the stakeholders and the Company. These issues have significant business impacts and are key to the Company's value-creation process. The Report discloses information on those material matters, which will enable investors and other interested stakeholders to make informed decisions about their engagement with the Company.

Management responsibility

The senior management of TML acknowledges the responsibility for ensuring the integrity of information provided in the Report. The report has been reviewed internally and it provides a balanced presentation of those matters that may have a material effect on our ability to create value. We will request our stakeholders to review this report and provide feedback at investors@tatametaliks.co.in.



As we complete 25 years of production this year, we are at a very interesting juncture of our growth journey. Our actions today will help us in our pursuit of 'Reaching Tomorrow First', which is defined by our focus on accelerated value-led growth.

Our successful entry into the Ductile Iron (DI) Pipe business is a testament to this pursuit. Today, we are proud to be one of the leaders in the Pig Iron (PI) and DI Pipe industries. With water and sanitation infrastructure becoming imperatives for global development, we see immense opportunity for our DI Pipe business. Living the ethos of the Tata Group, we continue to create value and share it with our stakeholders while reinforcing our commitment to sustainable development.

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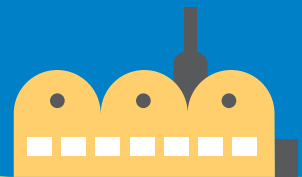


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www.tatametaliks.com



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Accelerating Value-led Growth



An illustration of a man in a light blue shirt and white shorts walking alongside a young child in a red dress. The child is holding a colorful pinwheel. They are walking on a light green path that curves through a blue background with green abstract shapes.

For a sustainable tomorrow

With every progressive step we take, we reinstate our capabilities of creating value for all our stakeholders. Every step takes us closer to realising our aspiration of 'Reaching Tomorrow First'. We are accelerating value creation by enhancing the quality of our offerings to customers.

With growing infrastructure opportunities in the country, we see immense potential for our DI Pipe business. With our expansion of the DI Pipe making capacity, we are committed to be a partner in our nation's progress. Our contribution in enhancing accessibility of water and sanitation bears a testimony to this commitment.

Extending our responsibility towards customers beyond product offerings, we continue to innovate and offer unique services and solutions. We remain focussed on cost optimisation and resource efficiency to improve our

profitability and margins in the businesses we operate. Our growth and expansion plans are guided by our six strategic pillars – Innovate and Excel, Cost Leadership, Supplier of Choice, Robust People Practices, Responsible Corporate Citizenship and Focus on Downstream/ Value Add.

Our approach to value creation reflects the Tata Group ethos of conserving our natural resources and creating harmonious, long-term relationships with our stakeholders.

Performance Highlights

Capitals

Financial



The capital raised through debt and equity forms our financial capital.

Value created (FY 2018-19)

Revenue growth

14%

(y-o-y)

Earnings per Share (EPS) growth

14%

(y-o-y)

Increase in Net Worth

114%

(y-o-y)

EBITDA growth

6%

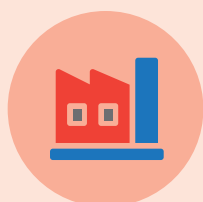
(y-o-y)

PAT growth

14%

(y-o-y)

Manufactured



Our manufacturing assets, plant, property and equipment form our manufactured capital.

Increase in hot metal production

4%

(y-o-y)

Increase in DI Pipe production

12%

(y-o-y)

Decrease in PI sales

3%*

(y-o-y)

Increase in DI Pipe sales

13%

(y-o-y)

Decrease in net fuel rate

1%

(y-o-y)

Human



The collective expertise, wellbeing and motivation of employees, contractors and service providers enable us to generate value and form our human capital.

Rewards and Recognitions to workforce

842 Nos.

Lost time injury frequency rate (LTIFR)

0.10

Increase in total training man-hours

23%

Employee cost as % of turnover

5%

*Due to higher production of DI Pipe

Capitals

Intellectual



Our management processes, standard operating procedures, research and innovation capabilities, along with our enhanced focus on digital and automation initiatives form our intellectual capital.

Value created (FY 2018-19)

Increase in cost savings

>100%
(y-o-y)

Number of Business Excellence projects

156

Digitisation and automation projects

Number of projects

55

Proportion of total Capex

8%

Natural



Our operations depend on natural resources. By conserving natural resources and minimising our ecological footprint, we focus on enhancing natural capital.

Reduction in specific carbon emissions

Pig Iron

1%
(y-o-y)

Ductile Iron Pipe

3%
(y-o-y)

Increase in water recycled

2%
(y-o-y)

Materials recycled back into process

92%

Social and Relationship



Our long-term harmonious relationships with the communities nearby and larger stakeholder fraternity including our suppliers and contractors form our social and relationship capital. We focus on inclusive growth of marginalised sections of society and take affirmative actions for the same.

CSR outreach

16,000+

CSR expenditure

₹354 lakh

through Sadbhavna Trust. For details, please refer to the CSR Annual Report which is annexed to the Directors' Report

Growth in outreach

59%

Increase in employee volunteering hours

6%
(y-o-y)

Business Context: **At a Glance**

Delivering value-led growth



Incorporated in 1990, we are one of India's leading producers of quality Pig Iron and Ductile Iron Pipe. We are a subsidiary of Tata Steel Limited (TSL) and operate our state-of-the-art manufacturing plant near Kharagpur, West Bengal. Our objective is to serve customers with quality products and service offerings, setting industry benchmarks.

What we stand for

Vision
Reaching
Tomorrow
First

Mission

Tata Metaliks strives to become a sustainable organisation through significant contribution to India's foundry, water and sanitation sectors by optimum utilisation of men, material and assets, responsible use of energy and water resource, being guided by its values.

**Core
Values**

Pioneering



Integrity



Excellence



Responsibility



Unity



What we offer

We produce hot metal using iron ore lumps, sinter, coke and fluxes, of which approximately 58% is converted into PI. The remaining 42% is converted into DI Pipe through further value addition by our DI Pipe division.

Products

Pig Iron

Consists of 14 primary grades and a few customised options for different types of casting applications



Ductile Iron Pipe

Comprises pipe diameters between 80 mm and 800 mm



Brands



'Tata eFee' is the world's first branded Pig Iron. The USP of eFee is its inherent shape and size that reduces energy consumption in foundries.

'e' Energy efficient **'Fe'** Iron **'e'** Environment friendly



'Tata Ductura' is the preferred brand for use in water and sanitation industries due to its superior quality.

'Duct' Ductile Iron **'ura'** Ventura, which means happiness and contentment

Applications

Our Pig Iron is suitable for various kinds of castings in industries such as:

- Automotive
- Agriculture
- Power
- Railways
- Aluminium smelters

DI Pipe is used for diverse applications:

- Distribution of potable water
- Transportation of sewage and waste water
- Agricultural applications including irrigation
- Industrial usage in power plants

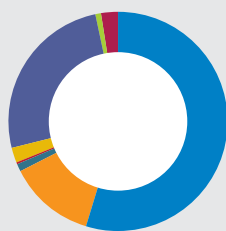
Certifications

ISO 9001, ISO 14001, OHSAS 18001, NABL Certificate for QA Lab

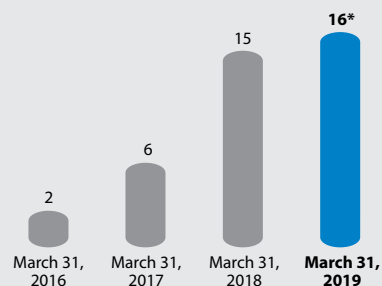
ISO 9001, ISO 14001, OHSAS 18001, NABL Certificate, IS 8329, Certificate of Product Conformity - BS EN 545 and BS EN 598, Kite Mark Certification - BS EN 545, Kite Mark Certification - BS ISO 2531, WRAS Approved Concrete, Cement and Mortar - Pressure Pipes, WRAS Approved Coatings, Paints and Linings - Factory Applied Pipe and Fittings Coatings

Business Context: **Our Competencies****Well positioned to capitalise on opportunities**

We operate in attractive markets with significant growth opportunities. Supported by our strategic pillars, viz., Innovate and Excel, Cost Leadership, Robust People Practices, Supplier of Choice, Responsible Corporate Citizenship and Focus on Downstream/ Value Add, we are strengthening our competitive advantages. Progressing on our strategic roadmap, we are consistently enhancing shareholder returns, thereby strengthening investors' trust, creating value for neighbouring communities, and accelerating our growth with digitisation and automation.

Shareholding pattern (%)

Promoters:	55.06
UTI/ Mutual Fund/ Banks:	12.71
Insurance Companies:	1.19
FIs (Trust):	0.02
Corporate Bodies:	2.29
Resident Individuals:	25.49
State Government - WBIDC:	0.89
FII/ NRIs/ OCBs:	2.34

Increase in institutional shareholders' holding since March 31, 2016 (%)

*on expanded equity base