

**Tata Steel India – Analyst Day 2017**  
**4<sup>th</sup> October 2017**

***Statements in this presentation 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.***

✓ **We are one amongst the industry benchmarks for LTIFR<sup>1</sup>**

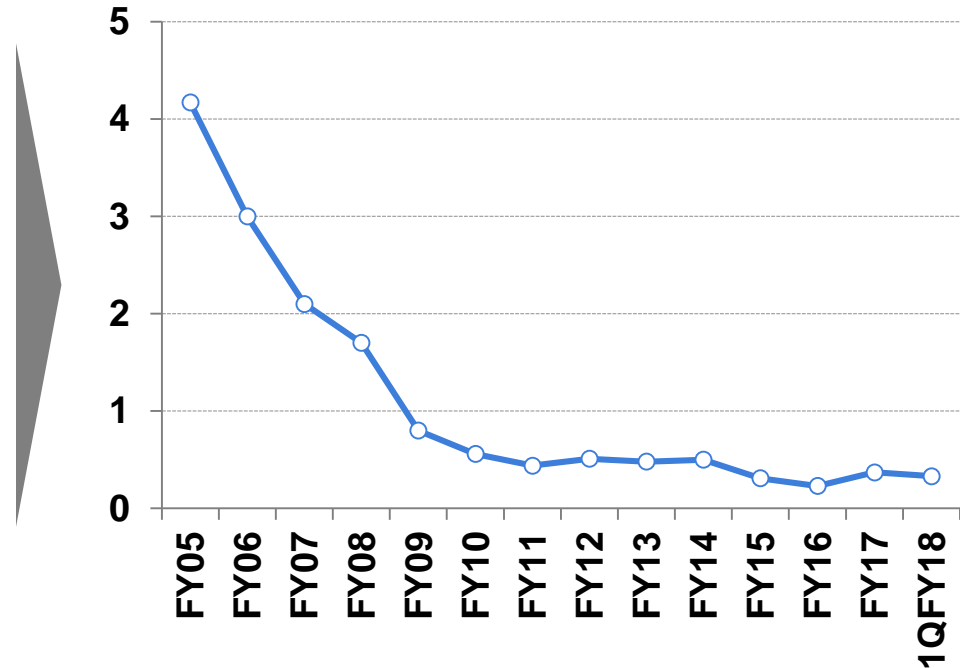
✓ **Key Results:**

- Reduction in LTIFR to 0.39 in Q1 FY18
- 'Zero' fatality at Jamshedpur Works in FY17
- Health Index has improved from 12.37 in FY16 to 12.59 in FY17 with a 52% drop in number of cases from High risk to Moderate / low risk

✓ **We have:**

- Trained >5,000 employees for safety leadership
- Trained >2,000 front employees for identification and mitigation of hazards
- Assessed >850 contractors as a part of contractors Safety risk management

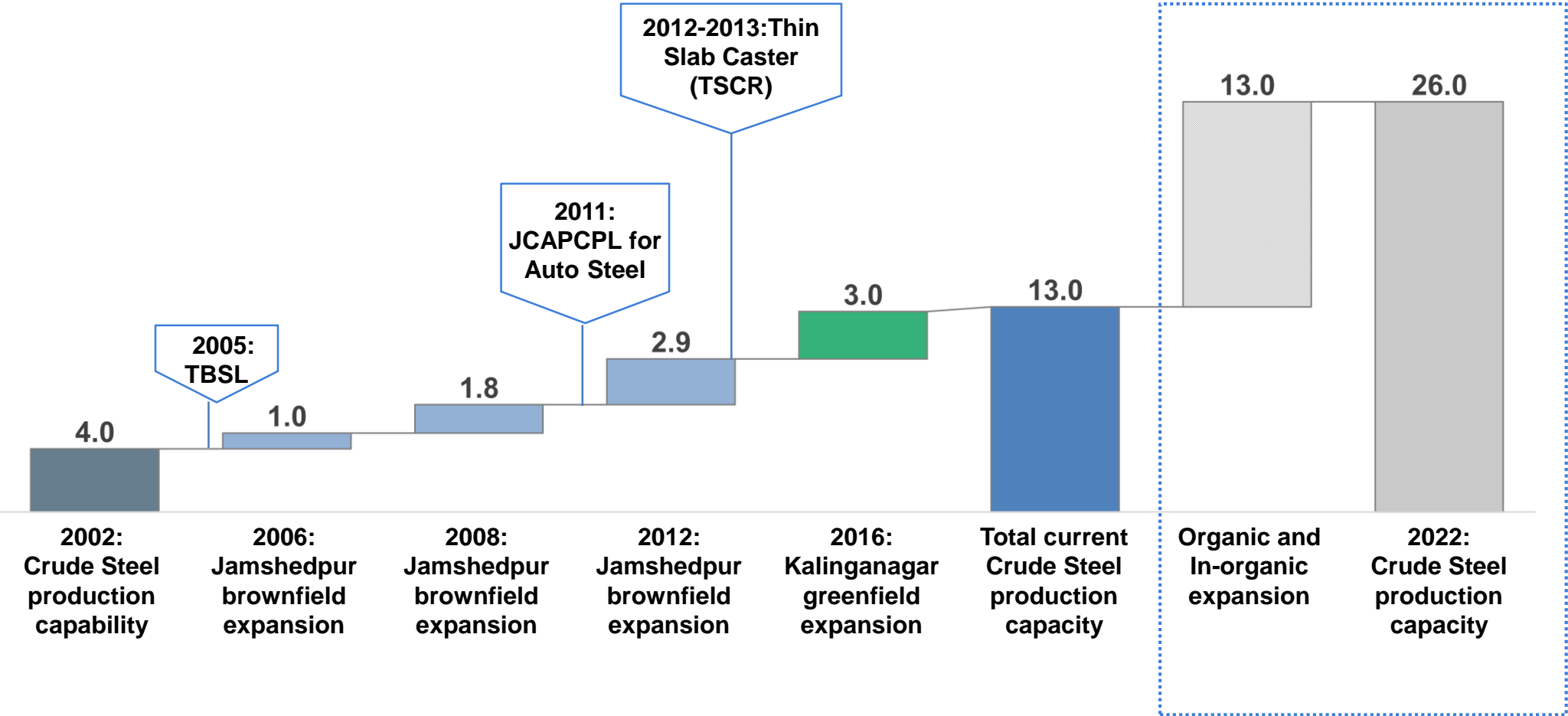
**Tata Steel India: > 92% reduction in LTIFR over 12 years**

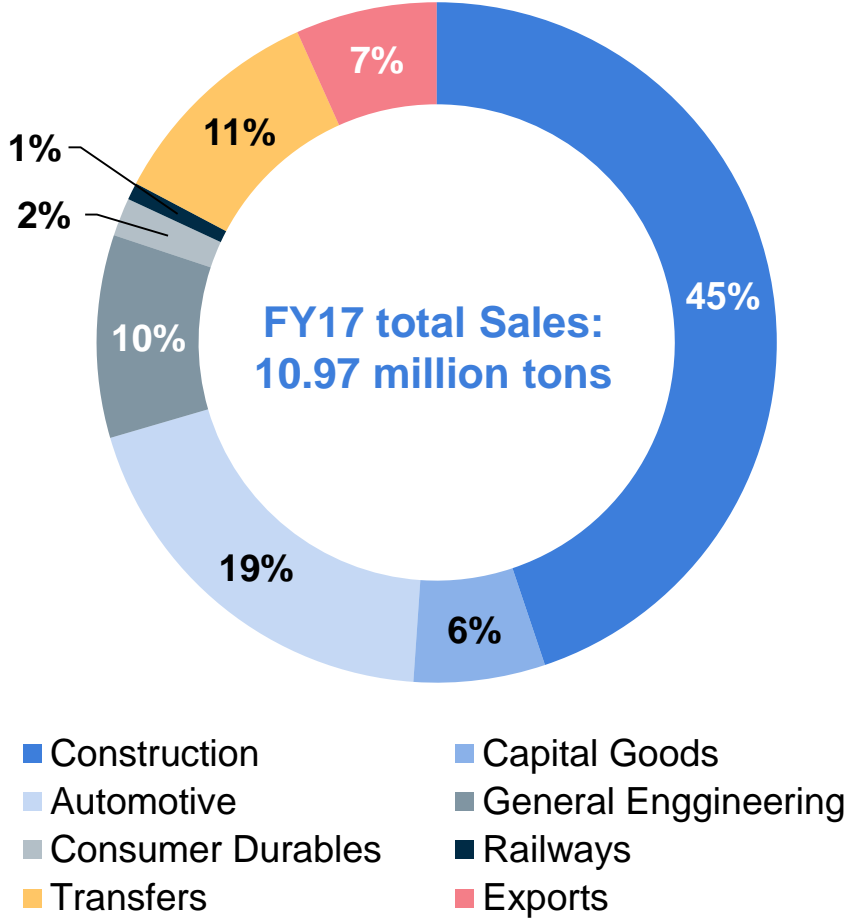
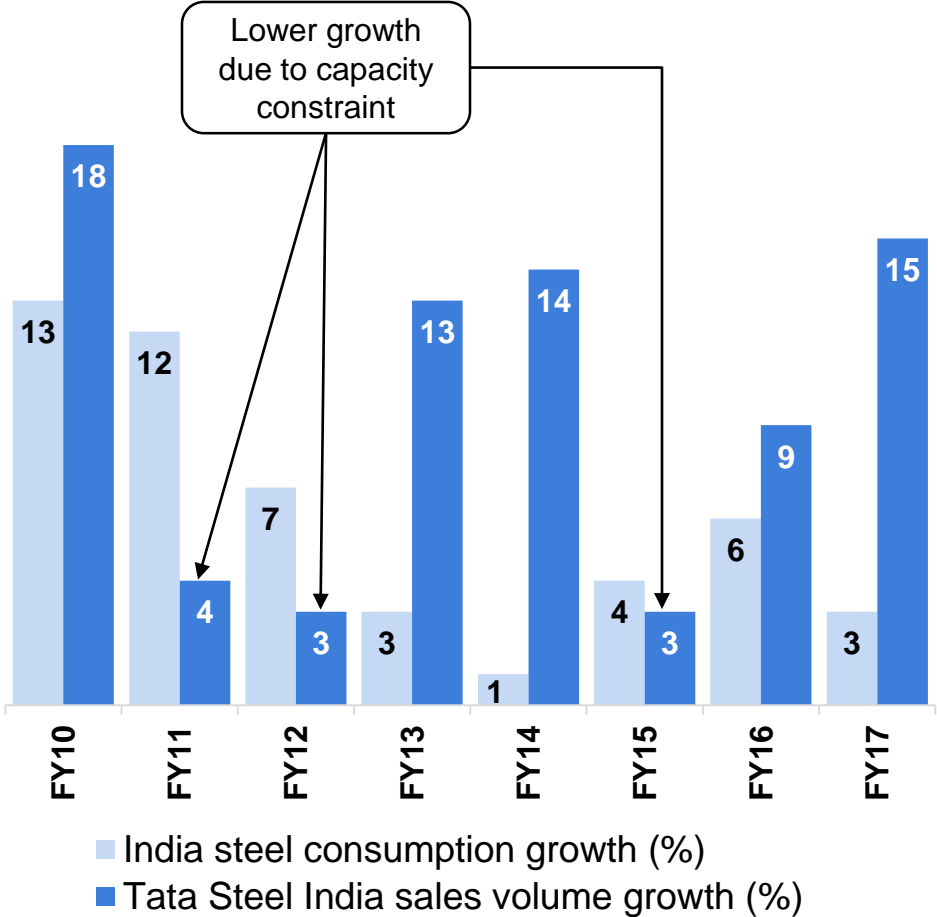


**Committed to ensure sustainably fatality free sites on our way to 'being the benchmark in Health & Safety in our industry'**

1. Lost Time Injury Frequency Rate





# Demonstrated track record of execution and growth





A&SP: Automotive & Special products, BPRS: Branded products, Retail & Solutions, IPPE: Industrial Products, Projects and Exports

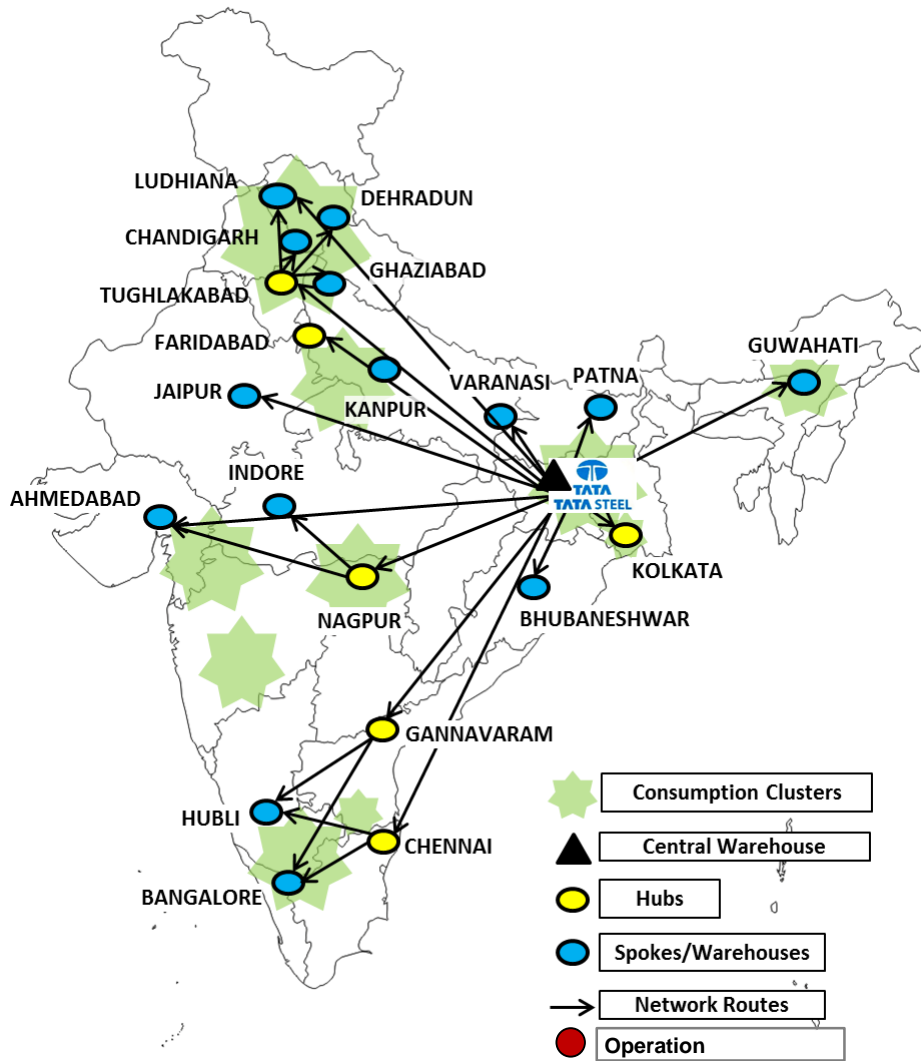
1. Deliveries in FY17, 2. In chosen markets

Segment	Products	Sales <sup>1</sup>	Key highlights
Automotive & Special products		1.58	<ul style="list-style-type: none"> <li>✓ Market leader with 44%<sup>2</sup> market share</li> <li>✓ Technology &amp; longstanding customer relationships are key differentiators</li> <li>✓ Share in new launches show maturity of Tata Steel's presence</li> </ul>
Branded products, Retail & Solutions		3.47	<ul style="list-style-type: none"> <li>✓ ~2 million retail customers and 10,000 plus ECAs</li> <li>✓ Strong brands; command premium over peers</li> <li>✓ Served by a unique distribution network – a pan India reach</li> </ul>
Industrial Products, Projects & Exports		4.77	<ul style="list-style-type: none"> <li>✓ 6 fold jump in sales to new sub-segments like PEB, Lifting &amp; Excavation, Construction &amp; Projects, and Oil &amp; Gas due to ramp-up at Kalinganagar</li> <li>✓ Strong customer relationships and play in chosen value added products</li> </ul>
Transfers		1.16	<ul style="list-style-type: none"> <li>✓ Transfers for value addition to downstream divisions like Tubes, Wires, Tinplate etc.</li> </ul>
<b>Total sales in FY17</b>		<b>10.97</b>	

**Driving growth through service differentiation and unique segmentation**

1. Sales in million tons in FY17, 2. In chosen markets

ECA: Emerging corporate accounts



- ✓ 6 Hubs (larger warehouses) and 14 spokes (smaller warehouses)
- ✓ 147 distributors, and more than 12,600 dealers and retailers<sup>1</sup>
- ✓ Delivering advantage especially after GST
- ✓ 60% of outbound logistics is cover by rail network and rest by roads; first company to have SFTO
- ✓ 100% fleet covered by vehicle tracking system: 1<sup>st</sup> in Indian Steel Industry
- ✓ Delivery compliance (DDP<sup>2</sup>) continues to be > 95 %; enabled by TOC in branded products

1. As on June 30, 2017, 2. Due date performance

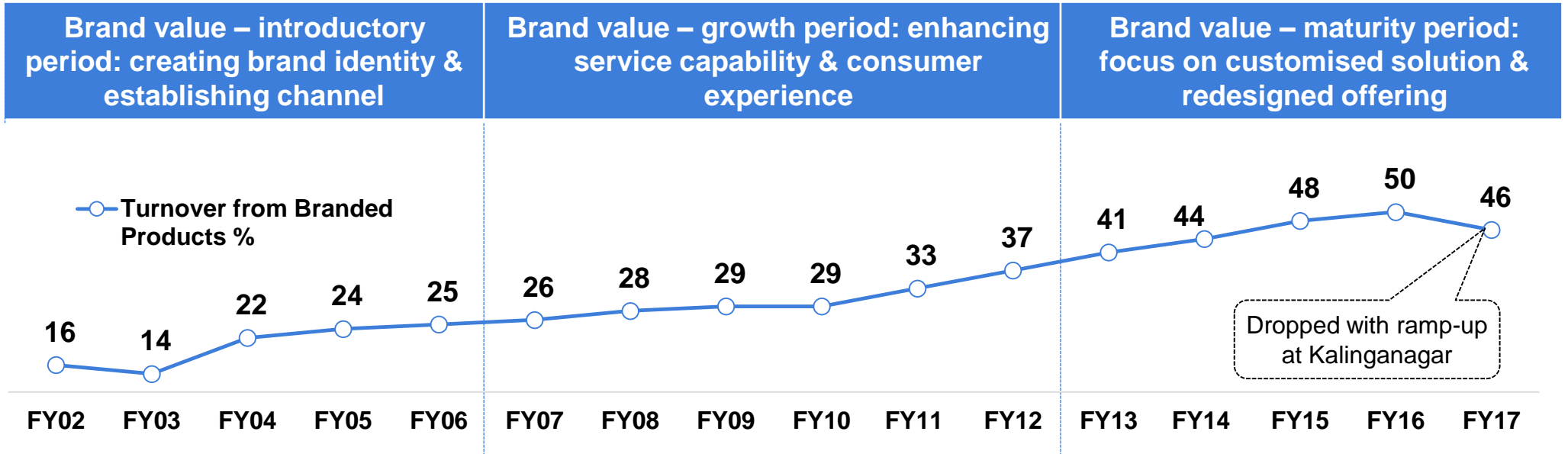
SFTO: Special freight train operations, TCO: Theory of constraints

	1995-2000	2000-05	2005-15	2015 onwards
<b>Market Initiatives/ differentiators</b>	<ul style="list-style-type: none"> <li>✓ HR import substitution</li> <li>✓ Ancillary play</li> </ul>	<ul style="list-style-type: none"> <li>✓ CR import substitution</li> <li>✓ Dedicated Application Engineers</li> </ul>	<ul style="list-style-type: none"> <li>✓ Customer Service Teams</li> <li>✓ Long term pricing</li> <li>✓ Vendor Service Model</li> </ul>	<ul style="list-style-type: none"> <li>✓ Value Analysis Value Engineering (VAVE)</li> <li>✓ Advanced Technical Support</li> </ul>
<b>Investment in facilities &amp; technology</b>	<ul style="list-style-type: none"> <li>✓ Hot Strip Mill</li> <li>✓ RH degasser</li> </ul>	<ul style="list-style-type: none"> <li>✓ Cold Rolling Mill</li> <li>✓ Automotive Galvanizing line</li> </ul>	<ul style="list-style-type: none"> <li>✓ Full product range</li> <li>✓ Technical tie-up with Nippon Steel (JCAPCPL)</li> </ul>	<ul style="list-style-type: none"> <li>✓ TSK Phase 1</li> <li>✓ Product Application Research Centre (PARC)</li> </ul>
<b>Customer Relationship tenure</b>	<p><b>PV</b></p> <p><b>CV</b></p> <p><b>2/3W</b></p> <p><b>Ancillaries</b></p>	<p><b>TVS</b></p> <p><b>Hero</b></p>	<p><b>VE COMMERCIAL VEHICLES</b> A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE</p>	

Used in almost every vehicle made in India

PV; Passenger vehicles, CV: Commercial vehicles, 2/3W: two and three wheelers





## Brands Launched (including products launched by downstream divisions and subsidiaries) since 2001

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## Value added products segments













- ✓ Enhanced market share in LPG segment from under 30% to 45% levels in 3 years, through customer acquisition and service differentiation with a Replenishment system
- ✓ Enhanced position in supplies to precision tube and MCHC segment by accelerated new product development for leading customers

## New Segments



- ✓ Gained entry with Industry leaders in PEB segment
- ✓ Successful trials and commencement of supplies to global leaders in lifting & excavation segment
- ✓ Approvals from a leading Indian Oil marketing company for supply of API grade steel
- ✓ Established as a major player in the large dia water pipeline segment through Kalinganagar; enhancing presence in Construction Projects

Divisions	Transfers <sup>1</sup>	Key highlights	Key brands
 <p>Tubes</p>	516	<ul style="list-style-type: none"> <li>✓ Key products: Commercial, Structural and Precision tubes</li> <li>✓ Key applications: Plumbing , Irrigation, Process, Architectural, Industrial, General Engineering, Infrastructure, Auto, Boiler</li> <li>✓ 32% sales from branded products, commands up to 70% premium over the peers</li> </ul>	  
 <p>Wires</p>	302	<ul style="list-style-type: none"> <li>✓ Key segments: Auto (Tyre reinforcement, Shocker Springs), Infrastructure, Retail and General Engineering</li> <li>✓ Every 2<sup>nd</sup> two wheeler made in India uses Tata Wiron</li> <li>✓ Commands ~25% premium over peers with 39% sales from branded products</li> </ul>	 
Tinplate	319	<ul style="list-style-type: none"> <li>✓ Leader in domestic market with 43% share</li> <li>✓ Key end use segments: processed food, edible oil, paints &amp; pesticides, aerosols, battery and crown Caps for carbonated drinks/beer bottles</li> </ul>	
 <p>Agrico</p>	20	<ul style="list-style-type: none"> <li>✓ Market leader in tradition tools segment for agriculture, construction, mining, horticulture and general engineering with 36% market share</li> <li>✓ Agriculture and general tool products command ~40-50% premium over peers</li> </ul>	
	<b>1,157</b>	<b>Total transfers to downstream divisions for value addition</b>	
JCAPCPL	347 <sup>2</sup>	<ul style="list-style-type: none"> <li>✓ Sells Continuously Annealed Cold Rolled steels to Passenger Car &amp; SUV manufacturing OEMs</li> <li>✓ Recognised by Maruti Suzuki India Limited for import localisation and by Toyota Kirloskar Motor for Zero Defect supplies</li> </ul>	
Tata BlueScope	217 <sup>2</sup>	<ul style="list-style-type: none"> <li>✓ Key brands/products: Durashine (Commands ~45% premium over peers), Color Coated Roofing (~25% premium), Colorbond (~20% premium), Zinalume, Lysaght,</li> <li>✓ Key application: Roofing/Walling, Solar mounting Structure, Light Gauge Steel Framing system, Water Tanks, Dry Walls, Light Steel Buildings</li> </ul>	

1. Transfers in thousand tons, 2. Included in other segments

## Construction Solutions

Services & solutions over rebar (15/Sq. Ft.)

Rebar cost (200/Sq. Ft.)



Construction cost : 2000/sq.ft.

## Pravesh Doors

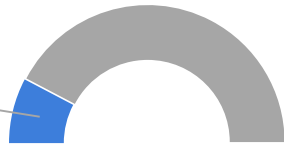
Galvano Price Rs. 42/kg.



Doors Price/Kg. : Rs.500

## Nest-in

Steel value: Rs. 400/Sq. Ft.



Nest-in Solution Value/ Sq. Ft. : Rs.1300

- ✓ Incremental value pool untapped for construction solutions to Individual Home Builder; Consumer pays for the solution, speed & convenience
- ✓ First steel company to enter in this space of branded steel doors

## Services & Solutions Portfolio

### In scale up mode



Pravesh Steel Doors & Windows

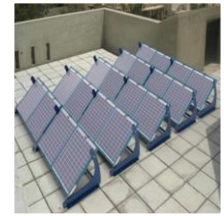


CYAN – Wardrobes



ATW (All Time Water) Kiosk

### In pilot & trial mode



Solar Panel



MobiNest Portable Cabin



EzyNest Solution for urban sanitation



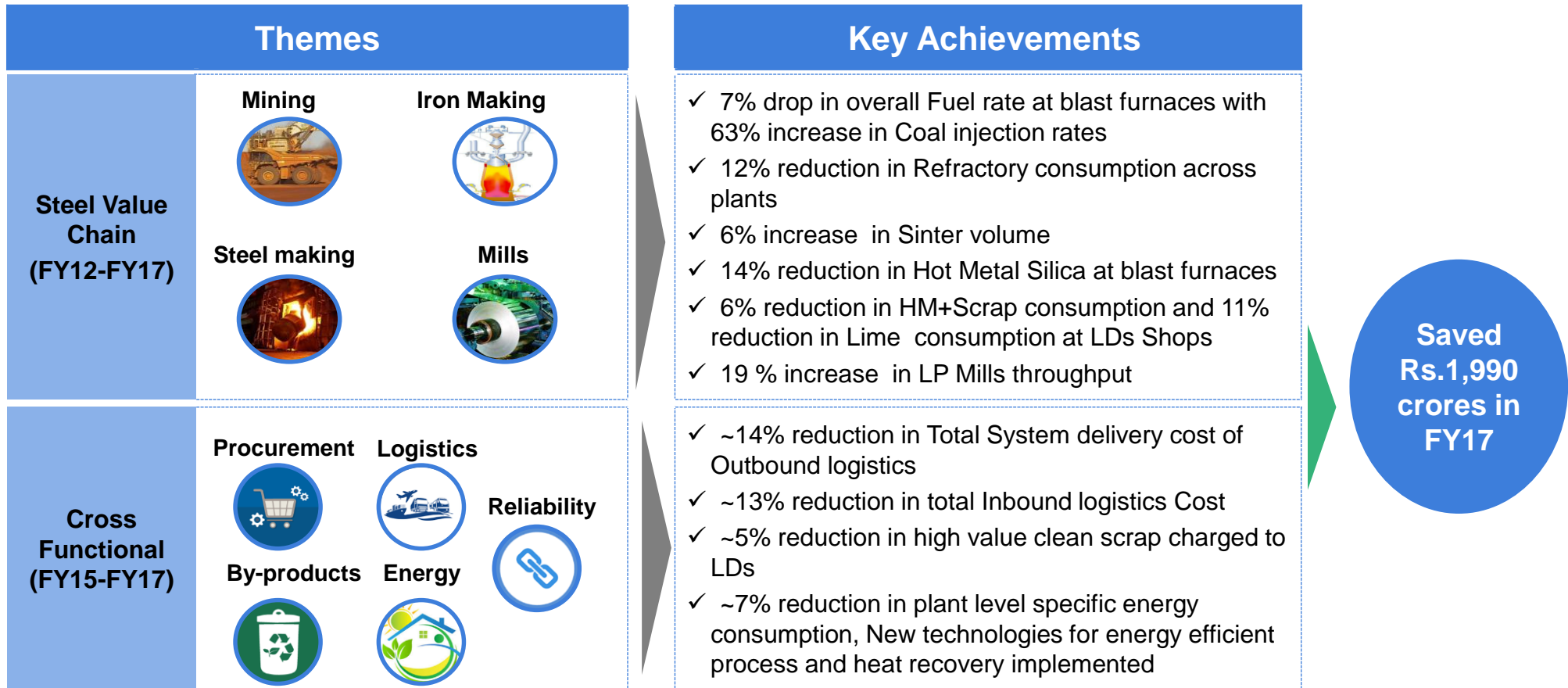
Smart Sanitation Unit



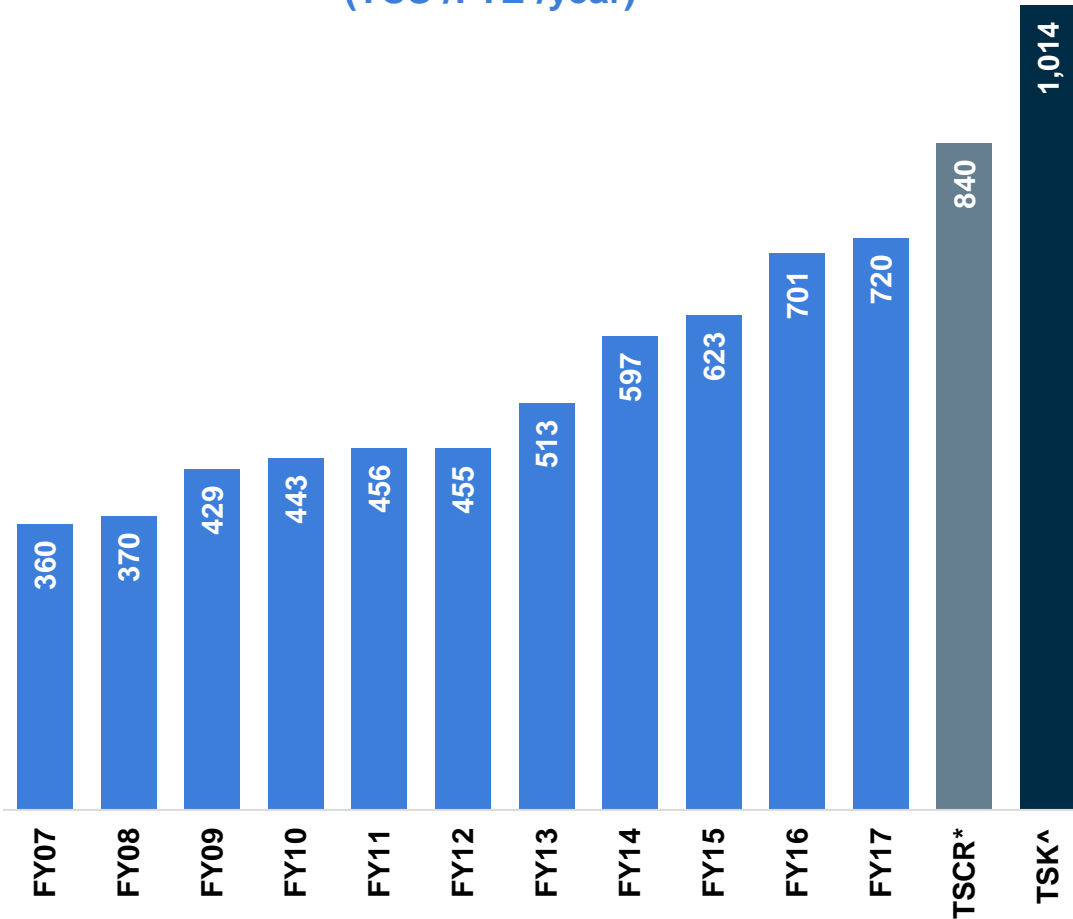
Smart Bus Shelter

## SHIKHAR 25

CHALLENGING THE LIMITS



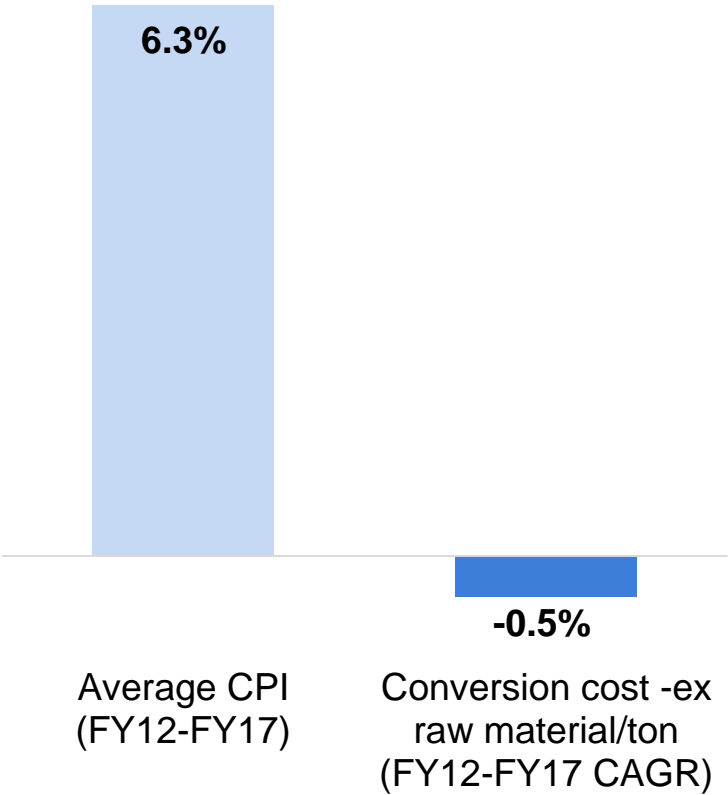
(TCS<sup>1</sup>/FTE<sup>2</sup>/year)



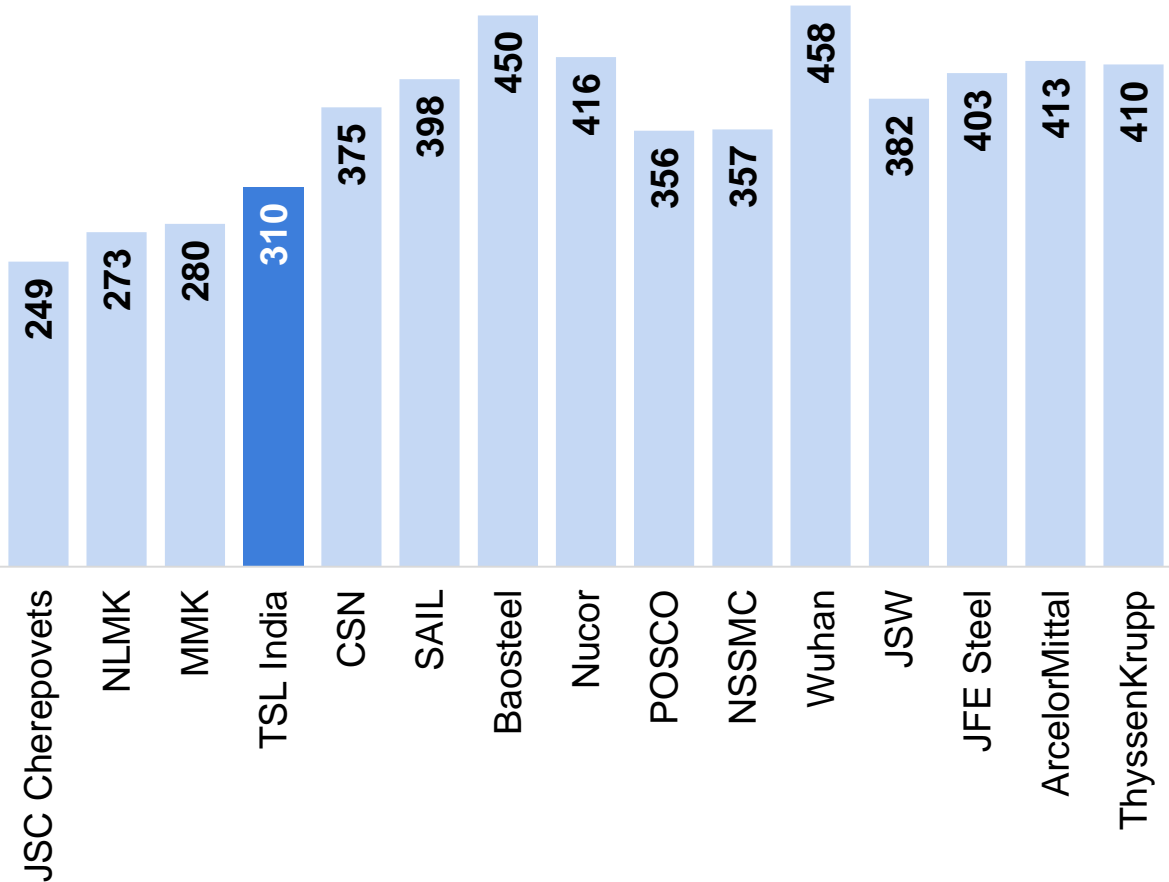
- ✓ Implementation of identified Employee Productivity Improvement (EPI) projects:
  - Re-engineering of work processes
  - Improvement in work practices
  - Automation and mechanization of jobs
  - Employee separation Schemes

1. TCS: tons of crude steel, 2. FTE: Full Time Equivalent Employees, \*Thin Slab Caster at Jamshedpur along with 2.9mtpa capacity expansion, ^Tata Steel Kalingangar productivity at full ramp-up

Effectively countering the impact of Inflation



Production costs for HRC globally (US\$/ ton<sup>1</sup>)



1. Source: CRU

- ✓ Optimal design to drive efficiency and meet sustainability benchmarks
- ✓ Automation to drive higher employee productivity
- ✓ Logistics advantage due to its proximity to the port
- ✓ Expanding product range and customer
- ✓ Option to scale up for future growth



Base mix plant



Coke Oven



Blast furnace

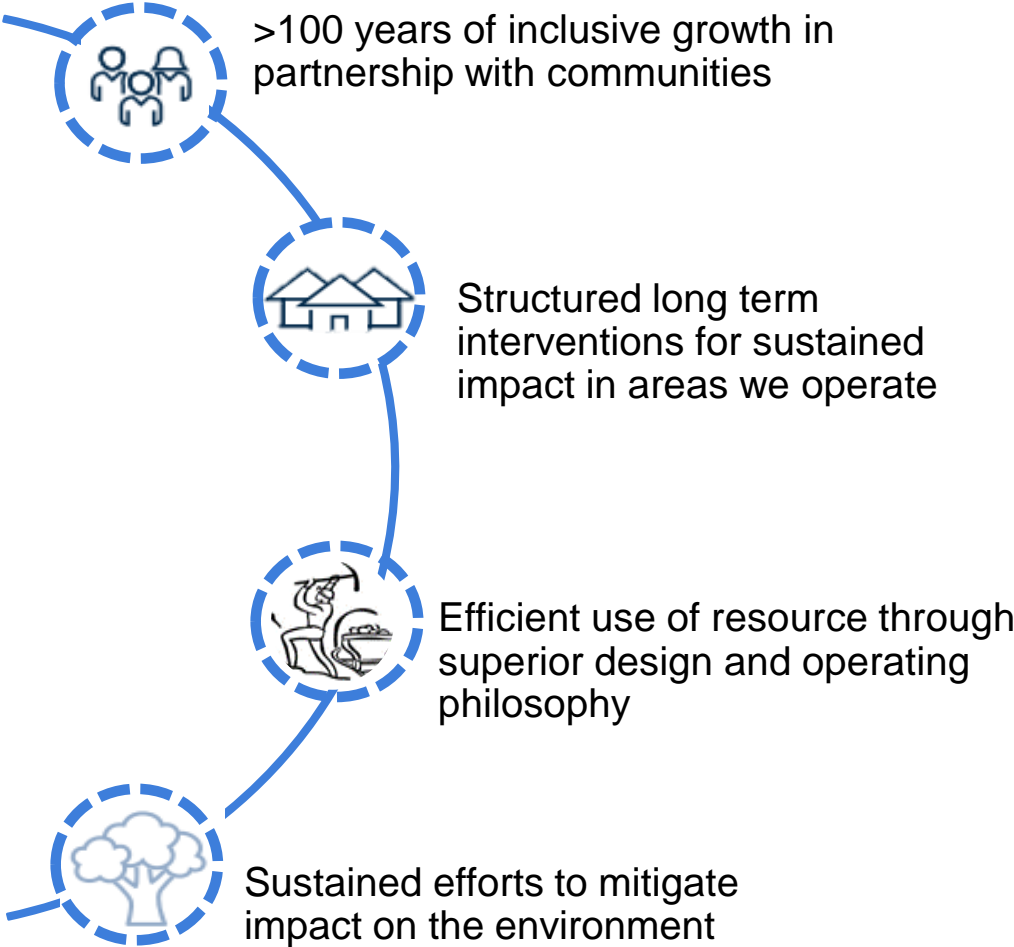


Steel melting shop



HSM







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