TATA CHEMICALS

TATA

Integrated
Annual Report
2020-21
82nd Year

Responsive. Resilient. Responsible.

Basis of Reporting

We have based our annual report on the principles of Integrated Reporting <IR>, a global benchmark for best practices in corporate reporting with our philosophy of making disclosures beyond statutory norms. With each passing year, we continue to enrich our report with additional disclosures to provide relevant information to all our stakeholders on our value creation process using the multiple capitals which helps them make informed decisions.

This Report is prepared in accordance with the:

- Companies Act, 2013 (and the Rules made thereunder)
- Indian Accounting Standards
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards

Internationally recognised frameworks and guidelines followed include:

- United Nations Global Compact
- Global Reporting Initiative (GRI) Standards
- AA1000 Accountability Principles 2018
- <IR> framework of the International Integrated Reporting Council (IIRC)

The following principles of AA1000 Accountability Principles 2018 have been applied:

Inclusivity

We commit accountability to stakeholders directly or indirectly impacted by our organisation. We have mapped them and have processes to ensure inclusion of their concerns and expectations. We continue to develop our stakeholder engagement and sustainability capacity at corporate and manufacturing levels.

Materiality

We cover key material aspects, identified through ongoing stakeholder engagement and addressed by various programmes or action points with measurable targets.

Responsiveness

This Report, amongst one of our interaction and communication elements, reflects our ability to manage our operations while accounting and responding to stakeholders' concerns.

Impact

We are accountable to the larger ecosystem and we continuously monitor and evaluate our impact across our value chain. The Report covers the information that is material to our stakeholders and the Company and presents an overview of the Company's operations along with associated activities that help in short, medium and long-term value creation. These issues have significant business impact and are key to the Company's value-creation process.

Accountability

The Management of the Company under the supervision of the Managing Director has reviewed the Report content.

Reporting period, scope and assurance

This Report covers financial and non-financial information and activities of Tata Chemicals Limited ('the Company' or 'TCL') for the period April 1, 2020 to March 31, 2021. While the financial information has been audited by B S R & Co. LLP, Chartered Accountants, the non-financial information as referred to in the assurance report has been assured by Price Waterhouse Chartered Accountants LLP (PWCALLP).

The assurance is in accordance with the limited assurance criteria of the International Standards on Assurance Engagements (ISAE) 3000 Revised and Type 1 "Moderate level" of Assurance under AA1000 Assurance Standard (AA1000AS V3) in respect of the Principles of inclusivity, materiality, responsiveness and impact as defined in the AA1000 Accountability Principles Standard (2018) (the "AA1000 Accountability Principles"). The assurance criteria, methodology and conclusion are presented in the assurance report. The assurance report is available on the Company's website at: https://www.tatachemicals.com/IRAssurance2021.htm.

Forward-looking statements

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical fact, including those regarding the financial position, business strategy, management plans and objectives for future operations. Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance.

Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

United Nations Sustainable Development Goals (SDGs) prioritised

Our six capitals

Financial Capital

A balanced cost-effective funding mix (debt and equity) and deployed for sustaining and creating value across all capitals

Manufactured Capital

Infrastructure such as plants, warehousing and logistics facilities and physical assets that enable us to ensure efficient operations and generate long-term returns

Intellectual Capital

Science knowledge, research & development (R&D) capabilities, information technology infrastructure and digitalisation which enables us to develop competitive products and win market share

Social & Relationship Capital

The collaborative relationships with the communities, supply chain partners and customers led by our welfare initiatives to strengthen our reputation of long-term partner of choice and secure licence to operate

Human Capital

The knowledge, skills, experience and motivation of our employees who enable us to create value

Natural Capital

The renewable and non-renewable natural resources such as raw materials, land, water and energy which we use in our operations to generate social and economic value and the resultant environmental impacts

Responsive. Resilient. Responsible.

With eight decades of customer-centric approach, we respond with agility to all stakeholders' needs to create value and being resilient during the most challenging periods. Sustainability forms the very basis of our business growth aspirations in line with our commitments to corporate responsibility.

At Tata Chemicals Limited, we have drawn strength from our core competencies; science expertise of 80+ years; differentiated products and solutions for businesses across several key sectors; manufacturing and operational excellence; international distribution capabilities; committed and highly skilled teams and corporate governance benchmarked to the highest standards.

Our business model integrates all these advantages to retain a sustainable competitive edge. Alongside, we make continuous efforts to simplify our business and scale our portfolio across new, value-added chemistries. Each business decision, followed by action, has the principles of sustainability embedded in it.

CONTENTS

Delivering Science-led Solutions for a Better Tomorrow

Tata Chemicals Limited is a Science-led chemistry solutions company and is a part of the Tata Group. With US$ 106 billion* turnover, the Tata Group operates in more than 100 countries across six continents, with a mission "To improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on leadership with trust".

We develop science-led innovative products and solutions based on deep knowledge of chemistry, for a better tomorrow. With our world-class manufacturing facilities, we provide distinct value to our customers. We develop technologies to provide nutrition solutions for human & animal health and agricultural solutions to improve farm yield and income.

*As on March 31, 2020

Mission

Serving Society through Science

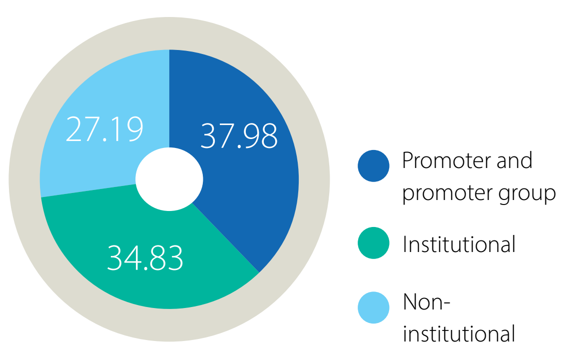
Vision

Be a leading sustainable Chemistry Solutions Company, serving customers based on innovative, science-led differentiated products and solutions

Values

Safety | Passion | Integrity | Care | Excellence

Ownership Structure as on March 31, 2021 (%)



Basic Chemistry Products

Manufactures Soda Ash, Sodium Bicarbonate, Salt and other products

Business enablers

- Global Presence
- World-class manufacturing facilities
- Efficient in distribution with lean supply chain and depot network
- Strong corporate brand and a partner of choice to glass, detergent, food, feed and pharma companies
- Operational excellence and cost competitiveness

Specialty Products

Performance Materials

Develops Specialty Silica products for industrial applications

Business enablers

- Deep understanding of high-performance innovative chemistries
- Green patented technology for Silica
- Strong R&D capabilities and operational excellence

Nutrition Sciences

Develops nutrition ingredients and formulations for food, feed and pharma industries

Business enablers

- Differentiated and patented products
- Expertise in human nutrition, microbiome and fermentation technology
- Knowledge partnerships with Indian and global academia

Agri Sciences

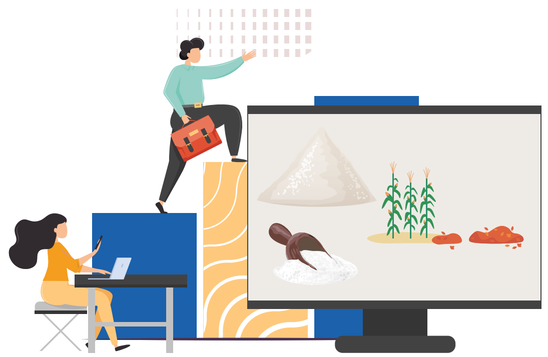
Develops and manufactures Crop Protection Chemicals, Crop Nutrition, Seeds and other agricultural inputs for farmers through its subsidiary Rallis India Limited ('Rallis')

Business enablers

- World-class portfolio of safe, superior and sustainable products
- Low-cost contract manufacturing capabilities of diverse chemicals
- Deep connect and Brand Equity among farmers
- Wide domestic reach through dealer and retail network
- Advanced technology solutions – predictive advisory service and analytics-based planning

FY 2020-21 Operational and Strategic Highlights

1. Continued focus on customer-centricity and delivering on customer promise



2. Maximising Operating Free Cash Flows

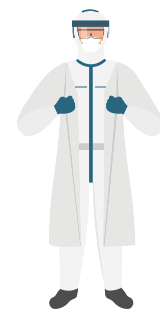
3. Prioritised Capex programme in Mithapur and Dahej to drive growth

4. Focussed delivery teams to drive operational excellence in Performance Materials (Soda Ash, Silica and others), Nutrition Sciences (Salt, Sodium Bicarbonate and FOS) and Agri Sciences (Crop Care and Seeds)

Responding to Covid-19 with Resilience

Covid-19 took the entire world by surprise. With serious health concerns, governments across the globe implemented measures such as lockdown and reduced economic activity to curb the virus spread. A black swan event, it led to severe global financial market turmoil and increased volatility. Though in India, the markets have shown some resilience and are recovering sharply. At Tata Chemicals Limited, we responded to the emergency with agility. Business continuity plan was brought into action and measures were undertaken to ensure protection of all stakeholder groups.

Initiatives to support our stakeholders



Employee safety and well-being

- Work from home, employee engagement, digital training and social collaboration
- Safety and well-being protocols for medical infrastructure
- All units operating with social distancing and safe practices with minimal strength required
- Emotional and mental wellness support, access to counselling, wellness coaching, etc. were offered

Healthcare assistance

- Established 100-bed isolation ward at Mithapur Hospital
- Distributed 1.7 million litres of sodium hypochlorite and 1.7 lakh litres of hand sanitisers manufactured at Mithapur and Rallis respectively
- Support to government hospitals with various supplies
- Donated £10,000 and 1,000 surgical masks to St. Luke's Hospice (in UK)

Livelihood opportunities

- 1.3 lakh masks produced by local SHGs
- 1 lakh masks sold through Okhai
- Provided livelihood support to 275 rural women
- Direct farm to home process set up to connect and help sell the produce from 325 farmers to consumers through mobile app

Community support

- Distributed dry ration and food kits to ~10,700 families and hygiene kits to ~8,500 families
- Awareness campaigns across villages within the vicinity of our manufacturing plants
- A digital push in all our community development programmes included online education classes for students, digital financial training to SHGs members – Hu Pan Digital, online training programme for farmers' awareness, online skill training for youth, etc.
- Community engagement was ensured through virtual connects and celebrations, small group meetings, phone calls, WhatsApp calls, etc.
- Donated ₹ 3 crore towards Covid-19 relief initiatives including financial assistance to Gujarat and Tamil Nadu CM Relief Fund; the District Collectors of Jamnagar, Nellore and Tata Memorial Centre and other agencies/institutions
- Awareness campaigns including demonstration of social distancing and washing hands, distribution of posters and soap, mentorship and empowerment, set-up medical camp to provide medical checks and distributed medicines (Kenya)
- Distributed food, Vitamin A & de-wormers to over 5,000 Magadi community members (Kenya)

Ensuring Good Governance

Mr. Ratan N. Tata
Chairman Emeritus

Our Board of Directors

Mr. N. Chandrasekaran
Chairman, Non-Executive, Non-Independent
C

Ms. Vibha Paul Rishi
Non-Executive, Independent
B A C

Mr. S. Padmanabhan
Non-Executive, Non-Independent
D E A B C F

Ms. Padmini Khare Kaicker
Non-Executive, Independent
A F

Dr. C. V. Natraj
Non-Executive, Independent
C D E

Mr. K. B. S. Anand
Non-Executive, Independent
F A

Mr. Rajiv Dube
Non-Executive, Independent

Mr. R. Mukundan
Managing Director & CEO
B D E F

Mr. Zarir Langrana
Executive Director
B E F

Board Committees

- **A** Audit Committee
- **B** Stakeholders' Relationship Committee
- **C** Nomination and Remuneration Committee
- **D** Corporate Social Responsibility Committee
- **E** Safety, Health, Environment and Sustainability Committee
- **F** Risk Management Committee

● Chairperson

● Member

You can read the detailed profiles of our Board of Directors at https://www.tatachemicals.com/about-us/leadership-team/board-of-directors

Strong Governance Practices

Good governance is a way of life at Tata Chemicals. We are committed to and guided by the Tata Code of Conduct (TCoC) built around the core values of Integrity, Excellence, Unity, Responsibility and Pioneering.

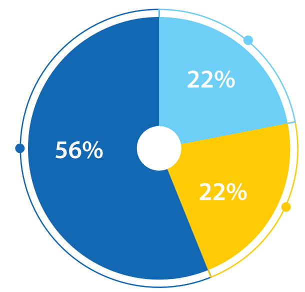
Governance & Ethics:

- The TCoC articulates values and ideals that guide and govern all employees and business matters of Tata companies
- Governance framework, systems and processes reflect and support our Mission, Vision and Values
- The Board of Directors are committed to the best practices for effective Corporate Governance
- Ethics and compliance are embedded in the TCoC, further facilitated by our systems, policies, processes and practices
- With a view to uphold and respect human rights while conducting its business, the Board adopted the 'Tata Business and Human Rights Policy' during the year
- Quarterly reviews by Audit Committee on ethics related matters

Board Diversity

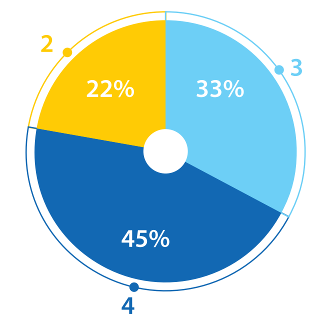
- Active, experienced, diverse and well-informed Board
- High degree of diversity by age, gender, qualifications, professional background, sector expertise and skills

Board composition for effective governance *(as on March 31, 2021)*

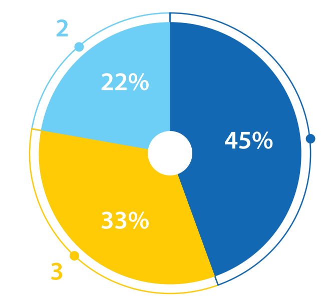


- **5** Independent Directors (including **2** Women Directors)
- **2** Non-Executive Directors
- **2** Executive Directors

Board diversity by age

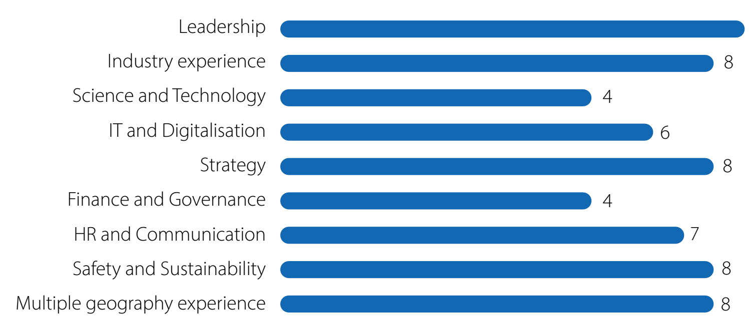


Tenure on Board



The above pie charts denote the number of Directors

Board skills and expertise
(Number of Board members)



For more information, please refer the Corporate Governance Report which forms part of this Integrated Annual Report.

Corporate Information

Chief Financial Officer
Nandakumar S. Tirumalai

Statutory Auditors
B S R & Co. LLP
Chartered Accountants

Registered Office
Bombay House,
24 Homi Mody Street, Fort,
Mumbai - 400 001
CIN: L24239MH1939PLC002893
Telephone: +91 22 6665 8282
E-mail address: investors@tatachemicals.com
Website: www.tatachemicals.com

Registrar & Transfer Agent
TSR Darashaw Consultants Private Limited
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli West, Mumbai – 400 083
Tel. No.: +91 22 6656 8484
E-mail address: csg-unit@tcplindia.co.in
Website: www.tcplindia.co.in

General Counsel & Company Secretary
Rajiv Chandan

82nd Annual General Meeting
Friday, July 2, 2021 at 3.00 p.m. (IST)
Through Video Conference facility

Dividend Recommended for FY 2020-21
₹ 10 per ordinary share
(100% on face value of ₹ 10 each)

Book Closure Date
Wednesday, June 16, 2021 to Monday, June 21, 2021

Mithapur Saltworks

MD & CEO's Message

Dear Shareholders,

At the outset, I hope you and your family are safe. This has been a very challenging year for all of us and our resilience has been tested like never before. I must begin by thanking all our stakeholders, i.e. employees, customers, business partners and investors for their continued support. The Covid-19 pandemic has given rise to newer ways of doing business and accelerated the pace of digitalisation, with an increased focus on sustainability and resilience. In this context, keeping employees safe, ensuring agile servicing of customer demand and robust operating cash flows were the three key priorities we set for ourselves for FY 2020-21.

Guided by Tata Group's values, we increased our efforts to support the communities we serve through an isolation ward at Mithapur Hospital, providing livelihood opportunities at our manufacturing facilities, distributing essentials and food kits, producing and distributing sanitisers and sodium hypochlorite as part of our relief programme.

Resilience in a challenging environment

In the Performance Materials vertical, Soda Ash witnessed lower demand across key application sectors in FY 2020-21. The US business was most affected, with reduced exports and a sharp decline in prices. Demand revival is anticipated across all units in FY 2021-22, which will allow us to improve our financial performance.

In the Nutrition Sciences vertical, Sodium Bicarbonate and Salt saw stable demand while the fermentation platform has a promising outlook, gaining customer traction with our prebiotic products and customised solutions, which we expect to expand further by adding new customers. The Agri Sciences vertical under Rallis delivered an encouraging performance and growth. Prioritising safety of teams and agility in fulfilling customer demand despite supply chain bottlenecks were the key elements of resilience in this challenging environment. Overall, the outlook is positive with markets recovering and investments being made across our businesses.

Our financial performance reflected the challenging market conditions. The consolidated revenue for the year was ₹ 10,200 crore, EBITDA ₹ 1,501 crore and PAT ₹ 436 crore. Our focus was on ensuring robust cash flows from operations which were ₹ 2,037 crore on a consolidated basis.

Responsibility for a better world

In line with our commitment towards sustainability, we are committed to Science Based Targets initiative (SBTi) to reduce our CO_2 emissions. Our Carbon Capture Unit in the UK is nearing completion and is one of the notable examples of pathways to ensure we meet our sustainability targets. Another area of focus is digitalisation to become a more customer-centric, service-oriented and data-driven organisation which will enable us to create more resource-efficient, safer and smart factories alongside modernising our ERP and data analytics platform. Our Nellore Fermentation Prebiotics unit leverages both these elements of sustainability and digitalisation.

Outlook

With the business environment steadily improving and an expectation of recovery by the last quarter of CY 2021 to pre-Covid levels, we remain watchful of any surges of Covid-19. Our three verticals of Performance Materials, Nutrition Sciences and Agri Sciences are well positioned to deliver robust performance and accelerate the transformation of the Company along the vectors of sustainability and good health.

I thank all our shareholders for continued guidance and support on our way forward as a focussed science based chemistry solutions enterprise.

Warm regards,

R. Mukundan
Managing Director & CEO

Our Business Model

The resources we use

Financial Capital

We ensure prudent financial management practices and leverage our cash generating business model to strengthen balance sheet position and sustain business growth.

- Cash and cash equivalents: ₹ 2,975 crore (↓)
- Networth: ₹ 15,143 crore (↑)
- Capital employed: ₹ 25,418 crore (↑)

Manufactured Capital

We invest in new capacities and maintaining existing ones to manufacture quality products and in building inbound/outbound logistics to ensure efficient supply chain. These investments also help manage our environmental footprint.

- Capex incurred: ₹ 1,242 crore (↑)

Intellectual Capital

We are strengthening our competitive edge by making sustained R&D investments at our innovation centres, collaborating with scientific institutes and investing in digital technologies to enhance operational efficiency.

- Investment in R&D (including Rallis): ₹ 70 crore (↑)
- Technically skilled people in R&D: 220 (↓)

Human Capital

We provide training and skills to create a pool of high performing, innovative people with diverse skillset to operate business efficiently. We also undertake initiatives around inclusivity, safety and leadership development.

- Training days per employee: 2.25 man-days (↓)
- Leadership training provided: 270+ man-days (↓)
- Safety training per employee: 0.95 man-days (↓)

Social and Relationship Capital

We integrate the needs of our stakeholders (customers, suppliers, contractors, community) and invest in various welfare initiatives, processes and technologies to strengthen relations and build trust.

- CSR spending* (standalone) – ₹ 21 crore (↓)

Natural Capital

We sustainably use resources and actively invest in sustainable technologies to promote circular economy and reduce our environment footprint.

- Resources used:
  Trona 46,05,233 MT (↓)
  Solar Salt 24,02,580 MT (↑)
  Limestone 18,88,378 MT (↓)

*Higher than our 2% commitment

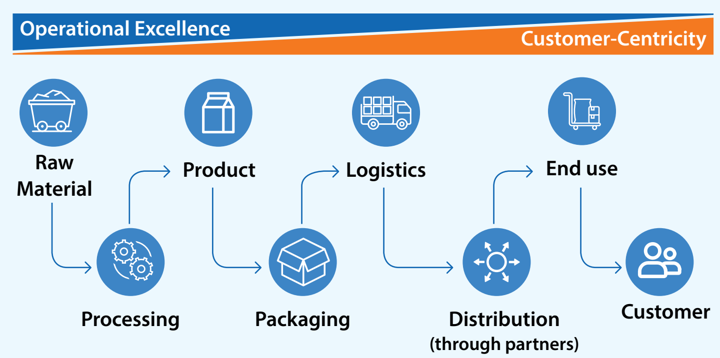
How we create value

TATA CHEMICALS

	Performance Materials	Nutrition Sciences	Agri Sciences
Basic Chemistry Products	• Soda Ash • Sodium Bicarbonate (Industrial)	• Salt • Sodium Bicarbonate (Food, Feed, Pharma)	
Specialty Products	• Silica	• Prebiotics (FOS / GOS) • Formulations	• Active Ingredients (AI) • Agri Formulations • Seeds

Technology (R&D) | Digitisation | Sustainability

Sustainability and good health for a better tomorrow



Listening and Engagement Process
• Emergent Needs • Buying Patterns • VoC • KAM • Customer Complaint Management • CSAT

• Inputs to SPP / LTSP • Opportunities for New Product Development/Variants
• Innovation opportunities in Customer/Operating Processes

Refer page 50-58 to view the detailed value chain for each business

Outputs

We produce a wide range of bulk and value-added products including Soda Ash, Sodium Bicarbonate, Salt, Specialty Silica, Prebiotics, Crop Care (Rallis), Seeds (Rallis)

Sales volume of key products are as follows:

Soda Ash
3,023 KT

Sodium Bicarbonate
221 KT

Salt
1,581 KT

Outcomes

Financial Capital

- Proposed Dividend: ₹ 10 per share (↓)
- Cash generated from operations: ₹ 2,037 crore (↑)
- EBITDA: ₹ 1,501 crore (↓)
- EBITDA/Revenue from operations: 15% (↓)
- Strengthened balance sheet as gross debt : equity improved to 0.46 (↓)
- Net debt to EBITDA at 2.6 (↑)

Manufactured Capital

- Enhancement in manufactured assets and capex progressing well
- Prebiotics plant at Nellore stabilised
- Decline in sale of Soda Ash to 3,023 KT
- Increase in sale of Sodium Bicarbonate to 221 KT; Salt to 1,581 KT

Intellectual Capital

- Robust new product launches and registrations
- Enhancement in intellectual property
- Total No. of Patents filed: 163

Human Capital

- High employee productivity, job satisfaction, engagement and retention
- Total Recordable Injury Frequency Rate decreased to 1.46 from 1.69
- Zero incident of labour unrest

Social and Relationship Capital

- CSR beneficiaries: 2 lakh beneficiaries (increase from 1.5 lakh)
- High customer satisfaction index
- Multiple new customers added
- Support to all stakeholders during Covid-19 pandemic
- Enhancement in global supply chain network

Natural Capital

- No serious environmental incidents or material impact to biodiversity / habitats
- Responsible manufacturing index (global) changed from 0.31 to -0.08 and for Indian operations changed from 1.29 to 2.82
- Reduction in CO_2 emission (4.48 to 4.13 million MT)
- Reduction in fresh water withdrawal (27,728 to 26,143 Megalitres)
- Sustainable use of resources

• Positive outcome
• Negative outcome
• Neutral outcome

(↑) Increase (over past financial year)
(↓) Decrease (over past financial year)

Strategy to Unlock Potential and Deliver Value Sustainably

We have a robust strategic framework that enables business transformation along the vectors of sustainability and good health. They help us respond effectively to the changes in operating environment and needs and expectations of our stakeholders to ensure sustained value creation for all.

Our strategic framework

Strategic Choice

Excel
On core competencies

Explore & Expand
Adjacencies, new business, business models, customer segments

Key elements

Basic Chemistry Products
Leadership & Competitiveness

Specialty Products

Performance Materials

- Expand adjacencies

Nutrition Sciences

- Establish – New Products
- Technology – Fermentation

Agri Sciences

- NPD pipeline – Active Ingredients & Formulations
- Market Access

Enable
Structure, systems, processes, people

Functional level focus

- **Innovation**
- **Technology**
- **Sustainability**

Strategic objective 1 — Excel

Maintain leadership and cost competitiveness in Basic Chemistry Products

Enabler

- Expand capacities
- Excellence in cost management and operational efficiency

Progress in FY 2020-21

- Capacity expansion of Soda Ash, Sodium Bicarbonate and Salt on track
- Ongoing cost improvement programmes

Priorities for FY 2021-22

- Maximise production and sales
- Efficient cash flow management
- Expand value-added portfolio (Sodium Bicarbonate grades for Animal Nutrition, Pharma and Industrial applications)

Risks associated

- Slow demand recovery
- Rising input cost (Energy & Material)

KPIs tracked

Sales:

- Soda Ash: **3,023 KT**
- Sodium Bicarbonate: **221 KT**
- Salt : **1,581 KT**

Refer page 03 for more enablers on Basic Chemistry Products

Strategic objective 2 — Explore & Expand

Specialty Products based on science-led differentiation

	Enabler	Progress in FY 2020-21	Priorities for FY 2021-22	Risks associated	KPIs tracked
Performance Materials	• Differentiated portfolio of Specialty Silica based on patented technology	• Increased capacity utilisation at Cuddalore plant • Successful trials of HDS (Highly Dispersible Silica); commercialisation to follow	• Expanding customer base for HDS • Maximise capacity utilisation of the Cuddalore plant	• Long gestation period of HDS among tyre manufacturers • Slow automobile demand recovery	• **3** Customer approvals in progress • Capacity utilisation: **49%** (Cuddalore plant)
Nutrition Sciences	• India's only FOS manufacturer • Expertise in fermentation technology	• Nellore plant operational and running • Obtained USFDA registration for exports	• Enhance global product registration / acceptance for FOS • Increase Nellore plant capacity utilisation	• Long product gestation period, especially in pharma	• Capacity utilisation: **43%** • No. of product/ plant acceptance registrations: **3** countries (Approved) **2** (Approval in process)
Agri Sciences	• Diversified portfolio and brand loyalty • Wide distribution network in India • R&D capabilities	• Launched new Crop Care formulations • Capacity expansion projects on track	• Drive capacity utilisation of newly commissioned plants at Ankleshwar and Dahej • Launch new formulations • Enhance domestic distribution	• Regulatory changes / restrictions on Active Ingredients (AIs) • High monsoon dependency	• No. of new formulations launched: **10** (Crop Care) **4** (Seeds) • Average capacity utilisation: **83%**

Refer page 03 for more enablers on Performance Materials, Nutrition Sciences and Agri Sciences

Strategic objective 3

Enable

Focus on Innovation, Digitisation & Sustainability as transformation platforms

	Enabler	Progress in FY 2020-21	Priorities for FY 2021-22	Risks associated	KPIs tracked
Innovation	• Modern Innovation Centres • Scientific Advisory Board (SAB)	• Developed multiple new products and formulations • Strengthened platform technologies for customised formulations	• Commercialise new launches • Improve yield for FOS • Enhance customer connect and market penetration in HDS • Develop natural rubber grade Silica • Enhance revenue contribution of new products in Crop Nutrition • Enhance presence in Specialty Fertilisers	• Product / technology obsolescence • Regulatory and legal environment • Long gestation period	• Cumulative patents filed: **163** • No. of Registrations: **47** • R&D Investments: **₹ 70 crore** (including Rallis)

	Enabler	Progress in FY 2020-21	Priorities for FY 2021-22	Risks associated	KPIs tracked
Digital	• Digital infrastructure / platform for automation and analytics • Organisation-wide usability of digital assets	• Set up a unified IT organisation for better cyber security support • Started multiple digital initiatives to enhance efficiency and drive analytics • Initiated Industrial Internet of Things (IIoT) systems journey	• Modernise the ERP, adopt cloud-first strategy and step-up security • Implement Warehouse and Transportation Management Systems	• Technologies / platforms obsolescence	• Digital Maturity Assessment Score: **2.68 (on the scale of 5)**
Sustainability	• Corporate sustainability policy • Science Based Targets Initiative (SBTi) commitment to reducing absolute carbon footprint • UN SDG alignment • Product stewardship • Following CDP, UNGC and <IR> framework • Active member of ICC, IMA, CII, CIA, ESAPA • Business & Biodiversity Policy • Business & Human Rights Policy	• Measuring CO_2 emission based on SBTi • Initiated unit-wise CO_2 reduction target and execution planning • Circular Economy: 100% fly ash consumption • Consumed ~ 372.52 MT of plastic waste in FY 2020-21 in cement kiln • Completed sustainability assessment for India operations	• SBTi action plan for carbon abatement • Climate change risk assessment & adaptation strategy • Develop path to carbon neutrality • Assessment of Impact and Dependency on Biodiversity • Human rights gap assessment and mitigation	• Non-compliance risk • Climate change	• Absolute Scope 1+2 GHG Emission (CO_2e): **4,125 KT** (FY 2019-20: 4,446 KT) (↓) • % Water Recycled: **90** (FY 2019-20: 86) (↑) • % Waste (Limestone) recycled in Indian Operations: **90.10** (FY 2019-20: 86.69) (↑)

Refer page 34-35 for more details on Innovation, page 36 for Digitalisation and page 46-49 for Sustainability

Material Issues Impacting Value Creation

We analyse various environmental, social and governance issues impacting our businesses, value creation and stakeholders. These help us define strategic priorities, mitigate actions and better understand our effect on the environment and the stakeholders' impact on our value-creation.

Materiality analysis

We conduct a thorough analysis of the external and internal environment through a quadrennial materiality exercise involving all internal and external stakeholders. The position of material issues are updated in the materiality matrix basis these findings along with continuous status analysis by the Management Review Committee (MRC). A structured roadmap and increased engagement with respective stakeholders helps address critical aspects.

In FY 2020-21, we conducted product value chain analysis for TCL India and Rallis operations in a phase-wise manner which includes extraction, inbound logistics, production, outbound logistics and customer. Each part of this value chain was assessed on multiple parameters with the relevant team members. Based on this, criticality screening was conducted to understand the degree (high, medium, low) of economic, environment, social impact and identify actionables to strengthen the value chain.

Identifying material issues	Evaluating current status	Mapping ambitions	Identifying critical and key action areas
• Study of internal and external factors • Product value chain and SWOT (all group companies) analysis	• Engaging with internal cross function team • Evaluating the long-term strategy plan for SBTi • Progressing to net Zero Carbon emission	• Prioritising actionable themes for now and for 2030 • Revamping the strategy to align with all geographies	• Prioritising the key areas into short, medium and long-term needs as per internal and external stakeholders' relevance

Approach to finalise material matters

- Internal Strategy workshop
- Team calls / meetings

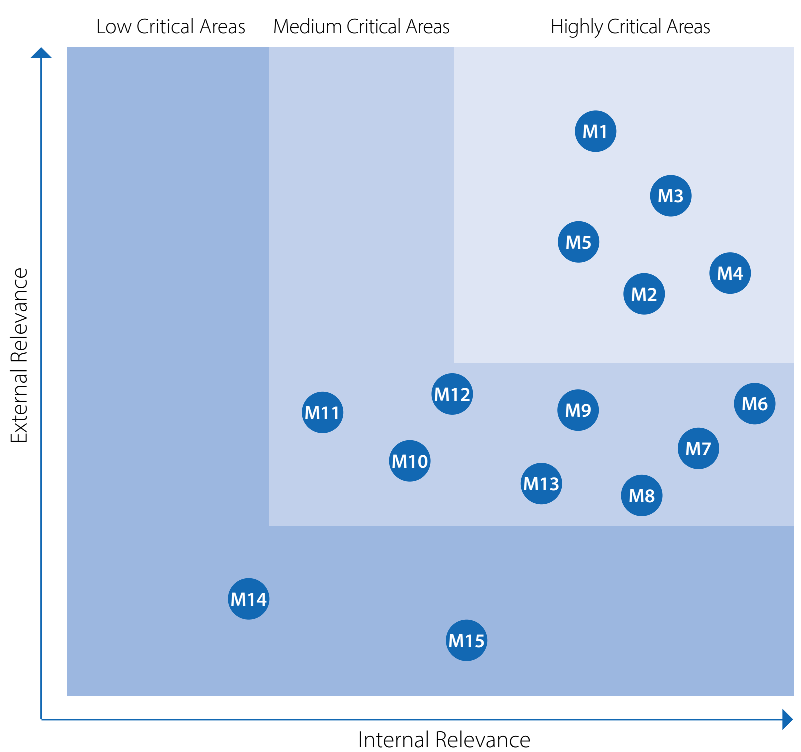
to analyse progress of material issues

- Discussion
- Prioritising

by Leadership team

- Global trends
- Local environment
- Sector
- Social

Analysis



Material topics

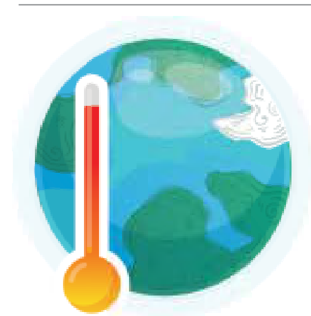
Highly Critical Areas
- M1 Circular Economy (water & waste)
- M2 Biodiversity
- M3 Climate Change
- M4 Health & Safety
- M5 Energy

Medium Critical Areas
- M6 Customer Engagement
- M7 Community Engagement
- M8 Product Stewardship
- M9 Performance Standards for Contractors / Suppliers
- M10 Spills
- M11 Diversity
- M12 Ethics and Governance
- M13 Employee Engagement

Low Critical Areas
- M14 Logistics
- M15 Employee Benefits

Importance of material issues in business context and how we address them

Highly Critical Material Aspects

Material aspects and its context	Impact on our value creation	Mitigating actions
M1 **Circular Economy** A valuable economical model to maximise natural materials usage by recycling them during the value chain processes 	• Inefficient production processes can increase our costs and carbon footprint, diminishing our competitive advantages	• Emphasis on continuously enhancing recycling of water and waste materials • Soda Ash transported in bulker to reduce plastic packaging • Using plastic waste as fuel in Cement Kiln • Watershed management and rainwater harvesting
M2 **Biodiversity** Biodiversity and ecosystem preservation directly contribute to primary development and community well-being 	• Biodiversity loss may lead to irregular water supply, food availability, reduced natural resources, temperature rise, etc. which may impact business operations and life on earth	• Biodiversity policy launched in June 2020 to strengthen commitment and link it across the value chain • Biodiversity Conservation and Restoration programmes
 M3 **Climate Change** Rising focus on climate change and Nationally Determined Targets and a shift from disaster recovery to climate resilience	• Climate change can directly and indirectly impact the operations across the value chain right from operational efficiencies to logistics	• Committed SBTi to reduce absolute carbon emission and progress to Net Zero Carbon emission • Completed climate adaptation study for Mithapur • TCE (UK) to commission carbon capture plant to become a net zero carbon Sodium Bicarbonate manufacturer

Material aspects and its context	Impact on our value creation	Mitigating actions
M4 **Health & Safety** Our employees face risks of working with hazardous chemicals at power plants, occupational health & safety (OHS) and complacent individual behaviour	• Adverse incidents (loss of life, lost days, damage to assets, environment) due to safety gaps may impact business operations, reputation, relationships and lead to increase in insurance premium	• Continual improvement in responsible manufacturing and lead indicator tracking • Felt leadership and stakeholder engagement to promote safety culture • Digitalisation and data analytics • Safety risk assessment and audit
M5 **Energy** Being energy-intensive, chemical industry is impacted by volatility in energy prices and availability and the growing concern for the environment (cleaner fuels)	• Inefficient production processes can increase our costs and carbon footprint, diminishing our competitive advantages	• Constantly transitioning to cleaner fuels • Energy audits • Energy efficiency projects across sites

Addressing Medium Critical Material Aspects

M6
Customer Engagement
We constantly engage with customers to meet their needs of value-added products and responsive services. This ensures high customer satisfaction and retention.

M7
Community Engagement
We undertake social initiatives globally to drive socio-economic development, protecting the environment and biodiversity and towards supporting the community during emergencies. This ensures business and societal growth and adherence to regulatory requirements, thereby enhancing our reputation among global investors.

M8
Product Stewardship
We, along with our supply chain, are undertaking initiatives to make our operations safer and more sustainable across the value chain (manufacturing, storage, transport, consumption, disposal and recycling). This enhances our competitiveness and enables us to meet the growing expectations for sustainable products from regulators and customers.

M9
Performance Standards for Contractors / Suppliers
We have robust processes (conducting audits and sustainability assessments) to onboard contractors, suppliers and partners having appropriate skills and following robust practices. Further, we support them in building robust systems. This enables us to execute operations efficiently and ensures win-win relationships.

M10
Spills
We follow global best practices for product handling, storage, transportation and distribution. We also encourage and train our distribution value chain to adopt similar practices. We have put systems to track and assess incidents related to product spills, transport accidents and product and packaging quality. This prevents serious incidents and protects our reputation.

M11
Diversity
We undertake programmes such as Tata LEAD and Tata Affirmative Action alongside employment, entrepreneurship and education initiatives to drive diversity across race, sex and age. Presence of diverse perspectives is enabling problem-solving and innovation across the organisation, positioning us to grow global operations.

M12
Ethics and Governance
As a Tata Group company, we have high standards of ethical practices. We ensure integrity and ethical practices across all our dealings as well as those involving our supply chain partners who are required to follow practices on human rights, anti-bribery and anti-corruption. We are constantly improving our governance framework and policies by benchmarking to best practices and creating awareness of the Tata Code of Conduct.

M13
Employee Engagement
Our people focus on nurturing their passion and commitment through multiple wellness, learning and development, engagement, building team management skills, reward and recognition initiatives. We encourage cross-geography and cross-functional deputations to rejuvenate enthusiasm. These initiatives make us a great place to work with high level of employee engagement and satisfaction index, resulting in higher work productivity to achieve desired goals together.

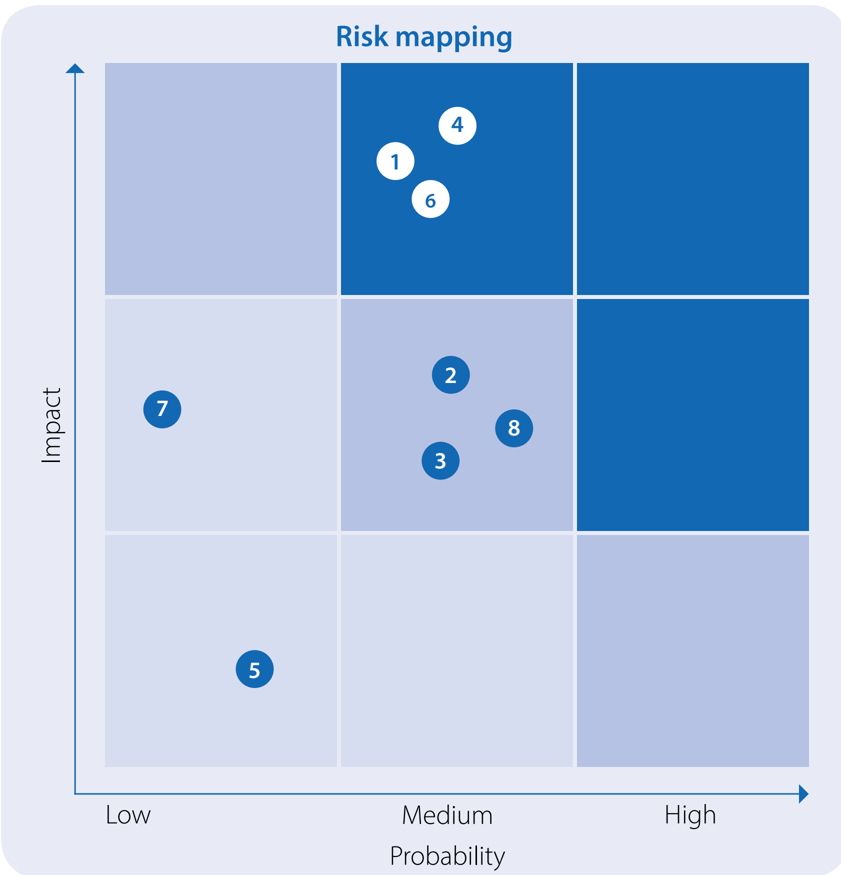
Engaging with Our Stakeholders

We ensure an open dialogue with all stakeholders to understand and consider their needs when making strategic and operational decisions. This helps us build long-term relationships, deliver sustainable performance and create value for all.

Topics Discussed	Relevant Material Issues	Various Platforms/ Forums of Engagement
Shareholder/Investors Growth in share price and dividends, profitability, sustainability practices, climate change risks, robust governance, financial stability, growth prospects	M3 M4 M12	Annual General Meeting (AGM) and other shareholder meets, Periodic email communications and Stock Exchange intimations, investor/analysts meet/conference calls, annual report, quarterly results, media releases, Company/Stock Exchanges website
Customers Consistent quality and availability, responsiveness to needs, aftersales service, sustainability, responsible guidelines, climate change disclosures, responsible manufacturing, life cycle assessment	M1 M2 M3 M4 M5 M6 M7	Website ECRM, distributor / retailer / direct customer meets, senior leaders customer meets / visits, customer plant visits, COO club, achievers meet, Key Account Management workshops, focus group discussion, membership in trade bodies, complaints management, helpdesk, conferences, joint business development plans, information on packaging, customer surveys, Net Promoter Score
Suppliers/Partners Quality, timely delivery and payments, sustainability performance, safety checks, compliances, ethical behaviour, ISO and OHSAS standards, collaboration opportunities, digitalisation opportunities	M4 M8 M9 M12 M14	Supplier prequalification/vetting, communication meets, supplier plant visits, partnership meetings, MoU agreements, trade association meets/seminars, professional networks, Bhagidhari Sabha, contract management/review, product workshops/on site presentations, framework agreements, satisfaction surveys, Pro Care helpdesk
Government Climate change roadmap, sustainability frameworks, policy advocacy, plastic waste management, developing of framework beyond compliance and responsible care (RC), timely contribution to exchequer/ local infrastructure, proactive engagement, skill and capacity building, sustainable livelihood, clean and safe environment	M1 M2 M3 M7 M10 M11 M12	Advocacy meetings with local/state/national government and ministries, seminars, media releases, conferences, membership in local enterprise partnership, industry body memberships (ICC, IMA, CII, CIA, ESAPA)
Employees Responsible Care, innovation, operational efficiencies, improvement areas, employee engagements / benefits, long-term strategy plans, training, awareness, responsible marketing, brand communication, health and safety	M4 M9 M13 M15	Senior leaders' communication/talk /forum, town hall briefing, goal setting and performance appraisal meetings/ review, exit interviews, arbitration/union meetings, wellness initiatives, focus on workplace safety, employee engagement survey, email updates, intranet, flat screens, websites, poster campaigns, house magazines, confluence, circulars, quarterly publication, intranet, newsletters
Community/Society Responsible Care, waste management issues, self-sustainability, integrated water management plans, Roadmaps for Cleanwater Initiative Community Development agreement, Livelihood support, Disaster relief	M1 M2 M3 M4 M7 M8 M10 M12	Community meetings/visits, local authority and town council/committee meetings, location head's meet, SWOT council meets, community projects, partnership working with local charities, volunteerism, seminars/ conferences

Risk Management

The risk-related information outlined in this section is not exhaustive and is for information purposes only. This section lists forward-looking statements that may involve risks and uncertainties. Our actual results including business' operational performance could differ materially on account of risks and uncertainties not currently envisaged or by risks that we currently believe are not material. Readers are also advised to exercise their own judgement in assessing the risks associated with the Company.



1. Sustainability Risk
2. Digitalisation Risk
3. Product Portfolio Risk
4. Cyber Risk
5. Capital Allocation Risk
6. Debt & Unfunded Pension Risk
7. Regulatory Risk
8. Safety Risk

Approach to Risk Management

Over a number of years, the Company has matured its Risk Management framework which identifies, prioritises, manages, monitor and reports both, the key risks as well as the emerging risks - that can impact achievement of the organisation objectives. The Company's Risk Management framework is founded on sound organisation design principles and is enabled by effective review mechanism.

Our integrated ERM framework implemented across the organisation is developed based on the COSO and ISO 31000 standards and then suitably customised to address our unique business requirements.

Highlights of Enterprise Risk Management for FY 2020-21

Over a year ago, in March 2020, the WHO (World Health Organisation) declared Covid-19 a global pandemic. The unprecedented Covid-19 crisis stress-tested our Risk Management framework. The Company developed a resilient and adaptive Risk Management strategy. Key highlights of ERM are as follows:

- The Risk Management team, in close co-ordination with the Strategy team, developed an online **"MRC Covid-19 model"**, which would be updated in real-time, capturing pain points, concerns, short-term action plans, progress on those plans, evolving norms/situations etc.
- **Reviews would be held frequently** with the leadership team / business leaders on critical aspects related to safety, operations, sustainability, evolving government regulations, working capital management, cyber-incidents, HR initiatives and more.
- **We recalibrated our Risk Registers** with continuous inputs from operation teams, business leaders and Risk Management Committee members prioritising on following aspects i.e.

  Safety, sustainability, climate change, operational continuity, cash preservation, securing cash flow, cost improvement and wastage reduction, digital infrastructure, cyber security, evolving regulations, legal issues, contracts etc.
- Deployment of best global practices on risk management **post benchmarking** with global companies
- **An ingrained process of learning** while managing the unprecedented scenario supported the identification of risks and barriers
- **Stress-testing and market intelligence** of key commercial process prone to fraud
- **Control awareness sessions** on Internal Controls Framework, Anti-Fraud and Cyber Security
- **Organising and celebrating Risk Awareness Week** across India and global subsidiaries, a first in the history of Tata Chemicals to enhance risk understanding and promote Risk Management culture all across

Information regarding the Company's key risks and their mitigation strategies are as follows:

Sustainability Risks

1. Sustainability Risks

Failure to respond to sustainability and climate change related risks

Linkage to Capital
Natural Capital
Social and Relationship Capital

Mitigation

- Climate adaptation study done for Mithapur
  - Signed SBTi and taken absolute carbon emission reduction target
  - Emphasis on Biodiversity, Climate Change and Circular Economy
- Dedicated investment to appropriately balance environmental targets and long-term, sustainable business growth
- Regular monitoring of sustainability risks against business unit sustainability targets
- Board Level quarterly review of Sustainability Roadmap and Environmental Compliance Status
- The Company is a signatory to Responsible Care as well as CORE which guides the Company
- Committed to EPR compliance on plastic waste as per EPR action plan
- Engaging with regulatory authorities, assisting the community on various Covid-related initiatives including funding support to government, manufacture and distribution of hand sanitisers and Sodium Hypochlorite, production and distribution of masks, earmarking isolation ward at Mithapur with around 100 beds

Strategic Risks

2. Digitalisation Risks

Failure to embrace digitalisation as a key lever of Business Growth

Linkage to Capital
Intellectual Capital

Mitigation

- IT strategy and IT roadmap has been created with clear timelines
- Architecture board setup to drive cohesive enterprise level IT/Digital decision-making and solution design
- IT team has been restructured to achieve harmonisation and standardisation in terms of global digital landscape
- Various digital initiatives are undertaken to improve operations, serve the customers in a better way & collaborate with suppliers, transporters, external business partners
- All projects and initiatives are reviewed in different forums like weekly, monthly, quarterly governance reviews to ensure that timelines are met
- Annual assessment is done to assess the digital maturity level of the Company and actions are taken to improve the score

3. Product Portfolio Risk

Failure to develop a portfolio of high value products thus eroding competitive position

Linkage to Capital
Manufactured Capital, Intellectual Capital

Mitigation

Soda Ash & Silica

- Introduction of new variants and brands with differentiated offerings
- Identification and introduction of new value-added products as downstream of existing product lines
- Identification and introduction of new high value products to substitute imports and for targeting export markets

Salt, Sodium Bicarbonate & Prebiotics

- Creation of a common customer-facing team across all product categories in Nutrition across food, pharma and feed customer segments
- Development of new value-added products through application development and formulations
- Expanding current product with new ingredients
- Entry into new segments for growth in inorganic chemistry and extraction / fermentation technology platforms
- Enhancing scientific capabilities in areas of growth and supporting customers with scientific data and claims

Crop Care and Seeds

- Enrich portfolio with new off-patent active ingredients
- Optimising product registration cycle time by fast tracking pilot plant level scale-up
- Adopting emerging technologies in breeding for optimal cycle time and outcomes
- Appropriate resourcing for tapping contract manufacturing opportunities by leveraging chemistry strength

Innovation

- Ensuring high quality innovation pipeline that fuels growth for new & existing business on continuous basis
- Ensure progress on the R&D long-term plan
- Encourage synergies between all the R&D streams, including external Collaborations with Leading Indian and Global R&D Centres
- Ensure R&D focus balancing between Business-led Science differentiation and Next Generation projects
- Build Centre of Excellence to cater the computational and analytical requirements of R&D centres and enhance their effectiveness
- Shorten registration time for Agro Chemicals and improve the robustness of traits development in Hybrid Seeds

Operational Risks

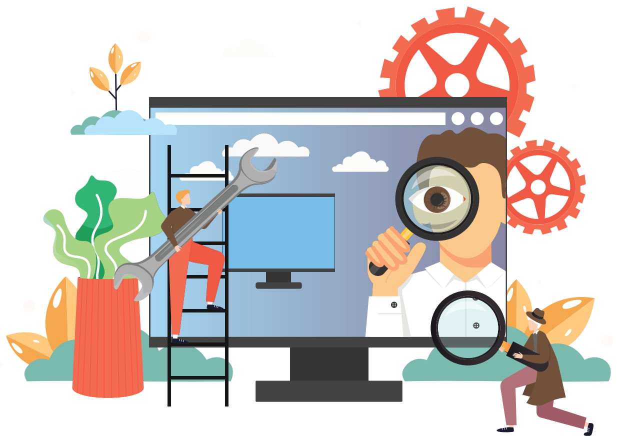
4. Cyber Risk

Loss of data & compromised operations resulting from Cyber attacks

Linkage to Capital
Manufactured Capital

Mitigation

- Best-in-class cyber-security managed services. Under this programme, we will have 24x7 monitoring of security logs of IT assets and highlighting of key risks
- We conduct regular third party VAPT assessments to check for vulnerabilities
- IT policies have been updated based on ISO & ITIL standards
- Cyber security awareness sessions for employees
- Cyber insurance policy at corporate level
- Cyber security risks are periodically reviewed by the Risk Management Committee of the Board



Financial Risks

5. Capital Allocation Risk

Failure to utilise capital efficiently and cost effectively due to indisciplined capital allocation leading to unfavourable returns to stakeholders

Linkage to Capital
Financial Capital

Mitigation

- Continuous monitoring of cash flows with focus on the safety & liquidity of the investments
- Rigorous capital investment programme, focussing adding economic value and improving ROCE
- To evaluate and refinance the applicable loan facilities proactively by proactive use of debt and capital markets towards reducing refinance risks and to support a healthy cash flow
- Preserving cash through host of new initiatives including further focus and balanced efforts towards containment of fixed cost across plant and non-plant activities, working capital

Financial Risks

6. Debt & Unfunded Pension Risk

Managing debt and unfunded pension liabilities of overseas subsidiaries

Linkage to Capital
Financial Capital

Mitigation

Managing Debt

- Maintenance of up to date medium-term financial forecasts, to ensure early intervention and remediation of any covenant compliance risk
- Regular review of the Company debt profile and plans to manage it effectively

Unfunded pension liabilities

- The pension schemes are closed to new hires (in the US) and further accruals (in the UK)
- Utilising hedging and investment strategies, as appropriate, to manage economic risks including inflation

Regulatory and Compliance Risks

7. Government & Regulatory Risk

Government policy changes which could impact the Company's operations at large

Linkage to Capital
Social and Relationship Capital, Manufacturing Capital, Intellectual Capital and Natural Capital

Mitigation

- Ongoing dialogue, liaison meetings and conversations with regulatory authorities and the Indian public affairs, attendance at seminars, memberships with Government and Industry Bodies
- In relation to current Covid-19 situation, active monitoring and adhering to various regulatory authorities' guidelines is ensured; notifications are monitored for future adherence

Reputational Risks

8. Safety Risk

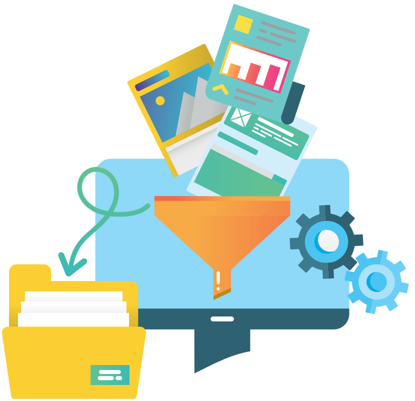
Failure to ensure containment of safety hazards

Employee Safety (Behaviour issues), Workplace Safety (Fire Safety, Asset Integrity), Process Safety & Product Safety Hazard Chemicals –Transportation

Linkage to Capital
Human Capital

Mitigation

- Safety risk mitigation plans are regularly reviewed by the Risk Management Committee of the Board
- Achieve Zero Harm by following world-class standards of SHE management systems, responsible care initiatives, good maintenance practices, enhancement strategies for the environment and prevention of pollution
- On-site and Off-site emergency plans are in place in case of failure to localise containment of hazards
- Member of Nicer Globe initiative for addressing transportation-related hazards
- Various safety improvement initiatives covering Behavioural Safety, Structural Safety, Long-term Asset Management Plan (LAMP), Mine Safety and Process Safety & Risk Management (PSRM), Management of hazardous chemicals, workplace environment improvement, preventive maintenance, aspects are continuously evaluated for effectiveness
- Hazards identified using techniques such as Job Safety Analysis (JSA), Hazard and Operability Study (HAZOP), Hazard Identification and Risk Analysis (HIRA), What-if-Analysis, Failure Mode Effect Analysis, etc. and addressed by following hierarchy of risk control. E-enabled portal 'WSO' is implemented across the operations to capture near-misses and unsafe conditions
- Migrated to ISO tankers with the GPS system for transporting bromine; for product safety and transportation of hazardous chemicals
- Support to customers by conducting safety audits in their premises (chlorine handling)
- Provision of safety kits and awareness sessions for farmers through the "You are Safe" initiative focussed on the safe use of the products
- In relation to Covid-19 situation, various actions including following are undertaken to ensure safe operations:
  - Relevant SOPs with do's and don'ts ensuring safety of employees and continuity of operations have been prepared, dedicated 24/7 helpline number to address medical related queries
  - Plants working with minimal workforce
  - Close monitoring on Government regulations and ensuring its adherence
  - All non-site offices are closed. Employees are working from home



FINANCIAL CAPITAL

Managing Finances Prudently

Our goal is to maximise value for our shareholders and ensure long-term business sustainability with optimal capital allocation strategy. Our business and balance sheet position, defined by strong cash flows and manageable debt levels, protect our financial capital and support our growth.

SDGs impacted

8 DECENT WORK AND ECONOMIC GROWTH

Financial Capital priorities

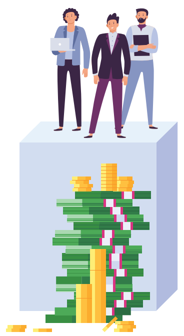
Ensure higher free cash flows (FCF) to fund growth, reduce debt and pay dividends

Financial Capital goals

To maximise shareholders value

Invest in high margin and high value products and business

Maintain optimum level of liquidity with sustainable growth



Financial Capital management

FCF generation is essential to fund our growth operations (existing and newly seeded ventures) and pay dividends to shareholders. We have a robust internal strategic planning process, for maximising financial returns and FCF. Surplus funds are held in a basket of investments, including highly rated fixed deposits for immediate access to cash and in businesses that deliver maximum returns on invested capital. Our investment plan is aligned to strategy and market conditions.

Strategic focus

We are witnessing a recovery in the chemical sector and customer demand. Plant operations are near to, or have even surpassed, pre-Covid levels.

We aim to grow our business verticals with a sustained focus on improving cash returns through efficiency and productivity and strengthening balance sheet through minimising financial leverage. Our robust financial planning process enables right balance between cash conservation and business investments leading to optimal debt reduction. Existing loans are being retired or refinanced to maintain a flexible capital structure.

Respective businesses responsible for their own cash flow

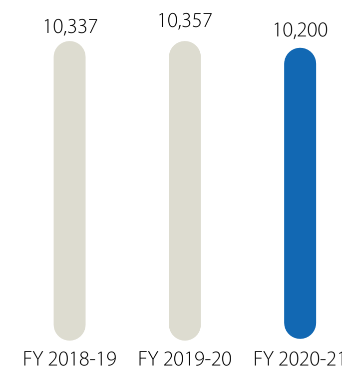
We make each business unit responsible for generating cash to fund its own operations. This ensures each BU takes optimal steps to reduce expenses and enhance efficiency.

Focus on growth opportunities

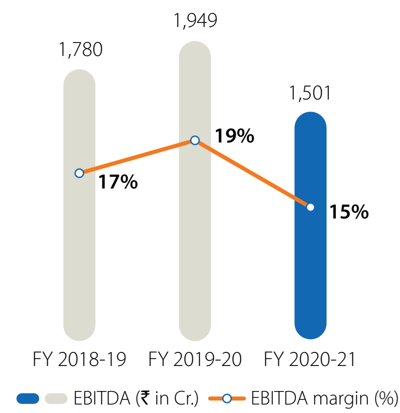
We are undertaking expansion at the Mithapur plant, towards de-bottlenecking and brownfield expansion of Salt, Soda Ash and Sodium Bicarbonate. Increase in Salt production will support our agreement with Tata Consumer Products Limited. We are on track with UK's largest carbon capture and usage plant (CCU), along with a new power plant for the UK Salt operation. This will significantly reduce TCE's carbon footprint and enhance its export competitiveness.

Strategic performance

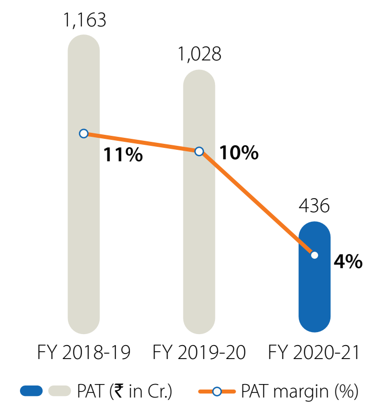
Revenues (₹ in Cr.)



EBITDA and EBITDA margin

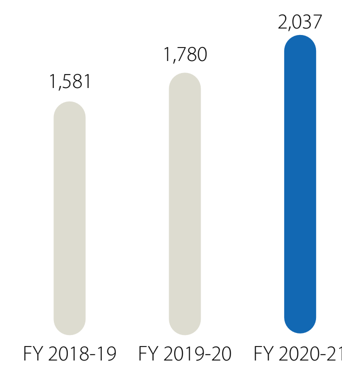


PAT and PAT margin*

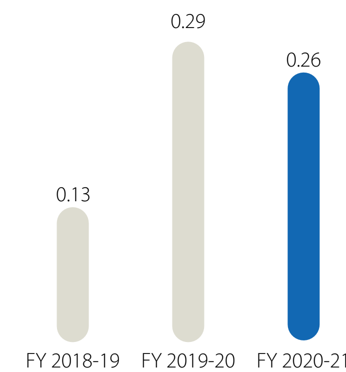


*Continuing operations only

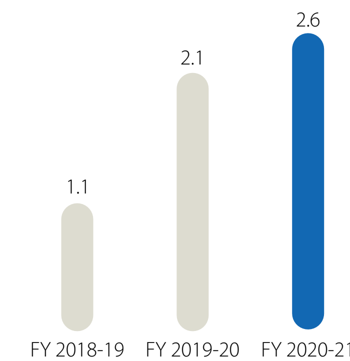
Cash from Operations (₹ in Cr.)



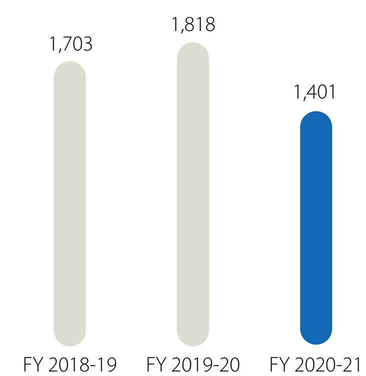
Net debt: equity



Net debt: EBITDA

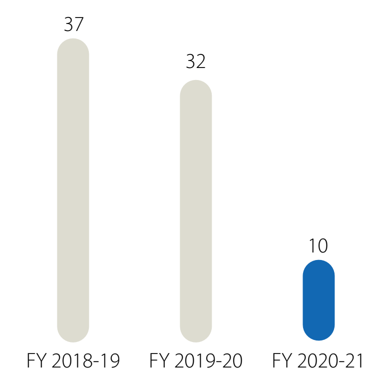


Operating working capital (₹ in Cr.)



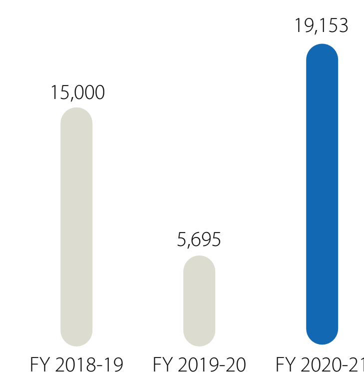
Operating Working Capital = Inventories plus Receivables minus Payables

Earnings Per Share* (₹)



*Continuing operations

Market capitalisation (₹ in Cr.)



Market Capitalisation Based on Closing Price as on March 31

MANUFACTURED CAPITAL

Focussing on Operational Excellence and Quality Leadership

We continually invest in best-in-class technologies across our plants to ensure optimum operational and supply chain efficiency, quality excellence and highest health and environmental safety standards. This is strengthening our reputation as reliable supplier and enhancing cash generation.

SDGs impacted

Manufacturing priorities

TCL

- Continuing enhancement of Process Safety and Risk Management recommendations
- Achieve operational excellence through cost optimisation and throughput increase initiatives supported by Project ACE (Agile, Competitive, Excellence)
- Digitisation/IIoT of plant operations
- Fast tracking project 'Pragati' focussed on capacity expansion
- Saltwork augmentation projects

TCNA

- Maximise operations to meet encouraging demand revival

TCE

- Continue to reduce carbon footprint of operations

Goals

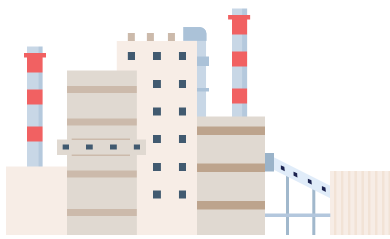
- Run safe and sustainable operations profitably
- Optimum utilisation of all assets and plants
- Cost efficient manufacturing

Asia

Revenue	EBITDA
₹ 5,423 crore	₹ 936 crore

Manufacturing facilities:

Mithapur - Gujarat, Cuddalore - Tamil Nadu, Nellore - Andhra Pradesh, Ankleshwar - Gujarat, Dahej - Gujarat, Lote - Maharashtra, Akola - Maharashtra, Seed processing plants Telangana and Chhattisgarh



Head Office:

Mumbai

Innovation Centre:

TCL Innovation Centre, Pune

Rallis Innovation Chemistry Hub (RICH), Bengaluru, Karnataka

Agri-Biotech R&D Facility (Seeds), Bengaluru, Karnataka

Markets:

India, South East Asia, Middle East, Africa, EU and the Americas

Basic Chemistry Products

TCL India
No. of depots: 17
No. of distributors: 50
No. of customers: 765+
Customer satisfaction index: 86%

Specialty Products

TCL India (Performance Materials)
No. of distributors: 11
No. of customers: 80+
Customer satisfaction index: 88%

TCL India (Nutrition Sciences)
No. of depots: 4
No. of distributors: 15+
No. of customers: 250+
Customer satisfaction index: 79%

Rallis India (Agri Sciences)
No. of depots:
Crop Care - 28, Seeds - 19

No. of distributors:
Crop Care - 3,879,
Seeds - 2,881

Number of contacts with farmers - 26 million

Customer Satisfaction
Net Promoter Score - 60

America

Revenue	EBITDA
₹ 2,878 crore	₹ 351 crore

Manufacturing facilities:

Green River Basin, Wyoming, USA

Markets:

Americas, South East Asia, Oceania / Australasia

No. of depots: 17
No. of distributors: 8
Customer satisfaction index: 95%

Operational subsidiary:

Tata Chemicals North America Inc. (TCNA) - Amongst the world's leading producers of high-quality natural Soda Ash

Europe

Revenue	EBITDA
₹ 1,409 crore	₹ 138 crore

Manufacturing facilities:

Winnington - UK, Lostock - UK, Middlewich - UK

Markets:

Europe and the UK (Sodium Bicarbonate marketed globally)

No. of depots: 11
No. of distributors: 269
No. of customers: 700+
Customer satisfaction index: 89%

Operational subsidiary:

Tata Chemicals Europe (TCE) – Amongst Europe's leading producers of Sodium Bicarbonate, Salt, Soda Ash

Africa

Revenue	EBITDA
₹ 413 crore	₹ 62 crore

Manufacturing facilities:

Magadi-Kenya, Jorf Lasfar- Morocco (JV), North Africa

No. of depots: 4
No. of distributors: 5
No. of customers: 300+
Customer satisfaction index: 79%

Markets:

Africa, Middle East, Indian sub continent, South East Asia

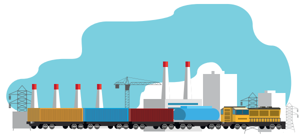
Operational subsidiary:

Tata Chemicals Magadi Limited (TCML) – Africa's largest Soda Ash manufacturers and among Kenya's top three exporters

Tata Chemicals South Africa (Pty) Limited (TCSA) – Operates a bulk handling terminal in Durban serving the South and central African Soda Ash markets and also handling third party cargo

Operational excellence initiatives in FY 2020-21

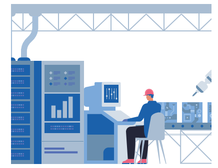
Basic Chemistry Products



- Focussed cost and productivity programmes resulted in substantial savings in both Capex and Opex
- Supply chain efficiency and increased customer service levels by stepping up usage of container rake movement
- Continuing lean six sigma and other continuous improvement programmes
- Modernised Caustic plant to yield increased volumes and efficiencies (Mithapur)
- Power plant and Soda Ash (Carbonating Towers) Industrial Internet of Things (IIoT) projects implemented (Mithapur)

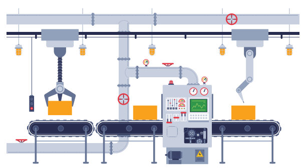
- Cost improvement ideas arising out of a programme facilitated by external consultant yielding continuous savings

- Carbon capture and usage plant at combined heat and power (CHP) plant which will reduce carbon emissions by 10% or 40,000 tonnes (expected completion Q1 FY 2021-22) (UK)
- New boiler plant at British Salt Limited with lower energy consumption and carbon emissions (UK)



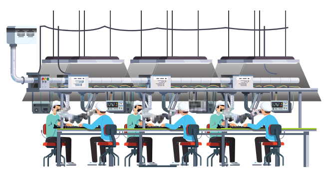
- Improvement of train safety and operations by commissioning the Trains Management System (Magadi)

Specialty Products



Performance Materials

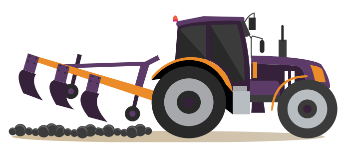
- Ongoing plant upgrades to increase plant efficiencies and reliability at Silica plant, Cuddalore



Nutrition Sciences

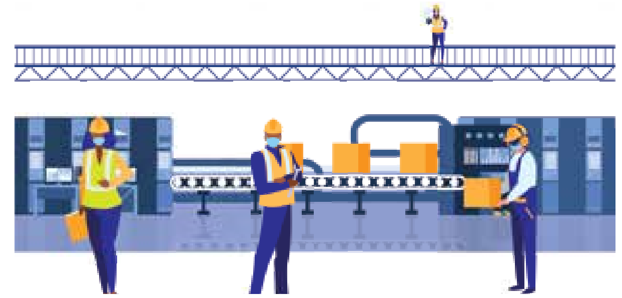
Successfully commercialised Nellore plant alongside undertaking optimisation projects focussed on:

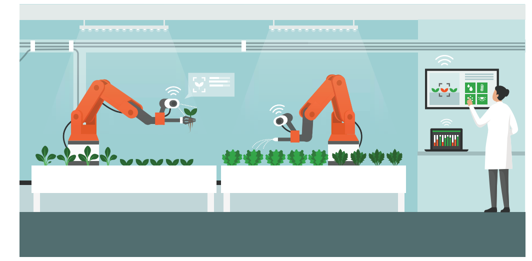
- **Automation:** Leading to better safety, efficient operations and enhanced hygiene
- **Operation excellence:** Projects undertaken enabled increase in plant throughput, while improving quality and hygiene requirements
- **Energy optimisation:** Increased solar power generation capacity by 65% and reduced maximum grid power demand by 20%



Agri Sciences

- Deployed technologies across manufacturing, R&D, human resources, supply chain and sales & distribution functions to drive automation and efficiency
- Diversified vendor base and explored opportunities for backward integration to secure raw material supplies
- Exploring new Seeds production locations, automation possibilities and engaging with growers for information / solutions to maximise Seed yields





Ongoing Capex projects

Basic Chemistry Products

India

- New CoGen Plant
- New Vacuum Evaporated Salt Plant and associated supply chain investments
- Expansion of Sodium Bicarbonate capacity

USA

- Projects underway to reduce environmental load, increase safety and increase automation and digitisation

UK

- Carbon Capture and Usage project in final stages
- New high efficiency boiler at Salt Plant

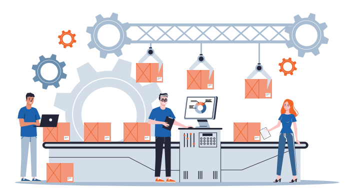
Specialty Products

Agri Sciences

India

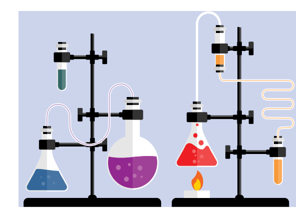
- New formulation unit at Dahej (CZ)
- Multi Purpose Plant at Dahej

Way forward



Basic Chemistry Products

- Increase salt and brine production for increased feedstock to support growth (India)
- Undertake digitisation and automation projects for efficiency, quality and cost benefits (India)
- Increase the use of IIoT, AI, data analytics and technology to improve manufacturing practices and business processes (India)
- Further increase plant reliability and OEE at TCNA
- Expand recovery of Soda Ash from waste streams (TCNA)
- Invest further in new technologies to move towards lowering environmental footprint and increasing circularity (TCE)
- Reconfigure supply chain network at TCML, Kenya



Specialty Products

Performance Materials

- Enhance operational efficiency and environmental performance with further upgradation of plant and technology

Nutrition Sciences

- Complete ongoing projects around operation excellence, process automation and energy reduction
- Undertake initiatives to further agenda of efficient and responsible manufacturing

Meeting the needs of customer with white Silica

Silicone rubber companies demand pure white products due to application demand. TCL team collaborated with a potential customer. With sustained efforts, a new grade of Silica – TAVERSIL 120F – was introduced. Having optimal granulometry and being much whiter than existing products, it meets the need of the industry. We have placed it as a premium grade product. We continue to further improve the product alongside approaching similar Silicone compound manufacturers for horizontal business growth.

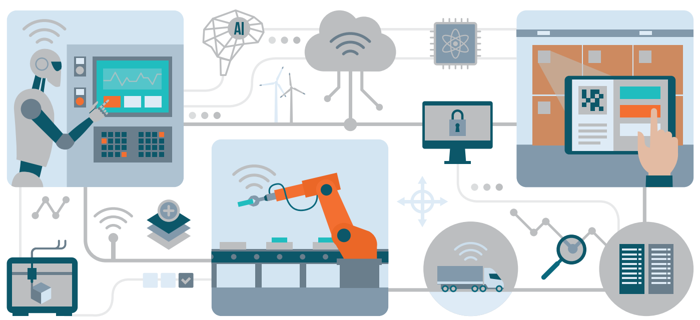
Agri Sciences

- Plans underway to expand product portfolio
- Continue with digital interventions for better access to production information, upgrading MIS and reporting dashboards, digitising Seeds production management and supply chain forecasting
- Develop upcoming Dahej manufacturing plant at Gujarat as a Digital Smart Factory

Digitalising manufacturing at Mithapur plant

The Mithapur plant has embarked on a journey to become a world-class, smart factory. It is implementing the Digital Enterprise – the connected plant concept – in collaboration with a globally reputed organisation. With this, systems, processes and functions are being connected using 'data' as an enabler by employing world-class technologies such as Analytics, IIoT, AI/ML algorithms, etc.

The system integrates data from multiple applications (distributed control / production systems / ERP / supply chain management / customer relationship management systems) into integrated analytics dashboards for real-time monitoring of plant operations, supply chain optimisation and inventory control.



IIoT application

IIoT application is being implemented in carbonation towers and boilers. This comprises creating digital twin of the process using AI/ML techniques.

Benefit: Prescriptive analytics and generation of online advisories to run the operations more efficiently

Predictive analytics

Benefit: Better equipment health by reducing unplanned downtime and enabling a shift to predictive maintenance

Satellite image analytics

Benefit: Improving predictability and efficiency of solar Salt operations

Digital Enterprise

Improvement in equipment predictability and productivity

Real-time visibility of KPIs

Reduction in costs and environmental footprint

Status:

Automation of all major critical operations in Soda Ash and Salt manufacturing and power plant operations is either completed or under different stages of implementation.

Delivering industrial scale carbon capture and utilisation

Tata Chemicals Europe is nearing completion of its Industrial Scale Carbon Capture and Utilisation (CCU) Plant. Already having one of the most efficient CHP plants in the UK, the CCU plant will significantly reduce carbon footprint of its Northwich unit. It will be first industrial CCU plant in UK capturing and utilising CO_2, a key raw material to produce Sodium Bicarbonate

On completion, TCE will be making a net zero carbon footprint Sodium Bicarbonate and Sodium Carbonate products.

Plant highlights

First industrial scale CCU in the UK
capturing and purifying CO_2 from CHP emissions for using it as a key raw material in manufacturing high purity Sodium Bicarbonate

40,000 tonnes
CO_2 capture and production capacity

1,20,000 tonnes
annual production of over 1,20,000 tonnes of high purity Sodium Bicarbonate

99.99%
pure CO_2 meeting EIG (European Industrial Gases) standards

INTELLECTUAL CAPITAL

Building Competitive Edge with Innovation

Our innovation leadership stems from rich eight decades of science knowledge. Our expert team of scientists are continually undertaking research and collaborating with global institutions and academia to develop better products for delivering value to customers and focussing on Next Gen cutting-edge technologies. These innovations are ensuring our business are science-differentiated and sustainable in the long run.

SDGs impacted

Delivering peace of mind to farmers

In FY 2020-21, RICH launched two new products for Crop Protection that have gained popularity among farmers. Kriman, a fungicidal combination formulation for effective disease and resistance management in grape and tomato crops and provided yields improvement of about 10% in both the crops. Eevee, a combination insecticide and fungicide formulation, is a first of its kind product in India for rice and tomato for both insect pest and disease management. It gave an improved yield of about 10% in both.

Our R&D centres and their progress

TCL Innovation Centre (IC) – Pune

Key developments in FY 2020-21

Basic Chemistry Products

- Development of iron premix technology for double fortified Salt

Specialty Products

Performance Materials

- Qualification of HDS with leading tyre manufacturers
- Development of new grade of Silica for oral care and elastomeric garment application

Nutrition Sciences

- Development of synergistically acting symbiotics for immunity (human clinical trial done); long-chain oligofructose; and enzyme encapsulation technology with better thermo-stability to enhance feed shelf life
- Development of cosmetic application of FOS for healthy skin
- Development of natural extracts with high bioactives for food and pharma industry
- Seeding of synthetic biology, creating a framework and identification of potential products

Way forward

Basic Chemistry Products

- Development of new Salt category (i.e. pharmaceutical grade Salt) for consumer and industry needs
- Commercialise iron premix technology

Specialty Products

Performance Materials

- Continuing application support of current HDS grade Silica for better customer connect and market penetration
- Development of Specialty Silica

Nutrition Sciences

- Improve yield and reduce the variable cost for FOS
- Developing technical capabilities in spray drying, protein and enzyme extraction, purification and characterisation

Agri Sciences

Innovation Centre – Bengaluru RICH (Crop Care)

Key developments in FY 2020-21

- Gap analysis exercise to strengthen innovation funnel
- Strengthen platform technologies for customised water soluble fertiliser (WSF) formulations for foliar and fertigation applications

Launches

- Kriman: A fungicide combination formulation for Chilli and Tomato
- Eevee: An Insecticide and fungicide combination formulation for Rice and Tomato
- Water Soluble Fertilisers: Aquafert Foliar – Vegetables & Aquafert Fertigation – Grapes
- Micronutrients: Boron ethanolamine (Flowbor)
- Plant Growth Regulator: GroSmart [Gibberellic acid 0.001%]

Way forward

- Strengthening pipelines for Formulations, Reverse Engineering and Contract Manufacturing
- New herbicide formulations with differentiated weed control and devoid of phytotoxicity
- New Product concepts for Crop Nutrition and biopesticides
- Flow chemistry capability
- Enhance revenue contribution of new products in Crop Nutrition business to 20%+
- Enhance presence across all segments of Specialty Fertilisers, especially WSF
- Collaborations and alliances to build differentiated products
- Innovative approaches to formulation by leveraging internal capabilities

Agri Sciences

Innovation Centre – Bengaluru (Seeds)

Key developments in FY 2020-21

- GMS marker development and deployment in Cotton & Chilli
- Artificial blast nursery for pearl millet
- Innovative Field Rapid Generation Advancement (RGA) in Rice
- In Planta GOT using markers-innovation

Launches

- MM9344 in maize full maturity segment
- MP7111 in pearl millet early maturity segment
- MP7366 pearl millet hybrid got notified by ICAR and has high levels of Zn & Fe

Way forward

- RGA technologies across crops
- Building capabilities for ML tools by leveraging the CoE for data analytics and ML
- Initiate product-driven projects and develop microbial Crop Care solution

163
Cumulative patents filed

47
Plant Variety Protection (PVP) in the process of registration under PPV & FRA

4
Publications in peer-reviewed journals

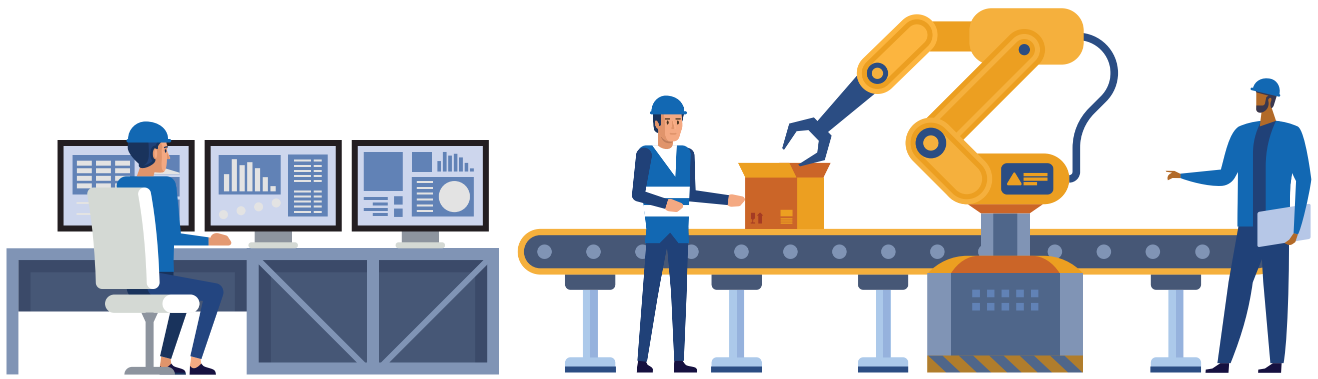
New Initiative at the Innovation Centre

- Capability building in synthetic biology – simulation, gene synthesis and overexpression for enzymes
- Established applied computational biology Centre of Excellence (CoE) to leverage the data analytics across the R&D centres to expedite R&D process
- Established an IPR (CoE) to leverage the IPR function across business and R&D centres
- Formed Champions of Change teams to drive transformation in the areas of happiness at work, collaboration, safety and sustainability

Cotton: GMS Forward breeding (FB) strategies and methods

Developed for rapid line development. FB method successfully validated in F2 and F3 breeding cycles using ~9,000 segregants from multiple pedigree crosses (close to 100% selection accuracy was identified). This integrated marker breeding method can reduce ~50% of the time for GMS line development and save huge cost for commercial hybrid Seed production through GMS every year.

Digitalisation



FY 2020-21 priorities

- **Simplifying system and creating synergistic platforms**
- **Standardising and rationalising applications**
- **Setting-up of Smart Factories and Smart Labs**
- **Focussing on solutions around work safety, health and environment (SHE)**
- **Establishing a connected workforce and strengthening cyber security**
- **Process automation and supply chain optimisation**

Goals

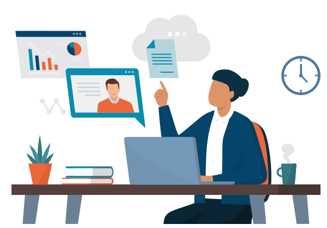
Creating a customer-centric, service-oriented, digital-first and data- and insights-driven organisation

Digital initiatives undertaken in FY 2020-21

- Established IT strategy and roadmap across all business units and functions
- Set-up a unified IT organisation to deliver enterprise-wide IT and digital services. Synergy achieved through the consolidation of ERP support and cyber-security support
- Initiated implementation of key digital programmes – Transportation Management System (TMS), Human Resource Management System (HRMS) and payroll on a new modern platform; Laboratory Information Management System (LIMS); and system enhancement for work SHE
- Extension of Industrial Internet of Things to key areas of Mithapur plant and start of IIoT adoption at other plants
- Began exploring the use of advanced analytics through remote-sensing technology for Salt pans to remotely handle the operations and predict Salt production
- Stepped up cyber security for secure operations

FY 2021-22 digital priorities

The ERP system is being modernised, along with the data and analytics platform. We have adopted a cloud-first strategy for a scalable and agile IT infrastructure. Completion of LIMS, modernisation of HRMS and payroll platforms and system enhancements for SHE will remain priority. IIoT and advanced analytics will be leveraged across manufacturing units to improve operational productivity. We plan to implement transportation management and warehouse management to make the supply chain more efficient.



Building resilience to tackle Covid-19

We initiated BRACE (Build Resilient Approach in Response to Covid-19 Epidemic), whereby our IT function played a critical role in overcoming the challenges of the contagion. Secure and productive work-from-home IT solutions were devised for employees. Our robust IT infrastructure ensured seamless and remote operations of key systems and transactions. Market intelligence and sales dashboards were provided to the sales teams to track the impact of the pandemic. Continued digitalisation will make us still more shock-resistant and also bring in agility in the operations.

Strengthening our People, Assets and Environmental Safety Practices

The safety of our people at all levels of operations is at the core of our human capital and it is closely tied to our sustainability and strong operational performance. Guided and governed by the Tata Code of Conduct, we have best practices and technologies that create a world-class workplace.

SDGs impacted

Safety Priorities and Goals

- **Reinforce safety leadership for achieving Target Zero Harm**
- **Improved asset integrity programmes for safe work environment**
- **Strengthen the safety risk assessment, audit and process safety management**
- **Focus on lead indicators**
- **Digitalisation of safety process and reporting for real-time adherence**

Safety approach, governance and working structure

Zero Harm to People
Reduces injuries to employees

Zero Harm to Assets
Ensures assets reliability and longevity

Zero Harm to Environment
Environment-friendly business practices

Achieved through robust governance

Board Level	Management Level	Working Committees & Line Functions
(Board, SHESC, RMC, AC)	(MRC; Global Chemical Council; Risk Management Group; Business Council; Site Apex and Steering Committees)	(Joint Safety; Departmental Safety and Office Safety Committees; all Line function including individual employees)
Providing direction and guidance to the management for addressing safety implications and risks	Reviewing safety performance, risks and their mitigation plans, audit closure and improvement plans and key safety priorities	Implementation and adherence to safety requirement as per Management and Board guidance

FY 2020-21 occupational health and safety (OHS) initiatives

	Initiatives	Impact
Progressive Safety Index (PSI) 	Renewed focus on OHS performance through identified lead indicators	• Global implementation • 60% baseline for the Indian operations
Focus on Employee Engagement 	• Training and focussed interventions • Cross-Functional Teams (CFTs) for deploying safety initiatives • Joint management-workmen committees at sites to focus on OHS	• 1.55 near-miss reported / employee with 86% closure (↓) • 221 people trained in process safety (↑)
Operational Safety (Safety Management System, Asset Integrity, Risk Assessment, Audit and Inspection) 	• Long-term asset management plan and structural safety programmes • Internal / external audits, inspections, surprise checks and expert engagement • Gap analysis and implementation of new safety process and checklists (benchmarked with Tata Health & Safety Management System & ISO 45001) • Business Assurance Audit (BAA) for high-risk areas	• 89.90% - closure of audit action points (↑) • 100% Indian operations undergone BAA
Digitalisations and Data analytics 	• Implementation of safety analytics for global operations • Enhancing scope of WSO (Work Safe Online) for digitalisation of safety process • IoT solutions for workers' health & safety	• Successful completion of pilot for safety wearables • Audit and training module and permit to work, change management, medical modules under design

(↑) Increase (over past financial year)
(↓) Decrease (over past financial year)

Vulnerability assessment through Data Analytics

We have developed a Data Analytics Platform to gain organisation-wide safety insights for tracking various safety lead and lag indicators. The platform uses analytical tools like Natural Language Processing (NLP) for generating word clouds and historic data analysis for forecasting vulnerable areas and activities to avoid incidents. Real-time dashboards communicate results to the management. The platform also updates all data automatically from the WSO portal for employees.

Way forward

- Sustaining on-going safety improvement programmes
- Standardisation and certification of health & safety systems
- Enhancing focus on lead indicators through PSI
- Strengthening of training and certification modules
- Enhancing the scope of digitalisation, IoT and AI for safety management

Tracking safety performance with Progressive Safety Index (PSI)

We are tracking 11 lead indicators under 5 PSI elements to determine the safety progress. Annual targets are set for each element, based on organisational requirement and past performance of the locations, focussed on achieving 60% as baseline performance. On-track PSI performance assures the management of system efficacy; it also helps sustain our strategies, initiatives and processes to control safety risks

Total Recordable Injury Frequency Rate
(No. of TRI / million man-hours worked)

FY 2020-21	1.46
FY 2019-20	1.69
FY 2018-19	1.61

Number of fatalities: 1

Loss Time Injury Frequency Rate
(1-day away from work)

FY 2020-21	1.08
FY 2019-20	0.95
FY 2018-19	0.87

5 PSI elements and KPIs tracked

1. **Leadership Engagement**
Adherence to personal safety action plan by senior leadership

2. **Workplace Safety Sustenance**
- Safety risk reduction projects
- Adequacy and updation of SOPs / HIRA / JSA / checklist / inspection etc.
- % Closure of audits and inspection

3. **Employee Engagement and Safety Competency**
- Number of near-miss and unsafe conditions / employee
- Number of BSO / employee
- Safety training

4. **Incident Management**
- Closure of near-miss and unsafe conditions
- Cycle time for closure of investigation
- Repetitive incidents

5. **Safety Review**
- Number of safety risks exceptions raised and approved
- Number of action taken consequence management
- Improvements through learning from other sites/incident investigation

HUMAN CAPITAL

Building a Diverse, Future-Ready Workforce

We are infusing our human capital with the best talents across generations, nationalities, cultures, ethnicities, skills and capabilities. Alongside, we are re-engineering learning and development and talent management to have a future-ready workforce. This advantage drives our long-term growth and maximises value creation in a transformed business landscape.

SDGs impacted

Human resource priorities

Restructuring in line with organisational transformation to drive operational synergies

Building capacities to scale up new business through new hiring and internal capability development

Higher investments in digital initiatives and niche / specialist skills

HR focus areas in FY 2020-21

A diverse workforce to execute long-term strategy

Building resilience and focussing on well-being

- Work from home (WFH) for 100% employees (non-manufacturing excluding R&D Team) in lockdown
- New work protocols

Engaging multi-generational workforce

- 72% (↓; 73%: FY 2019-20): X-prESS employee engagement score covering 2,754 employees
- 600+ appreciations and 300+ monetary awards to employee through 'Kudos' online platform in TCL India

Future-ready capabilities

- 1,610 hours of learning as part of Enrich platform
- 185+ certifications from best universities through edX platform
- We are further strengthening the training hours recording mechanism with focus on different employee segments

Digitalising HR operations

- Migrating to an integrated HRMS (human resource management system) solution

FY 2020-21 Key performing indicators

7%
(FY 2019-20: 7%)
of women employees

220
(FY 2019-20: 228)
Number of Employees in R&D (Intellectual Capital)

78%
(FY 2019-20: 72%)
Functional training coverage (Unique employees trained)

2.25
(FY 2019-20: 2.9)
Training days per employee

7%
(FY 2019-20: 10%)
Voluntary attrition

₹ 2.2 crore
(FY 2019-20: ₹ 2.2 crore)
Revenue per employee

7:1
(FY 2019-20: 8:1)
Engaged: Disengaged employee ratio

11%
(FY 2019-20: 8%)
% Employees trained under Manager/ Leadership programmes

Building resilience and focussing on well-being

Tremendous efforts of our people with speed and agility across various manufacturing sites, home offices, in the market and in our R&D labs enabled us to respond to the unexpected events this year. We quickly scaled up to new work protocols by introducing more flexible and agile ways of working. We seamlessly transitioned to 100% remote working for all our office-based employees.

We supported our people and their families through the year with a range of tools to help them to focus on their wellbeing like employee assistance programme under "We Care", mobile app "Be Safe" for self-declaration and tracking of health etc. TCL has always had a best-in-class medical policy that includes medical cover for our employees and their dependents, extensive tie-ups with hospitals and doctors in all locations and cashless facilities.

Future-ready capabilities

We ensured continuous learning to enable our people to upskill and reskill for their roles by imparting future-ready contemporary concepts through digital learning platforms like edX, Global Gyan, Tata Tomorrow University (TTU). Our leadership development includes specific interventions for women managers, immersive programmes on diversity & inclusions, future leaders program, capability building for people managers -'INVEST' (Increase Value, Enhance Skills for Tomorrow). We have also collaborated with various academia and premium research institutions to deepen our R&D capabilities. We are further strengthening the training hours recording mechanism with focus on different employee segments.

Engaging multi-generational workforce

Our biannual employee survey "X-press" enables us to constantly listen to our employees and enhance our people-friendly workplace policies and other engagement drivers based on the insights. Our quarterly rewards and recognition programmes, Walk & Talks, Town Halls, Leadership Connect, knowledge sharing sessions, celebrating employee achievements and Fun@ Work ensure active engagement. Our Internal job posting SHINE+ platform helps employees to move laterally across organisation functions and aids inclusivity. Digitalised campus hiring sustained our capacity-building even during the pandemic.

Digitalising HR operations

We are migrating in a phased manner to an integrated HRMS solution under the 'One Tata Operating Network' OTON. It will help drive employee experience and enhance operational efficiency thus embracing the workplace of the future as digitalisation of many processes gets introduced enabling employees and managers get the best out of their teams.

Diversity and inclusion *(as on March 31, 2021)*

On-roll employees

	2020-21	2019-20
TCL India	**1,699**	1,820
TCE	**405**	407
TCNA	**564**	573
TCML	**221**	221
TCSA (South Africa)	**22**	24
TCIPL (Singapore)	**4**	4
Rallis	**1,700**	1,610
Ncourage	**19**	19
Total on-roll	**4,634**	**4,678**

On-roll employees as per gender

	Female 2020-21	Female 2019-20
TCL India	**7%**	8%
TCE	**11%**	12%
TCNA	**7%**	6%
TCML	**18%**	19%
TCSA	**36%**	33%
TCIPL	**50%**	50%
Rallis	**3%**	3%
Ncourage	**16%**	16%
Total	**7%**	7%

SOCIAL AND RELATIONSHIP CAPITAL

Contributing to a Thriving Society

We actively engage with the communities in our regions of operation to create sustainable social and economic development. Our integrated approach is underpinned by the Tata ethos and aligned with UN SDGs, making an impact in all areas ranging from nutrition to farm excellence and gender equality to livelihood.

CSR priorities

Enriching the quality of life by creating sustainable livelihoods

Maintaining and conserving environment and biodiversity

Enabling better health, sanitation, nutrition and education

Building Social Capital for long-term progress on all fronts

Development that enables Sustainability and Community Empowerment

Goal:

Building Economic Capital

- No Poverty
- Zero Hunger

Ensuring Environmental Integrity

- Climate Action
- Life below water
- Life on Land
- Renewable/Sustainable Energy

Enablers for Social, Economic & Environmental Development

Good Health & Wellbeing | Education | Clean Water & Sanitation

Cross-cutting Themes: Building Social Capital

Gender Equality | Reduced Inequality | Partnerships for achieving the goals | Sustainable social enterprise models

Community Development & CSR Policy

Our partner entities

- Tata Chemicals Society for Rural Development (TCSRD)
- Okhai Centre for Empowerment (Okhai)
- Ncourage Social Enterprise Foundation (Ncourage)

Our CSR impact - FY 2020-21

Building economic capital

6,878 Farmers covered under various programmes

53,000+ Cattle covered under livestock management programmes

1,627 Youth provided skill training

45 (till date 255) Artisans impacted - Cluster

25,190 Artisans impacted - Okhai

₹ 1,038 lakh Sales of traditional handicrafts at Okhai

₹ 15.51 lakh Sales of traditional handicrafts at Cluster

Ensuring environmental integrity

6,084 People covered through environment projects

1.15 lakh Mangroves planted

34 (till date 813) Whale Sharks rescued

550.45 till date Jal Dhan : Total water harvested capacity (million cubic feet litres)

Enablers for social, economic and environmental development

5,369 Nutrition programme - Hb test for women and adolescent girls

8,585 Nutrition programme - Malnutrition Screening for children

23,827 Students supported - Online classes, Scholarships, quality of education

6,012 Students supported - Learning and Migration Programme (LAMP)

711 Number of families supported with drinking water and toilets

5,580 People supported with drinking water - Swachh Tarang

Building social capital

11,011 Women covered under empowerment programmes

80,000+ People covered under various AA programmes

Building economic capital

Farm-based livelihoods

Enhancing farmer income:

We assisted 6,878 farmers in FY 2020-21 with capacity building, field demonstration and livestock management through digital and physical interactions. They were provided seeds and agri-equipment for enhancing farm productivity. Okhamandal Farmer Producer Company, in its second year, grew its operations and launched a mobile app to directly connect farmers with consumers.

We ran pilot programmes and established models for driving value, safe environment and safe food for all with a special focus on small and marginal farmers and farmer producer organisations.

Non-farm based livelihoods

Creating livelihood opportunities:

We run skill development programmes in fashion technology, welder, fitter, domestic electrician, beauty and wellness, etc. to prepare youths for employment or entrepreneurship. During the pandemic, our skill training programmes at Mithapur, Dhasai (Rallis Training Centre), Cuddalore and Mambattu initiated digital programmes to ensure continuity. We also support Tata Strive Centre at Aligarh; ITI at Dwarka and Vaghra; Leslie Swahney Centre and Akola Girls ITI. In TCML, 200 local youth were trained on basic financial skills training and starting small businesses.

Supporting rural women artisans, we transformed Okhai into a marketplace in FY 2020-21, connecting 25,190 artisans across India to customers. Okhai also launched its first flagship store in the art hub of Kala Ghoda, Mumbai. Ncourage Social Enterprise Foundation, through its brands Spirit of the Tribe and Samuday, is actively creating rural livelihood.

TCSRD provided entrepreneurship training to women members of self-help groups (SHGs). In Mithapur, it has helped form six clusters / group enterprises that make products in bandhani (tie and dye), rexine and leather, bead work, jute, block print and coconut fibre, sold through Okhai and two retail outlets.

Ensuring environmental integrity

We run biodiversity conservation programmes relating to coral reef, whale sharks, mangroves and indigenous flora and fauna, along with environmental education initiatives at Mithapur. These are aided by our partnership with eco-clubs in local schools.

Our 'Save the Whale Shark' project included studies of its habitat, migratory pattern and breeding biology. Under our greening programme we have planted 1.15 lakh mangroves across various sites along with conservation of local plant biodiversity at Mithapur.

In Gujarat and Maharashtra, we have carried out land development and Jal Dhan (water management and conservation) programmes, with a focus on water recharging, harvesting by check dam and reviving community ponds. TCSRD has formed SHGs to operate the dry waste processing plant at Mithapur.

Enablers for social, economic and environmental development

Ensuring health and well-being of communities

We implemented a 'Holistic Nutrition' project in Amrawati and Barwani, targeting child health in the first 1,000 days. Health and nutrition camps were organised covering about 14,000 women and children. In Kenya, Magadi Hospital supported by TCML extended healthcare services to local people. In the UK, TCE raised ~£2,000 through fund-raising volunteering activities for supporting St Luke's Hospice.

Encouraging education

We run educational programmes across locations to ensure zero drop-out and improve school lessons. During the pandemic, 23,000 children benefitted from online classes, scholarships, videos and WhatsApp groups set for education continuity. Our Learning & Migration Programme helped 6,012 children by enhancing their learning capabilities and strengthening the community school management system.

TCML provided scholarships to 224 university and high school students. TCE provided career information with emphasis on STEM (Science, Technology, Engineering and Maths) to Y12 students with focus on girl students. TCE also helped run school enrichment clubs by providing resource access to disadvantaged students.

Facilitating safe water and better sanitation

Under our Swachh Tarang project, during the year, 1,116 households got access to clean water. Rural sanitation was improved through our behaviour change programme, Swachh Bharat Mission Cleanliness Drives and construction of toilets and sanitation units.

Building social capital

Our inclusion and empowerment initiatives aid vulnerable sections including women and scheduled castes and tribes. Under the Tata Affirmative Action programme, we are working with tribals to create Model Tribal Villages. Our social enterprise Okhai is facilitating sustainable livelihood for artisans; and Ncourage is promoting animal health and nutrition, rural livelihood and access to safe drinking water. Magadi Soda Foundation has launched a participatory strategy development process to set community development priorities.

Other initiatives

We supported the communities during the Covid-19 pandemic (refer to page 05). We also provided relief to disaster-hit people in West Bengal, Maharashtra, Gujarat and Tamil Nadu. Ample opportunities (through both digital and physical modes) were provided to employees and their family members to volunteer for causes.

Bringing back confidence and happiness

Rameshbhai was working as a casual labourer. Under the Tata Affirmative Action Programme (TAAP), he completed the Rural Entrepreneurship Development Programme (REDP) along with electrician training. With renewed confidence and better skills after the training, he got a job as an electrician in the Okhamandal Nagarpalika (municipality). Today, apart from his monthly job income of ₹ 8,500, he earns additional income through taking up work as an independent entrepreneur. Higher income has improved his family's standard of living; Rameshbhai now sends his four children to school. He is now an active advocate of the TCSRD programmes, encouraging people from AA communities to join the programmes.

Picture credit: OKHAI

NATURAL CAPITAL

Addressing Environmental Challenges for a Sustainable World

With sustainability at the core of our strategy, we are strengthening our long-term resilience by undertaking pioneering initiatives that contribute to a thriving world, communities and enterprise. We have aligned our sustainability goals with Responsible Care, CORE and UN SDGs guidelines to ensure maximum impact.

Sustainability priorities

Carbon abatement: Fuel change, renewable energy & carbon capture

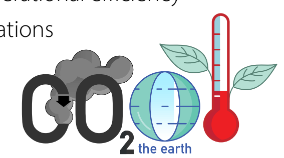
Circular economy: Waste management, recycle and reuse

Biodiversity: Preserve natural capital, conservation and restoration of biodiversity

Our sustainability focus areas

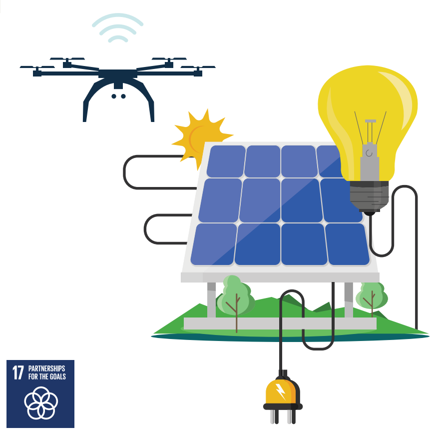
Growing shared values

- Long-term inclusive growth and relationship with shareholders
- Enhancing portfolio of value-added, green and patented products (i.e. Sodium Bicarbonate, Highly Dispersible Silica)
- Accelerated digital adoption and use of data analytics to enhance operational efficiency
- Shifting from solvent-based to more sustainable water-based formulations



Promoting low-carbon economy

- Carbon abatement study to reduce absolute carbon reduction and achieve net zero carbon
- Energy management through energy audits, improvement in operational efficiency and shift to renewable energy (Mambattu plant added solar power capacity)
- Initiating carbon capture and conversion to usable liquid form at TCE to produce carbon neutral Sodium Bicarbonate



Minimising environment footprint

- SBTi commitment
- Conducted climate change risk assessment and waste mapping study
- Promoting smart agriculture
- Emphasis on continuous improvement in the recycle of water and waste materials
- Transitioning to clean fuels and technology and higher use of alternate materials (i.e. plastic waste for cement)
- Continuous performance monitoring with air emissions monitoring systems and pilot concentrator
- Responsible Care and CORE certified operations (India)

Creating sustainable societies

- Extensive tree planation drive across 500 acres (target of 3 million tree plantation by 2030)
- 'Prakriti' Mitra-Sakhi Mandals
- Promoting species conservation and strengthening biodiversity: restoration and conservation of coral reefs (2,000 m^2 area coverage)

Our sustainability framework

- Sustainability strategy and policies to guide areas of intervention, support best practices and drive encouraging business change
- Underpinned by our corporate strategy:
  - Integrate sustainability across business
  - Maintain robust systems and processes
  - Focus on operational efficiencies and carbon abatement plans
- Oversight and ultimate responsibility undertaken by Safety, Health, Environment and Sustainability and Risk Management Committees. They are updated on performance across all internally defined sustainability-related material issues
- E-enablement to digitally track sustainability KPIs which is reviewed on an annual basis

Key sustainability initiatives undertaken in FY 2020-21

Energy conservation

India

- 11,53,371 kWh of total power savings driven by implementation of IIoT, usage of LED lights and VFD conversion for HRT, HCT and slurry feed pump
- Undertaking IIoT implementation in other key areas
- Double effect evaporator in MUW3 plant converted to quadruple effect evaporator resulting into 14,976 MCal/hr energy saving equivalent to 47,641 TPA CO_2 emission reduction

USA

- Achieved a total power reduction of 450 kWh in C and D Boilers' electrostatic precipitator (ESP) post implementing findings of energy study, which indicated potential to lower operating powers and comply with the boilers' environmental limits in its current Title V permit

UK

- Founding member of the NetZero Northwest initiative that focusses on advanced use of Hydrogen and CO_2 and Hydrogen storage
- Installed efficient new boilers at the Middlewich site producing the same steam output with 15% lower natural gas consumption
- Reduced carbon footprint at Lostock site by replacing increased electricity generation from steam turbine with that from natural gas
- Integrated local counties sustainability agenda for all future projects (i.e. renewable energy from hydropower from the local weir, district heating from piping at the plant etc.), potentially kickstarting the use of renewables

Managing waste sustainably

Cement kiln is an environment-friendly place to dispose of waste where temperatures of up to 2,000 degrees celsius destroys organic compounds while enabling safe recycling of inorganic compounds into clinker chemistry. Implementation of co-processing technology makes it even more efficient by facilitating use of wastes as alternate fuels, which leads to reduction in carbon emission. A Plastic feeding double valve with a consumption capacity of 3 tonnes per day (TPD) of shredded plastic manually has been installed in the Mithapur Cement plant kiln which is enabling a 0.5 MT reduction in fuel consumption for every 1 MT of plastic processed.

Sustainability at Rallis

Rallis is continuously working to improve its long-term sustainability. It is implementing programmes and processes to improve its environmental performance. In FY 2020-21, its total absolute emission was 69.26 million tonnes CO_2e, fresh water withdrawal was 329.59 megalitres, treated water discharged was 72.13 megaliters and energy utilisation from renewable (solar) source was 3,464 Mwh.

For more information, you can refer to pages 34-35 of Rallis' Annual Report 2020-21.

Emission management

India

- Double effect evaporator in MUW3 plant is converted into quadruple effect evaporator resulting into 26,257 TPA Coal saving equivalent to 47,641 TPA CO_2 emission reduction

USA

- Undertook multiple initiatives at C and D Boilers:
  - Voluntarily reduced PM (particulate matter) emission limits from 0.039 lb/MMBtu to 0.030 lb/MMBtu to create a bank of PM emission offsets for pending and future permitting
  - Replaced CEMS for all regulated pollutants
  - Exploring the elimination of coal by replacing it with efficient natural gas units
- Installed Dry Sobert Injection system with continuous SO_2 reductions
- Replaced six continuous opacity monitors (COMS) in the GR2 and GR3 calciners for all regulated pollutants

UK

- Commissioned state-of-the-art boiler plant at the British Salt plant, having ~94% efficiency resulting in a 8,500 TPA reduction in CO_2
- Commissioned Carbon Capture and Utilisation scheme for capturing food and pharmaceutical grade CO_2 for use in the Sodium Bicarbonate plant, contributing to a 40,000 TPA reduction in CO_2 emissions and enabling production of carbon neutral Sodium Bicarbonate
- Initiated building one of UK's largest, greenest energy from waste plants on the Lostock site (schedule commissioning 2023) to neutralise flue gas emissions from Briskarb manufacturing with zero addition to Scope 3 emissions
- Investigating in-house warehousing solutions (to be initiated in 2022) for large scale reduction of Scope 3 emission relating to offsite movements of products to external warehouses

Kenya

- Focussed initiative to reduce dust emission at Kajidao by installing chutes and internal dust meter to track dust levels
- Commissioned CEMS (Continuous Emission Monitoring System) project at ESP plant
- The Automatic Weather Station (AWS) provide daily Weather data
- Started programme to plant 22,000 trees within Magadi environs

Waste management

India

- Used plastic waste (~373 tonnes) as alternative fuel for Cement plant
- Bulk transportation of products through railway, bulkers and containers to eliminate plastic packaging
- Ensured 100% fly ash utilisation and 92.31% of recycle of waste

USA

- Ongoing project to upgrade paste plant

UK

- Re-utilisation of brownfield site: Winnington land scheme to return 5 km of prime Cheshire river frontage to public access use, other investment in public open space and flood attenuation and bio-diversity measures

Kenya

- Disposed asbestos containing roof sheets as per regulations
- Sold fused ash waste to a customer as input raw material resulting in waste recycle ratio improving to 99%

Water conservation/management

India

- TCSRD implemented water conservation and water management work in 45 villages of Okhamandal and Kalyanpur taluka
- Supported construction of community and individual water harvesting structures and promotion of Micro Irrigation Systems - Drip and Sprinkler
- Water harvesting capacity added till date is 441 MCFT

USA

- Installed flow meters throughout the water loop to better track water consumption patterns and lower the water withdraw from the Green River

UK

- The British Salt Middlewich site reduced freshwater consumption by harvesting rainwater for use within the plant
- Sites having large state-of-the-art recycle and reuse system (for raising, condensing and re-raising steam or using it in the Sodium Bicarbonate manufacturing process), minimising additional consumption

Kenya

- Awareness creation on water conservation completed with water rationing

Addressing Climate Change challenge

Climate change is a major global concern and is also a very important material issue for Tata Chemicals. We are committed to transition to a low-carbon economy and have strengthened this journey through commitment to SBTi and setting of carbon reduction target aligned to well below 2 degrees.

We have conducted a climate change risk assessment for our Mithapur plant and its neighbourhood along with and adaptation strategy and action plan.

Our response

Climate Change Strategy for 2030

We have developed a strategy to achieve the following objectives:

- Reducing carbon emissions by 30%
- Becoming water neutral

Organisational level commitment

We have embedded sustainability in our organisation, strategy making and all decisions we make, including:

- Active involvement of the Board and senior leadership
- Review and monitoring of sustainability and climate change initiatives by Safety Health Environment & Sustainability Committee of the Board
- Board guidance and support to the management

Sustainability performance overview

Sustainability area	Performance indicator	FY 2020-21	FY 2019-20
Climate change performance	Scope 1 CO_2 emissions (kilo tonnes)	4,062	4,446
	Scope 2 CO_2 emissions (kilo tonnes)	63	43
	Scope 3 CO_2 emissions (kilo tonnes)	123	119
Energy performance	Direct energy (TJ)	46,257	47,736
	Indirect energy (TJ)	516	315
Water management	Fresh water withdrawal (megalitres)	26,143	27,728
	Sea water withdrawal (megalitres)	62,070	70,535
	% water recycled and reused	90%	86%
	Treated water discharged (megalitres)	67,184	79,770
Waste generated and disposed	Hazardous waste (MT)*	6,523*	4,832
	Non-hazardous waste (MT)	8,10,562	9,03,517
	Solid waste utilisation (MT) (India operations)	4,66,524	5,49,815
Raw material consumption	Limestone (MT)	18,88,378	20,86,088
	Trona (MT)	46,05,233	51,87,160
	Solar Salt (MT)	24,02,580	21,03,068
Recycled material consumed	% Limestone recycled at India operations	90.10%	86.69%
Air emissions	SOx (MT)	3,797	3,471
	NOx (MT)	6,342	5,601
	SPM (MT)**	5,491	1,478

*Excludes Fused Ash of 14,119 MT which is now being sold as a byproduct.
**Not comparable to previous year as method of measurement has been refined at TCNA

For detailed information on sustainability performance, please refer to our website at https://www.tatachemicals.com/SustainabilityPerf.htm

Basic Chemistry Products

A responsive and long-standing partner

A leading essential chemical input manufacturer, we are an important part of the value chain for global companies. Our ability to deliver world-class quality, supported by service reliability and cost competitiveness makes us a trusted player with a strong corporate brand and high image score. We deliver seamless connectivity and unmatched experience to our customers through a robust distribution and best-in-class technology platform.

3,023 KT
Soda Ash

221 KT
Sodium Bicarbonate

36,000 acres
Salt works area coverage

Business Overview

Basic Chemistry Products business is engaged in the manufacturing of inorganic chemistry products. We are global leaders in the segment, standing tall on the key pillars of customer-centricity, operational excellence and sustainability. We achieve this through continuous improvement programmes, cost optimisation, lean and innovative supply chain solutions and a focus on safety. We cement our status as preferred supplier by building and consolidating relationships and providing a differentiated, value-added portfolio.

Refer to page 03 for business enablers and page 28 and 29 for information on geographic presence and operational subsidiaries

Product portfolio and end users

Soda Ash

End-user segments and applications
Detergent, Sodium Bicarbonate, Textiles, Tanneries, other chemicals, dyes and intermediaries

- Float glass – construction and housing, automobile, silicates
- Container Glass - soft drinks, spirits, pharmaceuticals, tableware, glass
- Detergents
- Sodium Silicates

Brands/Products
Light Soda Ash, Dense Soda Ash, Granplus, Detmate

Sodium Bicarbonate

End-user segments and applications
Pharma (US/British/Indian Pharmacopoeia), animal and poultry feed, food grade, flue gas treatment, explosion suppressant, haemodialysis, dyes, intermediates and textiles

Brands/Products
Pharmakarb, Medikarb, Sodakarb, Alkakarb, Hemokarb, Briskarb, Speckarb

Salt

End-user segments and applications
Food processing, industrial Salt, de-icing, dairy products, water softening and industrial applications

Brands/Products
Glacia, Granulite (British Salt), Magadi Moore, Nyama, Edible salt

Halogen Products

End-user segments and applications
Agri-chemicals, pesticides, pharma intermediaries, fire retardants, textile processing

Brands/Products
Liquid Bromine, Caustic Soda, Chlorine

Value chain

Raw materials

India/UK
Solar Salt, limestone, coke/natural gas is procured in bulk from suppliers
Brine from captive salt works

USA/Kenya
Coal and natural gas are procured in bulk from suppliers and Trona Ore from mining

Processing

India/UK
Synthetic: Soda Ammonia Process, Salt - Vacuum evaporation

USA/Kenya
Natural: Mining and Processing of Ore

Products

India/UK
Soda Ash, Sodium Bicarbonate
Salt

USA/Kenya
Soda Ash, Crushed Refined Soda

Logistics (through partners)

via Sea, Rail, Road

Packaging

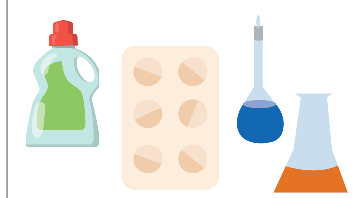
Bags, Bulkers

Distribution (through partners)

Direct 73% and Channel Partners 27%
Salt (India) 100% TCPL

End use

Global Detergents and Glass Brands, Food, Animal Feed, Pharma and Chemical intermediates.



Operational and Strategic Developments

TCL, India

- Resilience in demand for products in essential, health and hygiene segments resulted in demand consistency for Salt, Sodium Bicarbonate and Soda Ash
- Resurgence in cement demand towards the end of FY 2020-21
- Enhancement in caustic soda production led by commissioning of higher efficiency UDHE - caustic cell
- Efficiency in product evacuation through container rakes and rail movement for meeting market demand amidst constraint in availability of trucks
- Adoption of new work systems, additional health and well-being measures for employees and staggered shifts to keep plant operations on
- Covid-19 led to partial closure of markets, restrictions in supply chain and Soda Ash market contraction
- Increase in procurement of high-cost raw Salt, as flooding disrupted Mithapur plant operations and damaged harvested Salt
- Brine and bittern dilution due to excessive rains, leading to higher operational and input costs for Salt, Soda Ash and Bromine
- Lower import prices from Russia and Iran impacted Soda Ash realisation
- Restricted physical market access and customer connects for sales team
- Rescheduling of capex to conserve cash and align with force majeures of partners in early part of the year

TCNA, USA

- Continuity in operations despite Covid-19 and the global demand destruction
- Leveraged lower demand to implement critical maintenance jobs, leading to higher reliability and output of GR2
- Ensured highest customer satisfaction scores
- Refinanced US$ 375 million of long-term debt
- Lower production and sales volumes due to lower demand
- Levying of anti-dumping duty by South Africa resulted in cancellation of shipments

TCE, UK

Nearing completion of building UK's first Industrial Scale Carbon Capture and Utilisation Plant. It will enable TCE to be the first in the world:

- To make a net zero carbon footprint Sodium Bicarbonate and Sodium Carbonate products
- To capture, purify and use CO_2 emitted from power plant as a raw material for manufacturing high purity Sodium Bicarbonate

TCML, Kenya

- De-bottlenecking the plant to realise SAM and CRS capacities
- Product transhipment and loading facility construction of containerisation at Magadi
- Solar power project to reduce energy cost and greening optimisation

Refer to page 87 in Management, Discussion and Analysis for more information on our operational performance

Way forward

TCL, India

- Focus on execution of capex programmes under Project Pragati
- Maximising production volumes of all products
- Enhancing market leadership and value-addition in Sodium Bicarbonate
- Focus on safety, process safety and risk management and sustainable operations
- Optimising outbound logistics and modes to enhance customer service and reduce freight cost
- Optimising realisation through product and market mix rework
- Intensifying R&D to develop new products, new applications and process improvements
- Increasing the use of IIoT (Industrial Internet of Things), AI (Artificial Intelligence), data analytics and technology to improve manufacturing practices and business processes

TCNA, USA

- Focus on improving customer connect in developing, high-growth export markets, where we intend to grow business after exit from ANSAC
- Implement new projects to reduce environmental load of site
- Conceptual agreement on resolution of long-standing Department of Environmental Quality (DEQ) regulatory issue
- Modernising payroll and time-keeping systems and processes to a centralised ADP HRIS system

TCML, Kenya

- Increase market presence by targeting growing regions like East and Central Africa
- Focus on increasing capacities for SAM and CRS

TCE, UK

- Building upon our industry leading carbon footprint by building UK's first major CCU (nearing completion), new power plant (completed) for Salt operation and an energy from waste plant (expected completion 2023/24) at Lostock site
- Enhance manufacturing capabilities with new investments, technologies and continuous improvement
- Utilise electrical generation capacity to decarbonise UK National Grid and support intermittency challenges
- Aggressively develop strong export capability in high grade and high-end applications

Mithapur Complex, Gujarat

Specialty Products

Performance Materials
Delivering superior performance products

Business Overview
Performance materials business manufactures range of Specialty Silica products focussed on high value high performance applications like tyres, medical grade rubbers and oral care. The manufacturing facility is based in Cuddalore in Tamil Nadu capable of producing speciality grades of Precipitated Silica. The Highly Dispersible Silica (HDS) grade is being manufactured based on the patented technology developed by the Innovation Centre of the Tata Chemicals. These specialty grade products are customised for specific requirements of the large customers with the support from innovation centre. The products are sold in domestic and exports markets through a combination of direct supply and distributors.

Our product portfolio

HDS
End user:
Passenger car, truck and bus radial for high-performance and fuel-efficient green tyres

Functional Silica
End user:
Technical rubber goods applications

Conventional Silica
End user:
Tyre and other rubber goods, food, feed, detergents, oral care and agro-chemicals applications

Value Chain

Raw materials	Processing	Products	Packaging	Logistics	Distribution	End Use
• Sodium Silicate (Manufactured from Soda Ash & Sand) • Sulfuric Acid • Alternative Green Raw Material: Rice Husk Ash (RHA)	• Synthetic route – Sodium Silicate from Sand & Soda Ash followed by Silica Precipitation	• Precipitated Silica having varied chemical and physical parameters based on applications • HDS • Functional Silica • Speciality Silica	• Bags: 15, 20 & 25 Kgs • Jumbo Bags: 350, 850 Kgs	• Transports via road (domestic), sea (exports)	• Direct engagement with Key and Global accounts across segments • Network of distributors and warehouses	• Tyres & Rubbers • Application like Oral Care

Operational and strategic developments
- 10,000 TPA Cuddalore plant ran at 49% capacity utilisation despite challenging scenario
- Successfully completed HDS trials

Way forward
- Continue to focus on current and next generation HDS products.
- Deeper engagement with all Indian and global customers.
- Leveraging technology for quality, cost and productivity improvement
- Focus on significant growth on capacity expansion
- Develop new high value specialty silica products based on new technologies (IPs) and green route through Rice Husk Ash (RHA)

Nutrition Sciences
Improving the Health Quotient

We have made significant progress in FY 2020-21 by taking our expertise in nutrition and food technology to the global markets. Our high-quality, scientifically-proven ingredients are finding greater traction among consumers worldwide for their proven benefits in improving health, while delivering a positive eating experience. Collaborative product and application development and better relationship management are supporting our customer-facing operations.

Business overview
The Nutrition Sciences business offers specialised, nature-inspired and science-backed ingredients and formulations for human and animal nutrition. FOSSENCE® and GOSSENCE® are our flagship products; they are prebiotic dietary fibres that stimulate gut microbiome growth, thus enhancing digestive and immune health. Sweet-tasting with a low glycaemic response, FOSSENCE® is an ideal ingredient for sugar replacement/reduction. Our formulations are used by F&B (food & beverages), animal nutrition and pharma companies for flavouring, fortification and essential nutrients applications.

We use patented in-house technology to manufacture prebiotics. Our multi-disciplinary team of scientists works on microbiome science (the core science platform) and fermentation technology (the manufacturing platform). We hold numerous publication & patents and actively spread knowledge of this science.

Our products are manufactured at the state-of-the-art greenfield facility in Mambattu, Nellore. It is FSSC22000-certified (can produce ingredients for infant nutrition) and IGBC gold-rated for its responsible manufacturing practices.

Product portfolio
Prebiotics

FOSSENCE®
Fructooligosaccharide (FOS)

End-user segment
B2B: Wellness food and beverage (F&B), nutraceutical formulations and animal feed companies

GOSSENCE PRO®
Galactooligosaccharide (GOS)

End-user segment
B2B: Infant and dairy food companies

Formulations
Cocoa | Vitamins | Multiple

Value Chain

Raw materials	Processing	Products	Packaging	Logistics	Distribution	End Use
• Cane sugar, Cultures (Microorganisms), growth media	• Biotransformation of Sugar to fructo oligosaccharides, for more than 95% purity	• FOSSENCE® - short chain FOS in liquid and powder form	• Bags • Jerry cans • IBCs	• Through road, air & sea	• 50% domestic, 50% export • 30% direct, 70% through channel partners	• Food & Beverage • Nutraceuticals • Infant Nutrition • Animal Feed

Operational and Strategic Developments

- Ensured first full-year operations of Mambattu facility, with stable supplies globally despite Covid-19 pandemic
- 100% revenue growth over FY 2019-20
- First year of international sales, resulting in volume ramp-up. Nearly 50% of FOSSENCE® supplied to customers outside India
- NPS increased to 61 (45 in FY 2019-20) led by build-up of loyal customers through high-quality products and exceptional service
- Received all certifications, such as FSSC22000, FAMI-QS, Halal, Kosher, etc.
- Launched formulations for poultry industry that have been readily accepted and are witnessing sustained volume growth
- Qualification from global customers on-going and expected to be favourably concluded soon
- Capacity utilisation of Mambattu plant: 43%
- Travel restrictions impacted outreach to prospective customers; partially mitigated by TATA NQ webinar series

Way forward

- Expand domestic sales through NPD (new product development) projects with customers in nutraceuticals, herbals, health formulations and confectionary sectors
- Continue qualification process to win global key accounts for replacement opportunity and NPD
- Enhance prebiotics portfolio
- Commercialise skin care application for prebiotics, backed by encouraging clinical studies results
- Obtain additional regulatory clearances across Europe, China, Australia and New Zealand to promote FOSSENCE® consumption
- Grow and leverage the global distribution network for customer engagements and application-based sales in F&B and nutrition segments

Agri Sciences

Responding responsibly to farm needs

Rallis is addressing the changing dynamics of agriculture by engaging with farmers to understand and meet their needs with innovation-driven products and technology-led agronomy services that can optimise their yield and profitability. These solutions, being environmentally sustainable, are also facilitating safety and reliability of farm produce.

Business Overview

Rallis is one of India's leading Agrochemicals companies engaged in manufacturing of Crop Protection, Crop Nutrition / Specialty Nutrient Solutions and Seeds. With a deep knowledge of agriculture across geographies and agrochemicals, supported by the Rallis Innovation Chemistry Hub (RICH), Rallis is developing superior products that are solving agricultural needs of farmers. Millions of farmers, trade channel and international customers trust Rallis for its capabilities and responsiveness to meet their needs.

Refer to page 03 for business enablers and page 28 and 29 for information on geographic presence and operational subsidiaries

Product portfolio

Crop Protection (fungicides, insecticides, herbicides), Crop Nutrition (Organic / bio / water soluble fertilisers, Bio-stimulants, Nutrients), Seeds

End user:
Farmers

Active ingredients, formulation and contract manufacturing (Insecticides, Herbicides, Fungicides and Specialty Chemicals)

End user:
Global agrochemical companies

Value Chain

Raw materials
Organic and inorganic chemicals including derivatives of petrochemicals, Seeds, Organic compost

Processing
Formulation and process chemistry and others

Products
Insecticides, Fungicides, Herbicides, Plant Growth Nutrients, Seeds, Soil Conditioners

Packaging
10 gms to 625 kgs
50 ml to 200 ltrs

Logistics (through partners)
Sea, Rail, Road

Distribution (through partners)
74% Dealers
26% Retailers

End use
Farm/agri solutions

Operational and Strategic Developments

- Ran operations successfully to serve domestic and overseas customers in timely manner and delivered stable performance despite challenges backed by rejuvenated strategy, new product launches and initiatives to enhance brand visibility
- Enhanced active ingredients manufacturing capacities, completed new formulation plant and progressed on construction of the multi-purpose plant
- Initiated steps to accelerate innovation by investing in a new integrated R&D centre, shifting to data-driven R&D and working on cutting-edge technologies
- Enhanced reach in Crop Care through dealer network realignment
- Aligned CSR strategy and operations with Tata Chemicals Society for Rural Development (TCSRD) for better impact
- Progressed on sustainability commitment by launching water-soluble fertilisers and a range of fertigation and foliar nutrition products.

Refer to page 87 in Management, Discussion and Analysis for more information on our operational performance

Way forward

- Capitalise on post-pandemic emerging opportunities by making right investments in manufacturing and R&D, strengthening brands and improving internal processes through digitalisation
- Sustained R&D to improve performance of existing products and launch newer ones
- Focus on adding formulation and active ingredients manufacturing plants to strengthen capabilities across business segments
- Continue sustainability commitment by emphasising on green and blue triangle (less toxic) products
- Continue leveraging digital technologies to convert data into knowledge, insights and wisdom to ensure future plans and deliver benefits to growers
- Created a dedicated business development and research team to expand contract manufacturing base; plans for capacity expansion to meet growing demand also on anvil

Results at Glance

₹ in crore (except for no. of shares)

Particulars	Standalone		Consolidated	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenue from Operations	2,999	2,920	10,200	10,357
EBITDA	611	718	1,501	1,949
Profit Before Tax after exceptional gain	614	834	634	1,248
Profit After Tax	479	672	436	1,028
Profit After Tax including discontinued operations	479	6,840	436	7,228
Total Comprehensive Income	1,560	6,298	1,853	6,822
Share Capital	255	255	255	255
Other Equities	13,002	11,722	14,035	12,642
Non-controlling Interest	-	-	853	764
Networth / Shareholders Equity	**13,257**	**11,977**	**15,143**	**13,661**
Borrowings and lease liabilities	**9**	**15**	**6,933**	**7,702**
Non-Current	5	11	5,388	3,661
Current	-	-	278	1,913
Current Maturities	4	4	1,267	2,128
Cash and Cash Equivalents (including Deposits with < 12 months maturity & Current Investments)	1,967	2,181	2,975	3,681
Capital Employed[1]	9,689	8,284	25,418	24,705
Borrowings : Networth (Equity)	*	*	0.46	0.56
Networth per share (₹)	520	470	561	506
Earnings Per Share - Basic & Diluted (for continuing operations) (₹)	18.81	26.37	10.06	31.66
Dividend per share paid (proposed for FY 2020-21) (₹)	10.00	11.00	10.00	11.00
No. of Shares	25,47,56,278	25,47,56,278	25,47,56,278	25,47,56,278

* less than 0.00

Note:

1. Capital Employed = Total Assets less Total Current Liabilities plus Current Borrowings plus Current Maturities from Non-Current Borrowings and Lease Liabilities less Investment in Subsidiaries (Other than Rallis India Limited)

Board's Report

TO THE MEMBERS OF TATA CHEMICALS LIMITED

The Directors hereby present their Eighty-Second (82nd) Annual Report on the performance of the Company together with the Audited Financial Statements for the Financial Year ('FY') ended March 31, 2021.

1. Financial Results

₹ in crore

Particulars	Standalone		Consolidated	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from continuing operations	**2,999**	**2,920**	**10,200**	**10,357**
Profit before depreciation and finance costs	**830**	**1,027**	**1,735**	**2,260**
Depreciation and amortisation expense	197	150	760	666
Profit before finance costs	**633**	**877**	**975**	**1,594**
Finance costs	19	43	367	342
Profit before share of profit of joint ventures and tax	**614**	**834**	**608**	**1,252**
Share of profit/(loss) of joint ventures	-	-	26	(4)
Profit before tax	**614**	**834**	**634**	**1,248**
Tax expense	135	162	198	220
Profit from continuing operations after tax	**479**	**672**	**436**	**1,028**
Profit from discontinued operations after tax	**-**	**6,168**	**-**	**6,200**
Profit for the year	**479**	**6,840**	**436**	**7,228**
Attributable to:				
- Equity shareholders of the Company	479	6,840	256	7,006
- Non-controlling interests	-	-	180	222
Other comprehensive income ('OCI')	1,081	(542)	1,417	(406)
Total comprehensive income	**1,560**	**6,298**	**1,853**	**6,822**
Balance in retained earnings at the beginning of the year	**5,860**	**5,742**	**6,186**	**5,193**
Profit for the year (attributable to equity shareholders of the Company)	479	6,840	256	7,006
Remeasurement of defined employee benefit plans (net of tax)	21	(38)	93	(27)
Dividends including tax on dividend#	(280)	(379)	(280)	(384)
Deemed dividend on demerger	-	(6,308)	-	(6,308)
Acquisition of non-controlling interests	-	-	-	718
Others	(2)	3	(1)	(12)
Balance in retained earnings at the end of the year	**6,078**	**5,860**	**6,254**	**6,186**

#Dividend declared in the previous year and paid during the respective reporting year

2. Dividend

For FY 2020-21, the Board of Directors has recommended a dividend of ₹ 10 per share i.e. 100% (previous year ₹ 11 per share i.e. 110%) on the Ordinary Shares of the Company. If declared by the Members at the ensuing Annual General Meeting ('AGM'), the total dividend outgo during FY 2021-22 would amount to ₹ 255 crore (previous year ₹ 280 crore).

3. Performance Review & State of Company's Affairs

3.1 Consolidated:

On a consolidated basis, the revenue from operations decreased from ₹ 10,357 crore in FY 2019-20 to ₹ 10,200 crore for FY 2020-21. This was mainly on account of the impact on soda ash business due to drop in the global demand during the first quarter of FY 2020-21 (sale volume down by approximately 11% in FY 2020-21). The profit before tax from continuing operations decreased from ₹ 1,248 crore in FY 2019-20 to ₹ 634 crore in FY 2020-21, down 49% due to a drop in volumes and prices, both of which affected the profitability. For more details, please refer to Management Discussion and Analysis.

3.2 Standalone:

On a standalone basis, the revenue from operations was ₹ 2,999 crore for FY 2020-21 as against ₹ 2,920 crore for FY 2019-20. Profit before tax from continuing operations decreased from ₹ 834 crore in FY 2019-20 to ₹ 614 crore in FY 2020-21, down 26%, mainly due to the drop in prices of soda ash during the year. For more details, please refer to Management Discussion and Analysis.

4. Management Discussion and Analysis

The Management Discussion and Analysis, as required in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), forms part of this Integrated Annual Report.

5. Business Overview

The Company has two business segments viz. Basic Chemistry Products and Specialty Products catering to varied customer segments such as Industrial, Food and Farm customers. Basic Chemistry Products mainly consist of soda ash, salt, sodium bicarbonate, etc. The operations in this segment are spread across India, the United States of America ('USA' or 'US'), the United Kingdom ('UK') and Kenya. It caters to customers in Glass, Detergent, Feed, Food and Pharma industry. Specialty products consists of specialty food ingredients such as Prebiotics, Formulations for Feed, Food and Pharma customers, Specialty Silica for Rubber/Tyre industry and Crop Care and Seeds for the Farm sector through its subsidiary, Rallis India Limited.

The Company is on a transformation journey with a focus to grow along the vectors promoting sustainability and good health. In line with this, growth will increasingly be in food ingredients such as bicarbonate, iodised and fortified salt, prebiotics and other formulations in nutrition area and silica for rubber and tyre industry in line with sustainability-led changes in this area. Soda ash also is a key ingredient in container glass (which is a substitute for plastic packaging), solar PV glass panels, lithium extraction and detergents (for wash). Crop Care and Seeds play a key role in food and nutrition security and the Company is focussed on products which are sustainable.

5.1 Basic Chemistry Products

Standalone (India)

For FY 2020-21, the revenues from the Basic Chemistry Products business stood at ₹ 2,845 crore, marginally up as against ₹ 2,837 crore in the previous year. Profit before tax for FY 2020-21 was ₹ 645 crore as against ₹ 819 crore in the previous year, lower by 21%.

Soda Ash

The supply of soda ash exceeded the demand throughout the year. Lower demand due to Covid-19, higher pipeline inventories and imports at low prices kept the realisations under pressure. Sales of soda ash for FY 2020-21 stood at 6,21,299 metric tonne ('MT'), marginally lower by 2% compared to the previous year. Operations were impacted due to flooding caused by cyclonic conditions over the Arabian Sea during part of the year which led to increase in cost of raw materials like salt.

Sodium Bicarbonate

Sales of sodium bicarbonate witnessed a marginal drop of 2%. Production volumes also witnessed a drop of 6% over the previous year. The Company markets three value added grades of Bicarb – Sodakarb (food grade), Alkakarb (feed grade) and Medikarb (pharma grade).

Salt

The demand for salt from our key customer, Tata Consumer Products Limited was higher during the year and the plant was successful in increasing the output to meet the requirement even amid the pandemic. The Company recorded highest ever production of salt at 12.22 lakh MT during FY 2020-21 compared to FY 2019-20 of 10.78 lakh MT. In addition, the project to expand salt capacity further to meet with projected demand increase is on schedule.

Other Products

Sale of other products like bromine, cement, etc. was close to the previous year's figures. Bromine production was impacted due to the extended monsoon and resultant dilution of bittern. The Company's cement production volumes recovered by 8% during the year and stood at 3.91 lakh MT. Cement pricing and margin were under pressure.

Subsidiaries

Tata Chemicals North America Inc., USA ('TCNA') (as per USGAAP)

During FY 2020-21, the production volumes at TCNA were lower by 18% compared to the previous year, mainly on account of reduced demand owing to Covid-19 pandemic. During FY 2020-21, overall sales volumes were down by 15% compared to the previous year. This was driven primarily by volumes decreasing in the export markets.

TCNA posted a revenue of US$ 388 million (₹ 2,878 crore) for FY 2020-21 compared to US$ 480 million (₹ 3,403 crore) in the previous year. For FY 2020-21, EBITDA at TCNA was US$ 48.1 million (₹ 357 crore) against US$ 104.8 million (₹ 743 crore) in FY 2019-20.

This sharp reduction in volumes led to TCNA posting a loss after tax and non-controlling interest of US$ 12.8 million (₹ 95 crore) during FY 2020-21 compared to the profit after tax and non-controlling interest of US$ 36.0 million (₹ 251 crore) in FY 2019-20.

TCE Group Limited, UK ('TCE group') (as per IFRS)

TCE Group Limited's business consists of soda ash, sodium bicarbonate and salt (referred as 'UK Operations'). The revenue from the UK Operations for FY 2020-21 was £ 145.2 million (₹ 1,409 crore) compared to £ 150.4 million (₹ 1,356 crore) in FY 2019-20.

Soda ash and salt sales volumes were down by 7% and 5% respectively compared to the previous year on account of reduced demand caused by lockdowns in relation to the Covid-19 pandemic, leading to reduction in EBITDA for FY 2020-21 for the UK Operations to £ 14.2 million (₹ 138 crore) from £ 17.4 million (₹ 157 crore) in FY 2019-20. UK Operations posted a loss after tax of £ 5.8 million (₹ 56 crore) compared to a profit after tax of £ 1.5 million (₹ 13 crore) in the previous year.

Tata Chemicals Magadi Limited, Kenya ('TCML') (as per IFRS)

During FY 2020-21, sales volumes were lower by 7% over FY 2019-20. TCML achieved revenue of US$ 55.4 million (₹ 411 crore) for FY 2020-21 as against revenue of US$ 67.9 million (₹ 481 crore) in the previous year, a decrease of 18%. For FY 2020-21, TCML registered an EBITDA of US$ 9.6 million (₹ 71 crore) as against the EBITDA of US$ 8.3 million (₹ 59 crore) in the previous year, higher by 16%. The increase in EBITDA was due to better cost control and lower sea freights to markets.

TCML recorded a net profit of US$ 2.8 million (₹ 21 crore) in FY 2020-21 against a net loss of US$ 0.1 million (₹ 1 crore) in FY 2019-20.

The county government had issued a demand during FY 2018-19 for an arbitrary increase in land rates, which was struck down subsequently by Hon'ble High Court. TCML has filed an appeal for reconsideration of the other related issues raised in the petition before the Hon'ble High Court and the appeal is pending. TCML is working with Kenya national authorities and government to arrive at a fair and transparent resolution of the issues.

5.2 Specialty Products

Standalone

Performance Materials

The Company manufactures and sells Specialty Silica Products to food, rubber and tyre industry. Silica is a versatile material with varied applications and with changes in regulations, its use in the tyre industry is expected to accelerate. FY 2020-21 was also the first year of steady operations at the Silica plant at Cuddalore, Tamil Nadu which the Company had acquired few years ago. Several improvements in facilities were done to make it compliant with requisite standards. The Company's food grade silica has received customer approvals. Trials with customers for other applications in rubber and tyre industry are underway and are in different stages of acceptance.

Nutrition Sciences

The Company manufactures and sells Specialty Nutrition Products under the brand 'Tata NQ' which primarily consists of Fructooligosaccharide ('FOS') a prebiotic dietary fibre that promotes the growth of gut microbiome which in turn has been known to positively impact digestive and immune health. FY 2020-21 was the first full year of commercial operations of newly set-up greenfield unit in Nellore, Andhra Pradesh that produces prebiotic fibre, FOS. The Company received key certifications viz. Food Safety System Certification - FSSC 22000 and FDA registration which enabled it to service new markets and provide assurance to the customers of quality standards. The FOS volumes grew by 143% over the previous year mainly owing to the growth from International markets that the Company serviced for the first time. The Company is focussed on further improving the utilisation rates.

Subsidiary

Agri Sciences - Rallis India Limited ('Rallis') (as per TCL consolidated books)

Rallis is the Company's listed subsidiary focussed on specialty products for the farm and agriculture sector consisting mainly of Crop Care and Seeds. During FY 2020-21, Rallis achieved a consolidated revenue from operations of ₹ 2,424 crore in FY 2020-21 compared to ₹ 2,248 crore in FY 2019-20, an increase of 8%. The net profit after tax stood at ₹ 229 crore, higher by 24% as against a net profit after tax of ₹ 185 crore in FY 2019-20.

During FY 2020-21, the Domestic business of Rallis achieved a revenue of ₹ 1,287 crore as against ₹ 1,165 crore in FY 2019-20, an increase of 10% on account of robust farm demand. Key crops which have shown major growth are Paddy, Cotton, Sugarcane, Soybean, Pulses, Chilli, Tea, Tomato and Grapes. Due to Covid-19 and labour shortage, the demand for herbicide products also increased.

During the year under review, the International business of Rallis achieved a revenue growth of 3% over the previous year at ₹ 741 crore as against ₹ 722 crore in FY 2019-20. During the year under review, Rallis secured new registrations in strategic overseas markets.

During FY 2020-21, the Seeds division of Rallis delivered a revenue of ₹ 401 crore as against ₹ 364 crore during FY 2019-20, an increase of 10% driven by volume growth in Maize & Vegetables and price increase across the categories. Overall, the focus remains to deliver growth through new product introductions, deepening customer reach and increasing international registrations.

6. Finance and Credit Ratings

During the year under review, the liquidity and cash positions were monitored with reinforced focus and close controls over the working capital and discretionary capital expenditures. Earnings from the cash surplus investments, comprising mutual funds/bank fixed deposits/debentures (bonds) during the year saw a reduction due to the drop in the market interest rates. Nevertheless, utmost importance was given to ensure the safety and liquidity of surplus cash.

Amid a particularly volatile global financial market in FY 2020-21, the overseas subsidiaries of the Company concluded refinancing agreements of US$ 100 million in Valley Holdings Inc., US$ 275 million in Tata Chemicals North America, US$ 45.5 million in Homefield Pvt. UK Limited and £ 55 million in British Salt Limited.

During FY 2020-21, Rallis, a subsidiary and IMACID, a joint venture paid dividends of ₹ 24 crore (FY 2019-20: ₹ 24 crore) and ₹ 26 crore (FY 2019-20: ₹ 72 crore) respectively to the Company. Valley Holdings Inc., the Company's step-down overseas subsidiary, which holds investments in the US operations, paid a dividend of US$ 20.9 million (₹ 155 crore) [FY 2019-20: US$ 30.1 million (₹ 214 crore)], which was utilised for operational requirements, external finance costs and capital funding requirements at Tata Chemicals International Pte. Ltd., Singapore and other group companies.

There being no change in the credit ratings during the year, the Company as on March 31, 2021 had the following credit ratings:

– Long Term Corporate Family Rating – Foreign Currency of Ba1/Stable from Moody's Investors Service

– Long Term Issuer Default Rating (IDR) of BB+ with Stable outlook from Fitch Ratings

– Long Term bank facilities (fund-based limits) of ₹ 1,897 crore and short term bank facilities (non-fund based limits) of ₹ 2,448 crore are rated at CARE AA+ (Outlook: Stable) and CARE A1+ respectively, by CARE Ratings and

– Commercial Paper of ₹ 600 crore is rated at CRISIL A1+ by CRISIL Ratings

Upon refinancing of the loan facility at Tata Chemicals North America, Inc. during June 2020, the existing credit ratings being no longer needed were discontinued.

7. Dividend Distribution Policy

In accordance with Regulation 43A of the SEBI Listing Regulations, the Board of Directors of the Company has adopted a Dividend Distribution Policy ('Policy') which endeavours for fairness, consistency and sustainability while distributing profits to the shareholders. The Policy is attached to this Report as **Annexure 1** and the same is available on the Company's website at https://www.tatachemicals.com/DividendDistPolicy.htm.

8. Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profits for FY 2020-21 in the retained earnings.

9. Responding to an unprecedented challenge: The Covid-19 pandemic

FY 2020-21 was an unprecedented year with Covid-19 pandemic impacting the globe and global supply chains, amidst biggest global health crisis ever faced by the world. The uncertainty around the resurgence of second wave across India towards the end of March 2021 is being closely monitored and all necessary actions are underway.

In order to respond to the pandemic effectively, the Company navigated through these difficult times by developing and adopting a multi-pronged strategy. The Company practised extreme care and caution towards the health and well-being of its employees and partners while ensuring this care and caution was extended to the community at large. The Company's operations and assets were managed to ensure prioritisation of products that were part of essential needs of the masses and markets by optimising on available manpower, raw materials and supply chain support. The Company regularly adhered to various guidelines and advisories issued by the authorities from time to time including maintaining social distancing at all its plant operations. Reduced manpower in shift working, working from home, staggering of breaks and postponing non-critical projects were some of the actions taken in conjunction with provision of all facilities such as sanitation, temperature checks, masks, etc. The Company maintained strict vigilance over cash conservation and working capital optimisation besides initiating digital interventions to move to touchless and remote operations.

10. Deposits from Public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2021.

11. Business Responsibility Report

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility Report initiatives taken from an environmental, social and governance perspective in the prescribed format forms part of this Integrated Annual Report.

12. Related Party Transactions

The Company has formulated a Policy on Related Party Transactions which is available on the Company's website at https://www.tatachemicals.com/RPTPolicy.htm. All related party transactions entered into during FY 2020-21 were on arm's length basis and in the ordinary course of business. No material related party transactions were entered into during the year under review by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 ('the Act') in Form No. AOC-2 is not applicable to the Company for FY 2020-21 and hence the same is not provided.

All transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. The related party transactions entered into pursuant to the omnibus approval so granted are also reviewed by the internal audit team on a half-yearly basis.

The details of the transactions with related parties are provided in the accompanying Financial Statements.

13. Risk Management

Risk Management at Tata Chemicals forms an integral part of Management focus.

The Risk Management Policy of the Company provides the framework of Enterprise Risk Management ('ERM') by describing mechanisms for the proactive identification and prioritisation of risks based on the scanning of the external environment and continuous monitoring of internal risk factors. The ERM framework identifies, evaluates, manages and reports risks arising from the Company's operations and exogenous factors.

The Company has deployed bottom-up and top-down approaches to drive enterprise wide risk management. The bottom-up process includes identification and regular assessment of risks by the respective business units and implementation of mitigation strategies. This is complemented by a top-down approach where the senior management as well as the Board level Risk Management Committee ('RMC') identifies and assesses long-term, strategic and macro risks for the Company.

The RMC oversees the risk management process in the Company. The RMC is chaired by an Independent Director and the Chairperson of the Audit Committee is also a member of the RMC. This robust governance structure has also helped in the integration of the ERM with the Company's strategy and planning processes where emerging risks are used as inputs in the strategy and planning process. Identified risks are used as one of the key inputs in the strategy and business plan.

A systematic review of risks identified is subject to a series of focussed meetings of the empowered Risk Management Group (Senior Leadership Team), respective Business level/ Subsidiary level Committee and the RMC of the Board. The RMC meets periodically to review key strategic and operational risks and assess the status of mitigation measures.

Based on benchmarking and inputs from global standards on ERM, the Risk Management process has been deployed across geographies and businesses.

Some of the risks identified are set out in the Management Discussion and Analysis which forms part of this Integrated Annual Report.

14. Corporate Social Responsibility

The Corporate Social Responsibility ('CSR') activities of the Company are governed through the Corporate Social Responsibility Policy ('CSR Policy') approved by the Board. The CSR Policy guides in designing CSR activities for improving quality of life of society and conserving the environment and biodiversity in a sustainable manner. The CSR Committee of the Board oversees the implementation of CSR Projects in line with the Company's CSR Policy.

The Company has adopted a participatory approach in designing need-based CSR programmes which are implemented through Tata Chemicals Society for Rural Development ('TCSRD'), the Tata Trusts and with various government and non-government institutions.

Building economic capital: The Company focusses on poverty alleviation and creating livelihoods, both linked to farm and non-farm based activities.

Ensuring environmental integrity: The Company's main focus is on management of natural resources and conservation of environment. The key programmes include land and water management activities, waste management, preservation of biodiversity and mitigation of climate change impacts. Under the Swachh Bharat Abhiyan, the Company through TCSRD set up a dry waste processing plant at Mithapur.

Enablers for social, economic and environmental development: The Company's key programme is the Holistic Nutrition Programme which targets the first 1,000 days of a child. Additionally in the neighbourhood, the Company conducts regular health and nutrition camp.

The education programme focusses on students starting from primary to the post-graduation level. Educational support is provided for 100% enrolment of children and improving quality of education.

The Company helps to provide clean water through roof rainwater harvesting structures, repair of hand pumps, supporting households with water purifier systems through Samriddhi and Swach Tarang Project.

Building social capital: Building the social capital for long-term sustainability is a key cross-cutting theme in all these programmes.

Women empowerment, reducing inequality of marginalised communities (through Affirmative Action), partnerships for achieving goals and setting up sustainable social enterprise models (Okhai and Ncourage Social Enterprise Foundation) are key initiatives for achieving the same.

The Company also responds to disasters that hit any part of India and in the neighbourhood of all its manufacturing plants.

The Annual Report on CSR activities for FY 2020-21 is enclosed as **Annexure 2** to this Report.

15. Whistleblower Policy and Vigil Mechanism

The Company has devised an effective whistleblower mechanism enabling stakeholders, including individual employees and their representative bodies, to communicate their concerns about illegal or unethical practices freely. The Company has also established a vigil mechanism for stakeholders to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. Protected disclosures can be made by a whistleblower through several channels. The Whistleblower Policy of the Company ('the Policy') provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel of the Company has been denied access to the Chairperson of the Audit Committee. The Policy also facilitates all employees of the Company to report any instance of leak of unpublished price sensitive information.

A dedicated Ethics Helpline has been setup which is managed by an independent professional organisation for confidentially raising any ethical concerns or practices that violate the Tata Code of Conduct.

The Policy is also posted on the website of the Company at: https://www.tatachemicals.com/WhistleblowerPolicy.htm.

16. Prevention of Sexual Harassment ('POSH')

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company has formed an Internal Committee ('IC') for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a detailed policy for prevention of sexual harassment at workplace which ensures a free and fair enquiry process with clear timelines for resolution.

No complaints were pending at the beginning of the year. During the year under review, two concerns were reported which were investigated and appropriate action was taken. No complaint was pending as at the end of the financial year.

To build awareness in this area, the Company has been conducting awareness sessions during induction, periodically through online modules and webinars (no classroom trainings were conducted due to Covid-19). Awareness sessions were conducted with permanent employees, third-party employees and contract workmen. A special virtual awareness programme was organised for all the employees of the Company through webinar on POSH in July 2020.

17. Particulars of Loans, Guarantees and Investments

The Company has not given any loans during the year under review. The Company has made an investment of ₹ 150 crore in Non-Convertible Debentures (NCDs) and ₹ 40 crore in equity shares through rights issue of Tata International Limited.

The Company also invested ₹ 9 crore in Tata Steel Limited ('Tata Steel') wherein the partly paid shares of Tata Steel were converted to fully paid shares. The Company sold 12,85,110 shares in Tata Teleservices Limited (book value: Nil). During the year under review, the Company has provided additional corporate guarantee of US$ 34.2 million to Homefield Private UK Limited, £ 96 million to Natrium Holdings Limited and £ 9.6 million to Tata Chemicals Europe Limited, subsidiaries of the Company.

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

18. Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiaries for FY 2020-21 are prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the SEBI Listing Regulations as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The Audited Consolidated Financial Statements together with the Auditor's Report thereon forms part of this Integrated Annual Report.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate annual accounts in respect of subsidiaries are available on the website of the Company.

The annual accounts of the subsidiaries and related detailed information will be made available to investors seeking information till the date of the AGM. They are also available on the website of the Company at https://www.tatachemicals.com/Investors/ AGM-documents.

19. Subsidiary Companies and Joint Ventures

As on March 31, 2021, the Company had 33 (direct and indirect) subsidiaries (2 in India and 31 overseas) and 4 joint ventures. There has been no material change in the nature of the business of the subsidiaries.

There were following changes pertaining to subsidiaries during the year under review:

- The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench on April 23, 2020 approved the Scheme of Merger by Absorption of Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio-1'), a wholly owned subsidiary, with the Company with an Appointed Date of April 1, 2019. The Registrar of Companies at Mauritius removed the name of Bio-1 from the register of companies w.e.f. June 1, 2020 and accordingly, Bio-1 has ceased to be a subsidiary of the Company with effect from the said date
- The NCLT, Mumbai Bench also approved the Scheme of Arrangement between Zero Waste Agro-Organics Limited, a wholly-owned subsidiary of Rallis ('Zero Waste') and Rallis ('Scheme') on February 22, 2020 from the Appointed Date of April 1, 2017. The Effective Date of the Scheme is July 9, 2020. Accordingly, Zero Waste has ceased to be a subsidiary of the Company with effect from the said date
- Rallis Chemistry Exports Limited, a wholly owned subsidiary of Rallis ('RCEL') has been struck-off from the register of companies with effect from March 29, 2021 consequent to the voluntary striking-off application filed by it with the Registrar of Companies, Maharashtra, Mumbai. Accordingly, RCEL has ceased to be a subsidiary of the Company with effect from the said date
- PT Metahelix LifeSciences Indonesia, a subsidiary of Rallis received approval for the cancellation of its Company Registration Number and revocation of its business licence with effect from March 19, 2021.

Further, an application for cancellation of its Tax Identification Number has been made and the approval for the same is awaited

The Company's Policy on determining material subsidiaries, as approved by the Board, is uploaded on the Company's website at https://www.tatachemicals.com/MaterialSubsPolicy.htm.

A report on the financial position of each of the subsidiaries and joint ventures as per the Act is provided in Form No. AOC-1 attached to the Financial Statements.

20. Details of Significant and Material Orders

No significant and material orders were passed by the regulators or the courts or tribunals impacting the going concern status and the Company's operations in future.

21. Internal Financial Controls

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well-defined delegation of authority with specified limits for approval of expenditure, both capital and revenue. The Company uses an established Enterprise Resource Planning (ERP) system to record day-to-day transactions for accounting and financial reporting.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal audit team and statutory auditors to ascertain, their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed. However, the Company recognises that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

Details of internal control system are given in the Management Discussion and Analysis which forms part of this Integrated Annual Report.

22. Directors' Responsibility Statement

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s), including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2020-21.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that for the year ended March 31, 2021:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

23. Corporate Governance and Compliance

The Company strives to evolve and follow the best governance practices, not just to boost long-term shareholder value, but also to respect minority rights. The Company considers the same as its inherent responsibility to disclose timely and accurate information to its stakeholders regarding its operations and performance, as well as the leadership and governance of the Company. The Company is committed to the Tata Code of Conduct which articulates values and ideals that guide and govern the conduct of the Tata companies as well as its employees in all matters relating to business. The Company's overall governance framework, systems and processes reflect and support its Mission, Vision and Values.

The Company's governance guidelines cover aspects mainly relating to composition and role of the Board, Chairman and Directors, Board diversity and Committees of the Board.

With a view to uphold human rights as an integral aspect of doing business, being committed to respect and protect human rights and remediate adverse human rights impacts resulting from or caused by the Company's businesses, the Board adopted 'The Tata Business and Human Rights Policy' during the year under review.

The Company has in place an online compliance management system for monitoring the compliances across its various plants and offices. A compliance certificate is also placed before the Board of Directors every quarter.

In compliance with the SEBI Listing Regulations, the Corporate Governance Report and the Auditor's Certificates form part of this Integrated Annual Report.

24. Directors and Key Managerial Personnel

Directors

Appointment

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors made the following appointments during the year under review in accordance with the Company's Articles of Association and Section 161(1) of the Act, subject to approval of the Members at the forthcoming AGM:

i. Appointed Mr. Rajiv Dube as an Additional Director in an independent capacity not liable to retire by rotation, for a period of 5 years commencing from September 18, 2020 to September 17, 2025

ii. Appointed Mr. N. Chandrasekaran as an Additional Director (Non-Executive Non-Independent) and Chairman of the Board of Directors of the Company with effect from November 24, 2020

They hold office up to the date of the forthcoming AGM and the Company has received requisite Notices from Members in writing proposing their appointment as Directors of the Company.

The Board recommends for the approval of the Members by way of an Ordinary Resolution, the appointment of Mr. Dube as an Independent Director effective September 18, 2020 and Mr. Chandrasekaran as a Director on the Board of the Company with effect from November 24, 2020, at Item Nos. 5 and 6 respectively, of the Notice convening the AGM.

During the year under review, at the 81st AGM of the Company held on July 7, 2020, the Members of the Company appointed Dr. C. V. Natraj and Mr. K. B. S. Anand as Indpendent Directors of the Company with effect from August 8, 2019 and October 15, 2019 respectively.

Re-appointment

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Zarir Langrana, Executive Director of the Company, retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

Cessation

During the year under review, Mr. Bhaskar Bhat resigned as a Director of the Company with effect from November 24, 2020. The Board places on record its deep appreciation for the invaluable contribution and guidance rendered by Mr. Bhat.

Independent Directors

In terms of Section 149 of the Act, Ms. Vibha Paul Rishi, Ms. Padmini Khare Kaicker, Dr. C. V. Natraj, Mr. K. B. S. Anand and Mr. Rajiv Dube are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of science and technology, digitalisation, strategy, finance, governance, human resources, safety, sustainability, etc. and that they hold highest standards of integrity.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

Details of Familiarisation Programme for the Independent Directors are provided separately in the Corporate Governance Report which forms a part of this Integrated Annual Report.

Key Managerial Personnel ('KMP')

Mr. John Mulhall ceased as the Chief Financial Officer (CFO) of the Company with effect from March 31, 2021 upon his transfer as Managing Director & CEO of Tata Chemicals North America Inc., a wholly owned subsidiary of the Company.

Pursuant to the recommendations of the Nomination & Remuneration Committee and Audit Committee, the Board appointed Mr. Nandakumar S. Tirumalai as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from April 1, 2021.

In terms of the provisions of Section 2(51) and Section 203 of the Act, the following are the KMP of the Company:

- Mr. R. Mukundan, Managing Director & CEO
- Mr. Zarir Langrana, Executive Director
- Mr. Nandakumar S. Tirumalai, Chief Financial Officer (w.e.f. April 1, 2021)
- Mr. Rajiv Chandan, General Counsel & Company Secretary

Procedure for Nomination and Appointment of Directors

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies and meeting the potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position including expert knowledge expected is communicated to the appointee.

The list of core skills, expertise and competencies of the Board of Directors as are required in the context of the businesses and sectors applicable to the Company are identified by the Board and are available with the Board. The Company has also mapped each of the skills, expertise and competencies against the names of the Board Members possessing the same. The same is disclosed in the Corporate Governance Report forming part of this Integrated Annual Report.

Scientific Advisory Board

The Board has constituted a Scientific Advisory Board consisting of scientists with relevant domain expertise under the Chairmanship of Dr. C. V. Natraj, Independent Director of the Company with a view to synergise the Research & Development initiatives at the Company's Innovation Centre and Research & Development Centres (Crop Care and Seeds respectively) of Rallis India Limited. Further details in this regard are provided in the Corporate Governance Report.

Criteria for determining Qualifications, Positive Attributes and Independence of a Director

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and the SEBI Listing Regulations. The relevant information has been given in **Annexure 3** which forms part of this Report.

Board Evaluation

The Board has carried out the annual evaluation of its own performance and that of its Committees and individual Directors for the year pursuant to the provisions of the Act and the SEBI Listing Regulations. The exercise of performance evaluation was carried out electronically through a secure application. This resulted in saving paper, reducing the cycle time to make documents available to the Board/Committee Members and in increasing confidentiality and accuracy.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members. The criteria for performance evaluation are broadly based on the Guidance Note issued by SEBI on Board Evaluation which included aspects such as structure and composition of Committees, effectiveness of Committee Meetings, etc.

The Chairman of the Board had one-on-one meetings with each Independent Director and the Chairman of the NRC had one-on-one meetings with each Executive and Non-Executive, Non-Independent Directors.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole including the Chairman of the Board taking into account the views of Executive Directors and Non-Executive Directors. The NRC reviewed the performance of the Board, its Committees and of the Individual Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and the NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

The Company follows a practice of addressing each of the observations and suggestions by drawing up an action plan and monitoring its implementation through the Action Taken Report which is reviewed by the Board of Directors from time to time.

25. Remuneration Policy

The Company has in place a Remuneration Policy for the Directors, KMP and other employees pursuant to the provisions of the Act and the SEBI Listing Regulations which is set out in **Annexure 4** forming part of this Report.

26. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to the provisions of Section 134 of the Act read with the Companies (Accounts) Rules, 2014, are provided in **Annexure 5** forming part of this Report.

27. Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') are enclosed as **Annexure 6** forming part of this Report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of this Report. Further, the Report and the Accounts are being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon request by the Members. Any Member interested in obtaining such particulars may write to the Company Secretary at investors@tatachemicals.com.

28. Auditors

I. Statutory Auditors

At the AGM held on August 9, 2017, B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) were appointed as Statutory Auditors of the Company for a period of five (5) consecutive years.

Further, the report of the Statutory Auditors along with notes to Schedules is a part of this Integrated Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

II. Cost Auditors

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to prepare, maintain as well as have the audit of its cost records conducted by a Cost Accountant and accordingly, it has made and maintained such cost accounts and records. The Board on the recommendation of the Audit Committee has appointed D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) as the Cost Auditors of the Company for FY 2021-22 under Section 148 and all other applicable provisions of the Act.

D. C. Dave & Co. have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that the appointment meets the requirements of Section 141(3)(g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a resolution for seeking Members' ratification for the remuneration payable to D. C. Dave & Co. is included at Item No. 7 of the Notice convening the AGM.

III. Secretarial Auditor

In terms of Section 204 of the Act and Rules made thereunder, Parikh & Associates, Practicing Company Secretaries

(Firm Registration No. P1988MH009800), have been appointed as Secretarial Auditors of the Company to carry out the secretarial audit for FY 2021-22. The report of the Secretarial Auditors for FY 2020-21 is enclosed as **Annexure 7** forming part of this Report.

There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in their Report.

29. Reporting of Fraud

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

30. Other Disclosures

I. Details of Board Meetings

During the year under review, nine (9) Board Meetings were held, details of which are provided in the Corporate Governance Report.

II. Composition of Audit Committee

The Audit Committee comprised four (4) Members out of which three (3) are Independent Directors and one (1) is a Non-Executive Director. During the year under review, eleven (11) Audit Committee meetings were held, details of which are provided in the Corporate Governance Report. During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.

III. Composition of CSR Committee

The CSR Committee comprised four (4) Members out of which one (1) is an Independent Director. The Committee was reconstituted effective September 1, 2020 after which the Committee comprised three (3) Members out of which one (1) is an Independent Director. During the year under review, three (3) meetings of the CSR Committee were held, details of which are provided in the Corporate Governance Report. The Company has revised the CSR Policy and the Charter pursuant to the Companies (Corporate Social Responsibility) Amendment Rules, 2021. The revised CSR Policy is available on the website of the Company at https://www.tatachemicals.com/CSRPolicy2021.htm. During the year under review, there were no instances when the recommendations of the CSR Committee were not accepted by the Board.

IV. Secretarial Standards

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems were adequate and operating effectively.

31. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website at https://www.tatachemicals.com/MGT2021.htm.

32. Acknowledgements

The Directors acknowledge the support extended by the Company's Unions and all the employees for their dedicated service.

The Directors would also like to thank the financial institutions, banks, government authorities, customers, vendors and other stakeholders for the continued support and co-operation.

The Directors deeply regret the loss of lives on account of the Covid-19 pandemic and place on record their sincere appreciation to all those who have gone beyond their duties in this fight against the pandemic.

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
DIN: 00121863

Mumbai, May 3, 2021

Annexure 1 to Board's Report

Dividend Distribution Policy

Scope and Purpose

Tata Chemicals Limited ('the Company') shares are listed on the BSE Limited and the National Stock Exchange of India Limited. The Securities and Exchange Board of India ('SEBI') vide its notification dated July 8, 2016, has inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has made it mandatory for the top 500 listed entities, based on market capitalisation, as on March 31 of every financial year to formulate a Dividend Distribution Policy ('Policy'). The Board of Directors of the Company has adopted the Policy which endeavours for fairness, consistency and sustainability while distributing profits to the shareholders.

Objective

The Policy defines the conditions for paying a dividend. The Board of Directors will recommend any annual dividend based on this Policy as well as any specific financial or market conditions prevailing at the time. The intention of the Policy is to set out the broad criteria to be considered when determining what dividend to declare or not declare to the shareholders of the Company.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

Parameters adopted with regards to various classes of shares	The Company has one class of equity share and no preference share capital. Any declared dividend will be divided equally among all shareholders, on the record date
Frequency	Dividends will generally be declared once a year after the announcement of full year results but before the Annual General Meeting In years of exceptional gains or other events a special dividend may be declared
Internal and External Factors	When determining the annual dividend, the Company will consider, amongst other matters: • The level of dividends paid historically • Actual results for the year and the outlook for business operations • Providing for anticipated capital expenditures or acquisitions, to further enhance shareholder value or meet strategic objectives • Setting aside cash to meet debt repayments • Retaining earnings to provide for contingencies or unforeseeable events • The overall economic environment • Changes in the cost and availability of external financing • Changes in government policy, industry rulings and regulatory provisions
Financial Parameters	As in the past, subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return Based on the above, the Company will endeavour to maintain the steady level of dividend per share over the medium term
Utilisation of retained earnings	• Capital expenditure • Organic/Inorganic growth • General corporate purposes, including contingencies • Investments in the new/existing business • Any other permitted use under the Companies Act, 2013
Dividend Range	As in the past, subject to the provisions of applicable laws, the Company's dividend payout will be determined based on availability of financial resources, investment requirements and also take into account optimal shareholder return. The Company would endeavour to target a total dividend payout ratio in the range of 30% to 50% of the Annual Standalone Profits after Tax (PAT) of the Company

Disclosure

The Board of Directors will review the Policy annually. Any revisions in the Policy will be communicated to shareholders in a timely manner. The Policy shall be disclosed in the Annual Report and on the website of the Company at https://www.tatachemicals.com/DividendDistPolicy.htm.

Disclaimer

The Policy does not constitute a commitment regarding the future dividends of the Company, but only represents a general guidance regarding dividend policy. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the Dividend to be distributed in the year and the Board reserves the right to depart from the Policy as and when circumstances so warrant.

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
DIN: 00121863

Mumbai, May 3, 2021

Annexure 2 to Board's Report

Annual Report on CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 ('the Act') & Rules made thereunder]

1. Brief outline on CSR Policy of the Company:

Tata Chemicals Limited ('the Company') is committed to upholding the highest standards of Corporate Social Responsibility ('CSR'). The Company endorses the Tata Group's purpose of improving the quality of life of the communities it serves through long-term stakeholder value creation. The Company believes in positively impacting the environment and supporting the communities it operates in, focussing on sustainability of its programmes and empowerment of its communities.

The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website at https://www.tatachemicals.com/CSRPolicy2021.htm.

2. Composition of CSR Committee as on March 31, 2021:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. S. Padmanabhan (Chairman)	Non-Executive Non-Independent Director	3	3
2.	Dr. C. V. Natraj*	Independent Director	2	2
3.	Mr. R. Mukundan	Managing Director & CEO	3	3

**Appointed as a Member of the Committee w.e.f. September 1, 2020*

Note: *Ms. Vibha Paul Rishi, Independent Director and Mr. Zarir Langrana, Executive Director ceased to be Members of the Committee w.e.f. September 1, 2020*

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

https://www.tatachemicals.com/CSR.htm

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

In terms of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, there are no projects undertaken or completed after January 22, 2021, for which undertaking impact assessment is applicable. However, the Company has been conducting impact assessments to monitor and evaluate its strategic CSR programmes from time to time.

In FY 2020-21, the Company had voluntarily undertaken an impact assessment study of its Community Development projects linked to Agriculture and Livestock management programme which was undertaken a few years ago. The study has been conducted by an agency viz. 'Change Alliance'. The study not only details the impacts and the benefits accrued by the community, it also proposes future development model for Agriculture and Livestock management programmes.

The Impact Assessment Report of the study undertaken voluntarily is uploaded on the website at: https://www.tatachemicals.com/CSR.htm

5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any –

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
NOT APPLICABLE			

6. Average net profit of the Company as per Section 135(5):

₹ 925.27 crore for the preceding three Financial Years

7.

(a) **Two percent of average net profit of the Company as per Section 135(5):** ₹ 18.51 crore

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** N.A.

(c) **Amount required to be set-off for the financial year, if any:** N.A.

(d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 18.51 crore

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (₹ in crore)	Amount Unspent (₹ in crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
20.92	Nil	N.A.	N.A.	N.A.	N.A.

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project: State	(5) Location of the project: District/ Area	(6) Project duration (no. of years)	(7) Amount allocated for the project (₹ in crore)	(8) Amount spent in the current financial year (₹ in crore)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation- Through Implementation Agency: Name	(11) Mode of Implementation- Through Implementation Agency: CSR Registration number
1.	Agriculture & Livestock Development	IV	Yes	Gujarat Uttar Pradesh	Devbhumi Dwarka Farrukhabad	3	1.00	1.00	NIL	No	Tata Chemicals Society for Rural Development (TCSRD)	CSR00002564
2.	Handicrafts & Cluster Development	V	Yes	Gujarat	Devbhumi Dwarka	3	1.25	1.25	NIL	No		
3.	Skill Development	II	Yes	Gujarat, Maharashtra Andhra Pradesh Tamil Nadu Uttar Pradesh	Mithapur Mumbai/ Pune Mambattu Cuddalore Aligarh	3	5.65	6.12	NIL	Yes*		
4.	Natural Resource Management & Environment Conservation	IV	Yes	Gujarat Andhra Pradesh Tamil Nadu	Mithapur Mambattu Cuddalore	3	1.35	1.37	NIL	No		
5.	Health Care, Nutrition, Safe drinking water & Sanitation	I	Yes	Gujarat Madhya Pradesh Maharashtra Andhra Pradesh Tamil Nadu	Mithapur Porbandar Barwani Amravati Mumbai Mambattu Cuddalore	3	2.13	2.02	NIL	No		
6.	Education	II	Yes	Gujarat Maharashtra Andhra Pradesh Tamil Nadu	Mithapur Porbandar Mumbai Mambattu Cuddalore	3	1.40	1.40	NIL	No		
7.	Inclusive Growth	III	Yes	Gujarat Andhra Pradesh Tamil Nadu Maharashtra	Mithapur Mambattu Cuddalore Mumbai	3	1.45	1.40	NIL	No		
Total							**14.23**	**14.56**				

**Part of the funds were also spent through the implementing agency*

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹ crore)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District/Area			Name	CSR registration number
1.	Disaster Relief activity	XII	Yes	Gujarat Tamil Nadu	Mithapur Cuddalore	0.27	No	Tata Chemicals Society for Rural Development (TCSRD)	CSR00002564
2.	Covid-19 Relief	I	Yes	Gujarat Maharashtra Tamil Nadu	Mithapur Mumbai Cuddalore	3.07	Yes*		
3.	Animal Health Care	IV	Yes	New Delhi		0.01	No		
4.	Environment Conservation	IV	Yes	Gujarat	Ahmedabad	0.01	No		
5.	Health Care - Tata Memorial Hospital/Cancer Care	I	No	West Bengal	Kolkata	0.20	No		
6.	Infrastructure Programme	II	Yes	Gujarat Andhra Pradesh Tamil Nadu	Mithapur Porbandar Mambattu Cuddalore	2.01	No		
Total						**5.57**			

**Part of the funds were also spent through the implementing agency*

(d) Amount spent in Administrative Overheads: ₹ 0.79 crore

(e) Amount spent on Impact Assessment: N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 20.92 crore

(g) Excess amount for set-off, if any: ₹ 2.41 crore

Sl. No.	Particular	Amount (in ₹ crore)
(i)	Two percent of average net profit of the Company as per Section 135(5)	18.51
(ii)	Total amount spent for the financial year	20.92
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2.41
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	2.41

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NOT APPLICABLE							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed/ Ongoing
NOT APPLICABLE								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) **Date of creation or acquisition of the capital asset(s):** As per table below in (d)

(b) **Amount of CSR spent for creation or acquisition of capital asset:** ₹ 89,370

(c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc:** TCSRD, Near Town Office, TCL Township, Mithapur - 361345

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** As per table below

Assets Description	Date of Creation	Amount (₹)	Address
Infrastructure for training centre:			
a) Angle Racks	October 16, 2020	28,910	TCSRD, Near Town Office, TCL Township, Mithapur – 361345
b) LED TV	May 15, 2020	33,920	
c) Vending Machine	January 18, 2021	26,540	
Total		**89,370**	

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):

Not Applicable

R. Mukundan
Managing Director & CEO
DIN: 00778253

Mumbai, May 3, 2021

S. Padmanabhan
Chairman-CSR Committee
DIN: 00306299

Mumbai, May 3, 2021

Annexure 3 to Board's Report

Criteria for Determining Qualifications, Positive Attributes and Independence of Directors

1. Definition of Independence

- A director will be considered as an 'Independent Director' ('ID') if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
- The definition of Independent Director is as provided in the Act and Listing Regulations.
- Current and ex-employees of a Tata company[1] may be considered as independent only if he/she has or had no pecuniary relationship with any Tata company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/holding consultant or advisor positions) during the two immediately preceding financial years or during the current financial year.

2. Qualifications of Directors

- Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- It is expected that boards have an appropriate blend of functional and industry expertise.
- While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ('NRC') consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
- IDs ideally should be thought/practice leaders in their respective functions/domains.

3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1. Act in accordance with the articles of the company.
2. Act in good faith in order to promote the objects of the company for the benefit of its members as a whole and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. Exercise duties with due and reasonable care, skill and diligence and exercise independent judgement.
4. Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5. Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
6. Not assign his office.

Additionally, the Directors on the Board of a Tata company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgement.

IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act and adopted by the Board. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

An Independent Director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his exercise of objective independent judgement in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision making;
6. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9. assist the company in implementing the best corporate governance practices.

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
DIN: 00121863
Mumbai, May 3, 2021

[1]'Tata company' shall mean every company in which Tata Sons Private Limited or Tata Industries Limited or any company promoted by Tata Sons Private Limited or Tata Industries Limited is promoter or a company in which such companies whether singly or collectively hold directly or indirectly 26% or more of the paid-up equity share capital OR in which the shareholding of such companies represents the largest Indian holding apart from holdings of financial institutions/mutual funds OR a company which is permitted by Tata Sons Private Limited to use the Tata brand name.

Annexure 4 to Board's Report

Remuneration Policy for Directors, Key Managerial Personnel and other Employees

The philosophy for remuneration of Directors, Key Managerial Personnel ('KMP') and all other employees of Tata Chemicals Limited ('Company') is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ('Act') and Listing Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ('NRC') has considered the factors laid down under Section 178(4) of the Act, which are as under:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Key principles governing this remuneration policy are as follows:

- **Remuneration for Independent Directors and Non-Independent Non-Executive Directors**
    - Independent Directors ('ID') and Non-Independent Non-Executive Directors ('NED') may be paid sitting fees (for attending the meetings of the Board and of Committees of which they may be members) and commission within regulatory limits.
    - Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
    - Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
    - Overall remuneration should be reflective of size of the Company, complexity of the sector/industry/ Company's operations and the Company's capacity to pay the remuneration.
    - Overall remuneration practices should be consistent with recognised best practices.
    - Quantum of sitting fees may be subject to review on a periodic basis, as required.
    - The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
    - The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
    - In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/Board Committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the Company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

- **Remuneration for Managing Director ('MD')/ Executive Directors ('ED')/KMP/rest of the employees[1]**

  The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be -

  - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
  - Driven by the role played by the individual
  - Reflective of size of the company, complexity of the sector/industry/company's operations and the company's capacity to pay
  - Consistent with recognised best practices and
  - Aligned to any regulatory requirements.

  In terms of remuneration mix or composition,

  - The remuneration mix for the MD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
  - Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
  - In addition to the basic/fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
  - The Company provides retirement benefits as applicable.
  - In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
  - The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

- **Remuneration payable to Directors for services rendered in other capacity**

  The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

  (a) The services rendered are of a professional nature; and

  (b) The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
DIN: 00121863

Mumbai, May 3, 2021

[1] Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.

Annexure 5 to Board's Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

(i) The steps taken or Impact on Conservation of Energy:

Following Lean Six Sigma ('LSS') and non-LSS projects were undertaken during FY 2020-21:

In Soda Ash Plant at Mithapur:

- Replacement of Ammonia Still preheater no. 6 and WLDS (Weak Liquor Distillation System) stack cooler to reduce efficiency loss
- Replacement of Hydrator no. 1 to improve lime hydration and temperature loss
- Replacement of CO_2 compressor no. 6 to reduce steam and water consumption
- Insulation of major equipment like Ammonia Still no. 6, Prelimer no. 6, Steam Tube Dryer nos. 1 and 9 to reduce heat loss
- Trial of various fuels at Soda ash kiln like Siberian Anthracite and coke breeze briquettes

In Make-Up Water ('MUW') Plants at Mithapur:

- Replacement of preheater higher area heat exchanger to improve energy efficiency in MUW-1 plant
- Replacement of evaporator body-101 with new evaporator body having increased height and volume in MUW-3 plant
- Optimisation of 120 psig steam consumption by providing a small diameter jumper in the 6-inch diameter vacuum line in MUW-3 plant
- Reduction of steam consumption by 25 Metric Tonne ('MT") per hour by converting unit-1 and unit-2 double effect evaporator to quadruple effect evaporator by using 50 psig steam in MUW-3 plant
- Flowmeter provided in magma draw line to maintain continuity in MUW-4 plant
- Reduction of magma draw auto valve size from 4 inch to 3 inch for better control in MUW-4 plant
- Flash steam from first effect condensate recycled to second effect to improve energy efficiency in MUW-4 plant

In the Cement Plant at Mithapur:

- Replacement of Cement mill outlet diaphragm screen segments to improve throughput of the mill
- Wet fly ash system revival to improve fly ash consumption in Masonry Cement
- Fuel mix with Low calorific value (CV) Indonesian coal
- Replacement of conventional lamps/tubes with efficient LEDs
- Ball mills grinding media regrading to improve specific power
- Replacement of Coal mill diaphragm
- Commissioning of Kakkati vacuum pumps for pumping of CO_2 for carbonation of Effluent Solid Filtration ('ESF') filter feed slurry

Energy efficiency projects in Power Plant at Mithapur:

- High Pressure Boiler: HPB-3 with Pet coke and South African coal – exhaust flue gas temperature reduced from 150°C to 145°C
- HPB-4 with Indonesian coal – exhaust flue gas temperature reduced from 150°C to 140°C

Measures undertaken in Electrical Systems at Mithapur:

- New capital projects being undertaken with energy efficient motors, energy efficient lighting, high efficiency distribution transformers and Intelligent Motor Control Centres
- Replacement of conventional lamps/tubes with 4,835 efficient LEDs

In the Plant at Mambattu:

- Pressure Reduction Turbine [PRT] (4 Tonne Per Hour 160 KW): PRT installed with Pressure Reducing Valve (PRV - 4 TPH) helps to generate 2,400 units per day and simultaneously reduce the steam pressure from 16 bar to 1 bar for process evaporator requirement. The generation of PRT is 7.2 lakh units annually with 300 days operation

- Optimisation of unloading time for Air Compressor: Minimised low load compressor operations by diverting load to partially loaded compressor and optimised total unloading time which helped in reducing 10% of energy consumption of air compressors. Savings from modification of compressor system is 20,500 units per month and ₹ 15 lakh annually
- Optimisation of Air Handling Unit ('AHU') running hours by Building Management System ('BMS'): By using BMS, running hours of AHU have been optimised which helped in monthly savings of 15,500 units. Annual savings would be ₹ 10.88 lakh
- Reduction of Maximum Demand ('MD') from 3,000 KVA to 2,400 KVA: By reducing MD from 3,000 KVA to 2,400 KVA helps in reducing MD fixed cost from ₹ 11.5 lakh per month to ₹ 9.2 lakh per month. It helped in reducing overall total per unit cost by ₹ 7.4 per unit to ₹ 7.0 per unit

In the Silica Plant at Cuddalore:

- Reduction of sodium silicate specific consumption by modification of agitator blades, installation of better pump seals and auto packing machine and replacement of filter press skirt boards and scrapper
- Reduction of coal specific consumption by installation of dip pipes at hot water tanks, equaliser plate at spray dryer and strainers at different process lines and by automation of dryer operation using PLC
- Reduction of water specific consumption by implementing mechanical seal water recirculation system and installation of new filter plates
- Reduction of acid specific consumption by replacement of filter plates, installation of strainers at different process lines and streamlining the reaction process
- Reduction in specific power consumption by installation of capacitor banks, 6 Variable Frequency Drives (VFDs), 160 KVA Uninterrupted Power Supply (UPS) and continuous monitoring of energy

At the Innovation Centre, Pune:

- Installation of solar panels for street lights resulting in a saving of 3,185.13 kWh

(ii) The steps taken by the Company for utilising alternate sources of energy:

- Use of alternate fuels at Mithapur:
  - Consumed 358 MT of shredded plastic in Cement kiln (supplied from TCSRD facility)
  - Applied to Gujarat Pollution Control Board (GPCB) for 31 types of alternate fuels and are in receipt of 2 samples for trial
- Solar capacity increased from 1.15 MW to 1.9 MW at Mambattu by installation of Floating Solar Pond-2 (760 KW). It has increased annual solar generation capacity from 16.8 lakh units to 28 lakh units

(iii) Capital Investment on Energy Conservation Equipments:

₹ in crore

Sl. No.	Project description	Capex cost
In the Plant at Mithapur:		
1.	Power House: Topper Turbine-7 major overhauling	0.71
2.	Topper Turbine-9 overhauling	0.01
3.	Power House: Topper Turbine-12 major overhauling and oil cooler	0.04
4.	Ammonia still pre-heater no. 6 & WLDS stack cooler	2.29
5.	Ball Mill no. 2 liner & grinding media	0.27
6.	Replacement of E-501 (Vacuum Dechlorination System Condenser) & E-601 (Chlorine Cooler)	0.57
7.	Vacuum Ejector, Pre-Heater & Air-Heater at MUW	0.19
8.	Power House: Ignifluid Boiler India Limited bed coil and bed super heater tube	0.26
9.	Soda Ash: Replacement of IR (Ingersoll Rand)-1 complete set with GHH	5.95
10.	Vacuum salt: Upgradation of MUW-3	11.18
11.	Chloro Caustic & Marine: upgradation of Electrolyser technology gradation	12.88
12.	Power House: Installation of Topper Turbine-1	13.97
In the Silica Plant at Cuddalore:		
13.	160 KVA UPS Installation	0.38
14.	Instrumentation upgrade of the entire process plant	1.75
15.	Auto packing system installation at tyre grade and food grade stream	2.50
16.	Motor Control Centre (MCC) panel upgrade	0.18
17.	Deck plate installation to arrest the silicate spillage	0.25
18.	Mechanical seal water recirculation setup	0.11
Total		**53.49**

B. Technology Absorption

(i) The efforts made towards Technology Absorption

At Mithapur:

- Nano seawater technology for brine purification in soda ash plant-project is under execution
- Solar salt washery project is under execution
- Implementation of IoT-based decision support system for soda ash carbonating tower efficiency improvements
- Upgradation of soda ash laboratory with Metrom automatic potentiometric titration machine
- Commissioning of latest 6th generation UHDE Electrolyser-1 in caustic soda plant. This is upgradation from Denora technology. It enables operating electrolyser at higher current density resulting in lower power consumption
- Addition of anthracite filtration unit enabling low load on brine filtration system and reducing alpha cellulose consumption
- Chlorine storage equipped with remote operated valves and content measurement redundancy for safe operation and handling of liquid chlorine

At Mambattu:

Production of FOS products:

- Created ISO class 8 standard cleanrooms for powder packing room and VFB and sifter area of spray dryer
- Installed auto cake disposal system for carbon filter press to avoid the manual operation and spillages on floor and maintain hygiene inside the plant
- Installed duct collection for sugar dissolution system to avoid dust generation during charging of sugar into system
- Installed dedicated chiller system to achieve the design throughput of spray dryer
- Installed auto ash handling system for boiler to mechanise the manual operation and maintain clean environment inside the plant
- Installed fine filters in product feed line and airline of spray dryer to control extraneous matter and improve the quality of finished goods

At Cuddalore:

- Installed auto packing system by Haver and Boecker at tyre grade and food grade production line to reduce the packing time
- Installed auto plate shifters at tyre grade filter presses to minimise human contamination

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

- R&D efforts to attain objectives of cost reduction, energy conservation, waste minimisation/recycling & reuse, related value added products, reduction in carbon footprint and environmental improvement
- Successfully developed oral grade silica
- Developed battery separator silica using RO water with targeted requirement by customers
- By installing net metering system, exported 1 lakh units of solar power to Grid and saved ₹ 6 lakh in FY 2020-21 by reducing power consumption

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a)	**The details of technology imported**	Coromax for emission reduction in boilers (Mithapur)	SSMB# for purification of FOS (Mambattu)	Spray dryer for converting liquid into powder (Mambattu)	TKIS* electrolyser for caustic soda, circulator for MUW evaporator, Concetti packing machine (Mithapur)
(b)	**The year of import**	2018-19	2019-20	2019-20	2020-21
(c)	**Whether the technology has been fully absorbed**	Yes	Yes	No	Yes
(d)	**If not fully absorbed, areas where absorption has not taken place and the reasons thereof**	N.A.	N.A.	50% is absorbed. The reason for not fully absorbing the technology is travel restriction of vendor due to Covid-19 crisis	N.A.

#SSMB - Sequential Simulated Moving Bed

**TKIS - ThyssenKrupp Industrial Solutions*

(iv) The expenditure incurred on Research & Development (Standalone)

₹ in crore

Particulars	2020-21	2019-20
Capital expenditure	5.36	2.13
Revenue expenditure	22.88	28.37
Total R&D expenditure	**28.24**	**30.50**
Total R&D expenditure as a percentage of revenue from operations	**0.94%**	**1.04%**

C. Foreign Exchange Earnings and Outgo (Standalone)

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows:

₹ in crore

Particulars	2020-21	2019-20
Foreign exchange earned	80.56	115.80
Outgo of foreign exchange	460.50	360.23

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
DIN: 00121863

Mumbai, May 3, 2021

Annexure 6 to Board's Report

Disclosure of Managerial Remuneration

[Pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for FY 2020-21 as well as the percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary are as under:

Name of Director/Key Managerial Personnel	Ratio to median remuneration	% increase in remuneration over previous year
Non-Executive Directors		
Mr. N. Chandrasekaran* (appointed w.e.f. November 24, 2020)	N.A.	N.A.
Ms. Vibha Paul Rishi	7.39:1	(4.54)
Mr. S. Padmanabhan**	N.A.	N.A.
Ms. Padmini Khare Kaicker	7.23:1	(6.88)
Dr. C. V. Natraj	7.03:1	^
Mr. K. B. S. Anand	5.36:1	^
Mr. Rajiv Dube# (appointed w.e.f. September 18, 2020)	-	^
Mr. Bhaskar Bhat (resigned w.e.f. November 24, 2020)	4.99:1	^
Executive Directors		
Mr. R. Mukundan, Managing Director & CEO	98.37:1	(3.75)
Mr. Zarir Langrana	48:1	(2.52)
Key Managerial Personnel		
Mr. John Mulhall, Chief Financial Officer (ceased w.e.f. March 31, 2021)	-	14.62
Mr. Rajiv Chandan, General Counsel & Company Secretary	-	6.42

Note: *Remuneration includes commission which relates to FY 2020-21 and which will be paid during FY 2021-22*

**As a policy, Mr. N. Chandrasekaran, Chairman of the Board has abstained from receiving commission from the Company*

***In line with the internal guidelines, no payment is made towards commission to Mr. S. Padmanabhan, Non-Executive Director of the Company, who is in full-time employment with other Tata company*

^Increase in remuneration is not reported as the concerned directors were only for a part of the year under review or previous year

#Mr. Rajiv Dube was appointed during the year and hence the ratio to median remuneration is not reported

B. Percentage increase in the median remuneration of employees in FY 2020-21: 6.54%

C. Number of permanent employees on the rolls of the Company as on March 31, 2021: 1,699

D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

Particulars	% change in remuneration
Average increase in salary of employees (other than managerial personnel)	6.34
Average increase in remuneration of managerial personnel	(3.35)

E. Affirmation:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

N. Chandrasekaran
Chairman
DIN: 00121863

Mumbai, May 3, 2021

Annexure 7 to Board's Report

Form No. MR-3

Secretarial Audit Report for the Financial Year ended March 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Tata Chemicals Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Chemicals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not applicable to the Company during the audit period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(vi) Other laws applicable specifically to the Company namely :

1. Food Safety and Standards Act, 2006, rules and regulations thereunder;

2. Legal Metrology Act, 2009 and rules and regulations thereunder;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and The National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, guidelines etc.

We further report that during the audit period there were no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 **CP No:** 1228
Mumbai, May 3, 2021
UDIN: F000327C000226047

This Report is to be read with our below letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members
Tata Chemicals Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 **CP No:** 1228
Mumbai, May 3, 2021
UDIN: F000327C000226047

Management Discussion and Analysis

1. Business Environment

a. Global Economic Outlook

The Covid-19 pandemic led to an economic contraction in the Calendar Year ('CY') 2020 that was both sudden and deep compared to the previous global crises.

The global economy contracted 3.3%, advanced economies contracted 4.7% whereas the emerging economies and developing markets contracted by 2.2%. China was the only major economy that grew (by 2.3%) in CY 2020. World trade volume (goods and services) declined by 8.5% and oil prices saw a sharp decline of 33% followed by a recovery in the second half of the year. Consumer prices in emerging economies increased by 5.1% whereas they were stable in the advanced economies. Global manufacturing contracted sharply in mid-2020 however, sharply recovered in the latter part of the year. Lingering uncertainties around the pandemic hindered the recovery of private investment.

With the consideration of broad vaccine availability in advanced economies and some emerging economies, the global economy is projected to grow at 6% in CY 2021. Growth in the advanced economies is projected at 5.1% in CY 2021, whereas that in the Emerging Markets & Developing Economies ('EMDE') is expected to be 6.7%.

Growth in the United States ('US') is expected to be 4.3% in CY 2021, regaining the pre-covid activity levels. The European Union and the United Kingdom ('UK') economies are expected to grow by 4.5% and 4.2% respectively in CY 2021. Among the EMDE, China is expected to grow by 8.5%, Russia and Brazil by 3% and 3.6% respectively in CY 2021.

Downside risks to the outlook include resurgence of the pandemic and vaccine delays, withdrawal of policy support before recovery takes firm root and bankruptcies due to illiquidity & high debt and geopolitical trade risks such as ongoing tensions between the US and China.

Source: IMF World Economic Outlook (WEO), January and April 2021, OECD Interim Economic Assessment, March 2021

b. India Economic Outlook

India was one of the most severely affected countries among the emerging economies. Its Gross Domestic Product ('GDP') contracted by 8% in CY 2021. While Government consumption was almost stable at (0.8)%, private consumption declined by 9.1%. Exports and imports of goods and services contracted by 9.3% and 17% respectively. The agriculture sector was resilient to the effects of Covid-19. The industrial production contracted by 11%.

India's recovery in FY 2021-22, with estimated GDP growth of 11.5% at the beginning of CY 2021, has seen a downward revision between 9.6% and 10.5% due to rising Covid-19 infections at the beginning of FY 2021-22. Increasing unemployment, as reported by the Centre for Monitoring Indian Economy (CMIE) (7.9% in April 2021 against 6.9% in February 2021) and inflation (Wholesale Price Index – 7.4% highest in last 103 months) signal a risk to the recovery. However, the outlook is expected to become more positive by the middle of the year as vaccines become more widely available.

The Government spending is estimated to be higher than the previous financial year with fiscal deficit at 7.2% of GDP as against a budgeted 6.8%, mainly due to a higher food subsidy bill and lower asset sale revenue. The export outlook is cautious as exporters are focussing on domestic issues. Monetary conditions are expected to remain accommodative as inflation increases with an upside risk caused by rising global commodity prices.

Source: Various reports – IMF World Economic Outlook, Oxford Economics, RBI State of Economy

2. Chemical Industry

a. Global Chemical Industry

Demand for chemical products hit a trough in Asia around February/March 2020, in Europe around April 2020 and the Americas in May 2020, reflecting the peak of Covid-19

The agriculture sector was resilient to the effects of Covid-19 lockdowns. Demand gradually recovered in the US and Europe following the fall in Covid-19 infection rates. The recovery in Asia has been more robust and is expected to continue in CY 2021. Increase in Government and consumer spending has boosted demand for many chemicals.

Commodity chemicals producers will see recovery and Specialty chemicals producers with more diverse and resilient end markets will continue to see growth in CY 2021.

b. Key Global Trends

Sustainability has increasingly become a focus for many chemical companies globally and the trend will gain further momentum in CY 2021. Large companies are leading the way to net-zero greenhouse gas emission commitments. Initiatives such as European plastic tax and green hydrogen stimulus packages in the US, Canada and Europe are accelerating the adoption of sustainable practices and goals.

The centre-of-gravity of the economic world will further re-balance with by simultaneous shifts, from west to east, from rural to urban, ageing to young economies. Asia's role in global chemicals demand and trade will be even greater over the next decade.

The changing composition and expectations of hyper-connected consumers will trigger structural industry and consumption shifts towards good health, personal wellness, 'green' products and plant-based nutrients.

c. Indian Chemical Industry

While the Indian chemical industry was adversely affected due to Covid-19 in the first half of CY 2020 resulting in disrupted supply chains and reduced demand, it witnessed a recovery in the second half of CY 2020. As seen in the Index of Industrial Production (IIP) for Chemical Manufacturing, the demand recovery is expected to continue in FY 2021-22 and will achieve pre-Covid levels.

The Indian Chemical Industry has a structural and locational advantage to rapidly grow from its current size of US$ 178 billion to US$ 300 billion over next 5 to 7 years. In addition to its demographic dividends, India has one of the lowest per capita consumption of chemicals, offering adequate headroom for the sector to grow. Its vantage location provides opportunities in servicing export demand.

Basic Chemistry Products such as Alkali chemicals are the primary growth drivers for inorganic chemicals having a stable outlook. Specialty chemicals account for a major share of chemical exports, dominated by agrochemicals, dyes and pigments. Consumer trend towards good health to drive demand for home and personal care items such as nutraceuticals, food ingredients and packaged food & beverages. The Government of India aims to transform India into a manufacturing hub for crop-protection chemicals. The Indian market is estimated at ₹ 43,000 crore, of which exports are ₹ 23,000 crore. The sector is expected to grow more than 9% over the next 5 years with exports growing faster than the domestic market.

Source: Various reports – Federation of Indian Chamber of Commerce & Industry (FICCI) Report, Internal Assessment, Moody's Report

3. Company Overview

A part of the US$ 106 billion (revenue as on March 31, 2020) Tata Group, Tata Chemicals Limited ('the Company' or 'TCL') is a Science-led chemistry solutions company.

Having espoused the corporate purpose of 'Serving Society through Science', the Company has come a long way from laying its roots in Mithapur, Gujarat with its soda ash and salt operations. Its operations span continents, serving a diverse set of customers across the globe. The diverse portfolio is divided into Basic Chemistry Products and Specialty Products comprising Performance Materials, Nutrition Sciences and Agri Sciences.

Performance Materials, Nutrition Sciences and Agri Sciences are poised for robust growth along the vectors of sustainability and good health.

The Company is a global major in soda ash and sodium bicarbonate (market position of 3rd and 6th respectively) with manufacturing facilities in India, US, UK and Kenya.

Consumer trend towards good health to drive demand for home and personal care items such as nutraceuticals, food ingredients and packaged food & beverages

The emerging Performance Materials division includes high performance silica products based on patented technology for the rubber applications, food, feed, detergents and oral care.

The Company has a domestic market leadership position in the Nutrition Sciences. It offers edible salt, sodium bicarbonate (food, feed and pharma grade) and prebiotics (fructooligosaccharides ['FOS']).

The Company in recent years has built a robust and high-growth fermentation platform that provides attractive future growth opportunities. Currently, the platform supports the prebiotics category with its FOSSENCE® and GOSSENCE® brands targeted at food and nutraceutical applications.

Rallis India Limited, a subsidiary of the Company ('Rallis') is a leading Agri Sciences Company with product portfolio in Crop Care and Seed categories. It connects with farmers through 4,000+ dealers and has a presence in the export Business-to-Business (B2B) market with formulations and actives. Its key products are acephate, hexaconazole, pendimethalin and metribuzin in which it holds a leadership position in the domestic market. Rallis is expected to drive its growth with a robust product innovation pipeline and manufacturing capacity expansion.

The Company's businesses are supported by pillars of safety, sustainability, operational excellence, customer focus, innovation and digitisation. The Company has committed to Science Based Targets initiative ('SBTi'), with a target of 2 degrees reduction for its operations. Its Carbon Capture and Usage plant in the UK is one of the first of its kind globally. It captures CO_2 emitted by the gas-powered energy system and uses it as a feedstock to manufacture high purity sodium bicarbonate for the pharma and food industries.

The Company supports key communities with development models that are sustainable, replicable and scalable. It also promoted biodiversity in a significant way through plantation, ecosystem creation, species conservation, water and resource conservation around its plants.

The Company believes in 'Science-led Differentiation' that creates value for its customers. The Company has made consistent and significant investments in innovation, be it in process innovation, product innovation or those that have led to a great customer experience. It has two world-class Research and Development (R&D) facilities in Pune and Bengaluru from where products such as Highly Dispersible Silica ('HDS'), FOS and Ayaan (fungicide), amongst others have emerged.

Operational excellence permeates every aspect of the Company's operations and its people. On-going initiatives of cost reduction, faster resolution of customer issues, go-to-market approach for new products and world-class manufacturing facilities are a few of how this pillar manifests itself.

Investments in digitisation have enabled the Company to implement several initiatives that have accelerated the Company's journey towards excellence. Several analytics, IoT, remote sensing and automation-based initiatives have been implemented across the Company's operations leading to substantial gains.

4. Operational Performance

a. Tata Chemicals Overview

I. Impact of Covid–19

FY 2020-21 has been a challenging year which tested the Company's intrinsic strength in the face of the global Covid-19 pandemic. After initial operational hiccups, the Company was able to adapt to the changed circumstances and operations normalised relatively quickly.

The Company responded swiftly to support its key asset, its people, by deploying a slew of initiatives related to employee well-being. These included remote working, medical support for the affected, rigorous safety protocols, amending human resource (HR) processes and the launch of an assistance program 'We Care' to support its people's physical and emotional well-being. Frequent updates, advisories, notifications, virtual town halls reinforced the connection and belongingness to the Organisation.

The Company has committed to Science Based Targets initiative ('SBTi'), with a target of 2 degrees reduction for its operations

In India, there have been no layoffs, retrenchment or wage reductions in the permanent and contract workforce.

The Company fulfilled all its contractual obligations and agreements and continues to do so and does not foresee any material impact due to non-fulfilment of obligation by any party in existing contracts or agreements.

As part of the Corporate Social Responsibility (CSR) activities, the Company was able to extend support to the surrounding and extended communities through multiple initiatives. The key initiatives were:

1. The Company manufactured and distributed approximately 1.17 million litres of sodium hypochlorite in Gujarat and approximately 0.6 million litres to Brihanmumbai Municipal Corporation, Mumbai.
2. Financial assistance was provided to various organisations including Chief Minister's fund, District Collector forums, hospitals and rural sector of India.
3. The Company supported Government hospitals with PPE kits for frontline medical workers near factory locations. 1.07 lakh litres of hand sanitiser was manufactured by Akola and Ankleshwar units of Rallis and distributed freely across Telangana, Maharashtra, Gujarat and Karnataka. A 100-bed isolation ward at Mithapur, Gujarat was built to supplement Government structure.

The pandemic led the Company to further build resilience in its operations and systems and in many cases accelerate the implementation of digital initiatives. This includes effective work from home policies, digital product launches by Rallis, digital customer connects through virtual meeting platforms, virtual operational initiatives such as virtual crop tour and remote salt pan monitoring. Zero incidents of breach of information security were recorded despite remote working.

II. Annual Performance Overview

The Company achieved a consolidated revenue of ₹ 10,200 crore (2% decline over FY 2019-20) and EBITDA of ₹ 1,501 crore (23% decline over FY 2019-20). Despite challenging demand environment, the Company was able to maintain its market position across businesses. Operations were impacted due to lockdown restrictions to varying degrees across the Company. The soda ash business was impacted the most (sale volume down by approximately 11% in FY 2020-21) with global demand dropping sharply in the first quarter of FY 2020-21. The India and UK businesses normalised sales in the third quarter of FY 2020-21, however, the US and Kenya operations were able to recoup historical baseline sales only in the fourth quarter of FY 2020-21. Pricing remained under pressure especially in the export markets served by Tata Chemicals North America Inc., USA ('TCNA') and Tata Chemicals Magadi Limited, Kenya ('TCML'), subsidiaries of the Company and also in the Indian domestic market.

Nutrition products demand proved to be resilient in FY 2020-21. Sale volume of salt in India grew approximately by 15% and volume of sodium bicarbonate was sustained despite reduced demand. The agri market continued with resilient demand and was able to meet its targets. It faced a supply disruption due to a shortage of key raw materials but was able to counter it by building strategic partnerships to mitigate the risk in the short to medium term. The business also witnessed opportunity losses in the export markets due to the impact of Covid-19 in the USA, Latin America and Europe.

There has been no material change in the Company's liquidity position after the year ended March 31, 2021, with a positive liquidity position in India with no borrowings and sufficient credit lines available. The Company has also instituted, across all its operations, aggressive and focussed cost control programmes and an even more disciplined and prudent capital expenditure program to build up and conserve its already healthy cash position. Further, there is no impact on internal financial controls due to Covid-19.

b. Basic Chemistry Products

Industry Structure & Developments

The Company serves customers across five continents through its Basic Chemistry Products ('BCP') business (soda ash, salt, sodium bicarbonate, cement and marine chemicals). The Company's global supply chain gives it

The Company manufactured and distributed approximately 1.17 million litres of sodium hypochlorite in Gujarat and approximately 0.6 million litres to Brihanmumbai Municipal Corporation, Mumbai

the unique advantage of maintaining assured supply and efficient service at competitive prices.

The Company has a soda ash capacity of 4.1 million tonnes. More than two-thirds of this is natural soda ash-based, located in Green River Basin, Wyoming, USA, where world's largest deposits of Trona occur and Lake Magadi in Kenya. In addition to having lower manufacturing costs, natural soda ash has lower energy and environmental footprint. Synthetic soda ash and sodium bicarbonate are manufactured at Mithapur, India and Northwich, UK to cater to their respective domestic and export markets. This process uses raw salt/brine (saltwater) and limestone as key raw materials.

i. Soda Ash

As a result of the pandemic, world demand in CY 2020 fell by 5.4%, equivalent to a loss of 3.3 million Metric Tonnes ('MT') over CY 2019. World operating rates outside China averaged 75% this year, down from 85% in CY 2019. Trade shrunk from a total of 16.6 million MT in CY 2019 to 15 million MT due to Covid-19 and its impact on demand and supply chains. A large portion of the demand decline was accounted for by a reduction in consumption of flat glass, the largest application segment for soda ash across key markets of Europe, North America and South-East Asia ('SEA').

Global soda ash prices declined with demand slowdown and supply overhang and recovered slowly as demand began to recover led by China. In other regions, pricing recovery was delayed and more modest as incumbents pushed to sell out available volumes.

Demand in India was severely affected in the first few months of the lockdown primarily from lower consumption from glass and chemical sectors though the detergent sector remained resilient. On the supply side, higher pipeline inventories, domestic operating rates and imports kept the market imbalanced. This coupled with lower import prices kept domestic pricing under pressure for a major part of the year. The demand, however, continued to recover sequentially across all application sectors and by year-end had reached close to normalcy.

ii. Sodium Bicarbonate

Sodium bicarbonate is a versatile product with a wide range of applications, including food, food additives, animal feed, pharmaceuticals, dyes, textiles and air pollution control. The Company believes that given its wide range of current and emerging new applications, sodium bicarbonate will sustain consistent growth along with offering significant value addition potential in the future. The Company has a total annual capacity of 240 kilo tonnes per annum (KTPA) in India and the UK.

During FY 2020-21, the Sodium Bicarbonate market remained resilient despite demand contraction in the first quarter. Stable demand from Food and Feed segments coupled with industrial demand in later quarters supported growth. Supplies were largely balanced with imports reducing by 30% during the year.

iii. Salt

Being an essential food ingredient, edible salt did not experience demand challenges in India, even when Covid-19 affected demand for most of the sectors. However, in the UK market, the demand for both edible and non-edible applications was affected due to decline in leisure and hospitality sectors.

c. Specialty Products

I. Performance Materials

TCL's wide range of conventional silica and HDS products allows it to participate in markets poised for growth driven by a push for sustainability across application sectors. While FY 2020-21 witnessed some short-term challenges in select application segments, the overall market demand growth remained healthy. The Company believes that long-term trends, like tightening automotive emission standards and an increase in electric vehicles will drive demand for high-performance, low noise and fuel-efficient green tyres, which need superior materials like HDS.

II. Nutrition Sciences

The Nutrition Sciences business of the Company under the brand Tata NQ, offers solutions for human and animal health.

Tightening automotive emission standards and an increase in electric vehicles will drive demand for high-performance, low noise and fuel-efficient green tyres, which need superior materials like HDS

The flagship product - FOSSENCE® is a prebiotic dietary fibre that promotes the growth of the gut microbiome which in turn has been known to positively impact digestive and immune health.

The Company's partnership with Indian and global academic institutions and research bodies, to further understand the gut microbiota and related health effects, is helping the Company build a leadership position in this space. It is gathering deep insights by using bio-informatics in gut microbiota, with the development of accurate Proprietary Predictive (patent applied) models of microbiome response to interventions.

The Company's expertise in fermentation technology, enabling production using the whole-cell route, is also opening up opportunities in other human nutrition segments. Strong application support, which enables close coordination with the customer on new product development projects, provides a deep understanding of a customer's requirements.

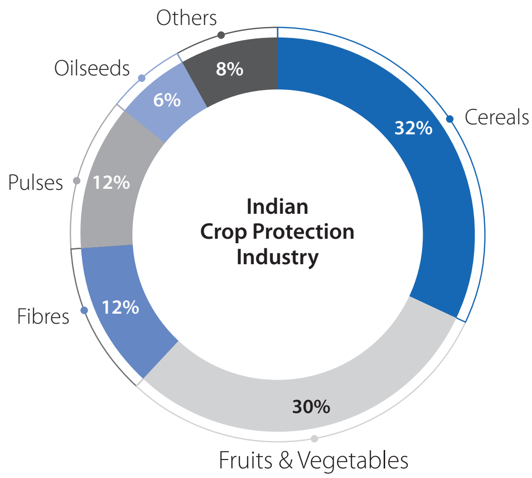
III. Agri Sciences

A World Bank research study estimated the impact of Covid-19 on agriculture as (3.04)% and (1.29)% [Output implications as % deviations from the benchmark]. The report also estimates a modest growth of the crop protection market compared to the previous year led by Asia and North America. The agriculture inputs industry is being shaped by digital solutions to bring efficiency to operations and help farmers make informed decisions, supported by big data and analytics.

i. Crop Care

The global crop protection industry is estimated to be US$ 60 billion with a Compounded Annual Growth Rate ('CAGR') of (0.9)% during FY 2015-19 depicting the recovery cycle after hitting the peak in CY 2014. Major trends shaping the agrochemicals industry are consolidation of players in crop protection space, stringent regulations and climate change. These trends are providing opportunities to develop innovative solutions for sustainable agriculture involving the biological crop protection segment, which is currently estimated at around US$ 1 billion.

Indian crop protection business is estimated to be US$ 6 billion with exports at a higher growth rate than domestic business. Insecticides is the largest segment in the domestic market and is equal to the combined share of fungicide and herbicide. Cereals and fruit & vegetables have a significant share of crop protection usage in the domestic market.



The India market size of specialty fertilisers segment is estimated to be ₹ 10,000 crore consisting of organic fertilisers, biostimulants, biofertilisers, watersoluble fertilisers, secondary and micronutrients. The segment is gaining popularity in India mainly on account of the need to balance the distorted soil nutrient ratio and the greater focus on the quality of agri-produce.

ii. Seeds

Genetically Modified seeds and conventional seeds have almost an equal share in the global seeds market which is estimated to be US$ 40 billion. Maize, Soy and Vegetables form approximately 75% of the global seeds market. Globally, the seeds industry is highly R&D intensive with nearly 15% spend of the sales revenue, but low in India due to lesser number of companies that undertake biotechnology-supported research activities. In India, the organised seeds market is estimated to be US$ 2.5 billion. Cotton supported by BG II traits is the biggest crop, followed by hybrid maize and hybrid paddy.

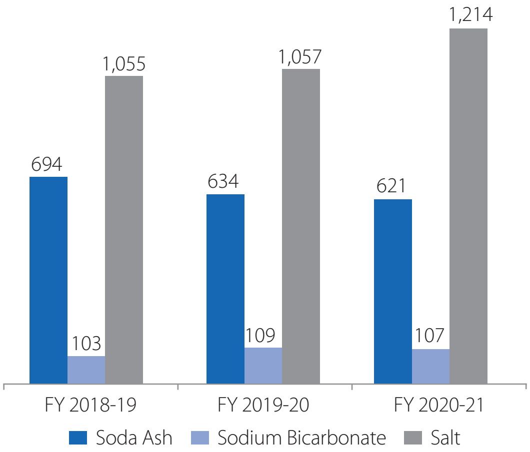
d. Entity-wise Performance

TCL India (Standalone)

i. Operations

Sales trend of Basic Chemistry Products is as follows:

TCL India- Basic Chemistry Products Sales Volume in '000 MT



TCL India's basic chemistry products business witnessed marginal compression in FY 2020-21 mainly due to the reduced demand and prices of soda ash and sodium bicarbonate amidst sequential drops in quarterly GDP growth. Proactive planning, strong customer relationships, robust processes and product configuration changes helped to withstand the downturn. Unprecedented heavy rainfall caused flooding and damage to the Company's salt works leading to washing away of raw salt and dilution of brine with a consequential increase in cost of this key raw material. However, strict cost control measures and rapid digitisation coupled with a lower cost of fuel kept the total cost of production in control.

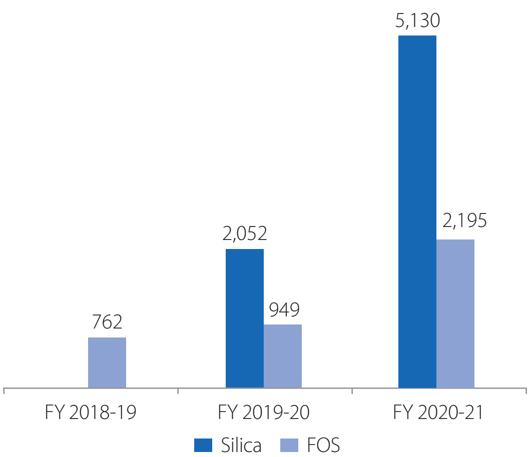
TCL India is the largest manufacturer of edible iodised salt in the country. The Company recorded the highest ever sale of salt at 12.14 lakh MT during the year, up from 10.57 lakh MT in FY 2019-20. The Company is investing to increase the salt production capacity to meet growing demand of its key customer, Tata Consumer Products Limited ('TCPL').

For sodium bicarbonate, the Company managed to sustain the sales volume despite reduced demand, however, prices during the year remained under stress. Continuing with our strategy of focussing on high value branded sodium bicarbonate sales, there were some noticeable wins. The Company's feed and food brands 'Alkakarb' and 'Sodakarb' registered 33% volume growth due to focussed efforts of market development. Its newest product, specialty pharma-grade - 'Medikarb' (India's first branded pharma-grade sodium bicarbonate) showed a volume increase of 12%.

'ChemConnect', the Company's online customer portal and mobile application, added new functionalities and dashboards for ease of customer support, engagement and navigation. Customer engagement activities such as senior leader connect, annual reward and recognition events for channel partners, town hall meetings and knowledge-sharing sessions, 'Web pe Charcha', were the hallmarks of staying connected with the partners.

Sales trend of Specialty products is as follows:

TCL India-Specialty Products Sales Volume (in MT)



TCL India is the largest manufacturer of edible iodised salt in the country. The Company recorded the highest ever sale of salt at 12.14 lakh MT during the year

Performance Materials (Silica & Highly Dispersible Silica)

FY 2019-20 marked the start of commercial production and subsequent ramp-up of sales volume that was driven by the launch of several new product grades and expansion of customer base and distribution network. The Company accelerated growth momentum in FY 2020-21 and plans to further improve volumes by broadening and deepening its customer base and delivering on supplies to the high value tyre and rubber customers.

Nutrition Sciences

The Company stabilised its operations at its newly commissioned, state-of-the-art greenfield facility in Nellore, Andhra Pradesh. All important food safety certifications like FSSAI, FSSC 22000, FAMI QS, Halal, Kosher, etc. were achieved and it was awarded a Gold rating in the IGBC green rating system for factories.

With the growth of the distribution network, the Company served customers across the globe, with encouraging response from South East Asia and North America. It was qualified by a few global accounts; few others are in the last stages of qualification and will be favourably concluded soon with this, the Company expects to increase its capacity utilisation.

ii. Financials ₹ in crore

TCL India	FY 2020-21	FY 2019-20
Revenue from operations	2,999	2,920
EBITDA	611	718
Profit before tax (PBT)	614	834
Profit after tax (PAT)	479	672

The revenue grew 3% compared to the previous year led by higher salt volumes and pricing. Profit before tax reduced by 26% compared to FY 2019-20 mainly on account of the impact of drop in sales realisation in soda ash and sodium bicarbonate impacting the profit. Other reasons for lower PAT include (a) lower income due to drop in yield on surplus investments and (b) higher depreciation on account of ongoing capex.

Subsidiaries

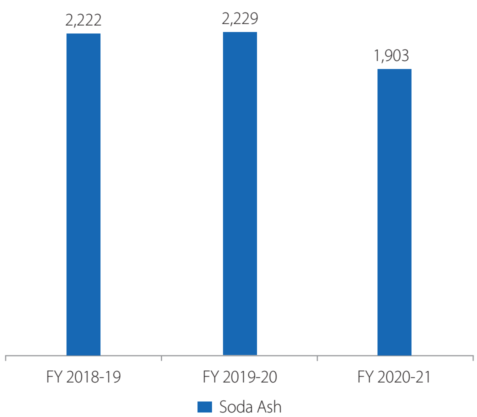
a. Basic Chemistry Products

Tata Chemicals North America Inc., USA ('TCNA')

i. Operations

Sales trend of Basic Chemistry Products is as follows:

TCNA Sales Volume in '000 MT



In FY 2020-21, the sales volumes of TCNA were lower than the previous year by approximately 15%, primarily on account of reduced demand in the majority of its export markets.

A part of the margin erosion due to this was compensated by tight control on costs in order to hold them at historical levels. This was obviated by unusual extreme freeze which led the sudden spike in gas prices from US$ 2 Dekatherm ('DTHM') to US$ 150 - US$ 175 DTHM which impacted the Company by approximately US$ 6 million.

ii. Financials ₹ in crore

TCNA	FY 2020-21	FY 2019-20
Revenue from operations	2,878	3,403
EBITDA	351	762
PBT	(170)	348
Profit after tax and non-controlling interest	(197)	212

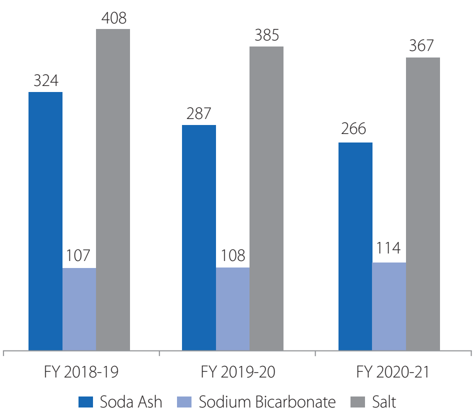
The revenue declined by 15% compared to the previous year due to lower soda ash volumes against the previous year. In particular, export market volumes and pricing were impacted. Negative PAT is led by lower operating performance coupled with one-off expenses on energy price spike and refinancing costs.

TCE Group Limited, UK ('TCE Group')

i. Operations

Sales trend of Basic Chemistry Products is as follows:

TCE Group Sales Volume in '000 MT



TCE is the leader in the UK's soda ash market. The plant operated continuously throughout the year and in line with the expectations. Prices in the market came under some pressure as new contracts were negotiated for CY 2021. Energy costs generally tightened as the year progressed. The associated energy business had a robust year, generating good income and contributing strongly to the soda ash and energy business performance.

The UK salt market volumes were down on account of the Covid-19 pandemic with leisure and hospitality closures weakening the market demand. It is expected this demand will return as the UK heads out of the Covid-19 pandemic in summer 2021. Despite some delays caused by the pandemic, the new boiler at the salt plant is now operational which will increase energy efficiency and lower carbon emissions by 10% or more.

The UK sodium bicarbonate market had a strong year both domestically and in exports with sales and production volumes hitting records during the year. FY 2021-22 will be the year that the new carbon capture plant takes centre stage in the next phase of high-grade sodium bicarbonate.

ii. Financials

₹ in crore

TCE Group	FY 2020-21	FY 2019-20
Revenue from operations	1,409	1,356
EBITDA	138	157
PBT	(39)	13
PAT	(55)	14

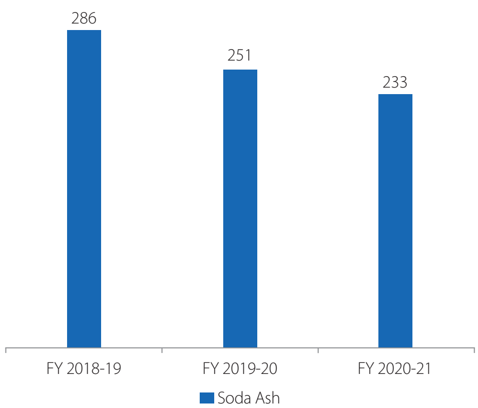
The revenue grew 4% compared to the previous year led by higher salt and sodium bicarbonate revenue along with steady soda ash revenues. PAT reduced due to higher fixed costs, higher depreciation and certain one-off tax related charges.

Tata Chemicals Magadi Limited, Kenya ('TCML')

i. Operations

Sales trend of Basic Chemistry Products is as follows:

TCML Sales Volume in '000 MT



Soda ash is the key product in TCML portfolio, mainly servicing container glass and silicate sectors in the East African domestic market and export markets in SEA and Indian subcontinent.

Sales volumes were lower primarily due to slack export demand caused by the pandemic with the corresponding decline in pricing.

A tight control on costs and especially lowering of fixed cost coupled with lower sea freight helped mitigate some of the margin pressure caused by lower volumes and prices.

ii. **Financials**

₹ in crore

TCML	FY 2020-21	FY 2019-20
Revenue from operations	413	474
EBITDA	62	49
PBT	20	1
PAT	20	1

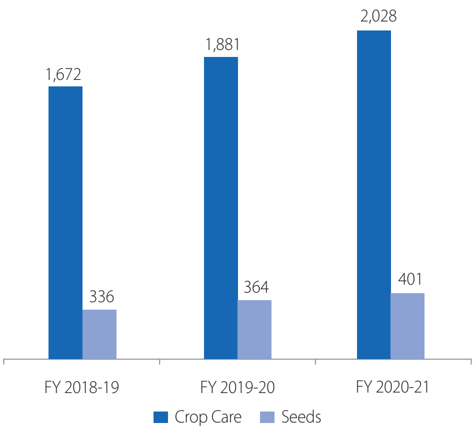
The revenue declined 13% compared to the previous year due to lower soda ash volumes and prices. However, PAT improved by ₹ 19 crore on account of tight control on fixed costs.

b. **Specialty Products**

Rallis India Limited ('Rallis')

i. **Operations:**

Rallis Revenue ₹ in crore



Note: Excluding inter-company transactions

Value growth across Domestic and International business was satisfactory. Rallis' Crop Care division registered an increase of 7.9% in revenues at ₹ 2,028 crore. While the outbreak of Covid-19 posed challenges, it led to customers having better faith in the ability of established brands to meet the requirements. This led to growth in several of Rallis' products. The Seeds division recorded a growth of 10% despite decline in cotton business. Satisfactory volume growth and better price realisation was registered in maize, millet and vegetables.

ii. **Financials**

₹ in crore

Rallis	FY 2020-21	FY 2019-20
Revenue from operations	2,424	2,248
EBITDA	325	257
PBT	303	237
PAT	229	185

Note: The figures are as per TCL's consolidated books

The revenue grew 8% compared to the previous year on account of growth in both Crop Care and Seeds division. In particular, the Domestic Formulations business performed well during the year. PAT grew 24% compared to the previous year led by higher operating margins and tight control on fixed costs.

5. Business Outlook

The Company continues to focus on driving its transformation agenda to grow businesses and products that serve customer needs along the vectors of sustainability and good health. These megatrends would drive demand growth in sectors such as food, feed and pharma and also in sustainability driven applications like solar glass, lithium carbonate, new generation of tyres and a shift from plastic to glass containers. In turn, these would continue to drive the Company's current and future investments especially in its specialty products portfolio as ingredient supplier of choice to these sectors.

Globally, soda ash demand is increasing after the dip in FY 2019-20 with spot prices beginning to move upward as a lag-effect of demand recovery. Much of this recovery has again been driven by application sectors driven by sustainability trends like solar glass, lithium carbonate and the move from plastic to glass containers. With no immediate capacity additions, operating rates have moved up to fulfil this demand. China's production will be consumed by domestic demand leading to a fall in its export. With supplies from Turkey already absorbed in Europe, North Africa, few markets in SEA and India, USA could step in to meet the global demand growth.

The Company continues to focus on driving its transformation agenda to grow businesses and products that serve customer needs along the vectors of sustainability and good health

Buoyant Indian rural demand, improving urban demand and ongoing vaccination programmes are the key positives which will play in the medium term. Although the GDP has registered growth in the third and the fourth quarter of FY 2020-21, uncertainty related to the near-term outlook has risen since April 2021, following the spate of new Covid-19 infections which have necessitated localised restrictions.

In India, recovery in soda ash demand across application sectors and an anticipated reduction in imports are likely to bring demand and supply into balance with corresponding easing of pressure on pricing. Increasing energy costs and freight costs need to be monitored as possible drags on performance, however, ongoing programmes on driving cost reductions and efficiencies are likely to yield benefits in margins.

Continuing push on growing value-added sodium bicarbonate sales into the growing food, feed and pharma sectors in line with the Company's transformation strategy and offering customers in these sectors a portfolio of products including its NQ range of prebiotics will be a focus area. This would also further ramp up capacity utilisation of the new prebiotics plant. Similarly, ongoing project to increase salt capacity in order to service long term growth in demand from the key customer, TCPL will continue. Sustainability driven trends in the rubber and tyre industry calling for incorporation of specialty grades of silica augers well for the growth of the specialty silica business in terms of customer acquisition and capacity growth.

The outlook for TCNA, USA remains positive with soda ash operating rates moving up close to normal levels driven primarily by ongoing recovery in export markets. Pricing is likely to lag demand recovery but with positive trends emerging, that would be leveraged as contracts permit. At TCNA, continuous improvement, cost reduction and sustainability in operations will remain areas of focus to drive margin improvement.

In the UK, soda ash demand, which was not significantly impacted during the pandemic, continues to remain firm. However, pricing which is primarily contractual has come under pressure from January 2021 and will persist at these levels till at least the year end. Sodium bicarbonate demand would continue to remain strong and with the commissioning of Carbon Capture and Usage (CCU) plant, as part of the Company's overall sustainability push towards net zero, the Company expects to see benefits flowing through. The salt business which was affected by the closure of the hospitality and leisure sector is likely to see normalcy return as the UK begins to ease lockdown restrictions. Both sodium bicarbonate and salt will continue as part of the overall strategy to focus on the higher value application sectors.

For TCML, Kenya, demand recovery in export markets and a consequent revival in pricing together with a focus on the domestic East African market to maximise overall price realisation through strategic market mix would be an area of focus. In addition, ensuring plant reliability and driving down costs would continue to be key result areas.

For the crop protection sector, India is projected to be a key beneficiary of the global move towards 'China plus one' sourcing strategy of companies, which is expected to provide further momentum. Industry is collaborating with the Government in building an enabling ecosystem to make India an agrochemical powerhouse. As part of its strategy, 'Repositioning Rallis for Leadership', Rallis is focussing on investment in research and development, flexible manufacturing capacities, digital initiatives to enhance internal efficiencies and further leveraging its branding power. These initiatives will help in attracting partnerships across the value chain, including contract manufacturing.

6. Risk and Opportunities

The key short to medium term risk for the Company would be a slow post-pandemic price recovery in key export markets serviced by the USA and Kenya. The Company, across units, plans aggressive cost control and cash conservation measures through prudent capital expenditure spends and disciplined working capital management to counter this phase. In addition, the focus on more resilient products and markets would moderate this impact.

In India, with increasing demand, defending the Company's market position is a prime focus area. The Company will pursue the execution of its capacity addition plans at Mithapur for key products i.e. salt, soda ash and sodium bicarbonate under 'Project Pragati'.

The Company's value-driven growth opportunity in the sodium bicarbonate space with brands in food, animal feed, pharma and specialty segments will ensure scale and consolidation. Strategic partnerships around themes of innovation and sustainability will continue to offer better customer value.

Leveraging technology with an increased focus on automation and digitisation using Industrial Internet of Things (IIoT), digital twins, data analytics and satellite imaging will help the Company make its processes more robust for customers and internal efficiencies. Multiple projects around plant and supply chain automation, customer engagement and digital imaging are being implemented.

Higher energy costs and volatility in exchange rates are significant risks to the Company's business performance. The Company continues to remain focussed on keeping fixed costs low and controlling variable costs through securitisation of the key raw materials, including fuel and limestone along with continuous improvement programmes and a dynamic hedging strategy to help mitigate the adverse impact of these risks.

TCNA will ensure the continued safety of employees, while increasing reliability and stabilisation of production through debottlenecking. Cost reduction programmes will be another focus area, specifically to reduce the maintenance, material, labour and medical benefit costs. To address the environmental non-compliance risk, TCNA will be investing in technologies to reduce greenhouse gas and other emissions. It continues to investigate alternative energy sources to coal to reduce emission and energy costs. TCNA is well prepared to address the short term export risks due to the ANSAC exit in December 2022.

Adherence to more stringent environmental and regulatory norms and sustainably improving safety performance are other key issues for the business. A focus on these initiatives including investment and resource prioritisation form a mitigation strategy to systematically address them.

In the UK, there is a significant investment pipeline of projects across the Company's business particularly in high-end product growth. Developing sales opportunities overseas for sodium bicarbonate and salt will continue to be a focus. Major threats are likely to be a form of sluggish pick up in global growth by a slow exit from the pandemic, but UK's progress on vaccinations means the domestic market should strengthen considerably.

CY 2021 will also witness the introduction of the UK Emissions Trading Scheme following the UK's exit from the European Union and at this moment, how this operates, remains to be seen.

In Kenya, the focus is largely on quality and capacity utilisation. In addition to Standard Ash Magadi (SAM), opportunities exist in Crushed Refined Soda (CRS). Utilisation of lean six sigma and lean manufacturing tools and techniques, continuous process improvement and enhanced global sourcing will help reduce costs and improve efficiency. Creating a talent pool is another focus area identified by TCML for the coming year. It is working on more engagement with local and national stakeholders and supports concerted efforts, including technical collaboration with third parties, to mitigate risks affected by increased siltation in the northern part of Lake Magadi.

For Agri Sciences, climate change can disrupt operations and/or reduce demand for products. This can lead to water shortages and decrease sales. Uncertainty in timing and severity of monsoon can impact overall business. Geographic spread of business and a wide portfolio dampens the impact of climate-related issues. Rallis is focussed on developing new products to deal with climate change issues. The Seeds R&D team of Rallis is working on hybrids that address stress conditions.

Proliferation or instability in regulatory policies may lead to adverse impact on growth and profitability and increased exposure to civil and/or criminal actions leading to damages, fines with possible consequences for corporate reputation. Our endeavour is to keep track of emerging regulations, including Environmental, Social and Governance (ESG) risks. These are analysed to assess how they can impact business and mitigation plans are put in place.

7. Financial Performance

(a) Standalone performance for the year ended March 31, 2021

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change	Remarks
Revenue from operations	2,999	2,920	79	3	**Basic Chemistry Products:** Lower volumes of soda ash and lower realisation was compensated by higher volumes of salt. Revenue from sale of new cement variant contributed to higher revenue for the Company. **Specialty Products:** Due to increase in volume of products related to Nutrition Sciences and Silica.
Other income	219	309	(90)	(29)	Other income has decreased mainly on account of lower interest on investments and lower dividend income from non-current investments.
Cost of materials consumed	600	542	58	11	Cost of materials is higher due to higher input costs of raw materials and higher salt volumes.
Purchases of stock-in-trade	153	94	59	63	Purchases of stock-in-trade increased mainly on account of higher demand for Basic Chemistry Products and Nutrition Science related business.
Power & fuel	489	555	(66)	(12)	The decrease in power and fuel cost is mainly on account of decrease in price of coal and other variants.
Employee benefit expenses	250	250	-	-	Employee costs have remained constant and no change compared to FY 2019-20.
Freight and forwarding charges	423	390	33	8	Freight and forwarding charges have increased majorly due to higher sales volumes of salt, nutrition business and silica products.
Finance cost	19	43	(24)	(56)	Finance costs decreased due to repayment of External Commercial Borrowings (ECB) and Non-Convertible Debentures (NCD) in FY 2019-20.

(b) Standalone Balance Sheet Analysis

i. Investments

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Investments in equity instruments in subsidiaries	3,606	3,606	-	-
Investment in joint venture	336	336	-	-
Investment in preference shares in subsidiaries	815	815	-	-
Investment in other companies	3,147	1,904	1,243	65
Investments in NCDs	150	-	150	100
Investment in mutual funds	1,282	1,301	(19)	(1)
Total	**9,336**	**7,962**	**1,374**	**17**

Increase in the value of investments in other companies is mainly due to changes in fair value of investments.

ii. Inventories

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Inventories	522	701	(179)	(26)

Inventories are lower primarily due to tighter control on working capital.

iii. Trade Receivables

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Trade Receivables	145	140	5	4

There is no significant change during the year.

iv. Loans, other financial assets, advance tax assets (net) and other assets

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Loans	1	1	-	-
Other financial assets	119	138	(19)	(14)
Advance tax assets (net)	575	589	(14)	(2)
Other assets	415	328	87	27
Total	**1,110**	**1,056**	**54**	**5**

Decrease in other financial assets is mainly due to realisation of subsidy receivable and lower exposure on derivatives. Increase in Other assets is mainly due to higher advances given for capital goods procurement.

v. Cash & Cash Equivalent (net)

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Cash and cash equivalent (including Bank balances)	685	880	(195)	(22)
Borrowings				
Non-current borrowings	(5)	(10)	5	50
Current maturities of non-current borrowings and finance lease obligations	(4)	(4)	-	-
Total Borrowings	**(9)**	**(14)**	**5**	**36**
Cash and cash equivalent (Net)	**676**	**866**	**(190)**	**(22)**

Borrowings decreased mainly due to repayment of lease liabilities and cash and cash equivalent have been used in investing and financing activities.

vi. Trade payables, Other financial liabilities, other liabilities, provisions, current tax liabilities (net) and deferred tax liabilities (net)

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Trade payables	482	575	(93)	(16)
Other financial liabilities	170	187	(17)	(9)
Other liabilities	58	57	1	2
Provisions	356	363	(7)	(2)
Current tax liabilities (net)	135	166	(31)	(19)
Deferred tax liabilities (net)	202	60	142	237
Total	**1,403**	**1,408**	**(5)**	**-**

Increase in deferred tax liabilities (net) is mainly due to increase in fair value of non-current investments. Decrease in trade payable is mainly due to regular payment as per terms of the business.

(c) Standalone Cash flow analysis

₹ in crore

Particulars	FY 2020-21	FY 2019-20
Cash from operating activities	672	427
Cash from investing activities	(403)	(293)
Cash from financing activities	(291)	(1,101)

Net cash flow from operating activities: Higher operating cash flows in FY 2020-21 as against FY 2019-20 is mainly on account of favourable change in working capital despite lower operating income.

Net cash flow from investing activities: Higher investing cash outflows in FY 2020-21 as against FY 2019-20 is mainly on account of purchase of property, plant and equipment (including capital work-in-progress) and on account of purchase of non-current investments.

Net cash flow from financing activities: Higher cash outflow in FY 2019-20 was mainly on account of repayment of borrowings.

(d) Details of significant changes in key Standalone Financial ratios:

1. **Interest coverage ratio** of the Company has improved to 33.8 times (FY 2019-20: 20.2 times) due to lower finance cost on account of repayment of borrowings during the previous year.

2. **Net Profit Margin (%)** of the Company has reduced to 16% (FY 2019-20: 23%) due to lower price realisation, lower other income, higher depreciation and amortisation expense and higher cost of goods sold.

3. **Return on Net Worth (%)** of the Company has reduced to 4% (FY 2019-20: 6%) due to lower price realisation, lower other income, higher depreciation and amortisation expense and higher cost of goods sold.

(e) Consolidated performance for the year ended March 31, 2021

i. Revenue from operations

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Tata Chemicals Limited, India ('TCL')	2,999	2,920	79	3
TCE Group Limited, UK - consolidated ('TCE Group')	1,409	1,356	53	4
Tata Chemicals Magadi Limited, Kenya ('TCML')	413	474	(61)	(13)
Tata Chemicals North America Inc., USA - consolidated ('TCNA')	2,878	3,403	(525)	(15)
Rallis India Limited, India ('Rallis')	2,424	2,248	176	8
Others and Eliminations	77	(44)	121	275
Total	**10,200**	**10,357**	**(157)**	**(2)**

a. Basic Chemistry Products: Lower volumes of soda ash from TCNA and TCML and higher volumes of salt in India, higher revenues across products in TCE Group.

b. Specialty Products: Higher volumes at Rallis.

ii. Cost of materials consumed

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
TCL	600	542	58	11
TCE Group	174	181	(7)	(4)
Rallis	1,329	1,217	112	9
Others and Eliminations	(22)	(96)	74	77
Total	**2,081**	**1,844**	**237**	**13**

Cost of Materials consumed increased primarily at Rallis due to higher volumes and price mix. In case of TCNA and TCML, raw materials are primarily mined and do not involve external purchases and hence not reflected in cost of materials consumed.

iii. Purchases of stock-in-trade

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
TCL	153	94	59	63
TCE Group	1	22	(21)	(95)
TCNA	22	20	2	10
Rallis	137	141	(4)	(3)
Others and Eliminations	10	(25)	35	140
Total	**323**	**252**	**71**	**28**

Higher purchase of stock in trade is due to higher volumes in Nutrition Science business and soda ash imports in India.

iv. Power and fuel

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
TCL	489	555	(66)	(12)
TCE Group	459	415	44	11
TCML	94	98	(4)	(4)
TCNA	341	324	17	5
Rallis	54	58	(4)	(7)
Total	**1,437**	**1,450**	**(13)**	**(1)**

Lower costs in TCL and TCML offset by increase in TCE Group and TCNA.

v. Employee benefit expenses

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
TCL	250	250	-	-
TCE Group	193	183	10	5
TCML	80	88	(8)	(9)
TCNA	654	646	8	1
Rallis	216	198	18	9
Others	7	10	(3)	(30)
Total	**1,400**	**1,375**	**25**	**2**

Employee costs have remained largely constant and no major change compared to FY 2019-20.

vi. Freight and forwarding charges

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
TCL	423	390	33	8
TCE Group	140	128	12	9
TCML	76	90	(14)	(16)
TCNA	727	856	(129)	(15)
Rallis	86	78	8	10
Others	5	9	(4)	(44)
Total	**1,457**	**1,551**	**(94)**	**(6)**

Freight and forwarding charges have decreased primarily due to lower volumes in TCNA and TCML offset by higher salt volumes in TCL and TCE Group.

vii. Finance costs

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
TCL	19	43	(24)	(56)
TCE Group	55	53	2	4
TCML	17	22	(5)	(23)
TCNA	201	131	70	53
Rallis	5	6	(1)	(17)
Others and Eliminations	70	87	(17)	(20)
Total	**367**	**342**	**25**	**7**

Higher interest costs on account of increase in TCNA and TCE Group mainly on account of one time refinance cost, partly offset by lower interest cost in TCL due to repayment of ECB and NCD in the previous year.

viii. Other expenses

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
TCL	461	447	14	3
TCE Group	321	289	32	11
TCML	119	151	(32)	(21)
TCNA	719	808	(89)	(11)
Rallis	347	329	18	5
Others and Eliminations	41	38	3	8
Total	**2,008**	**2,062**	**(54)**	**(3)**

Other expenses represent the following

₹ in crore

Particulars	FY 2020-21	FY 2019-20	Change	% Change
Stores and spares consumed	279	258	21	8
Packing materials consumed	227	196	31	16
Repairs	421	445	(24)	(5)
Rent	52	59	(7)	(12)
Royalty, rates and taxes	283	340	(57)	(17)
Distributor's service charges and sales promotion	84	91	(7)	(8)
Others*	662	673	(11)	(2)
Total	**2,008**	**2,062**	**(54)**	**(3)**

*Others include insurance charges, Distributor's service charges, professional fees, foreign exchange loss, travelling expense, provision for doubtful debts and advances, directors' fees/commission, subcontracting cost, outsourcing cost and other expenses.

(f) Details of significant changes in key Consolidated Financial ratios:

1. **Interest coverage ratio** of the group has been reduced to 2.7 times (FY 2019-20: 4.7 times) due to lower-earning during the current year compared to the previous year.

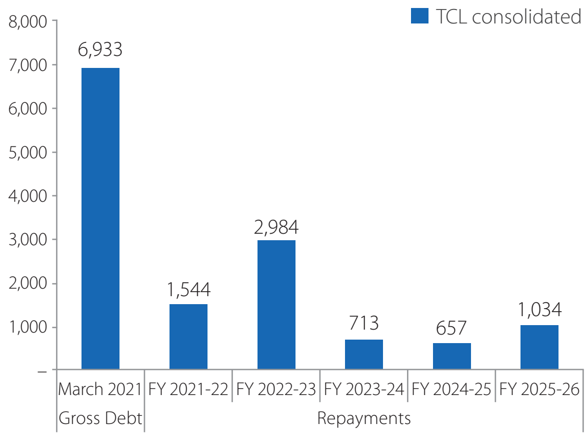
2. **Current ratio of the group** has been improved to 1.5 times (FY 2019-20: 1.1 times) mainly due to refinancing of loan which has moved from current to non-current in FY 2020-21.

3. **Net Profit Margin (%)** of the Company has reduced to 4.3% (FY 2019-20: 9.9%) due to higher cost of goods sold, lower other income, higher depreciation and amortisation expense.

4. **Return on Net Worth (%)** of the Company has reduced to 3.0% (FY 2019-20: 7.1%) due to higher cost of goods sold, lower other income, higher depreciation and amortisation expense.

(g) Total Debt and Amortisation Schedule

Repayment schedule of existing debt ₹ in crore



Notes:

1. Gross debt of ₹ 6,933 crore includes ₹ 278 crore of working capital loans/current borrowings.

2. The repayment schedule for term loans has been prepared considering the existing repayment terms. Some of these loans/facilities may be refinanced, in full or in part, from time to time in future depending on the requirement and the business plans. Non-current portion of finance leases has been included in FY 2022-23 repayment.

3. The repayments falling due after FY 2025-26 aggregate to ₹ 1 crore.

8. Innovation and Technology

Innovation Centre

The Innovation Centre ('IC') at Pune is the Company's science and technology hub for seeding new businesses and accelerating the Company's businesses. IC supports the Company's businesses by providing cutting-edge technology solutions and a customer-centric, multi-disciplinary problem-solving approach for sustainable differentiation. The Company has filed a total of 129 patents, out of which 45 have been granted till date. In FY 2020-21, IC published 4 research papers in international peer-reviewed journals.

During the year, IC significantly supported Nutrition Sciences division by building expertise in fermentation technology for the prebiotics. Its Performance Materials division developed customised grades of Silica for rubber and garment applications. The Company won the prestigious CSIR Diamond Jubilee Technology Award 2019 for technological innovation in prebiotics and the ICC Acharya P. C. Ray Award for Development of Indigenous Technology under Performance Materials division. The Company was recognised amongst India's top 25 Most Innovative Companies in 2020 by CII for the second time in a row.

9. Digitalisation and Information Technology

The Company is on the Industry 4.0 journey where businesses are increasingly adopting digital technologies. It has realigned its internal teams, re-baselined the IT Strategy and Digital Transformation roadmap with an enterprise focus. The IT and Digital function has played a major role in tackling the challenges of Covid-19. It enabled secure and productive work from home options for employees, provided seamless remote operations of key systems and transactions, provided market intelligence and sales dashboards.

The Company embarked on many transformational initiatives such as Transportation Management System (TMS) for Mithapur and Rallis' Crop Care and Seeds division, HRMS and payroll on a new modern platform for the Company, Laboratory Information Management System (LIMS) for IC Pune (R&D), Rallis QA Labs and RICH, SAP Implementation for Rallis' Seeds division, Sales Force Automation and Dealer Management System implementation for Rallis, Rebate Management System automation.

Various advanced analytics initiatives are being leveraged for improved insight and productivity gains such as the Drishti platform for monitoring over 6,000 acres of Seed production, remote sensing technology for salt pans to remotely handle operations and predict salt production, Market Intelligence Dashboard – Sales and Marketing, Covid-19 impact analysis dashboard, Global Safety Analytics project on text mining and pattern recognition, Hybrid Advance Trails analytics for Seeds division.

IIoT was utilised in the implementation of Boiler efficiency and Carbonation Tower applications with further applications being developed. Steps have been taken towards implementing a common Enterprise Resource Planning (ERP) system across all Group companies, including Customer Relationship Management (CRM) and Distributor Management System (DMS) modules in the Basic Chemistry business.

Information security is a critical function and TCL continually strengthens it through the implementation of relevant solutions, processes and training employees. The Company has signed up a competitive third party to manage, monitor and improve the overall cyber-security posture of the organisation. It is also focussing on strengthening its core IT for availability, reliability, security of the information assets and optimising the costs in the current economic situation.

10. Human Resources

FY 2020-21 started as the Company was completing post-closing activities related to the exit of the Consumer Products business. Safety of employees, contract/migrant labour, their families and the community around us, medical care and supply of essentials were some of the immediate concerns of the Company. A slew of initiatives such as work-from-home, workplace protocols at factories, advisories educating employees, regular team meets, remote mentoring, adoption of digital processes and online capability building was launched to keep employees engaged and productive.

The Company won the prestigious CSIR Diamond Jubilee Technology Award 2019 for technological innovation in prebiotics and the ICC Acharya P. C. Ray Award for Development of Indigenous Technology under Performance Materials division

In line with its commitment to increase diversity in the workforce, the Company has increased the hiring of women across its plants at Cuddalore, Tamil Nadu, Mambattu, Andhra Pradesh and Mithapur, Gujarat. The new batch of Graduate Engineer Trainees (GETs) that was absorbed during the year on completion of their training stint had the largest proportion of women engineers ever in any batch so far.

Covid-19 has not only reinforced the importance of up-skilling and reskilling, but it has also accelerated the adoption of digital learning solutions to make this happen. Plants continued their functional capability programmes supplemented with the centrally-run virtual training on POSH, ABAC, Ethics, D&I, etc. The pandemic reprioritised the drivers of employee engagement in FY 2020-21. Employee well-being, employee connect & communication attained high importance. Frequent communication by leaders and team meetings, advisories and policy/process changes were in place to overcome the operational issues.

In July 2020, the Company launched 'We Care', an umbrella of wellness programmes providing psychological, physical, emotional and financial wellness to help employees cope with these stressful times. The well-being of every employee was monitored with assistance provided as necessary. At Mithapur, the Workmen Union provided support and worked closely with the Management in implementing steps necessary to combat the virus and help deploy control and relief measures on the ground.

Its digital transformation journey continues under the OTON (One Tata One Network) program as a part of its migration to a new cloud-based portal to be completed in CY 2021. The migration will increase the efficiency of the people processes that are being designed keeping the needs and aspirations of our emerging multigenerational workforce in mind.

The details of number of employees as on March 31, 2021 are given on page no. 41 of this Integrated Annual Report.

11. Safety and Health

Driven by 'Target Zero Harm' – Zero Harm to People, Zero Harm to Asset and Zero Harm to Environment – Health and Safety, forms one of the core values at the Company. There is an unwavering commitment to the continuous improvement of the organisation's safety performance.

The Company is committed to continuously employing world-class Safety, Health and Environment ('SHE') practices through benchmarking with the companies that are best in the business. The Company has a Board level Safety, Health, Environment and Sustainability ('SHES') Committee, chaired by a Non-Executive Director. This Committee provides valuable direction and guidance to the Management to ensure that Safety and Sustainability implications are duly addressed in all-new strategic initiatives, budgets, audit actions and improvement plans.

The Company's Corporate SHE policy is the overarching policy, with the subsidiaries fine-tuning it to align with the local regulatory and safety directorates, as per their location and legal jurisdiction. To ensure steady improvement in the SHE performance, the Company is adopting voluntary standards such as Process Safety and Risk Management (PSRM), ISO 45001, Responsible Care and the British Safety Council guidelines. The Company's commitment towards its safety management programmes follows a top-down approach, with the senior management persistently working towards establishing, demonstrating, sustaining and improving the safety culture and incorporating the Company's core value of safety in their daily responsibilities. The employees are specially trained to tackle any potential hazards that may arise in the course of their work. Additionally, tailored periodic medical check-ups are administered to the Company's employees, based on the risk profile of their work area, to identify risks to human health. Adequate medical facilities are present at all manufacturing sites and specialised medical facilities are provided through tie-ups with other hospitals, nursing homes, etc.

The Progressive Safety Index ('PSI') was launched in FY 2020-21 to provide a renewed focus on health and safety performance by tracking a group of identified lead indicators. It is designed to help in the sustenance of the identified strategies, initiatives and processes to control safety risks and overall performance. The elements of PSI have been selected through prevalent legislative requirements of the respective locations as well as the world-class frameworks for Safety Management Systems like ISO 45001, HSG 65, etc.

In July 2020, the Company launched 'We Care', an umbrella of wellness programmes providing psychological, physical, emotional and financial wellness to help employees cope with these stressful times

To assist individual units, the Company is working on digitisation and data analytics to forecast key vulnerable areas. Over the past 11 years, the Company has reduced its Recordable Injury Frequency rate by 69%. In supply chain safety, the Company's safety requirements are communicated to third parties. Periodic audits are conducted and the Company is handholding the third parties to improve their safety practices and align their performance to the Company's Target Zero Harm.

At Rallis, a culture of safety is encouraged across hierarchies by promoting behaviour-based safety, process safety and road safety as key focus areas among its workforce. To further strengthen Process Safety Management, a gap assessment has been carried out at three technical manufacturing units last year. With the help of an external competent agency, PSRM implementation started at the Dahej unit. To enhance electrical safety, different electrical studies were done by an agency in all four units. Work Safe Online (WSO), the e-portal, has also been implemented to record safety performance and take action on deviations. Rallis is taking various measures to further strengthen its process safety through enhancing automation in chemical processes and unit operations. All units re-emphasised on daily behaviour safety observation rounds with 100% coverage and associate employees.

12. Sustainability

At the Company, sustainability is aligned with the UN Sustainable Development Goals. It works towards 'inclusive growth' to achieve a robust triple bottom line encompassing economic, social and environmental aspects.

Aligned to the Tata Group's Sustainability Policy, the Company's sustainability policy encompasses actions towards responsible manufacturing, supporting climate change mitigation and adaptation, circular economy, biodiversity conservation and being a neighbour of choice for its key communities. It has adopted an innovative business approach to balance social, environmental and economic gain by embedding sustainability in the respective businesses' strategy. Key sustainability indicators monitored by the Company regularly include the internally developed tools - Responsible Manufacturing Index (RMI) and the Sustainability Assessment Framework (SAF).

Efficient energy and waste management, zero groundwater withdrawal for plant operations, emphasis on recycling of water, recyclable packaging, commitment towards Extended Producer's Responsibility (EPR), plastic waste consumption in cement kiln as a fuel, reuse/recycling of solid waste, 100% fly ash utilisation, solid waste filtration, use of soda ash solids to minimise solid waste, watershed, natural capital, waste composting, biodiversity conservation measures, drinking water for the community are some of the sustainability measures that are followed.

TCL uses frameworks such as ISO 14001, OHSAS 18001, Global Reporting Initiative ('GRI'), Carbon Disclosure Project ('CDP'), International Integrated Reporting Council ('IIRC'), United Nations Global Compact ('UNGC'), SBTi, India Business & Biodiversity Initiative (IBBI) reporting, etc. to share its performance with stakeholders. This allows the Company to get feedback from the stakeholders and engage with the key customers under supply chain programmes.

Integrated Report

The Company has adopted IIRC framework to establish integrated reporting within the mainstream business. In accordance with the IIRC Framework, the Company has included an Integrated Report <IR> as part of this Annual Report. The <IR> seeks to provide a concise and integrated account of how the Company's Strategy, Governance, Performance and Prospects are delivering on its core purpose – being a global company. The <IR> encompasses all key non-financial performance indicators which are material to the Company as per GRI, UNGC and CDP. It plays a crucial role in establishing the linkages between environmental and social sustainability as well as the financial growth of the organisation. The <IR> contains assured sustainability data for FY 2020-21 for entities across the enterprise. All additional information from all geographies, not covered under the <IR>, will also be available in the public domain shortly and can be viewed in the Sustainability section of the Company's website at www.tatachemicals.com.

13. Business Excellence

The Company remains committed to continually raising the bar on performance in all aspects of its business. The Tata Business Excellence Model ('TBEM') serves as a pivotal framework that allows the Company to gain insights into its performance and establish continuous improvement initiatives for attaining superior business results and maximising satisfaction and value to the customers. The TBEM framework comprises six core areas of business excellence: Leadership, Strategic Planning, Customer Focus, Analysis and Knowledge Management, Workforce Focus and Process Management. For the Company, a global organisation that has its manufacturing operations spread across four continents, with diverse business segments and employees from different cultures, TBEM serves as a platform to establish a common standard of excellence. The Company participated in the Tata Group level TBEM assessments in 2019, which provided valuable inputs into the strengths and areas of focus for the Company. This helps the Company to strengthen the culture of excellence and progress towards becoming a world-class organisation.

14. Internal Controls

The Company has an independent Internal Audit function with a well-established risk management framework. The scope and authority of the Internal Audit function are derived from the Internal Audit Charter approved by the Audit Committee. The Company has engaged a reputable external firm to support the Internal Audit function for carrying out the Internal Audit reviews.

Reviews are conducted on an ongoing basis, based on a comprehensive risk-based audit plan, which is approved by the Audit Committee at the beginning of each year. Considering the Covid-19 challenges, the internal audit plan was refreshed to cover and focus on emerging risks in the area of cyber security, business continuity, stress testing of processes prone to fraud, etc. Considering the new normal, the reviews were conducted remotely leveraging on technology.

The Audit Committee meets every quarter to review and discuss the various Internal Audit reports and follow up action plans of past significant audit issues and compliance with the audit plan. The Chairperson of the Audit Committee has periodic one-on-one meetings with the Internal Auditor & Controller – Risk to discuss any key concerns.

15. Risk Management Framework

The following section discusses various dimensions of the Company's ERM system. The risk-related information outlined in this section is not exhaustive and is for information purposes only. The discussion may contain statements that may be forward-looking in nature.

The Company's business model is subject to uncertainties that may cause actual results to differ materially from those reflected in any forward-looking statements.

Overview

The Company has a well-defined Enterprise Risk Management ('ERM') framework in place. The ERM framework has matured over several years. It is founded on sound organisation design principles and is enabled by an effective review mechanism.

Risks are identified proactively considering a balanced 'bottom-up' and 'top-down' approach considering inputs from exogenous as well as internal factors. Risk mitigation plans are devised to mitigate the identified risks. Mitigation plans with identified owners are set against target dates and the progress of mitigation actions are monitored and reviewed.

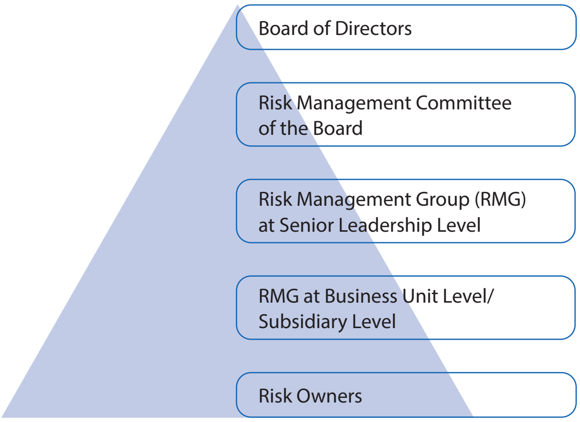
The ERM process framework is based on international standards including ISO 31000 and the Committee of Sponsoring Organisations of the Treadway Commission, with inputs drawn from the best practices of leading companies across industries but tailored to suit the Company's business needs. Risk Management and Internal Audit functions complement each other at the Company. The Company developed a resilient and adaptive Risk Management strategy to address the unprecedented Covid-19 scenario.

Risk Management: Governance Structure

The Company has constituted a robust governance structure consisting of 5 levels thereby ensuring both bottom-up and top-down approaches.

It constituted the Risk Management Committee ('RMC') to oversee the risk efforts in the Company. The RMC meets quarterly to review key risks and assess the status of mitigation measures. The Company's approach to risk management is designed to provide reasonable assurance that its assets are safeguarded; the risks facing the business are being assessed and mitigated.

The risk management framework is described below:



The key roles and responsibilities regarding risk management in the Company are summarised as follows:

1. Board of Directors
Reviewing and guiding risk policy of the Company
Ensuring the integrity of the systems for risk management

2. Risk Management Committee of the Board
Overseeing the Company's risk management process and controls
Setting strategic plans and objectives for risk management, risk philosophy and risk minimisation
Reviewing compliance with policies implemented by the Company
Reviewing risk assessment of the Company periodically and exercising oversight of various risks including Strategic Risk, Operational Risk, Financial Risk, Regulatory Risk, Cyber Security Risk, etc.
Oversight of the Company's risk tolerance and risk appetite
Report and update to the Board periodically on various matters it has considered
Reviewing and analysing risk exposure related to specific issues, concentrations and limit excesses and provide oversight of risk across the organisation

3. Risk Management Group at Senior Leadership Level
Identification and review of enterprise risks from time to time, initiating mitigation actions, identifying owners and reviewing progress
Identification and review of risk appetite and risk trigger (at Enterprise Level)
Implementation of Risk reduction strategies
Formulating and deploying Risk Management Policy
Deploying practices for identification, assessment, monitoring, mitigation and reporting of risks
Providing updates to RMC from time to time on the enterprise risks and actions taken

4. Risk Management Group at Business Unit (BU) Level/ Subsidiary Level
Reviewing respective BU/Subsidiary risks from time to time, initiating mitigation actions, identifying owners and reviewing progress
Identification and review of risk appetite and risk trigger (at BU/Subsidiary Level)
Implementation of risk reduction strategies
Deploying Risk Management Policy
Deploying practices for identification, assessment, monitoring, mitigation and reporting of risks
Providing updates to RMG and RMC level from time to time on the respective SBU risks and actions taken

5. Risk Owners
Responsible for developing and acting on the risk mitigation plan
Providing periodic updates to RMC on risks with the mitigation plan

Risk Categories

The following categories of risks have been considered in the Risk Management Framework:

- **Strategic Risks** includes the range of external events and trends (like Government policy) that can adversely impact the Company's strategic growth trajectory and destroy stakeholder value. It also includes the risks arising out of the choices the Company has made in defining its strategy.

- **Reputational Risks** includes a range of events that creates a mismatch between stakeholders' expectations and their perceptions of the Company's performance around those expectations.

- **Operational Risks** are those risks that are associated with operational uncertainties including failure in critical equipment, attrition, loss of data from cyber-attacks, etc.
- **Regulatory and Compliance Risks** are risks on account of inadequate compliance of regulations, contractual obligations and intellectual property violations leading to litigation and loss of reputation.
- **Financial Risks** are risks faced by the organisation in terms of internal systems, planning and reporting.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the objectives, projections, estimates and expectations of the Company, its direct and indirect subsidiaries and its associates, may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply, price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

Corporate Governance Report

> *In a free enterprise, the community is not just another stakeholder in business, but is in fact the very purpose of its existence*
>
> **- Jamsetji Tata**

1. Company's Philosophy on Corporate Governance

The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. The Company is committed to the Tata Code of Conduct ('TCoC') which articulates values and ideals that guide and govern the conduct of the Tata companies as well as its employees in all matters relating to business. The Company's overall governance framework, systems and processes reflect and support its Mission, Vision and Values.

The Company's philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has adopted a Code of Conduct for its employees, Executive Directors as well as for its Non-Executive Directors including Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act'). The Company's governance guidelines cover aspects mainly relating to composition and role of the Board, Chairman and Directors, Board diversity and Committees of the Board.

The Company's Corporate Governance philosophy has been further strengthened through the Tata Business Excellence Model, the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices and adoption of Anti-Bribery & Anti-Corruption and Anti-Money Laundering Policies.

The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with Para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as applicable with regard to Corporate Governance.

2. Board of Directors

Composition of the Board

The Company has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Company has an optimum combination of Executive and Non-Executive Directors which is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act. The Board periodically evaluates the need for change in its composition and size.

In terms of Regulation 17 of the SEBI Listing Regulations, at least 50% of the Board should comprise Non-Executive Independent Directors with at least one Woman Director. Out of total 9 Directors as on March 31, 2021, the Non-Executive Independent Directors constitute 55.56% of the Board. The Company has 2 Women Directors on the Board as on the said date who are holding their office as Non-Executive Independent Directors.

Detailed profile of the Directors is available on the Company's website at https://www.tatachemicals.com/DirectorsProfile.htm.

The Board met nine (9) times during FY 2020-21 on the following dates:

- April 30, 2020
- May 15, 2020
- July 31, 2020
- September 18, 2020
- October 1, 2020
- October 29, 2020
- January 28, 2021
- February 26, 2021
- March 23, 2021

The gap between two Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

Category and Attendance of Directors:

The category of Directors, attendance at Board Meetings held during the financial year under review, the number of Directorships and Committee Chairpersonships/Memberships held by them in other public limited companies and Directorships held by them in other listed entities as on March 31, 2021 are as follows:

Sr. No.	Name of the Director	No. of Board Meetings attended during the year	Number of directorships in other public limited companies*		Number of committee positions held in other public limited companies**		Directorship in other listed entities (including debt listed)	
			Chairperson	Member	Chairperson	Member	Name of the listed entity	Category of Directorship
Non-Executive Non-Independent Directors								
1.	Mr. N. Chandrasekaran – Chairman@ (DIN: 00121863)	3	6	-	-	-	Tata Motors Limited	NE-NID
							Tata Steel Limited	NE-NID
							The Tata Power Company Limited	NE-NID
							The Indian Hotels Company Limited	NE-NID
							Tata Consumer Products Limited	NE-NID
							Tata Consultancy Services Limited	NE-NID
2.	Mr. Bhaskar Bhat# (DIN: 00148778)	6	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Mr. S. Padmanabhan (DIN: 00306299)	9	-	2	-	-	-	-
Non-Executive Independent Directors								
4.	Ms. Vibha Paul Rishi (DIN: 05180796)	9	-	7	1	5	Asian Paints Limited	ID
							The Indian Hotels Company Limited	ID
							Escorts Limited	ID
							ICICI Prudential Life Insurance Company Limited	ID
5.	Ms. Padmini Khare Kaicker (DIN: 00296388)	9	-	4	4	-	Tata Cleantech Capital Limited^	ID
							Rallis India Limited	ID
							Kotak Mahindra Investments Limited^	ID
							J B Chemicals and Pharmaceuticals Limited	ID
6.	Dr. C. V. Natraj (DIN: 07132764)	9	-	1	-	1	Rallis India Limited	ID
7.	Mr. K. B. S. Anand (DIN: 03518282)	9	-	3	1	-	Marico Limited	ID
							Borosil Limited	ID
							Lupin Limited	ID
8.	Mr. Rajiv Dube& (DIN: 00021796)	5	-	2	-	1	Tata International Limited^	ID
							Tata Investment Corporation Limited	ID
Executive Directors								
9.	Mr. R. Mukundan – MD & CEO (DIN: 00778253)	9	-	2	-	2	Rallis India Limited	NE-NID
							Tata International Limited^	NE-NID
10.	Mr. Zarir Langrana – ED (DIN: 06362438)	9	-	-	-	-	-	-

MD & CEO – Managing Director & Chief Executive Officer; ED – Executive Director; NE-NID – Non-Executive Non-Independent Director; ID – Independent Director

**Excludes directorships in private limited companies, foreign companies, companies registered under Section 8 of the Act, Government Bodies and Alternate Directorships*

***Represents Chairpersonships/Memberships of Audit and Stakeholders Relationship Committees in all public limited companies as required under Regulation 26(1)(b) of the SEBI Listing Regulations*

@Appointed as an Additional, Non-Executive Non-Independent Director and Chairman of the Board w.e.f. November 24, 2020

#Resigned as a Non-Executive Non-Independent Director w.e.f. November 24, 2020. Mr. Bhat was elected to chair each of the Meetings of the Board held till the date of his resignation

&Appointed as an Additional, Non-Executive Independent Director of the Company w.e.f. September 18, 2020

^Debt listed company

The Eighty-First (81st) Annual General Meeting ('e-AGM') of the Company for the Financial Year ('FY') 2019-20 was held on July 7, 2020 through video conferencing ('VC') / other audio visual means ('OAVM') in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI'). All the Directors of the Company were present at the 81st AGM.

Shareholding of Directors as on March 31, 2021:

Name of Director	Category	No. of Ordinary Shares
Mr. N. Chandrasekaran	NED	1,00,000
Dr. C. V. Natraj	ID	209
Mr. R. Mukundan	MD & CEO	500
Mr. Zarir Langrana	ED	3,666*

NED - Non-Executive Director; ID - Independent Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

*includes shares jointly held with relative

Apart from the above, no Director holds any shares in the Company. The Company has not issued any convertible instruments.

None of the Directors of the Company is related to each other and there are no *inter se* relationships between the Directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

None of the Directors hold office in more than 10 public limited companies as prescribed under Section 165(1) of the Act. No Director holds directorships in more than 7 listed companies. None of the Non-Executive Directors is an Independent Director in more than 7 listed companies as required under the SEBI Listing Regulations. Further, the Managing Director & CEO and the Executive Director do not serve as Independent Directors in any listed company.

Key Skills, Expertise and Competencies of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills and geography. The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills/expertise/competencies as required in the context of the businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors:

Sr. No.	Skills & Expertise	Mr. N. Chandrasekaran	Ms. Vibha Paul Rishi	Ms. Padmini Khare Kaicker	Dr. C. V. Natraj	Mr. K. B. S. Anand	Mr. S. Padmanabhan	Mr. Rajiv Dube	Mr. R. Mukundan	Mr. Zarir Langrana
1.	Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓
2.	Industry experience	✓	✓	–	✓	✓	✓	✓	✓	✓
3.	Science and Technology	✓	–	–	✓	–	–	✓	✓	–
4.	IT and Digitalisation	✓	–	✓	–	–	✓	✓	✓	✓
5.	Strategy	✓	✓	✓	–	✓	✓	✓	✓	✓
6.	Finance and Governance	✓	–	✓	–	✓	–	✓	–	–
7.	HR and Communication	✓	✓	✓	✓	✓	✓	✓	–	–
8.	Safety and Sustainability	✓	✓	–	✓	✓	✓	✓	✓	✓
9.	Multiple geography experience	✓	✓	–	✓	✓	✓	✓	✓	✓

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

Board Procedure

For seamless scheduling of Meetings, the calendar of Meetings of the Board and Committees is circulated and agreed upon at the beginning of the year.

The Company Secretary tracks and monitors the Board and Committee proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes. Meeting effectiveness is ensured through clear agenda, circulation of material in advance and as per statutory timelines, detailed presentations at the Meetings and tracking of action taken reports at every Meeting. Additionally, based on the agenda, Meetings are attended by Members of the senior leadership as invitees, which brings in the requisite accountability and also provides developmental inputs.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director & CEO apprises the Board on the overall performance of the Company every quarter including the performance of the overseas operating subsidiaries.

The Board periodically reviews the strategy, annual business plan, business performance of the Company and its key subsidiaries, technology and innovation, quality, customer centricity, capital expenditure budgets and risk management, safety and environment matters. Amongst other things, the Board also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, minutes of the Board Meetings of the Company's subsidiary companies, adoption of quarterly/half-yearly/annual results, corporate restructuring, transactions pertaining to purchase/disposal of property, minutes of the Meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations which is required to be placed before the Board, the Directors are also kept informed of major events.

All the Board and Committee Meetings conducted are paperless with documents securely uploaded on the Board Application and accessed online. This has resulted in saving paper, reducing the cycle time to make documents available to the Board/Committee Members and increasing confidentiality.

In compliance with the relaxations granted by the MCA due to the outbreak of Covid-19, the Company has also conducted its Board and Committee Meetings through video conferencing during the year.

Independent Directors

The Company currently has 5 Non-Executive Independent Directors (including 2 Women Directors) which comprise 55.56% of the total strength of the Board of Directors. During the year under review, the Board of Directors based on the recommendations made by the Nomination and Remuneration Committee appointed Mr. Rajiv Dube as Non-Executive Independent Director with effect from September 18, 2020 subject to approval of the shareholders.

During the year under review, none of the Independent Director(s) of the Company resigned.

Independence of Directors

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA'). They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

Meeting of Independent Directors

During the year under review, one (1) meeting of the Independent Directors of the Company was held on March 23, 2021 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole including the Chairman of the Board after taking the views of Executive Directors and Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting was attended by all the Independent Directors as on that date and Dr. C. V. Natraj chaired the said Meeting.

Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at https://www.tatachemicals.com/TCAID.htm.

Induction and Familiarisation Programme for Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it and operations of its subsidiaries. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis. An induction kit is provided to new Directors which includes the Annual Report, overview of the Company and its operating subsidiaries, charters of the Committees, annual Board/Committee Meeting calendar, TCoC, Code of Conduct for Non-Executive Directors including Independent Directors, Company's Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices, etc. Meetings with Business/Functional Heads are organised to provide a brief on the businesses/functions.

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company imparted various familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Cyber Security, Information Technology, Tax, Digital Strategy and Litigation updates. Besides the above, presentation on Risk Management, update on initiatives undertaken by the Company towards the community during Covid-19, Science Based Target Initiatives, Safety and Sustainability initiatives, Talent pipeline, HR Strategy and Succession planning, etc. are made at the respective Committee Meetings where some of the Independent Directors are also Members. The Directors are also regularly updated by sharing various useful reading material/newsletters relating to the Company's performance, operations, business highlights, developments in the industry, sustainability initiatives, customer-centric initiatives, its market and competitive position on the Board Application.

A Board Meeting to discuss the Company's strategy across its businesses, future growth, including strategy of key operating subsidiaries, etc. was held during the year. During the year, as part of the induction programme, Mr. Rajiv Dube, Independent Director was familiarised about the business, Company's strategy, organisation structure, subsidiaries, functions like Human Resource, Digital, Finance and Legal.

The Directors from time to time get an opportunity to visit the Company's plants where plant heads apprise them of the operational and sustainability aspects to enable them to have full understanding on the activities of the Company and initiatives undertaken on safety, quality, CSR, Sustainability, etc. Visits to the Company's Innovation Centre are arranged to familiarise the Independent Directors with research and development activities of the Company. However, in view of the restrictions due to the ongoing Covid-19 pandemic, physical visit to the Company's plants/other locations was deferred. Pursuant to Regulation 46 of the SEBI Listing Regulations, the details of such familiarisation programme during FY 2020-21 are available on the website of the Company at https://www.tatachemicals.com/directors-familiarisation-fy-21.htm

Appointment/Re-appointment of Directors

As required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Integrated Annual Report.

Code of Conduct

The Company has adopted the TCoC for its Whole-time Directors, Senior Management Personnel and other Executives which is available on the website of the Company at https://www.tatachemicals.com/TCOC.htm.

The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV to the Act ('Code for Independent Directors') and Regulation 17(5) of the SEBI Listing Regulations and the same is available on the website of the Company at https://www.tatachemicals.com/TCOCNED.htm.

As on March 31, 2021, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Managing Director & CEO forms part of this Report.

Apart from reimbursement of expenses incurred in discharging their duties and the remuneration that the Directors would be entitled under the Act as Non-Executive Directors, none of the Directors have any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries during the two immediately preceding financial years.

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

3. Audit Committee

The Audit Committee's role is to assist the Board fulfil its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its charter/terms of reference that defines its composition, authority, responsibilities and reporting functions. The Board has adopted a charter of the Audit Committee for its functioning. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the SEBI Listing Regulations are covered in its terms of reference.

Terms of Reference

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and *inter alia*, performs the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are materially correct, sufficient and credible;
- Review of the Company's accounting policies, internal accounting controls, financial and such other matters and the changes thereon;
- Review the functioning of Whistleblower Mechanism of the Company which shall include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner;
- Discuss and review, with the management and auditors, the annual/half-yearly/quarterly financial statements before submission to the Board for approval;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit;
- Evaluate auditors' performance, qualification, independence and effectiveness of audit process;
- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Reviewing the adequacy of internal control system, internal audit function and risk management function;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, pursuant to Regulation 18(2)(c) of the SEBI Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

Meetings Held

During FY 2020-21, eleven (11) Meetings of the Audit Committee were held on the following dates:

- May 15, 2020
- July 9, 2020
- July 31, 2020
- August 25, 2020
- October 29, 2020
- November 12, 2020
- November 26, 2020
- January 28, 2021
- February 9, 2021
- March 1, 2021
- March 20, 2021

The gap between two Meetings did not exceed 120 days. Necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Ms. Padmini Khare Kaicker (Chairperson)	ID	11	11
Ms. Vibha Paul Rishi	ID	11	11
Mr. S. Padmanabhan	NED	11	11
Dr. C. V. Natraj $	ID	4	4
Mr. K. B. S. Anand @	ID	7	6

ID - Independent Director; NED - Non-Executive Director

$Ceased to be a Member of the Committee w.e.f. September 1, 2020

@Appointed as a Member of the Committee w.e.f. September 1, 2020

The Company Secretary acts as the Secretary to the Audit Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the SEBI Listing Regulations.

The Chairperson of the Audit Committee has one-on-one meetings both with the Internal Audit Team and the Statutory Auditors on a periodic basis to discuss key concerns, if any.

The Managing Director & CEO, Executive Director, Chief Financial Officer, Statutory Auditor and Controller - Risk & Internal Auditor attend and participate in all the Meetings of the Committee. The Chief Operating Officers and Chief Human Resources Officer attend the Meetings where Internal Audit Reports are discussed. The Committee, from time to time, also invites such executives, as it considers appropriate, to be present at the Meetings. During the year under review, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems. The Audit Committee also reviewed the reports on leadership of business ethics, reports on dealings under Prohibition of Insider Trading Regulations and Related Party Transactions. During the year under review, the Audit Committee reviewed the process and controls for Insider Trading and also adopted a framework for levying penalties in case of any violation under the Insider Trading Code.

The Chairperson of the Audit Committee briefs the Board at each Board Meeting about the significant discussions at the Audit Committee Meetings including the internal audit matters. The minutes of each of the Audit Committee Meetings are placed in the next Meeting of the Board after they are confirmed by the Committee.

Ms. Padmini Khare Kaicker, Chairperson of the Audit Committee, was present at the last e-AGM held on July 7, 2020.

4. Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. The NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

Terms of Reference

The Board has adopted a charter of the NRC for its smooth functioning covering aspects relating to composition, responsibilities, evaluation process, remuneration, Board development and reviewing HR strategy. The key terms of reference of the NRC, *inter alia*, are:

- Make recommendations to the Board regarding the setup and composition of the Board;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;
- Devise a policy on Board diversity;

- Review HR and people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Provide guidelines for remuneration of Directors on material subsidiaries.

Meetings Held

During FY 2020-21, four (4) Meetings of the NRC were held on the following dates:

- May 15, 2020
- August 25, 2020
- September 18, 2020
- March 23, 2021

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Dr. C. V. Natraj (Chairman)	ID	4	4
Mr. Bhaskar Bhat@	NED	3	3
Mr. N. Chandrasekaran^	NED	1	1
Ms. Vibha Paul Rishi	ID	4	4
Ms. Padmini Khare Kaicker$	ID	2	2
Mr. S. Padmanabhan#	NED	2	2

ID - Independent Director; NED - Non-Executive Director

@Resigned as a Director of the Company w.e.f. November 24, 2020 and consequently ceased to be a Member of the Committee

^Appointed as a Member of the Committee w.e.f. January 28, 2021

$Ceased to be a Member of the Committee w.e.f. September 1, 2020

#Appointed as a Member of the Committee w.e.f. September 1, 2020

Dr. C. V. Natraj, Chairman of the NRC, was present at the last e-AGM held on July 7, 2020.

The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations.

The Chairman of the NRC briefs the Board at each Board Meeting about the significant discussions at the NRC Meetings.

Board and Director Evaluation

In terms of the requirement of the Act and the SEBI Listing Regulations, during the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The exercise was led by the Chairman of the NRC along with the Chairman of the Board.

Criteria for Evaluation

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Remuneration of Directors

The Company's philosophy for remuneration of Directors, Key Managerial Personnel ('KMP') and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy.

The principles governing the Company's Remuneration Policy is provided in the Board's Report. The said Policy is also uploaded on the website of the Company at https://www.tatachemicals.com/RemPolicy.htm.

Executive Directors

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Executive Directors. Annual increments are recommended by the NRC within the salary scale approved by the Members of the Company and are effective April 1 each year. The NRC recommends on the commission payable to the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the Executive Directors.

Details of Remuneration of Executive Directors for FY 2020-21

(₹)

Name of the Director	Salary	Perquisites and Allowance	Commission*	Total Remuneration
Mr. R. Mukundan – Managing Director & CEO	1,19,34,000	2,00,31,185	3,25,00,000	**6,44,65,185**
Mr. Zarir Langrana – Executive Director	66,15,000	1,13,37,932	1,35,00,000	**3,14,52,932**

**Commission relates to FY 2020-21, which will be paid during FY 2021-22*

Non-Executive Directors

During FY 2020-21, the Company paid sitting fees of ₹ 30,000 per Meeting to the Non-Executive Directors for attending each Meeting of the Board; Audit Committee and Nomination and Remuneration Committee; and ₹ 20,000 per Meeting for attending each Meeting of Stakeholders Relationship Committee; Meeting of Independent Directors; Corporate Social Responsibility Committee; Safety, Health, Environment and Sustainability Committee and Risk Management Committee. The Members had, at the AGM of the Company held on July 25, 2018 approved the payment of commission to the Non-Executive Directors within the ceiling of 1% per annum of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and Committee Meetings. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the Meetings.

Details of sitting fees paid and commission payable to the Non-Executive Directors for FY ended March 31, 2021 is given below:

(₹)

Name of the Director	Sitting Fees paid during FY 2020-21	Commission (for FY 2020-21 payable in FY 2021-22)
Mr. N. Chandrasekaran @	1,20,000	N.A.
Mr. Bhaskar Bhat #	2,70,000	30,00,000
Ms. Vibha Paul Rishi	8,40,000	40,00,000
Mr. S. Padmanabhan *	9,00,000	N.A.
Ms. Padmini Khare Kaicker	7,40,000	40,00,000
Dr. C. V. Natraj	6,10,000	40,00,000
Mr. K. B. S. Anand	5,10,000	30,00,000
Mr. Rajiv Dube &	1,70,000	20,00,000
Total	**41,60,000**	**2,00,00,000**

@Appointed as an Additional, Non-Executive Non-Independent Director and Chairman of the Board w.e.f. November 24, 2020. As a policy, Mr. Chandrasekaran has abstained from receiving commission from the Company

#Resigned as a Non-Executive Non-Independent Director w.e.f. November 24, 2020

**In line with the internal guidelines, no payment is made towards commission to Mr. S. Padmanabhan, Non-Executive Director of the Company, who is in full-time employment with other Tata company*

&Appointed as an Additional, Non-Executive Independent Director of the Company w.e.f. September 18, 2020

As per the practice, commission to the Directors is paid after the annual accounts are adopted by the Members at the AGM. The Company has not granted any stock options to its Directors.

Service Contract, Severance Fees and Notice Period

Terms of Agreement	Mr. R. Mukundan, Managing Director & CEO	Mr. Zarir Langrana, Executive Director
Period of Contract	5 years up to November 25, 2023	5 years up to March 31, 2023
Severance fees/notice period	The Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board, in lieu of such notice). There is no separate provision for payment of severance fees.	

Succession Plan

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Nomination and Remuneration Committee works along with the Human Resource team of the Company for a structured leadership succession plan.

Retirement Policy for Directors

As per the Company's policy, the Managing and Executive Directors retire at the age of 65 years, Non-Independent Non-Executive Directors retire at the age of 70 years and the retirement age for Independent Directors is 75 years.

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances.

Terms of Reference

The terms of reference of the SRC, *inter alia*, are as under:

- Resolving the grievances of the security holders;
- Reviewing details of transfer of unclaimed dividend/ securities to the Investor Education and Protection Fund;
- Reviewing the transfer, transmission, dematerialisation of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends; and
- Ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Meetings Held

During FY 2020-21, two (2) Meetings of the SRC were held on the following dates:

- November 12, 2020
- February 11, 2021

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Ms. Vibha Paul Rishi (Chairperson)	ID	2	2
Mr. S. Padmanabhan	NED	2	2
Mr. R. Mukundan	MD & CEO	2	2
Mr. Zarir Langrana	ED	2	2

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

Status of Investor Complaints

The status of investor complaints as on March 31, 2021 as reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

Complaints as on April 1, 2020	2
Received during the year	17
Resolved during the year	18
Pending as on March 31, 2021	1*

**Complaint has been closed by SEBI on April 16, 2021*

The complaints have been resolved to the satisfaction of the shareholders. The correspondence identified as investor complaints are letters received through statutory/regulatory bodies.

Name, designation and address of the Compliance Officer

Mr. Rajiv Chandan
General Counsel & Company Secretary
Tata Chemicals Limited
Bombay House, 24 Homi Mody Street
Fort, Mumbai - 400 001
Tel. No.: +91 22 6665 8282
Email: investors@tatachemicals.com

The Company has taken various investor-friendly activities like encouraging investors to register their email ids, facility for registration of email ids for the limited purpose of receiving Annual Report and e-Voting at the Annual General Meeting in view of the Covid-19 pandemic, activities and initiatives during the e-AGM and preparation of the Digital Annual Report for FY 2019-20 to enable a live feel of the Annual Report. Encouraging the corporate shareholders for converting their holdings in dematerialised form, communication to shareholders for updating their bank account details and other details for payment of dividend and tax deducted at source related activity and communication of quarterly financial results to the shareholders via email are some of the other investor-friendly initiatives undertaken by the Company.

The Chairperson of the SRC briefs the Board at each Board Meeting about the significant discussions at the SRC Meetings.

Ms. Vibha Paul Rishi, Chairperson of the SRC, was present at the e-AGM of the Company held on July 7, 2020.

6. Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes. The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends.

Terms of Reference

The terms of reference of the CSR Committee, *inter alia*, are as under:

- Formulate and recommend to the Board the CSR policy containing guiding principles for selection, implementation and monitoring of CSR activities as specified under Schedule VII of the Act;
- Recommend the amount to be spent on CSR activities and review reports on performance of CSR;
- Review and monitor the Company's CSR policy and activities of the Company on behalf of the Board to ensure that the Company is in compliance with appropriate laws and legislations;
- Provide guidance to management to evaluate long term strategic proposals (including technologies adopted) with respect to CSR implications;
- Formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR policy and have an oversight over its implementation;
- Review the impact assessment carried out for the projects of the Company as per the requirements of the law.

The Board has adopted a charter for the CSR Committee for its smooth functioning. The Company has revised the CSR Policy and the Charter pursuant to the Companies (Corporate Social Responsibility) Amendment Rules, 2021. The same is displayed on the website of the Company at https://www.tatachemicals.com/CSRPolicy2021.htm. A CSR Report giving details of the CSR activities undertaken by the Company during the year under review, along with the amount spent forms part of the Board's Report.

Meetings Held

During FY 2020-21, three (3) Meetings of the CSR Committee were held on the following dates:

- July 30, 2020
- November 17, 2020
- February 11, 2021

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. S. Padmanabhan (Chairman)	NED	3	3
Ms. Vibha Paul Rishi @	ID	1	1
Dr. C. V. Natraj #	ID	2	2
Mr. R. Mukundan	MD & CEO	3	3
Mr. Zarir Langrana @	ED	1	1

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

@Ceased to be Members of the Committee w.e.f. September 1, 2020

#Appointed as a Member of the Committee w.e.f. September 1, 2020

Chief - CSR & Sustainability was an invitee to the Meetings of the CSR Committee. The General Counsel & Company Secretary also attended the meetings.

The Chairman of the CSR Committee briefs the Board at each Board Meeting about the significant discussions at the CSR Meetings.

Mr. S. Padmanabhan, Chairman of the CSR Committee, was present at the last e-AGM held on July 7, 2020.

7. Risk Management Committee

Regulation 21 of the SEBI Listing Regulations mandate top 500 listed entities, determined on the basis of market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee ('RMC') with effect from April 1, 2019. However, the Company had voluntarily constituted a RMC in February 2015. The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls. The RMC, through the Enterprise Risk Management in the Company, seeks to minimise adverse impact on the business objectives and enhance stakeholder value. The Board has adopted a charter for the functioning of the RMC covering the composition, meetings, quorum, responsibilities, etc.

Terms of Reference

The terms of reference of the RMC, *inter alia*, are as under:

- Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management;
- Review and approve the Enterprise Risk Management (ERM) framework;
- Review the Company's risk appetite and strategy relating to key risks, including market risk, cyber security risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks;
- Review and analyse risk exposure related to specific issues and provide oversight of risk across organisation;
- Nurture a healthy and independent risk management function in the Company.

Meetings Held

During FY 2020-21, three (3) Meetings were held on the following dates:

- August 25, 2020
- November 12, 2020
- February 9, 2021

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. K. B. S. Anand (Chairman) @	ID	2	2
Mr. S. Padmanabhan	NED	3	3
Ms. Padmini Khare Kaicker	ID	3	3
Mr. R. Mukundan	MD & CEO	3	3
Mr. Zarir Langrana	ED	3	3
Mr. John Mulhall ^	CFO	3	3

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director; CFO - Chief Financial Officer

@Appointed as a Member and Chairman of the Committee w.e.f. September 1, 2020. In the absence of a permanent Chairman, Mr. S. Padmanabhan was elected as the Chairman for the Meeting held on August 25, 2020

^Ceased to be a Member of the Committee w.e.f. March 31, 2021 upon cessation as CFO of the Company. Subsequently, Mr. Nandakumar S. Tirumalai was appointed as CFO of the Company and Member of the Committee w.e.f. April 1, 2021

The Chairman of the RMC briefs the Board at each Board Meeting about the significant discussions at the RMC Meetings. The Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis which forms part of this Integrated Annual Report.

8. Safety, Health, Environment and Sustainability Committee

The Safety, Health, Environment and Sustainability ('SHES') Committee is entrusted with the specific responsibility of reviewing and monitoring the health, environment and safety framework and sustainable development. The overall roadmap as well as specific issues of concern including those related to safety and climate change is reviewed in detail.

Terms of Reference

The terms of reference of the SHES Committee, *inter alia*, are as under:

- Review and monitor the sustainability, environmental, safety and health policies and activities across the

Company to ensure compliance with appropriate laws and legislation;

- Encourage, assist, support and counsel management in developing short and long-term policies and standards to ensure that the principles set out in the sustainability, safety, health and environmental policies are being adhered to and achieved;
- Investigate or cause to be investigated any extraordinary negative sustainability, environment, health and safety performance or issues of asset integrity which can impact safety, health, environment and sustainability where appropriate.

Meetings Held

During FY 2020-21, four (4) Meetings were held on the following dates:

- July 20, 2020
- August 13, 2020
- November 17, 2020
- February 11, 2021

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings held during tenure	No. of Meetings attended
Mr. S. Padmanabhan (Chairman) #	NED	4	4
Ms. Vibha Paul Rishi @	ID	2	2
Dr. C. V. Natraj $	ID	2	2
Mr. R. Mukundan	MD & CEO	4	4
Mr. Zarir Langrana	ED	4	3

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

 # Appointed as a Chairman of the Committee w.e.f. September 1, 2020

@ Ceased to be a Member and Chairperson of the Committee w.e.f. September 1, 2020

$ Appointed as a Member of the Committee w.e.f. September 1, 2020

The Chairman of the SHES Committee briefs the Board at each Board Meeting about the significant discussions at the SHES Committee Meetings.

Chief - Safety and Chief - CSR & Sustainability were invitees to the Meetings of the SHES Committee. The General Counsel & Company Secretary also attended the Meetings.

9. Scientific Advisory Board

The Board of Directors has constituted a Scientific Advisory Board with the objective of synergising the Research & Development ('R&D') initiatives at the Company's Innovation Centre and R&D Centres (for crop care and seeds division) of Rallis India Limited, subsidiary of the Company. The Scientific Advisory Board is instrumental in providing guidance and direction to R&D Centres and report progress to the Board.

The Scientific Advisory Board consists of senior employees from the Company and Rallis India Limited with background in R&D, Science and Technology and is chaired by Dr. C. V. Natraj, Independent Director of the Company.

The terms of reference of the Scientific Advisory Board, *inter alia*, are - alignment of the R&D Centres' priorities to the Business priorities; recommending the right skills and competencies necessary for the teams; ensuring that the right R&D metrics are derived from business targets; maintaining a balance between short-term and long-term projects; ensuring open innovation to support internal R&D activities; and give directions for ensuring the right balance between inputs and outputs for the centres. An update on the Scientific Advisory Board is given to the Board of Directors quarterly.

10. Subsidiary Companies

Regulation 16 of the SEBI Listing Regulations defines a 'material subsidiary' to mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In addition to the above, Regulation 24 of the SEBI Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Accordingly, Independent Directors have been appointed on the Board of unlisted material subsidiaries. For more effective governance, the Independent Directors appointed in such subsidiaries brief the Board of Directors of the Company at each Board Meeting on any significant issues of these unlisted material subsidiaries.

The subsidiaries of the Company function independently with an adequately empowered Board of Directors and adequate resources. The minutes of Board Meetings of subsidiaries are placed before the Board of the Company for its review on a quarterly basis and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are also placed before the Board. Pursuant to the explanation under Regulation 16(1)(c) of the SEBI Listing Regulations, the Company has formulated a Policy for determining material subsidiaries which is disclosed on the Company's website at https://www.tatachemicals.com/MaterialSubsPolicy.htm. The other requirements of Regulation 24 of the SEBI Listing Regulations with regard to Corporate Governance requirements for subsidiary companies have been complied with.

11. General Body Meetings

Annual General Meetings held and Special Resolution(s) passed:

Day, date, time and venue of AGMs held during the last 3 years and Special Resolutions passed are given as below:

Year	Day, Date and Time	Venue	Special Resolution(s)
2019-20	Tuesday, July 7, 2020 at 3:00 p.m.	VC/OAVM Deemed Venue: Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400 001	There was no matter that required passing of Special Resolution
2018-19	Monday, July 8, 2019 at 3:00 p.m.	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai - 400 020	Re-appointment of Ms. Vibha Paul Rishi (DIN: 05180796) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from September 1, 2019 up to August 31, 2024
2017-18	Wednesday, July 25, 2018 at 3:00 p.m.	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai - 400 020	There was no matter that required passing of Special Resolution

All resolutions moved at the last AGM were passed by the requisite majority of Members.

No Extraordinary General Meeting of the Members was held during the year. During the year under review, no resolution was put through by Postal Ballot. Further, no special resolution is being proposed to be passed through Postal Ballot.

12. Means of Communication

Stock Exchange Intimations

All submissions to the Stock Exchanges are made through the respective electronic filing systems. All unpublished price sensitive information, material events or information as detailed in Regulation 30 of the SEBI Listing Regulations are disseminated to the Stock Exchanges by filing them with the National Stock Exchange of India Limited ('NSE') through NEAPS and with BSE Limited ('BSE') through BSE Online Portal.

They are also displayed on the Company's website at https://www.tatachemicals.com/SEIntimations.htm.

Financial Results

The quarterly/half-yearly/annual financial results are published in the Business Standard (English), The Free Press Journal (English) and Navshakti (Marathi). They are displayed under 'Investors' section of the Company's website viz. www.tatachemicals.com. They are also filed with the NSE through NEAPS and with BSE through BSE Online Portal.

To benefit the shareholders, after the results were approved by the Board of Directors, the Company voluntarily sent quarterly financial results through e-mail to those shareholders whose e-mail addresses are registered with the Company/Depositories.

Analyst/Investor Meets

The Managing Director & CEO and Chief Financial Officer hold quarterly briefs with analysts, shareholders and major stakeholders where the Company's performance is discussed. The official press releases, presentation made to the Members at the AGM, the presentation made to the institutional investors and analysts and the transcripts of the call with analysts for quarterly/half-yearly/annual results are available on the Company's website at www.tatachemicals.com.

Communication to Shareholders:

- **Unclaimed shares/dividend:** In addition to the statutory requirement, a voluntary reminder for unclaimed shares/dividends is also sent to the shareholders as per records every year.
- **Steps to capture email address of the shareholders:** In order to capture email addresses of a larger shareholder base and send all intimations electronically, especially during the lockdown period, the Company appointed National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') to send SMS to those shareholders whose email addresses were not registered with the Company.
- **Registration of e-mail address for the limited purpose of receiving Annual Report and e-Voting at the AGM:** The Company made special arrangements with the help of its Registrar & Transfer Agent for registration of e-mail addresses of those Members whose email addresses were not registered and who wished to receive the Notice of AGM along with the Annual Report including e-Voting credentials electronically.
- **Updation of bank account and other details for dividend payment and TDS:** The Company voluntarily sent a communication to all those shareholders whose email addresses were registered with the Company regarding tax on dividend requesting them to update their bank account details and other detailed process.
- **Conversion of holdings in dematerialised form:** The Company also voluntarily sent communication to corporate shareholders encouraging them to dematerialise their shareholding in the Company.

Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of the SEBI Listing Regulations. It is a comprehensive reference of the Company's management, vision, mission, policies, corporate governance, corporate sustainability, disclosures to investors, updates and news. The section on 'Investors' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, presentation made to institutional investors and analysts, corporate benefits, information relating to stock exchange intimations, Company policies, Registrar and Transfer Agent ('RTA'), etc. The website also has details of press releases, awards and campaigns.

The proceedings of the 81st AGM held on July 7, 2020 are also available under the 'Investors' section.

Transfer to Investor Education and Protection Fund (IEPF):

(i) Transfer of unclaimed dividend

Members are hereby informed that under the Act, the Company is required to transfer the dividend which remains unpaid or unclaimed for a period of seven consecutive years or more to the credit of the Investor Education and Protection Fund ('the IEPF'). In view of the same, dividend of ₹ 1,74,61,240 pertaining to FY 2012-13 which remained unpaid or unclaimed was transferred to the IEPF Authority on October 14, 2020.

Members are requested to note the following due date(s) for claiming the unpaid or unclaimed dividend declared by the Company for FY 2013-14 and thereafter–

Financial Year	Date of Declaration	Dividend per share (₹)	Last date for claiming unpaid dividend(s)
2013-14	August 21, 2014	10	September 20, 2021
2014-15	August 11, 2015	12.50	September 10, 2022
2015-16	August 11, 2016	10	September 10, 2023
2016-17	August 9, 2017	11	September 8, 2024
2017-18	July 25, 2018	22	August 24, 2025
2018-19	July 8, 2019	12.50	August 7, 2026
2019-20	July 7, 2020	11	August 6, 2027

Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s) are requested to make their claim to TSR Darashaw Consultants Private Limited, RTA well in advance of the above due dates.

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), the Company has uploaded the information in respect of the unclaimed dividends as on the date of the previous AGM i.e. July 7, 2020 (81st AGM) on the website of the IEPF viz. www.iepf.gov.in and on the website of the Company at https://www.tatachemicals.com/UnclaimedDividends.htm.

(ii) Transfer of shares to IEPF

Pursuant to the provisions of Section 124 of the Act read with the IEPF Rules, all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Accordingly, the Company has transferred 80,742 Ordinary Shares of face value ₹ 10 per share to the demat account of the IEPF Authority during FY 2020-21.

The Company had sent individual notice to all the Members whose shares were due to be transferred to the IEPF Authority and had also published newspaper advertisements in this regard.

The details of such shares transferred to IEPF are uploaded on the website of the Company at https://www.tatachemicals.com/UnclaimedDividends.htm.

(iii) Claim from IEPF Authority

Members/Claimants whose shares and unclaimed dividends have been transferred to the IEPF Authority can claim the same by making an application to the IEPF Authority in e-Form IEPF-5 (available at www.iepf.gov.in) and sending duly signed physical copy of the same to the Company at its Registered Office along with requisite documents as prescribed in the instruction kit of e-Form IEPF-5. Link to e-Form IEPF-5 is also available on the website of the Company at https://www.tatachemicals.com/UnclaimedDividends.htm. No claims shall lie against the Company in respect of the dividends/shares so transferred.

13. General Shareholder Information

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L24239MH1939PLC002893.

Annual General Meeting and other details

Day, Date and Time	:	Friday, July 2, 2021 at 3.00 p.m. (IST)
Venue	:	In accordance with the General Circular issued by the MCA on May 5, 2020 read with General Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021, the AGM will be held through VC/OAVM only
Financial Year	:	April 1 to March 31
Book Closure Date	:	Wednesday, June 16, 2021 to Monday, June 21, 2021 (both days inclusive for the purpose of AGM and Dividend)
Dividend payment date	:	On or after Tuesday, July 6, 2021, if declared by the Members at the AGM
Last date for receipt of Proxy Forms	:	In terms of the relaxations granted by MCA and SEBI, the facility for appointment of proxies by Members will not be available at the ensuing e-AGM
Listing on Stock Exchanges	:	The Company's Ordinary Shares are listed on the following Stock Exchanges: **(1) BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 **(2) The National Stock Exchange of India Limited** Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 The Company has paid the listing fees to these Stock Exchanges for FY 2020-21 and FY 2021-22
Stock Code	:	BSE Limited : 500770
		The National Stock Exchange of India Limited : TATACHEM
International Securities Identification Number (ISIN) in NSDL and CDSL	:	INE092A01019 (Ordinary Shares)

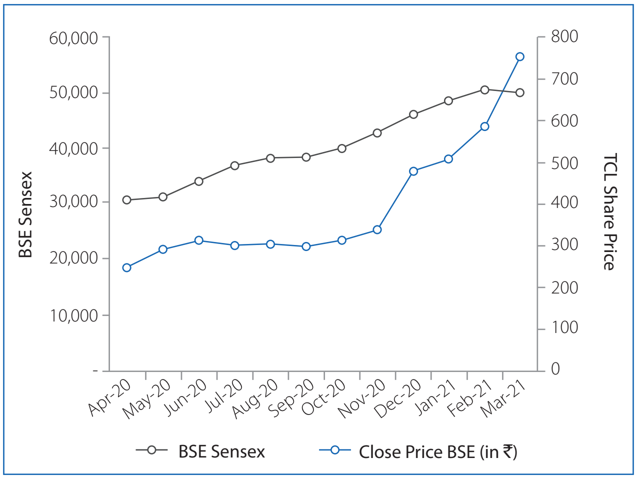
Market Price Data

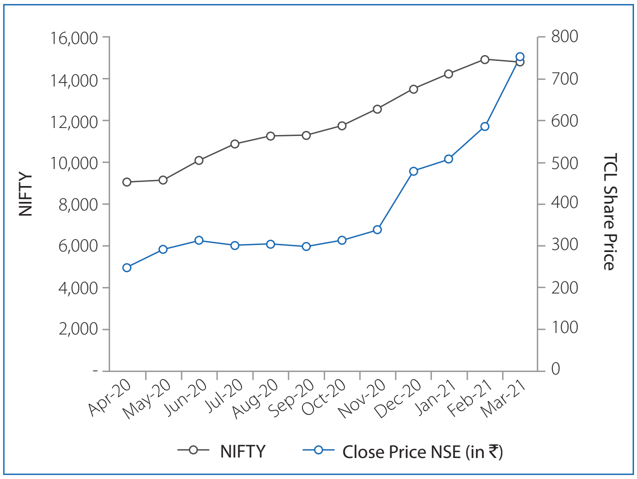
Market price data - monthly high/low, number of shares traded and number of trades of BSE/NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:

Month	BSE				NSE			
	High (₹)	Low (₹)	No. of shares traded	No. of trades	High (₹)	Low (₹)	No. of shares traded	No. of trades
April 2020	296.35	216.20	17,57,540	55,605	296.60	216.20	4,56,54,772	7,07,598
May 2020	315.75	272.35	14,64,881	40,375	316.20	272.20	3,95,64,547	5,48,388
June 2020	324.30	295.85	19,42,504	49,996	324.20	293.00	3,24,01,797	4,38,854
July 2020	320.70	289.50	22,68,401	62,578	321.00	289.25	4,69,00,449	6,29,443
August 2020	345.80	291.05	44,80,072	89,145	345.90	291.50	7,22,54,514	8,01,587
September 2020	317.85	273.55	40,07,168	1,03,199	317.90	273.45	7,31,37,979	9,07,080
October 2020	331.40	298.45	25,12,758	63,148	331.45	298.50	5,70,90,521	5,91,724
November 2020	396.95	303.20	32,54,175	84,194	396.95	303.00	6,55,44,102	6,96,595
December 2020	526.80	387.50	86,33,217	2,10,117	527.00	386.95	18,47,95,277	18,62,863
January 2021	554.30	471.80	64,10,185	1,56,723	554.00	471.60	11,88,03,335	14,67,494
February 2021	757.00	466.40	1,27,54,815	2,53,978	757.50	466.00	20,00,30,453	25,81,922
March 2021	795.00	690.10	90,40,879	1,77,716	795.00	690.20	14,92,35,068	21,62,692

[Source: This information is compiled from the data available on the websites of BSE and NSE]

Performance of the Company's average monthly share price data in comparison to broad-based indices like BSE Sensex and Nifty in FY 2020-21





[Source: This information is compiled from the data available on the websites of BSE and NSE]

Registrar and Transfer Agent

Members are requested to correspond with the Company's Registrar and Transfer Agent - TSR Darashaw Consultants Private Limited, quoting their folio no./DP ID and Client ID at the following addresses:

(i) For transmission, transposition and other correspondence:

TSR Darashaw Consultants Private Limited
Unit: Tata Chemicals Limited
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli West, Mumbai – 400 083
Tel.: +91 22 6656 8484
Fax: + 91 22 6656 8494
Email: csg-unit@tcplindia.co.in
Website: www.tcplindia.co.in
Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

(ii) For the convenience of Members based in the following cities, documents and letters will also be accepted at the following branch offices of TSR Darashaw Consultants Private Limited:

1. **Bengaluru**
TSR Darashaw Consultants Private Limited
C/o. Mr. D. Nagendra Rao
"Vaghdevi" 543/A, 7th Main,
3rd Cross, Hanumanthnagar,
Bengaluru - 560 019.
Tel.: +91 80 2650 9004
Email: tsrdlbang@tcplindia.co.in

2. **Kolkata**
TSR Darashaw Consultants Private Limited
C/o. Link Intime India Private Limited
Vaishno Chamber, Flat No. 502 & 503,
5th Floor, 6, Brabourne Road,
Kolkata - 700 001.
Tel.: +91 33 4008 1986
Email: tsrdlcal@tcplindia.co.in

3. **New Delhi**
TSR Darashaw Consultants Private Limited
C/o. Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No. NH-2,
C-1 Block, LSC, Near Savitri Market,
Janakpuri, New Delhi - 110 058.
Tel.: +91 11 4941 1030
Email: tsrdldel@tcplindia.co.in

4. **Jamshedpur**
TSR Darashaw Consultants Private Limited
Bungalow No. 1,
"E" Road, Northern Town,
Bistupur,
Jamshedpur - 831 001.
Tel.: +91 657 242 6937
Email: tsrdljsr@tcplindia.co.in

5. **Ahmedabad**
TSR Darashaw Consultants Private Limited
C/o. Link Intime India Private Limited
Amarnath Business Centre-1 (ABC-1)
Beside Gala Business Centre
Near St. Xavier's College Corner
Off C.G. Road, Ellisbridge,
Ahmedabad - 380 006.
Tel.: +91 79 2646 5179
Email: csg-unit@tcplindia.co.in

Share Transfer Process

Effective April 1, 2019, requests for effecting the transfer of listed securities were required to be processed only in dematerialised form with a Depository.

The Company had stopped accepting any fresh transfer requests for securities held in physical form with effect from the said date. In order to address the issue of transfer requests filed prior to April 1, 2019 but rejected due to deficiency in documents, etc., the Company accepted transfer requests up to March 31, 2021 in accordance with SEBI Circular dated September 7, 2020. After March 31, 2021, the Company has stopped accepting any transfer requests.

Dematerialisation of holdings will, *inter alia*, curb fraud in physical transfer of securities by unscrupulous entities and improve ease, convenience and safety of transactions for investors. In view of the aforesaid, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

Secretarial Audit

M/s. Parikh & Associates, Practicing Company Secretaries (Firm Registration No. P1988MH009800), has conducted a Secretarial Audit of the Company for FY 2020-21. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made thereunder, its Memorandum and Articles of Association, SEBI Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report.

In accordance with the SEBI Circular dated February 8, 2019 read with Regulation 24A of the SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from Mr. P. N. Parikh of M/s. Parikh & Associates, Practising Company Secretaries, confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2021.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued, on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

A Company Secretary in practice has carried out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Certificate from Practising Company Secretary

M/s. Parikh & Associates, Practising Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/MCA or any such statutory authority. The said Certificate is annexed to this Report on Corporate Governance.

Distribution of Shareholding as on March 31, 2021

Range	Number of Shares	Amount (₹)	% to Capital	Number of Shareholders	% to total Shareholders
1 to 500	2,60,43,576	26,04,35,760	10.22	3,88,703	94.71
501 to 1,000	90,24,995	9,02,49,950	3.54	11,905	2.90
1,001 to 2,000	81,47,259	8,14,72,590	3.20	5,586	1.36
2,001 to 3,000	40,37,806	4,03,78,060	1.58	1,617	0.39
3,001 to 4,000	26,36,651	2,63,66,510	1.03	744	0.18
4,001 to 5,000	22,97,183	2,29,71,830	0.90	498	0.13
5,001 to 10,000	55,57,993	5,55,79,930	2.19	771	0.19
Above 10,000	19,70,10,815	1,97,01,08,150	77.34	580	0.14
Total	**25,47,56,278**	**2,54,75,62,780**	**100.00**	**4,10,404**	**100.00**

Category of Shareholding as on March 31, 2021

Category	Number of Shares	Percentage (%)
Promoter and Promoter Group	9,67,48,953	37.98
Resident Individuals	6,00,41,636	23.57
Foreign Holdings	3,84,58,403	15.10
Public Financial Institutions	3,04,37,988	11.95
Government/Government Companies	71,948	0.02
Other Companies, Mutual Funds	2,74,97,187	10.79
Nationalised Banks	75,271	0.03
Alternative Investment Fund	1,28,121	0.05
Bodies Corporate - Non Banking Financial Companies	18,788	0.01
IEPF	12,77,983	0.50
Total	**25,47,56,278**	**100.00**

Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories viz. NSDL and CDSL.

(%)

Shares held in	As on March 31, 2021	As on March 31, 2020	As on March 31, 2019
Physical form	1.76	1.82	2.05
Electronic form with NSDL	90.83	92.72	93.61
Electronic form with CDSL	7.41	5.46	4.34

The Company's Ordinary Shares are regularly traded on BSE and NSE.

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs or ADRs or warrants or any convertible instruments during the year under review.

Commodity price risk/foreign exchange risk and hedging activities

Commodity price risk and hedging activities – The Company procures a variety of commodities related to raw materials and finished products for trading. The Company manages the associated commodity price risks through commercial negotiation with customers and suppliers.

Foreign Exchange risk and hedging activities – The Company is exposed to foreign exchange risks on its imports of raw materials/trading goods/capital items purchases and payables denominated in foreign exchange. The Company has a robust internal policy approved by its Audit Committee to manage foreign exchange risks. The hedging activity is regularly carried out to mitigate the risks in line with the approved policy.

Manufacturing Plant Locations

Indian Locations:	
Chemicals Plant	Mithapur - 361 345, Okhamandal, Gujarat
Nutraceuticals Plant	Block 3 & 3A, APIIC Industrial Park, Phase II, Tada Mandal, Mambattu, Nellore, District - 524 401, Andhra Pradesh
Silica Plant	Plot No. 10, 13 and 14, SIPCOT Industrial Complex, Phase II, Semmankuppam Village, Cuddalore - 607 005, Tamil Nadu
Overseas Locations:	
USA - Soda Ash	Tata Chemicals North America Inc., Green River Basin, Wyoming
UK - Soda Ash, Sodium Bicarbonate and Salt	(i) Lostock (Tata Chemicals Europe Limited) (ii) Winnington (Tata Chemicals Europe Limited) (iii) Middlewich (British Salt Limited)
Kenya - Soda Ash	Tata Chemicals Magadi Limited, Magadi, Kenya

Address for Correspondence

Tata Chemicals Limited
Bombay House,
24 Homi Mody Street,
Fort, Mumbai - 400 001
Tel. No.: +91 22 6665 8282
Email: investors@tatachemicals.com
Website: www.tatachemicals.com

Credit Ratings obtained by the Company

The details of Credit Ratings obtained by the Company have been disclosed in the Board's Report which forms part of this Integrated Annual Report.

14. Other Disclosures

Related Party Transactions

All related party transactions that were entered into during FY 2020-21 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at https://www.tatachemicals.com/RPTPolicy.htm.

Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities. None of the Company's listed securities is suspended from trading.

Whistleblower Policy and Vigil Mechanism

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. No personnel of the Company has been denied access to the Chairperson of the Audit Committee.

The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower. The Company, as a Policy, condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against Whistleblowers. A dedicated Ethics Helpline has been setup which is managed by an independent professional organisation for confidentially raising any ethical concerns or practices that violate the Tata Code of Conduct. The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud/ misconduct on:

E-mail : coc@ethicshelpline.in or reportmyconcern@integritymatters.in

Address : Principal Ethics Counsellor, Tata Chemicals Limited, Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400 001

The Whistleblower Policy as adopted by the Company is available on the Company's website at https://www.tatachemicals.com/WhistleblowerPolicy.htm.

Tata Code of Conduct for Prevention of Insider Trading

The Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices under the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Code'). The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company.

The Company has also adopted Policy on inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ('UPSI') and Policy for Determination of Legitimate Purposes. The Code of Corporate Disclosure Practices along with the Policy for Determination of Legitimate Purposes is also available on the website of the Company at https://www.tatachemicals.com/CoCDP.htm.

Mr. Rajiv Chandan, General Counsel & Company Secretary, is the Compliance Officer for ensuring the compliance with and for the effective implementation of the SEBI PIT Regulations and the Code across the Company.

Mr. John Mulhall ceased to be the Chief Financial Officer of the Company with effect from the end of March 31, 2021 and subsequently the Company appointed Mr. Nandakumar S. Tirumalai as the Chief Financial Officer of the Company with effect from April 1, 2021. Mr. Tirumalai has also been designated as the Chief Investor Relations Officer under the Code of Corporate Disclosure Practices to ensure timely, adequate, uniform and universal dissemination of information and disclosure of UPSI.

The Company has in place a digital platform for ensuring compliance with the provisions of the SEBI PIT Regulations and the Tata Code of Conduct for Prevention of Insider Trading. During the year under review, the Company also took various steps to sensitise the Designated Persons by sending mailers and creating awareness.

Anti-Bribery and Anti-Money Laundering Policy

The Company has, from time to time, taken important steps for establishing and reinforcing a culture of business ethics. In view of our increasing global footprint and to align our work practices with regulations mandated for such multi-geography operations, the Board has adopted the Anti-Bribery and Anti-Corruption Policy along with the Anti-Money Laundering Policy.

The above Policies require the Company to appoint a senior official as the Compliance Officer who shall be responsible for implementation of the Policies. Under the above Policies, Compliance Officers have a functional reporting about any violation of the Policies to the Chairperson of the Audit Committee. Aggravated cases of breach of the said Policies shall be escalated to the Board of Directors of the Company.

Other Policies under the SEBI Listing Regulations

Policy on Archival and Preservation of Documents as required under Regulation 9 of the SEBI Listing Regulations is available on the website of the Company at https://www.tatachemicals.com/ArchivalPolicy.htm.

Policy on Determination of Materiality for Disclosures of Events or Information as per Regulation 30 of the SEBI Listing Regulations is available on the website of the Company at https://www.tatachemicals.com/MaterialityPolicy.htm.

Dividend Distribution Policy as adopted by the Company pursuant to Regulation 43A of the SEBI Listing Regulations is available on the website of the Company at https://www.tatachemicals.com/DividendDistPolicy.htm.

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

CEO/CFO Certification

The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations pertaining to CEO/CFO certification for the year ended March 31, 2021.

Details of utilisation of funds raised through preferential allotment or qualified institutional placement

The Company has not raised any funds through preferential allotment or qualified institutional placement during the year under review.

Acceptance of recommendations of Committees by the Board of Directors

In terms of the SEBI Listing Regulations, there have been no instances during the year under review, when the recommendations of any of the Committees were not accepted by the Board.

Fees paid to B S R & Co. LLP, Statutory Auditors and all entities in the network firm of the Statutory Auditors

During FY 2020-21, a total fee of ₹ 14.19 crore was paid by the Company and its subsidiaries, on a consolidated basis, for all services to B S R & Co. LLP, Statutory Auditors and all entities in the network firm/entity of which they are a part.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

('POSH Act') and Rules made thereunder, the Company has formed an Internal Committee ('IC') for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a detailed policy for prevention of Sexual Harassment at Workplace, which ensures a free and fair enquiry process with clear timelines for resolution.

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace ('POSH') and the same is uploaded on the website of the Company at https://www.tatachemicals.com/POSHPolicy.htm.

No complaints were pending at the beginning of the year. During the year under review, two concerns were reported which were investigated and appropriate action was taken. No complaint was pending as at the end of the financial year.

To build awareness in this area, the Company has been conducting awareness sessions during induction, periodically through online modules and webinars (no classroom trainings conducted due to Covid-19). The IC has periodical meetings for review. The awareness sessions were conducted with permanent employees, third-party employees and contract workmen. A special virtual awareness programme was organised for the Company through webinar on POSH in July 2020.

Legal Compliance Management Tool

The Company has in place an online legal compliance management tool which monitors compliance with all laws which are applicable to the Company. The Board periodically reviews the compliance reports of all the laws applicable to the Company.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly/half-yearly/annual results, amongst others, to the Members at their e-mail addresses previously registered with the Depository Participants ('DPs') and RTA. Members who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Members who hold shares in physical form are requested to register their e-mail addresses with the RTA by sending a letter duly signed by the first/sole holder quoting details of folio number.

Mandatory Requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

Compliance with Discretionary Requirements

The status of compliance with the discretionary requirements as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

The Board: The Non-Executive Chairman has a separate office which is not maintained by the Company.

Shareholder Rights: The quarterly/half-yearly/financial performance of the Company is sent to all the Members whose e-mail addresses are registered with the Company/ Depositories. The results are also available on the Company's website at:
https://www.tatachemicals.com/Investors/Financial-reports/Quarterly-results

Modified opinion(s) in Audit Report: During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

DECLARATION BY THE MANAGING DIRECTOR & CEO

TO THE MEMBERS OF
TATA CHEMICALS LIMITED

I, R. Mukundan, Managing Director & CEO of Tata Chemicals Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI Listing Regulations for the year ended March 31, 2021.

For Tata Chemicals Limited

R. Mukundan
Managing Director & CEO
DIN: 00778253

Mumbai, May 3, 2021

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF
TATA CHEMICALS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Tata Chemicals Limited ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

P. N. Parikh
FCS: 327 CP: 1228
UDIN: F000327C000226102

Mumbai, May 3, 2021

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Tata Chemicals Limited
Bombay House, 24 Homi Mody Street,
Fort, Mumbai - 400 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Tata Chemicals Limited having CIN L24239MH1939PLC002893 and having registered office at Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400 001 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company *
1.	Mr. N. Chandrasekaran	00121863	24/11/2020
2.	Ms. Vibha Paul Rishi	05180796	01/09/2014
3.	Mr. S. Padmanabhan	00306299	23/12/2016
4.	Ms. Padmini Khare Kaicker	00296388	01/04/2018
5.	Dr. C. V. Natraj	07132764	08/08/2019
6.	Mr. Rajiv Dube	00021796	18/09/2020
7.	Mr. K. B. S. Anand	03518282	15/10/2019
8.	Mr. R. Mukundan	00778253	26/11/2008
9.	Mr. Zarir Langrana	06362438	01/04/2018

**the date of appointment is as per the MCA Portal.*

Ensuring the eligibility, for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Practising Company Secretaries

P. N. Parikh
Partner
FCS: 327 CP: 1228
Mumbai, May 3, 2021
UDIN: F000327C000226135

Business Responsibility Report

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L24239MH1939PLC002893

2. **Name of the Company:** Tata Chemicals Limited

3. **Registered address:** Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400 001

4. **Website:** www.tatachemicals.com

5. **E-mail id:** corporate_communications@tatachemicals.com

6. **Financial Year reported:** April 1, 2020 – March 31, 2021

7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Description
107	Processing of salt into food grade salt, manufacture of food ingredients and sweeteners
201	Manufacture of chemicals and silica
239	Manufacture of clinkers and cement
089	Salt production by evaporation of sea water
081	Quarrying/mining of limestone

As per National Industrial Classification – Ministry of Statistics and Programme Implementation

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**
   - Basic Chemistry Products: Soda Ash, Sodium Bicarbonate and Edible Salt
   - Specialty Products: Prebiotic and complementary food ingredients

9. **Total number of locations where business activity is undertaken by the Company:**
   - Number of International Locations: 4 (The United States of America, United Kingdom, Kenya and Singapore)
   - Number of Key National Locations: 6 (Mithapur, Mumbai, Ahmedabad, Pune, Cuddalore and Mambattu)

10. **Markets served by the Company - Local/State/National/International:** India, US, Europe, Africa, South-East Asia, Canada, Latin America

Section B: Financial Details of the Company as on March 31, 2021

₹ in crore

Sr. No.	Particulars	Standalone	Consolidated
1.	Paid-up capital	255	255
2.	Revenue from operations	2,999	10,200
3.	Total profit after taxes, share of loss of joint ventures and non-controlling interest (Continuing operations)	479	256
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR is ₹ 21 crore which is 2.26% of the average profit after taxes of the previous three financial years. For more details, please refer the Annual Report on CSR annexed to the Board's Report.	

5. **List of activities in which expenditure in 4 above has been incurred: as per Schedule VII of the Companies Act, 2013.**

   (I) **Total Social & Community Development**
   - Eradicating hunger, poverty and malnutrition
   - Promoting health care including preventive health care
   - Sanitation and making available clean drinking water
   - Promoting education including special education especially amongst children, women, elderly and the differently abled
   - Employment enhancing vocational skills
   - Livelihood enhancement projects
   - Promoting gender equality, empowering women, setting up homes and hostels for women and orphans
   - Measures for reducing inequalities faced by socially and economically backward groups
   - Protection of natural heritage, art and culture
   - Promotion and development of traditional arts and handicrafts

- Contribution to the Prime Minister's Relief Fund and any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes ('SC'), Scheduled Tribes ('ST'), other backward castes, minorities and women
- Contribution of funds provided to technology incubators located within academic institutions which are approved by the Central Government
- Rural development projects

(II) Environmental & Conservation of Natural Resource projects

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining the quality of soil, air and water.

(III) Donations exempt under Section 80G, 35AC of the Income Tax Act, 1961 in areas other than the above

Donation to other institutions including for disaster relief work and other activities.

Section C: Other Details

1. Does the Company have any Subsidiary company/ companies?

Yes, the number of subsidiary companies of Tata Chemicals Limited ('the Company') as on March 31, 2021 are 33.

2. Do the Subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)

Yes, the Company encourages its subsidiary companies to participate in its group-wide Business Responsibility ('BR') initiatives on a wide range of topics. All subsidiaries are aligned to the activities under the aegis of Tata Group.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company does not mandate its suppliers and partners to participate in the Company's BR initiatives. However, they are encouraged to do so.

Less than 30%.

Section D: BR Information

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

- **DIN:** 00778253
- **Name:** Mr. R. Mukundan
- **Designation:** Managing Director & CEO

b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN (if applicable)	N.A.
2.	Name	Ms. Alka Talwar
3.	Designation	Chief CSR and Sustainability Officer
4.	Telephone Number	022-66437530
5.	E-mail id	atalwar@tatachemicals.com

2. Principle-wise (as per NVGs) BR policy/policies:

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business ('NVGs') released by the Ministry of Corporate Affairs (MCA) has adopted nine areas of Business Responsibility. These are briefly as under:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

a) Details of Compliance:

Sr. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? If Yes, Specify (50 words)*	Y (UN Global Compact, GRI)	Y (RC/ISO-14001)	Y (OHSAS – 18001)	Y (UN Global Compact, GRI)	Y (SA-8000, UN Guiding Principles on Business and Human Rights)	Y (ISO-14001)	Y (Tata Code of Conduct conforms to NVG)	Y (UN Global Compact, GRI)	Y (Responsible Care)
4.	Has the policy been approved by the Board. If yes, has it been signed by MD/Owner/ CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://sustainability.tatachemicals.com/vision.htm https://www.tatachemicals.com/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

**Note – The Company's Policies are linked to the following National/International Standards:-*

International Organisation for Standardisation (ISO-9001, ISO-14001), Occupation Health and Safety Assessment Series (OHSAS-18001), Responsible Care (RC-14001), Social Accountability (SA-8000), Global Reporting Initiative (GRI-G4) and United Nations Global Compact (UNGC).

b) If answer to Sr. No. 1 against any principle is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	N.A.								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next six months									
5.	It is planned to be done within next one year									
6.	Any other reason (please specify)									

3. Governance related to BR:

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year:**

  3-6 months

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  Yes, the Company publishes BR and Sustainability performance, both, as a part of its Integrated Annual Report on an annual basis. The Company has adopted International Integrated Reporting Council's (IIRC) framework.

  The link to view this report is: https://www.tatachemicals.com/investors/financial-reports/Yearly-reports.

  The Company also prepares Carbon Disclosure Project (CDP), climate change, water and supply chain reports every year.

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company?**

   It applies not only to our Company but to our partners and contractors.

2. **Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   a) Yes, the Tata Code of Conduct ('TCoC') defines the commitment on ethical behaviour by the Company. The Company has structured systems and processes for management of business ethics. All employees and suppliers sign to abide the TCoC. The Company has a Principal Ethics Counsellor at the corporate office with Location Ethics Counsellor at each major site. Various mechanisms including third-party helpline are made available to internal and external stakeholders to raise actual/potential concerns.

   b) The TCoC is sent to all suppliers with the contract, for their perusal, in respect of relevant clauses. Awareness programmes are conducted on TCoC for all employees across the locations, corporate and marketing offices. It is reinforced during annual national sales conferences, distributor meets, ethics month celebrations, etc.

3. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   A total of 16 ethics-related concerns were received from stakeholders. Of these, 15 were satisfactorily resolved by March 31, 2021. Balance one concern is under investigation and will be closed shortly.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   (i) **Sodium Bicarbonate:** Sodium Bicarbonate is a versatile product having a myriad of applications such as a leavening agent in food, feed manufacturing and several industrial applications. One segment of its use in India is as absorbent in treating flue gases emitted from power plants which use coal as fuels.

(ii) **Medikarb (IP grade):** Medikarb is Sodium Bicarbonate developed for pharmaceutical applications which is manufactured by further processing of Sodium Bicarbonate to reduce Sulphate, Chloride and other heavy metals. This product complies to specifications as prescribed by Indian and British pharmacopeial requirements.

(iii) **Highly Dispersible Silica (HDS):** HDS is produced through a green patented technology. It improves performance of tyres and reduces consumption of fuel.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (optional):

(i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain

The Company has taken initiatives like waste management by recycling them within the premises to add value and produce finished product. Recycling of waste in Mithapur Plant is improving year on year basis. It also helps in preserving the natural capital and reduces the fuel consumption due to recycling of materials. Recycling of water is also improving year on year basis which not only saves the water but also reduces the energy consumption as well. The initiatives undertaken by the Company for conservation of energy also form part of the Board's Report.

(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Sodium Bicarbonate: Sodium Bicarbonate is a low carbon product which helps in the reduction of carbon emission and thus reduces the impact on the environment. National Thermal Power Corporation ('NTPC') was the first customer where after several discussions with technology providers, the Company received trial orders to supply Sodium Bicarbonate to its Dadri Unit in National Capital Region. NTPC has plans to adopt dry sorbent injection technology using Bicarb at multiple units. It is expected that use of Bicarbonate in Flue Gas treatment for addressing flue gas emissions has a promising potential for environmental sustainability once it's adopted by the national power producer. It can be adopted by small power producers as the regulations tighten and are mandated by enforcement agencies.

Highly Dispersible Silica (HDS): HDS is gaining significant attention as functional filler in energy efficient green tyres to improve mileage of automotive vehicles. Green tyre is a new product and consumers are not yet fully aware of all the benefits associated with it such as lower rolling resistance (better fuel efficiency), improved wet grip (safer tyres) and improved abrasion resistance (durable tyres).

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, the Company has developed a supplier sustainability code and has established process for vendor selection. This includes various principles and guidelines such as Safety, Health and Environment Policy, Legal Compliance, Adherence to TCoC, ISO Certification, etc. The Company has started carrying out a Sustainability Assessment of its Key Suppliers and communicates areas of further improvements to reinforce sustainability principles.

Around 60% of coal used by the Company is ultra-low pollutant content coal branded as "Envirocoal". "Envirocoal" has low ash (2.5%), sulphur (0.2%) and nitrogen (0.9%) content.

68% of product volumes (approximately 2.3 million metric tonnes ['MT']) evacuated from Mithapur complex is through rail mode, which has significantly lower carbon emissions compared to other modes.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

Yes, the Company has a vendor development programme. Over the years, the Company has promoted local contractors and service providers by providing them opportunities. Additionally, the Company has also promoted skills and livelihood development in the neighbouring community through various training and community development programmes. The Company has also established an apprentice training centre to improve capacity and skills of more than 100 apprentices every year. The Company provides support to people from socially backward community.

The Company also keeps exploring development of suppliers from socially and economically backward communities. The Company initiated a sponsored Professional Training programme for developing functional skills and competencies of SC/ST and other socially and economically backward candidates to make them capable of being employed in sales and marketing field.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   The Company's Cement Plant at Mithapur is a unique 'waste to wealth' initiative. In FY 2020-21, the Company replaced 92.31% of virgin limestone with undersized limestone fines and effluent solids from soda ash plant and Fly ash from Captive Power Plant.

   Disposal of Hazardous and Plastic Waste through Central/State Pollution Control Board approved Recyclers, Common Disposal Facility and also Co-Processed approximately 372.52 MT of plastic waste in FY 2020-21 in the Company's Cement Plant.

Principle 3: Businesses should promote the well-being of all employees

1. Please indicate the total number of employees:

   1,699 employees in Tata Chemicals India operations as on March 31, 2021.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis:

   3,872 in Tata Chemicals India operations as on March 31, 2021.

3. Please indicate the number of permanent women employees:

   127 in Tata Chemicals India operations as on March 31, 2021.

4. Please indicate the number of permanent employees with disabilities:

   7 as on March 31, 2021

5. Do you have an employee association that is recognised by management?

   Yes

6. What percentage of your permanent employees are members of this recognised employee association?

   Approximately 26%

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	2	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?

   i) 70% of the Company's employees have undergone training for safety, compliances and skill upgradation.

   ii) It is mandatory for all employees to go through the safety training at sites. Refresher session on safety is also conducted on regular basis. E-learning courses on defensive driving are periodically rolled out to employees.

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. Has the Company mapped its internal and external stakeholders?

   Yes, the Company has mapped its stakeholders as a part of its stakeholder engagement strategy development process.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?

   Yes, the Company has identified the communities which are vulnerable and need focussed intervention.

The Company has a defined process for identifying key communities, their needs and prioritising interventions. The key communities consist of areas in and around the Company's manufacturing sites. Criteria for selection of key communities are based on the Mission, Vision and Values ('MVV'), neighbourhood of the area where the Company operates, impact on society and benefits to underprivileged people. The needs are identified through various listening and learning methods, participatory rural appraisal, need assessment, etc. The needs are prioritised based on parameters that help balance both the needs of the community and the Company's long-term strategic growth.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

Yes, the Company follows an integrated development approach, which specifically targets the disadvantaged, vulnerable and marginalised stakeholders.

It has been the Company's constant endeavour to focus on inclusive and collaborative growth. The Company began its journey a few years ago by focussing on Affirmative Action i.e. disadvantaged communities and while the Company continues to progress on this roadmap, it has expanded its focus on diversity to additionally cover gender diversity, disadvantaged regions and person with disability, LGBTQ all of which are important segments that can help create a more sustainable organisation for the future. Towards this objective, the Company has reconstituted its current Affirmative Action Council into a Diversity Council ('DC'). The organisation has instituted DC led by the Managing Director & CEO and Senior Leaders to focus on these identified areas of Affirmative Action agenda. The Company's leadership drives the Affirmative Action agenda across the organisation with passion and commitment.

The Company's integrated development interventions are based on the framework linked to the United Nations Sustainable Development Goals ('UN SDGs') and has the following elements: building economic capital, ensuring environmental integrity, enablers for social, economic and environmental development and building social capital.

All social initiatives under these elements are conducted around Company's areas of operations. It follows an integrated development approach to improve the quality of life, especially in their neighbourhoods and for the farmers. As per the need assessment, the SC/ST community in the Company's neighbourhood regions aspires for better education, health care, agriculture/animal husbandry extension, better livelihood skills and employment.

The Company's entry level recruitments like Diploma Engineer Trainees, Graduate Engineer Trainees and Management Trainees focus on colleges with areas dominant by SC/ST. The internal job posting initiative Seamlessly Harnessing Internal Expertise ('SHINE') is further enhanced to include referrals for candidates from the economically and socially backward communities. Seamlessly Harnessing Internal Expertise ('SHINE+') was launched as a corporate initiative, which has more reward for recruitment consultants for shortlisting of candidates that helps improve the Company's employee diversity especially for gender diversity, social and economically backward regions and communities and for persons with disability. The Company has a formal policy on Diversity and Inclusion ('D&I') which articulates and defines our commitment to this cause. From last year onwards, February is celebrated as the month of Diversity and Inclusion. During this month, sensitisation training is conducted for the senior leadership team and along with various activities conducted across the Company such as group discussions, panel discussions, expert speaker sessions on Business and Human Rights, Affirmative Action, play shops, quizzes, D&I room, communication through emailers, standees, placard, batches, etc. which helped sensitising employees on D&I, unconscious bias, inclusive behaviour, etc.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Company follows Principles of the International Declaration of Human Rights. The Company has released a formal policy on Business and Human Rights. The Policy supports, respects and protects the human rights of its direct as well as indirect employees. The Sustainability Policy and the TCoC also addresses these aspects.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

The Company did not receive any complaint with respect to human rights violation.

Principle 6: Businesses should respect, protect and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Company has made Supplier Sustainability Guidelines to extend the reach for capturing the sustainability aspect data from its suppliers. The Company also works with the Government, NGOs on different projects for environmental protection.

The Company's Policies - Safety, Health and Environment (SHE), Corporate Sustainability and Community Development; extend support to all stakeholders influencing the entire value chain. This also helps in sustaining environmental impacts beyond the prescribed limits and address social responsibility.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? If yes, please give hyperlink for webpage etc.

Yes, the Company has adopted the Tata Group's Climate Change Policy which is an integral part of the Company's strategy to help the organisation's growth in a carbon conscious manner.

The Company has signed up for the Science Based Target initiatives (SBTi) and has set for itself an absolute carbon reduction goal in line with Well Below 2 Degrees (WB2D). It has identified abatement levers, low carbon growth opportunities and carbon offset opportunities towards that end.

The detailed strategy is being further enhanced with the help of a consultant along with techno-commercial feasibility of implementation, maturity and availability of technologies and magnitude of emission reductions. The Company has adopted shadow carbon pricing for reviewing its capital expenditure and ensure a carbon conscious growth.

Biodiversity

- The Company conducted Environmental Impact Assessment studies to assess the impact of its operations on nearby biodiversity and surrounding environment periodically
- While operating in harsh ecological conditions/semi-arid conditions at Mithapur site, the Company has restored the ecological balance in the surrounding habitats by converting waste lands into greenbelt
- The Company's commitment towards continual improvement has triggered programmes such as mangrove conservation and regeneration at West Coast near Mithapur
- For preserving biodiversity of Okhamandal, the Company conducted biodiversity reserve plantation project, implemented with the support of employee volunteers, seeks to preserve indigenous vegetation. Under the project, a total of 150 acres have been afforested with 133 native species of vegetation
- The Company's salt works provide a safe habitat for a number of migratory aquatic birds, who use this space to roost and breed. The Company continues to be good hosts to them
- The Company has also adopted Tata Group initiative on valuation of natural capital programme for chemicals business to pilot the protocol developed by Natural Capital Coalition

Water Management, Water Footprinting, Carbon Footprinting

- Life Cycle Assessment ('LCA') Study for key products, Carbon Footprint (CFP) and Water Footprint (WFP) assessment for all sites were taken up. Based on these assessments, the Company derived targets and strategy for climate change and water management. The Company's Mission Jal programme is the strategy for addressing water footprint outcomes through the value chain.
- CDP's carbon action initiative facilitates in the implementation of cost-effective greenhouse gas emission reduction initiatives in line with emerging best practices. It is becoming increasingly important that they are able to evaluate exposure of a specific company to the material risks and opportunities presented by climate change, both in its direct operations and in its value chain. The Company uses the power of measurement and information disclosure to improve the management of environmental risk. The Company is responding to CDP since FY 2008-09. The Company has also started CDP water reporting in FY 2012-13. CDP's supply chain programme enables the Company to implement successful supplier engagement strategies, reduce upstream emissions, control water impact and manage risk in a changing climate. The Company has also decided to use Carbon price as another tool to assess projects before implementing them.

For more information, visit:
http://sustainability.tatachemicals.com/SOAOP.htm

3. Does the Company identify and assess potential environmental risks?

Yes, the Company has a formal process for Enterprise Risk Management ('ERM'). Through ERM process and Strength Weakness Opportunity Threat ('SWOT') analysis, potential environmental risks are identified at business level. The identified risks are assessed and thereafter relevant action plans are prepared for the mitigation of risks and it is periodically reviewed. The Company has also adopted ISO-14001 and is a signatory to Responsible Care which guides the Company as and when required. Aspect-Impact analysis with rating system is in place for assessing operational environmental impacts at site. Impact register is periodically reviewed for keeping it updated and for improving environmental performance. Environmental Management Plan ('EMP') is in place for mitigating the environmental impact, thus reducing operational environmental risks. The Company has also initiated LCA for its major products to estimate environmental impact over its life cycle. The Company had conducted environment impact assessment by third-party for Mithapur plant in FY 2018-19.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes. Clean Development Mechanism ('CDM') is an integral part of the Company's strategy for carbon conscious growth of the organisation. The Company got 2 CDM projects registered in 2004 and 1 CDM project in 2005. As on date, the Company does not have any CDM projects but it has become an unsaid practice to assess CDM potential in each and every project and to address the same in the feasibility report of the project. In the new facilities, the Company is actively promoting solar power systems.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Yes / No. If Yes, please give hyperlink to web page etc.

Yes. As per Tata Chemicals' strategy of Carbon conscious growth, the Company has taken various initiatives to address clean technology, renewable energy and energy efficiency etc. Abatement levers have been identified during carbon footprint base line study which is an integral part of the Long Term Sustainability Planning ('LTSP') to identify key projects in the journey of responsible operations. Some of the initiatives taken by the Company are as follows:

Renewable Source of Energy

- Use of solar energy to produce solar salt and in turn Soda Ash at Mithapur
- Use of solar energy in the new plant at Mambattu

Natural Capital Accounting & Biodiversity Ecosystem

- The Company has also adopted Tata Group initiative on valuation of natural capital programme for Chemistry business to pilot the protocol developed by Natural Capital Coalition
- Mangrove plantation and biodiversity plantation

Waste Management

- Well integrated mechanism to maximise the waste utilisation within the operations
- Emphasising development of value-added products out of waste such as developed Green Bricks out of Sulphur Rich Fly Ash
- Unique set-up of Cement plant to absorb waste generated out of other plants within the Mithapur operations
- Collecting back and disposing post-consumer plastic waste under Extended Producer Responsibility framework of Plastic Waste Management Rules, 2016

Green Packaging application

- Reusing secondary packaging in most products to reduce Carbon Footprint

Green Supply Chain

- Maximising rail transportation
- Full load basis transportation and preference to bulker movement

Besides this, the Company also endeavours to reduce indirect energy consumptions. Some of the initiatives are as follows:

- Preventive and reliability centred maintenance, etc. to reduce downtime and ensure smooth operations
- On-off timer system has been implanted in all street lights. Used fluorescent bulb in place of mercury light.
- Low voltage variable frequency drives for throttled and recirculation applications
- Premium efficiency motors to replace rewound motors
- Thermograph audits and actions for steam distribution network

For more information, visit:
http://sustainability.tatachemicals.com/SOAOP.htm

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The Company has installed online monitoring systems as per the guidelines of the Central Pollution Control Board ('CPCB'). Online monitoring data is regularly updated in CPCB server as per prescribed parameters. Emissions/waste generated reports are regularly submitted to CPCB/SPCB as per the prescribed norms for FY 2020-21.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   Observations were received through Site Visits/Directions/Important Notices/Show Cause Notices by the regulatory authorities during FY 2020-21. The Company has taken adequate measures and submitted compliance reports to the regulatory authorities well within timelines.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chambers or association? If Yes, name only those major ones that your business deals with.

   Yes, the Company has a stewardship role in the sectors in which it operates. It is represented in Confederation of Indian Industry (CII) and Indian Chemical Council.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

   Yes, the Company has participated in industry body consultations in the following areas:

   - Governance and administration
   - Inclusive development and affirmative action
   - Principles for sustainable business
   - Economic/sector reform
   - Skill development and skill building

   The TCoC is the guide that the Company uses for advocacy.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.

   Yes, the Company follows an integrated approach towards development programmes and follows the policy of Sustainable Development, participatory approach and transparency.

   The Company's inter-related development interventions are based on the framework linked to UN SDGs and has the following elements: building economic capital, ensuring environmental integrity, enablers for social, economic and environmental development and building social capital.

Building economic capital: Promoting livelihood opportunities and enhancing the quality of life from farm and non-farm based livelihoods:

1. Farm-based livelihood - Agriculture development initiatives and livestock management systems.
2. Non-Farm based livelihood - Skill Development initiatives, Promotion and development of traditional handicrafts - Okhai and Cluster Development - Rural BPO

Ensuring environmental integrity: Maintain ecological balance and conserve natural resources through participatory approach for environmental sustainability:

1. Nature Conservation - Whale Shark Conservation, Coral Reef Restoration, Mangrove Plantation, Biodiversity Reserve Plantation, Marine Turtle Monitoring, Community Conserved Wetland, monitoring of Birdlife and Eco Clubs
2. Land Development, Water Management and Conservation

Enablers for social, economic and environmental development:

1. Good Health & Well-being - Health Care Camps, Awareness and Training Programmes, Counselling Drives, Malnourishment, Homestead and Kitchen Garden.
2. Education - Entry level, Primary, Secondary and Higher Secondary – for children, adults, migrating communities.
3. Clean Water & Sanitation – Roof Rainwater Harvesting Structures, Repair of hand pumps, supporting households with water purifier systems through Samridhhi and Swach Tarang Project and for Sanitation - Behaviour change programmes, Swachh Bharat Mission Cleanliness Drives, Construction of toilets and sanitation units.

Building social capital: Inclusion of the socially backward population especially the women and SC and ST population is done in all programmes. To create self-sustaining models, we have set up social enterprises, Okhai and Ncourage Social Enterprise Foundation, a wholly owned subsidiary of the Company ('Ncourage'). The Company is supporting Community Based Organisations (CBOs), Self-help Groups ('SHG'), Accredited Social Health Activist (ASHA) workers, School Management Committees (SMC), village volunteers, entrepreneurs etc., in planning and monitoring of the CSR projects and to reach out to the community.

Relief Programmes: The Company continues its support to any disaster, which hits the country.

Programmes during Covid-19: Throughout the year, the Company took various initiatives to support the government and local communities in the fight against Covid-19. This included financial support towards the relief funds of state governments, providing sodium hydrochloride, hand sanitisers, medical infrastructure, supply of dry ration, driver kit, hygiene kit, distribution of masks, awareness drives, etc. In addition to this, the Company supported community livelihood through SHGs making masks and providing a platform to the farmers to reach the consumers in Mithapur and Dwarka through a mobile application. A digital push in all our interventions included online education classes for students, Digital training to 137 SHGs members – Hu Pan Digital, Online training or programme for farmers awareness on various agriculture information, online skill training for youth, etc. Community engagement was ensured through virtual connects and celebrations, small group meetings, phone calls, whatsapp calls, etc.

For further information on projects and achievements, please visit www.tcsrd.org and www.okhai.org.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?

The Company's Corporate Social Responsibility ('CSR') projects are implemented through the Tata Chemicals Society for Rural Development ('TCSRD') which was set up in 1980 to protect and nurture rural populations. Since then, the Company has set up other focussed organisations such as the Tata Chemicals Golden Jubilee Foundation and Okhai – Centre for empowerment. The Governing Board of TCSRD and Okhai comprises eminent personalities from the academia, industry and civil society. In 2018, the Company incorporated a new organisation – 'Ncourage Social Enterprise Foundation' to promote social enterprise development in the rural areas of India. The Company works with partners who respect and agree to the organisations' core CSR values. TCSRD has always worked in partnership with government agencies, voluntary bodies and local authorities in implementing CSR initiatives. The Company has partnered with various government and non-government organisation such as Sir Ratan Tata Trust, WASMO (Water and Sanitation Management Organisation), NABARD (National Bank for Agriculture and Rural Development), American India Foundation, WTI (Wildlife Trust of India), HP, Schneider and GRIMCO (Gujarat Rural Industries Marketing Corporation Limited).

3. Have you done any impact assessment of your initiative?

Yes. Impact of activities is measured on a regular basis by doing impact assessment, social audit by third-party and by assessment as per Tata Sustainability Framework Analysis. A community satisfaction survey is carried out yearly to understand the perception of the community, reach of programmes and the satisfaction level of the community. The Company has carried out a detailed Impact assessment and process documentation of the Babrala agriculture and Livestock Management Programmes.

There are various types of annual social assessment that are being conducted for the impact of the programme, community satisfaction, need identification and future planning.

Details of assessments are mentioned below:

Sr. No.	Name of the Assessment	Beneficiaries	Remark
1.	Community Satisfaction Index	a) Community members b) Beneficiaries of project c) Panchayat Leaders d) Vendors	Internal assessment done annually and external impact assessment done every 3rd year
2.	Tata Affirmative Action Program Assessment	People from backward classes on Education, Employment, Entrepreneurship and Employability	Through external assessors
3.	External Assessment	Beneficiaries of the programme	Through external assessors

4. What is the Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

For FY 2020-21, the amount spent for community development projects: ₹ 21 crore.

The programme framework linked to UN SDGs 1, 2, 3, 4, 5, 6, 7, 10, 13, 14, 15 & 17 has the following elements: building economic capital, ensuring environmental integrity, enablers for social, economic and environmental development and building social capital.

Building economic capital

Farm-based livelihoods

The Company is promoting livelihood of farmers through its agriculture and livestock development programmes. Under the agriculture development programme, the Company organised capacity building of farmers (online and offline modes) exposure visits, field demonstration and supported with seeds and agri-equipment for enhancing the productivity. During the year, more than 6,800 farmers were directly benefitted from various interventions. The Company facilitated registration of a Farmers Producer Company, under the name of Okhamandal Farmer Producer Company Limited (OFPCL) which would benefit approximately 1,200 farmers. Animal husbandry is secondary source of livelihood for the farmers, for which activities like Foot & Mouth disease vaccination, Haemorrhagic septicaemia (HS) vaccination, deworming camps and animal health camps were undertaken. In FY 2020-21, more than 53,000 cattle were covered under the cattle health and breed improvement initiatives.

Non-Farm based livelihoods

Skill development

The Company is running skill development programmes in different locations to train unemployed youth and facilitate in their employment or entrepreneurship development. The vocational skill training includes Fashion & Technology, Welder technician, Fitter technician, Domestic electrician, Beauty & Wellness, Attendant Operator Chemical Plant, Nursing Assistant, Electronics technician, Bar bending, Formwork carpenter, Diploma in fire & safety, Mechanic diesel, Automation, etc. The Company has set up technical skill training institute at Mithapur which has affiliation with National Skill Development Corporation (NSDC). This year, due to Covid-19, many courses were conducted online. The Company is also supporting Tata Strive Centre for running skill development centre at Aligarh and Industrial Training Institute (ITI) at Dwarka. During the year, more than 1,600 youth were trained on different vocational skills which would help them get employment or start their own enterprises.

Promotion and development of traditional handicrafts

Okhai: With the objective to create livelihood opportunities for rural women artisans, Okhai has been able to impact 25,190 artisans across India. Okhai provided support to the artisans through training, design development and online retail of the crafts. Okhai worked as a bridge between the artisans and the customers for scaling up the sale of their handicraft products by understanding customer needs, manufacturing the products with the help of the artisans and facilitating in sale through the Okhai website and its sales outlets. During the pandemic, to ensure livelihood for rural women artisans across the country, Okhai transformed to a marketplace, Okhai's sales has increased by 67%, impacting many more artisan groups and increase in their income. The first flagship store was launched in Mumbai.

Cluster Development programme strives to develop entrepreneurship qualities in rural women and guide them adeptly to engage in productive enterprises. The Company organised training on entrepreneurship development for all the women members of SHG cluster, so that they are equipped with entrepreneurial skills and can establish their respective production unit. At Mithapur, six clusters/group enterprises have been formed. They are Bandhani, Rexene and Leather, Bead work, Jute, Block print and Coconut Fibre products, which are also linked to Okhai for providing a marketing platform for the same.

Ensuring Environmental Integrity

The Company is working on maintaining ecological balance and conserving natural resources through participatory approach for environmental sustainability. Biodiversity conservation programmes continued at Mithapur with projects such as recovery of coral reef, conservation of whale shark, mangrove plantation, rejuvenating indigenous flora and fauna and environmental education initiatives.

The Whale Shark project at Mithapur focusses on habitat study and research on migratory pattern and breeding biology of this fish.

During the year, 34 whale sharks caught accidentally in the fishing nets along the Saurashtra coast were rescued and released taking the total rescue figure since the inception of the campaign to 813. The Company is also working with the Eco Clubs in schools at Mithapur to raise awareness on environment conservation.

Under the Greening programme, the Company planted 1.15 lakh mangroves in Dwarka, Gujarat and Sundarbans, West Bengal.

Land development programme, water management and conservation programmes like recharging by well recharge structures, water harvesting by check dam, community pond structures, etc. were carried out at Gujarat.

The Company has established a dry waste processing plant at Mithapur, launched under the Swachh Bharat Abhiyan.

Enablers for social, economic and environmental development

Good health & well-being

Improving the health of the rural community is an important part of the Company's overall strategy. In Cuddalore (Tamil Nadu), kitchen gardens were promoted. In Mambattu, nutrition project has been initiated with baseline anaemia and malnutrition tests and also creating awareness through 12 Nutrition clubs, followed by recipe demonstrations for VLC volunteers, nutritional club and community members.

The Company is implementing a 'Holistic Nutrition' project in Amravati, Maharashtra and Barwani, Madhya Pradesh which aims at holistic improvement of community health by improving the nutritional intake of women and children (0 to 2 years). This year, nutrition project was also started at Mithapur and Mambattu. Under this project, activities such as screening of women for anaemia, identification of Severely Acute Malnourished (SAM) and Moderately Acute Malnourished (MAM) children and facilitating treatment of anaemic women and malnourished children were taken up. During the year, more than 5,300 women and adolescent girls and 8,585 children benefitted through this.

Education

Education programmes at all locations have been taken up based on the need of the area with a target of zero drop-out of students at all levels of education starting from pre-primary education. The focus has been on improving quality of education in schools, providing scholarship support to meritorious students, providing basic infrastructure support to schools, imparting bridge courses and providing required coaching support to youth for their academic and professional growth. During the year, education programmes such as Learning Enhancement programme, Teacher Training, Scholarships, Child Learning and Improvement Programme, Shreemati Nathibai Damodar Thackersey Women's University (SNDT) Centre, Career Resource Centre, Shala Pravesh Utsav, Adult Literacy classes on Spoken English and Personality Development project for primary school children with Sir Ratan Tata Trust were implemented. This year, online education classes were conducted for students to ensure continuity of education.

A separate initiative Learning And Migration Program (LAMP) is being carried out in seven districts of Gujarat for the migration affected villages. The programme is run in partnership with American India Foundation which with the help of implementing NGOs is working closely with community and government schools to strengthen the school governance system and quality of education. Learning Enrichment Program (LEP) and Learning Resource Centre (LRC) are two important components of the LAMP programme in which innovative models of teachings have been adopted. More than 6,000 children were benefitted by the programme.

Clean Water and Sanitation

The Company has partnered with Water and Sanitation Management Organisation (WASMO) for undertaking drinking water and sanitation activities under Coastal Area Development Projects (CADP). The project aims to provide drinking water facilities to the rural households of Okhamandal with the help of village institutions. During the year, 711 households were provided tap connection for supply of water and supported with construction of toilets.

Under Samriddhi project with Ncourage, the Company focusses on ensuring safe drinking water for the rural households in different parts of India through generating awareness and supporting them with water purifiers.

With the launch of the Swach Tarang project, the Company is targeting reaching to the poorest of the poor families in some of the remote parts of India which are higher number of people from the Affirmative Action Communities. The Company has implemented the programme across India and have supported 1,116 families with community level water purifiers.

Building social capital

The Company is reaching out to the socially backward population of the community, especially the women, SC and ST. The objective is to mainstream them by inclusion in all the developmental programmes.

The Company undertakes Affirmative Action programme, which focusses on improving the lives of the marginalised population through its Employment, Employability, Entrepreneurship Development, Education and Essential Amenities initiatives.

To create self-sustaining models, the Company has set up social enterprises, Okhai Centre for Empowerment and Ncourage.

Okhai Centre for Empowerment focusses on sustainable social business targeting artisans livelihood.

Ncourage focusses on promoting affordable clean and safe drinking water through Tata Swach range of household and community water purification systems and this year has initiated intervention on animal health and nutrition. Ncourage has started engaging with grassroot level organisations especially those engaged in activities related to agri produce or value-added products. The objective is to create suitable linkages for making the products reach markets as mainstream commercial activity and help getting them equitable returns.

The Kasturi initiative is helping develop women farmers in self-leadership, family management and ability to serve as community catalyst in Agripreneurship.

Infrastructure Development Program is the key to rural development as it helps improve rural economy and quality of life. The Company has always given importance to this programme as it is essential for the overall development of the community. Projects such as infrastructure support to schools and construction of individual toilets were taken up. Employee volunteers play an important role in the Company's community development initiatives. In FY 2020-21, about 4,068 volunteering hours were contributed by the volunteers and their family members.

Relief Programme

The Company continues its support to any disaster, which hits our country. During Covid-19 pandemic, the Company focussed on supporting the Government and the local communities. The Company has manufactured and supplied disinfectant for the Mithapur factory. The Company has produced masks for Mithapur and Cuddalore through SHG and artisans associated with the Company's Okhai initiative. The Company has been creating awareness about the pandemic and safety measures in the local communities using posters and videos. Relief support was also provided in flood affected areas of Gujarat, Tamil Nadu, Maharashtra and West Bengal.

For further information on projects and achievements, please refer the Annual Report of TCSRD at www.tcsrd.org and www.okhai.org.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes. Community is our key stakeholder and the Company believes that development of the community is only possible through engagement and partnership from all the stakeholders. The guiding principles for the engagement with the community are enshrined in the 'Community Development Policy'. These principles are sustainability, participatory approach, transparency, networking and partnership, creating a resource centre and volunteering.

The process of engagement with the community starts with identification of the key community, their needs and prioritisation. The needs are identified through various listening and learning methods, participatory rural appraisals, household survey and focussed group discussion.

The participation of the stakeholders is vital to the success of all programmes and forms the basis of all programme designs. The projects are continuously monitored and evaluated to measure impact. Stakeholder Engagement Surveys and Social Impact Audits are conducted to assess project outcomes. The Company develops exit strategy for projects which have matured and withdraws after handing over the project to the community.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentages of customer complaints/consumer cases are pending as on the end of financial year?

Products	Customer complaints /Cases pending as on March 31, 2021 (%)
Chemicals	1.7
Nutraceuticals	0.7
Silica	Nil

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

Yes, product information about the physical dimensions and/or chemical compositions/nutritional information/nutrient content is provided through the product labels/pack declaration and/or catalogues. Information of the products is available round-the-clock on the Company's website and at the call centres, during specific hours of the working day. All packages retail/bulk contain product information including Product Manager's address/Customer Relationship Manager's contact number to enable consumers to correspond. All the Company's information is voluntary with various branding elements, with no comment on competitors or regional bias statements. Wherever applicable, specific certification requirements of regulatory authorities and some marks such as ISI (Indian Standards Institute), FSSAI (Food Safety and Standards Authority of India), etc. are provided on the product labels and/or catalogues.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There is no anti-competitive, abuse of dominant position or unfair trade practices case pending against the Company.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Yes, customer satisfaction survey is carried out by the Company every year.

Overall customer satisfaction for FY 2020-21 is given below:

Products	Consumer Satisfaction (%)
Chemicals	86
Nutraceuticals	79
Silica	88

Standalone Financial Statements

Independent Auditors' Report

To the Members of Tata Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Tata Chemicals Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31 2021, and the Standalone Statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Revenue recognition (refer notes 2.14 and 25 to the Standalone Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
Revenue is recognised when the control over the underlying products has been transferred to the customer. Due to the Company's sales under various contractual terms and across the country, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider a risk of misstatement of the Financial Statements related to transactions occurring close to the year end, as these transactions could be recorded in the incorrect financial period (cut-off risk). There is also a risk of revenue being overstated due to fraud resulting from pressure on the Company to achieve performance targets at the reporting period end. Accordingly, fraud and cut-off risks in revenue recognition are considered as a key audit matter.	Our audit procedures included: • Assessing the Company's revenue recognition for compliance with Ind AS; • Testing the design, implementation and operating effectiveness of the Company's manual and automated (Information Technology - IT) controls on recording revenue. We involved our IT specialists for IT testing. We focussed on controls around the timely and accurate recording of sales transactions which included evaluating the Company's lead time assessment and quantification of any sales reversals for undelivered goods based on the terms and conditions set out in the sales contracts and the transit time required to deliver the goods; • Performing testing on selected statistical samples of revenue transactions recorded during the year end; • Assessing high risk manual journals posted to revenue to identify any unusual items.

Impairment evaluation of Investments in unlisted subsidiaries (refer notes 2.3.5, 2.12 and 8 to the Standalone Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the investments in unlisted subsidiaries (held at cost less impairment) represents 32% of the Company's total assets. The investments are assessed for impairment when an indicator of impairment exists. With the spread of COVID-19 in India and globally, demand loss is expected for the products of unlisted subsidiaries. The impairment assessment involves use of estimates and judgements. The identification of an impairment event and the determination of impairment charge also requires the application of significant judgement by the Company. The judgement, in particular, is with respect to the timing, quantity and estimation of future discounted cash flows of the underlying entities. It involves significant estimates and judgment, due to the inherent uncertainty involved in forecasting and discounting future cash flows. In view of the significance of these investments and estimates and judgments involved, we consider impairment evaluation of investments in unlisted subsidiaries to be a key audit matter.	Our audit procedures included: • Evaluating design and implementation and testing operating effectiveness of controls over the Company's process of impairment assessment and approval of forecasts; • Assessing the indicators for impairment of the unlisted subsidiaries and understanding the Company's assessment of those indicators; • Assessing the valuation methods used for determining recoverable amount, financial position of the unlisted subsidiaries and assessing historical financial performance of those subsidiaries; • Understanding the basis and assumptions used for the financial forecasts; • Testing the key assumptions associated with significant estimation uncertainty and subjectivity used in the discounted cash flow forecast analysis based on our knowledge of the Company and the markets in which the unlisted subsidiaries operate. We challenged these assumptions including applying sensitivity analysis, with the assistance of our valuations team; • Comparing the carrying amount of investments with recoverable amount based on discounted cash flow analysis.

Litigations and claims (refer notes 2.3.4, 2.22, 19 and 45.1 to the Standalone Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The Company operates in various States within India, exposing it to a variety of different Central and State laws, regulations and interpretations thereof. The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities. Litigations and claims may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims. Resolution of litigations and claims proceedings may span over multiple years beyond March 31 2021 due to the complexity and magnitude of the legal matters involved and may involve protracted negotiation or litigation. The determination of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the possible expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims over time as new facts emerge as each legal case progresses and positions taken by the Company. There is an inherent complexity and magnitude of potential exposures is significant across the Company. Significant judgment is necessary to estimate the likelihood, timing and amount of the cash outflows, interpretations of the legal aspects, legislations and judgements previously made by the authorities. Accordingly, this is identified as a key audit matter.	Our audit procedures included: • Obtaining an understanding of actual and potential outstanding litigations and claims against the Company from the Company's in-house Legal Counsel and other senior personnel of the Company and assessing their responses; • Assessing status of the litigations and claims based on correspondence between the Company and the various tax/legal authorities and legal opinions obtained by the Company; • Testing completeness of litigations and claims recorded by verifying the Company's legal expenses and the minutes of the board meetings; • Assessing and challenging the Company's estimate of the possible outcome of litigations and claims. This is based on applicable tax laws and legal precedence by involving our tax specialists in taxation related matters and discussing with the Company's internal legal counsel; • Evaluating the Company's internal control and judgements made by comparing the estimates of prior year to the actual outcome; • Assessing and testing the adequacy and completeness of the Company's disclosures in respect of litigations and claims.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Standalone Financial Statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31 2021 on its financial position in its Standalone Financial Statements - Refer Notes 19 and 45.1 to the Standalone Financial Statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, except for ₹ 0.55 crores, due to legal disputes with regard to ownership that have remained unresolved.

iv. The disclosures in the Standalone Financial Statements regarding holdings as well as dealings in specified bank notes during the period from November 8 2016 to December 30 2016 have not been made in these Standalone Financial Statements since they do not pertain to the financial year ended March 31 2021.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN: 21046476AAAACR4608

Mumbai
May 03, 2021

Annexure A to the Independent Auditors' Report-March 31 2021

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended March 31 2021, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties.

(b) The Company has a programme of physical verification of its property, plant and equipment and investment properties by which the property, plant and equipment and investment properties are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment and investment properties during the year, and we are informed that the discrepancies were not material and have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties of land and buildings as disclosed in Note 4 and Note 5 to the Standalone Financial Statements, are held in the name of the Company, except for freehold land in Mambattu, Nellore admeasuring 1,62,095.63 sq. meters and amounting to ₹ 15.05 crores, where the Company is in the process of entering into a Land Sale Agreement with the Government of Andhra Pradesh.

(ii) The inventory, except for goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act for soda ash, caustic soda lye, sodium bicarbonate, clinker, cement and liquid bromine, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income-tax, Duty of customs, Employees' State Insurance, Goods and Service tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us, there are no dues in respect of Sales-tax, Value added tax, Duty of excise and Service tax payable by the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Profession tax, Income-tax, Employees'

State Insurance, Duty of customs, Goods and Service tax, Cess and other material statutory dues were in arrears as at March 31 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Goods and Service tax and Value added tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Sr No	Name of Statute	Nature of Dues	Amounts* (₹ In crore)	Period to which the amount relates	Forum where Dispute is pending
1	Customs Act, 1962	Custom Duty	23.53	2012-13,2015-16	Tribunal (CESTAT)
			1.14	1987-88, 1992-93, 2001-02, 2011-12, 2014-16	Appellate Authority upto Commissioner's level
2	Central Excise Act, 1944	Excise Duty	49.93	2005-06	High Court
			45.96	2008-09, 2010-12, 2014-16	Tribunal (CESTAT)
			16.44	2016-17, 2017-18	Appellate Authority upto Commissioner's level
3	Central Sales Tax, 1956 and Sales Tax Act of Various state	Sales Tax (Central and State) and Value Added Tax	32.61	2006-10, 2012-13, 2015-16	High Court
			2.51	2004-06, 2011-14, 2016-17	Tribunal (CESTAT)
			7.70	1997-2000, 2003-06, 2009-17	Appellate Authority upto Commissioner's level
4	The West Bengal tax on entry of Goods into Local Areas Act, 2012	Entry Tax	119.62	2012-13 to 2015-16	High Court
5	The Finance Act 1994 (Service Tax)	Service Tax	11.67	2010-11, 2011-12	Tribunal (CESTAT)
6	Income Tax Act, 1961	Income Tax	0.33	AY 2012-13	Commissioner of Income Tax (Appeals)
			81.91	AY 2015-16	Tribunal (ITAT)
			0.78	AY 2016-17	Commissioner of Income Tax (Appeals)
			3.17	AY 2018-19	Assessing Officer

*net of amounts paid under protest.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any outstanding dues to financial institutions, debenture holders and Government.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us by the management, we report that no material fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by applicable Ind AS.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN: 21046476AAAACR4608

Mumbai
May 03, 2021

Annexure B to the Independent Auditors' Report on the Standalone Financial Statements of Tata Chemicals Limited for the year ended March 31 2021

Report on the internal financial controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1(A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Tata Chemicals Limited ("the Company") as of March 31 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31 2021, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN: 21046476AAAACR4608

Mumbai
May 03, 2021

Standalone Balance Sheet as at March 31, 2021

₹ in crore

		Note	As at March 31, 2021	As at March 31, 2020
I.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Property, plant and equipment	4	2,313.79	2,156.39
	(b) Capital work-in-progress		420.62	402.13
	(c) Investment property	5	54.74	21.11
	(d) Right-of-use assets	6	23.68	23.04
	(e) Goodwill		45.53	45.53
	(f) Other intangible assets	7	8.34	7.22
	(g) Intangible assets under development		0.02	0.27
	(h) Financial assets			
	(i) Investments in subsidiaries and joint ventures	8(a)	4,758.06	4,758.06
	(ii) Other investments	8(b)	3,297.27	1,904.23
	(iii) Loans	9	0.62	0.92
	(iv) Other financial assets	10	0.26	0.26
	(i) Advance tax assets (net)	23	574.90	588.94
	(j) Other non-current assets	11	291.54	184.23
	Total non-current assets		**11,789.37**	**10,092.33**
(2)	**Current assets**			
	(a) Inventories	12	521.64	701.17
	(b) Financial assets			
	(i) Investments	8(c)	1,281.81	1,301.33
	(ii) Trade receivables	13	144.92	139.84
	(iii) Cash and cash equivalents	14	61.41	83.72
	(iv) Bank balances other than (iii) above	14	623.91	795.86
	(v) Loans	9	0.17	0.23
	(vi) Other financial assets	10	118.72	137.31
	(c) Other current assets	11	123.33	143.96
	Total current assets		**2,875.91**	**3,303.42**
	Total assets		**14,665.28**	**13,395.75**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	15	254.82	254.82
	(b) Other equity	16	13,002.35	11,722.50
	Total equity		**13,257.17**	**11,977.32**
	Liabilities			
(1)	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Lease liabilities	17	4.85	10.41
	(ii) Other financial liabilities	18	0.11	0.17
	(b) Provisions	19	151.85	163.37
	(c) Deferred tax liabilities (net)	20	201.93	59.55
	(d) Other non-current liabilities	21	10.50	10.50
	Total non-current liabilities		**369.24**	**244.00**
(2)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables	22		
	- Outstanding dues of micro enterprises and small enterprises		3.73	3.83
	- Outstanding dues of creditors other than above		477.92	571.16
	(ii) Other financial liabilities	18	169.87	187.04
	(b) Other current liabilities	21	47.76	46.74
	(c) Provisions	19	204.18	199.64
	(d) Current tax liabilities (net)	24	135.41	166.02
	Total current liabilities		**1,038.87**	**1,174.43**
	Total liabilities		**1,408.11**	**1,418.43**
	Total equity and liabilities		**14,665.28**	**13,395.75**
	Notes forming part of the Standalone Financial Statements	1-46		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board
N. Chandrasekaran — Chairman
(DIN: 00121863)
Padmini Khare Kaicker — Director
(DIN: 00296388)
R. Mukundan — Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Standalone Statement of Profit and Loss for the year ended March 31, 2021

₹ in crore

		Note	Year ended March 31, 2021	Year ended March 31, 2020
I.	**Incomes**			
	a) Revenue from operations	25	2,998.88	2,920.29
	b) Other income	26	219.15	309.15
	Total income (a+b)		**3,218.03**	**3,229.44**
II.	**Expenses**			
	a) Cost of materials consumed		600.33	541.90
	b) Purchases of stock-in-trade		152.56	94.41
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	11.59	(76.41)
	d) Employee benefits expense	28	250.42	250.28
	e) Finance costs	29	18.74	43.37
	f) Depreciation and amortisation expense	30	197.32	149.50
	g) Other expenses	31	1,373.10	1,392.07
	Total expenses (a to g)		**2,604.06**	**2,395.12**
III.	**Profit before tax (I - II)**		**613.97**	**834.32**
IV.	**Tax expense**			
	(a) Current tax	33	134.49	194.37
	(b) Deferred tax	33	0.37	(31.87)
	Total tax expense (a+b)		**134.86**	**162.50**
V.	**Profit for the year from continuing operations (III-IV)**		**479.11**	**671.82**
VI.	Exceptional gain from discontinued operations (net)	34	-	6,128.08
VII.	Tax expense of discontinued operations	34	-	(40.32)
VIII.	**Profit for the year from discontinued operations (VI-VII)**		**-**	**6,168.40**
IX.	**Profit for the year (V+VIII)**		**479.11**	**6,840.22**
X.	**Other comprehensive income (net of tax) ("OCI") - gain/(loss)**			
	(A) Items that will not be reclassified to the Statement of Profit and Loss			
	- Changes in fair value of investments in equities carried at fair value through OCI		1,194.26	(557.31)
	- Remeasurement of defined employee benefit plans (note 38)		28.72	(50.55)
	(B) Income tax relating to items that will not be reclassified to the Statement of Profit and Loss		142.01	(65.42)
	Total other comprehensive income - gain/(loss) (net of tax) (A-B)		**1,080.97**	**(542.44)**
XI.	**Total comprehensive income for the year (IX+X)**		**1,560.08**	**6,297.78**
XII.	**Earnings per share for continuing operations (in ₹)**			
	- Basic and Diluted	35	18.81	26.37
XIII.	**Earnings per share for discontinued operations (in ₹)**			
	- Basic and Diluted	35	-	242.13
XIV.	**Earnings per share (for continuing and discontinued operations) (in ₹)**			
	- Basic and Diluted	35	18.81	268.50
	Notes forming part of the Standalone Financial Statements	1-46		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran (DIN: 00121863) — Chairman
Padmini Khare Kaicker (DIN: 00296388) — Director
R. Mukundan (DIN: 00778253) — Managing Director and CEO
Nandakumar S. Tirumalai (ICAI M. No.: 203896) — Chief Financial Officer
Rajiv Chandan (ICSI M. No.: FCS 4312) — General Counsel & Company Secretary

Standalone Statement of Changes in Equity for the year ended March 31, 2021

a Equity share capital (note 15)

	₹ in crore
Balance as at March 31, 2021	254.82
Balance as at March 31, 2020	254.82

b Other equity (note 16)

₹ in crore

	Reserves and surplus						Items of other comprehensive income	
	Capital reserve and other reserves from amalgamation	Securities premium	Capital redemption reserve	Debenture redemption reserve	General reserve	Retained earnings *	Equity instruments through other comprehensive income	Total
Balance as at April 1, 2019	**1,522.74**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**5,742.38**	**2,174.78**	**12,110.15**
Transition impact of Ind AS 116	-	-	-	-	-	(0.21)	-	(0.21)
Restated balance as at April 1, 2019	**1,522.74**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**5,742.17**	**2,174.78**	**12,109.94**
Profit for the year	-	-	-	-	-	6,840.22	-	6,840.22
Other comprehensive income (net of tax)	-	-	-	-	-	(37.59)	(504.85)	(542.44)
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**6,802.63**	**(504.85)**	**6,297.78**
Dividends including tax on dividend	-	-	-	-	-	(378.90)	-	(378.90)
Deemed dividend on demerger (note 34)	-	-	-	-	-	(6,307.97)	-	(6,307.97)
Refund of tax on dividend	-	-	-	-	-	1.65	-	1.65
Transfer to retained earnings - sale of non-current investment	-	-	-	(240.00)	240.00	-	-	-
Balance as at March 31, 2020	**1,522.74**	**1,258.21**	**0.10**	**-**	**1,411.94**	**5,859.58**	**1,669.93**	**11,722.50**
Profit for the year	-	-	-	-	-	479.11	-	479.11
Other comprehensive income (net of tax)	-	-	-	-	-	21.36	1,059.61	1,080.97
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**500.47**	**1,059.61**	**1,560.08**
Dividends	-	-	-	-	-	(280.23)	-	(280.23)
Transfer to retained earnings - sale of non-current investment	-	-	-	-	-	(1.51)	1.51	-
Balance as at March 31, 2021	**1,522.74**	**1,258.21**	**0.10**	**-**	**1,411.94**	**6,078.31**	**2,731.05**	**13,002.35**

*including remeasurement of defined employee benefit plans

Notes forming part of the Standalone Financial Statements 1-46

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran — Chairman
(DIN: 00121863)
Padmini Khare Kaicker — Director
(DIN: 00296388)
R. Mukundan — Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

TATA

Standalone Statement of Cash Flows for the year ended March 31, 2021

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
A	**Cash flows from operating activities**		
	Profit before tax from continuing operations	613.97	834.32
	Profit before tax from discontinued operations	-	6,128.08
		613.97	**6,962.40**
	Adjustments for :		
	Depreciation and amortisation expense	197.32	149.50
	Finance costs	18.74	43.37
	Interest income	(47.34)	(40.99)
	Dividend income	(72.91)	(123.22)
	Gain on demerger of discontinued operation (net) (note 34)	-	(6,220.15)
	Net gain on sale of current investments	(45.82)	(121.27)
	Provision for employee benefits expense	30.05	28.39
	Provision for doubtful debts and advances/bad debts written off (net)	0.18	9.40
	Provision for contingencies (net)	7.12	(5.33)
	Liabilities no longer required written back	(3.25)	-
	Provision for exceptional item (note 34)	-	92.07
	Foreign exchange gain/(loss) (net)	4.15	(2.74)
	Loss/(profit) on assets sold or discarded (net)	2.78	(8.34)
	Operating profit before working capital changes	**704.99**	**763.09**
	Adjustments for :		
	Trade receivables, other financial assets and other assets	58.38	(66.07)
	Inventories	179.53	(73.49)
	Trade payables, other financial liabilities and other liabilities	(120.09)	22.11
	Cash generated from operations	**822.81**	**645.64**
	Taxes paid (net of refund)	(151.06)	(218.27)
	Net cash generated from operating activities	**671.75**	**427.37**
B	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment (including capital work-in-progress)	(546.87)	(698.29)
	Acquisition of intangible assets (including intangible asset under development)	(3.77)	(3.02)
	Proceeds from sale of property, plant and equipment	0.54	11.88
	Proceeds from sale of current investments	3,335.53	8,330.19
	Purchase of non-current investments	(198.90)	-
	Purchase of current investments	(3,269.99)	(7,354.00)
	Bank balances not considered as cash and cash equivalents	169.99	(737.41)
	Payment on sale of discontinued operations (net) (note 34)	-	(8.00)
	Interest received	37.76	42.79
	Dividend received		
	- From subsidiaries	26.33	25.93
	- From joint venture	26.49	72.24
	- From others	20.09	25.05
	Net cash used in investing activities	**(402.80)**	**(292.64)**

Standalone Statement of Cash Flows for the year ended March 31, 2021

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
C	**Cash flows from financing activities**		
	Repayment of borrowings	-	(640.16)
	Repayment towards lease liabilities	(3.08)	(8.43)
	Finance costs paid	(9.95)	(73.48)
	Bank balances in dividend and restricted account	1.96	(1.99)
	Dividends paid including distribution tax	(280.19)	(377.26)
	Net cash used in financing activities	**(291.26)**	**(1,101.32)**
	Net decrease in cash and cash equivalents	**(22.31)**	**(966.59)**
	Cash and cash equivalents as at April 1	83.72	1,049.75
	Exchange difference on translation of foreign currency cash and cash equivalents	-	0.56
	Cash and cash equivalents as at March 31 (note 14)	**61.41**	**83.72**

Footnote:

Reconciliation of borrowings and lease liabilities

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Lease liabilities (note 37)	4.85	10.41
Current maturities of finance lease obligations (note 18)	4.10	4.35
	8.95	**14.76**
Repayment of borrowings of continuing operations	-	(640.16)
Repayment towards lease liabilities	(3.08)	(8.43)
Realised foreign exchange loss due to financing activities (net)	-	(48.92)
Transition impact of Ind AS 116 (note 37)	-	4.35
Derecognition of lease	(2.73)	-
Fair value changes (net)	-	39.56
Movement of borrowings and lease liabilities (net)	**(5.81)**	**(653.60)**

The Statement of Cash Flow is prepared using indirect method as prescribed under Ind AS 7.

Notes forming part of the Standalone Financial Statements 1-46

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran — Chairman
(DIN: 00121863)
Padmini Khare Kaicker — Director
(DIN: 00296388)
R. Mukundan — Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Notes forming part of the Standalone Financial Statements

1. Corporate information

Tata Chemicals Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India; the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is a diversified business dealing in basic chemistry products and specialty products. The Company has a global presence with key subsidiaries in United States of America ('USA'), United Kingdom ('UK') and Kenya that are engaged in the manufacture and sale of soda ash, industrial salt and related products. During the previous year, the Company had demerged consumer product business as per Scheme of Arrangement amongst Tata Consumer Products Limited (formerly Tata Global Beverages Limited) ("TCPL") and the Company and their respective shareholders and creditors (note 34).

2. Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and significant accounting policies

2.1 Basis of compliance

The Standalone Financial Statements comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act' or 'the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The Standalone Financial Statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

2.3 Critical accounting estimates, assumptions and judgements

The preparation of the Standalone Financial Statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Standalone Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

2.3.1. Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

2.3.2 Useful lives of property, plant and equipment ('PPE') and intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

2.3.3 Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.4 Provisions and contingencies

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Standalone Financial Statements. Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

2.3.5 Impairment of investment in subsidiaries and goodwill

The Company reviews its carrying value of investment in subsidiaries and goodwill carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the Standalone Statement of Profit and Loss.

2.4 Foreign currency translation

The functional currency of the Company (i.e. the currency of the primary economic environment in which the Company operates) is the Indian Rupee (₹).

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Balance Sheet date and the resultant exchange gains or losses are recognised in the Standalone Statement of Profit and Loss.

2.5 Property, plant and equipment

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any and also to the costs incurred subsequently to add to, replace part of, or service it and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes interest on borrowings directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use, which generally coincides with the commissioning date of those assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of an asset.

All other repair and maintenance costs, including regular servicing, are recognised in the Standalone Statement of Profit and Loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

PPE acquired and put to use for projects are capitalised and depreciation thereon is included in the project cost till the project is ready for commissioning.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE (except leasehold improvements) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, leasehold improvements are depreciated on a straight-line method over the shorter of their respective useful lives or the tenure of the lease arrangement. Freehold land is not depreciated.

Schedule II to the Act prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that the useful lives adopted by it reflect the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of PPE are as given below:

Asset	Useful life
Salt Works, Water works, Reservoirs and Pans	1-30 years
Plant and Machinery	1-60 years
Traction Lines and Railway Sidings	15 years
Factory Buildings	5-60 years
Other Buildings	5-60 years
Furniture and Fittings and Office Equipment (including Computers and Data Processing Equipment)	1-10 years
Vehicles	4-10 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal/adjustments of PPE are recognised in the Standalone Statement of Profit and Loss.

2.6 Intangible assets

Intangible assets comprise software licenses, product registration fees and rights to use railway wagon.

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives. The management's estimates of the useful lives for various class of Intangibles are as given below:

Asset	Useful life
Computer software	5 years
Other intangible assets	4-20 years

The estimated useful life is reviewed annually by the management.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone Statement of Profit and Loss.

2.7 Capital work-in-progress ('CWIP') and intangible assets under development

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

2.8 Investment property

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 2.5 above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Standalone Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Standalone Statement of Profit and Loss in the period of de-recognition.

2.9 Research and development expenses

Research expenses are charged to the Standalone Statement of Profit and Loss as expenses in the year in which they are incurred. Development costs are capitalised as an intangible asset under development when the following criteria are met:

- the project is clearly defined, and the costs are separately identified and reliably measured;
- the technical feasibility of the project is demonstrated;
- the ability to use or sell the products created during the project is demonstrated;
- the intention to complete the project exists and use or sale of output manufactured during the project;
- a potential market for the products created during the project exists or their usefulness, in case of internal use, is demonstrated, such that the project will generate probable future economic benefits; and
- adequate resources are available to complete the project.

These development costs are amortised over the estimated useful life of the projects or the products they are incorporated within. The amortisation of capitalised development costs begins as soon as the related product is released to production.

2.10 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Standalone Balance Sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Standalone Statement of Profit and Loss.

2.11 Financial instruments

2.11.1 Investments and other financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.
- those measured at carrying cost for equity instruments subsidiaries and joint ventures.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Standalone Statement of Profit and Loss or through OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments

Measurement

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Standalone Statement of Profit and Loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment (unhedged) that is subsequently measured at amortised cost is recognised in the Standalone Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate ('EIR') method.

- **Fair value through other comprehensive income ('FVTOCI')**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Standalone Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone Statement of Profit and Loss. Interest income from these financial assets is included in other income using the EIR method.

- **Fair value through profit or loss ('FVTPL')**

  Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment (including current investments) that is subsequently measured at FVTPL (unhedged) is recognised net in the Standalone Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value, except investment in subsidiaries and joint ventures. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Standalone Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Standalone Statement of Profit and Loss within other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with a maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Derecognition of financial assets

A financial asset is derecognised only when the Company

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.11.2 Debt and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.11.3 Financial liabilities

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the EIR method. The EIR is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period at effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Standalone Statement of Profit and Loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

Presentation

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.11.4 Derivatives and hedging activities

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations associated with borrowings (cash flow hedges). When the Company opts to undertake hedge accounting, the Company documents, at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Standalone Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Standalone Statement of Profit and Loss on settlement. When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Standalone Statement of Profit and Loss as the hedged item affects profit or loss.

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the Standalone Statement of Profit and Loss.

Derivatives that are not designated as hedges

When derivative contracts to hedge risks are not designated as hedges, such contracts are accounted through FVTPL.

As at the year end, there were no designated accounting hedges.

The entire fair value of a hedging derivative is classified as a Non-current asset or liability when the remaining maturity of the hedged item exceeds 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item does not exceed 12 months.

2.11.5 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time of issuance of guarantee. The liability is initially measured at fair value and is subsequently measured at the higher of the amount of loss allowance determined, or the amount initially recognised less, the cumulative amount of income recognised.

2.11.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.11.7 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

2.12 Impairment

Investments in subsidiaries and joint ventures

The Company reviews its carrying value of investment in subsidiaries carried at cost (net of impairment, if any) when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the Standalone Statement of

Profit and Loss. The recoverable amount requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate.

Other financial assets (other than at fair value)

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables the Company applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised upon initial recognition of the receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures.

PPE, CWIP, intangible assets and goodwill

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit ("CGU"). The carrying values of assets / CGU at each Balance Sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / CGU is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment loss is recognised in the Standalone Statement of Profit and Loss. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, consequent to which such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss.

The Company reviews its carrying value of goodwill annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the Standalone Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2.13 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes and duties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Revenue recognition

2.14.1 Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

2.14.2 Interest income

For all debt instruments measured either at amortised cost or at FVTOCI, interest income is recorded using the EIR method.

2.14.3 Dividend income

Dividend income is accounted for when Company's right to receive the income is established.

2.14.4 Insurance claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

2.15 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2.16 Employee benefits plans

Employee benefits consist of provident fund, superannuation fund, gratuity fund, compensated absences, long service awards, post-retirement medical benefits, directors' retirement obligations and family benefit scheme.

2.16.1 Post-employment benefit plans

Defined contribution plans

Payments to a defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

Defined benefit plans

Contributions to a Provident Fund are made to Tata Chemicals Limited Employees' Provident

Fund Trust, administered by the Company, and are charged to the Standalone Statement of Profit and Loss as incurred. The Trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The Company is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to members at the rate declared by the Government of India in respect of the Trust administered by the Company.

For defined benefit schemes in the form of gratuity fund, provident fund, post-retirement medical benefits, pension liabilities (including directors') and family benefit scheme, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

The retirement benefit obligation recognised in the Standalone Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Standalone Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Standalone Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Standalone Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Standalone Statement of Profit and Loss as past service cost.

2.16.2 Short-term employee benefits

The short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:

(a) In case of accumulating compensated absences, when employees render service that increase their entitlement of future compensated absences; and

(b) In case of non-accumulating compensated absence, when the absences occur.

2.16.3 Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Long Service Awards are recognised as a liability at the present value of the obligation at the Balance Sheet date. All gains/losses due to actuarial valuations are immediately recognised in the Standalone Statement of Profit and Loss.

2.17 Employee separation compensation

Compensation paid / payable to employees who have opted for retirement under a Voluntary Retirement Scheme including ex-gratia is charged to the Standalone Statement of Profit and Loss in the year of separation.

2.18 Borrowing costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Standalone Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Standalone Statement of Profit and Loss in the period in which they are incurred.

2.19 Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Standalone Balance Sheet and transferred to the Standalone Statement of Profit and Loss on systematic and rational basis over the useful lives of the related asset.

2.20 Segment reporting

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.21 Income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Standalone Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to realise the asset or to settle the liability on a net basis.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Standalone Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Standalone Balance Sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the Standalone Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in OCI or directly in equity.

2.22 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current estimate.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are not disclosed in the Standalone Financial Statements unless an inflow of economic benefits is probable.

2.23 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.24 Business combinations

The Company accounts for the common control transactions in accordance with the 'pooling of interest' method prescribed under Ind AS 103 - Business Combination for common control transactions and as per the provisions of respective schemes approved by the regulators, where all the assets and liabilities of transferor companies would be recorded at the book value as at the Appointed date.

3. Recent Indian Accounting Standard (Ind AS) and note on COVID-19

3.1 Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3.2 Note on COVID-19

The production of soda ash, sodium bicarbonate and specialty products operations has recovered after the initial phases of the lockdown as customers' own operations recommenced.

The Company has taken into account potential impacts of COVID-19 in the preparation of the Standalone Financial Statements. Based on the information currently available there is no material impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets though management continues to monitor changes in future economic conditions. The impact of COVID-19 on the Standalone Financial Statements may differ from that estimated as at the date of approval of these Standalone Financial Statements.

4 Property, plant and equipment

₹ in crore

	Land *	Factory Buildings	Other Buildings	Plant and Machinery	Furniture and Fittings	Vehicles	Office Equipment	Salt works, Water works, Reservoirs and Pans	Traction Lines and Railway Sidings	Total
Gross Block										
Balance as at April 1, 2019	**42.67**	**176.15**	**144.33**	**1,518.78**	**22.24**	**7.04**	**43.82**	**50.17**	**9.12**	**2,014.32**
Additions/adjustments **	15.05	157.07	27.22	579.89	4.48	1.44	6.41	10.51	0.01	802.08
Disposals	-	(0.07)	(0.16)	(12.12)	(0.04)	(0.40)	(0.42)	-	-	(13.21)
Transferred to Right-of-use assets (note 6)	-	-	(0.17)	(28.35)	-	(0.74)	-	-	-	(29.26)
Transferred to discontinued operations (note 34)	-	-	-	(5.63)	-	-	(0.73)	-	-	(6.36)
Balance as at March 31, 2020	**57.72**	**333.15**	**171.22**	**2,052.57**	**26.68**	**7.34**	**49.08**	**60.68**	**9.13**	**2,767.57**
Additions/adjustments **	(0.27)	84.93	21.10	249.92	13.71	1.14	5.28	9.73	0.18	385.72
Disposals/adjustments	-	(2.48)	-	(64.21)	(0.71)	(2.19)	(0.51)	(15.90)	(1.60)	(87.60)
Transferred to Investment property (note 5)	(15.47)	(11.47)	(12.87)	-	-	-	-	-	-	(39.81)
Balance as at March 31, 2021	**41.98**	**404.13**	**179.45**	**2,238.28**	**39.68**	**6.29**	**53.85**	**54.51**	**7.71**	**3,025.88**
Accumulated Depreciation										
Balance as at April 1, 2019	**-**	**25.85**	**23.55**	**380.44**	**7.36**	**3.66**	**35.79**	**16.76**	**2.77**	**496.18**
Depreciation for the year	-	10.12	4.16	112.47	2.74	1.39	3.82	7.22	0.67	142.59
Disposals/adjustments	-	(0.06)	(0.11)	(8.59)	(0.04)	(0.38)	(0.48)	-	-	(9.66)
Transferred to Right-of-use assets (note 6)	-	-	-	(14.63)	-	(0.61)	-	-	-	(15.24)
Transferred to discontinued operations (note 34)	-	-	-	(2.13)	-	-	(0.56)	-	-	(2.69)
Balance as at March 31, 2020	**-**	**35.91**	**27.60**	**467.56**	**10.06**	**4.06**	**38.57**	**23.98**	**3.44**	**611.18**
Depreciation for the year	-	18.21	5.46	152.54	3.91	0.84	3.20	5.94	0.67	190.77
Disposals/adjustments	-	(2.43)	-	(61.43)	(0.50)	(2.15)	(0.48)	(15.71)	(1.58)	(84.28)
Transferred to Investment property (note 5)	-	(2.46)	(3.12)	-	-	-	-	-	-	(5.58)
Balance as at March 31, 2021	**-**	**49.23**	**29.94**	**558.67**	**13.47**	**2.75**	**41.29**	**14.21**	**2.53**	**712.09**
Net Block as at March 31, 2020	**57.72**	**297.24**	**143.62**	**1,585.01**	**16.62**	**3.28**	**10.51**	**36.70**	**5.69**	**2,156.39**
Net Block as at March 31, 2021	**41.98**	**354.90**	**149.51**	**1,679.61**	**26.21**	**3.54**	**12.56**	**40.30**	**5.18**	**2,313.79**

*Land ₹ 15.05 crore (2020 : ₹ 15.05 crore) for which legal formalities relating to transfer of title are pending.

**Includes ₹ Nil (2020 : ₹ 0.32 crore) preoperative depreciation Capitalised.

5 Investment property

₹ in crore

	Land	Building	Total
Gross Block			
Balance as at April 1, 2019	**1.13**	**23.15**	**24.28**
Disposals	*	-	-
Balance as at March 31, 2020	**1.13**	**23.15**	**24.28**
Transferred from Property, plant and equipment (note 4)	15.47	24.34	39.81
Balance as at March 31, 2021	**16.60**	**47.49**	**64.09**
Accumulated Depreciation			
Balance as at April 1, 2019	**-**	**2.56**	**2.56**
Depreciation for the year	-	0.61	0.61
Balance as at March 31, 2020	**-**	**3.17**	**3.17**
Depreciation for the year	-	0.60	0.60
Transferred from Property, plant and equipment (note 4)	-	5.58	5.58
Balance as at March 31, 2021	**-**	**9.35**	**9.35**
Net Block as at March 31, 2020	**1.13**	**19.98**	**21.11**
Net Block as at March 31, 2021	**16.60**	**38.14**	**54.74**

*value below ₹ 50,000

Footnotes:

a) Disclosures relating to fair valuation of investment property

Fair value of the above investment property as at March 31, 2021 is ₹ 273.39 crore (2020: 133.46 crore) based on external valuation.

Fair Value Hierarchy

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation techniques used.

Description of valuation technique used

The Company obtains independent valuations of its investment property after every three years. The fair value of the investment property have been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property.

b) The Company has not earned any material rental income on the above properties.

6 Right-of-use assets

₹ in crore

	Land	Building	Plant and Machinery	Vehicles	Total
Gross Block					
Balance as at April 1, 2019	-	-	-	-	-
Transferred from Property, plant and equipment (note 4)	-	0.17	28.35	0.74	29.26
Transferred from prepaid expenses	1.87	-	-	-	1.87
Transition impact of Ind AS 116 (note 37)	-	4.03	-	-	4.03
Additions	7.74	-	-	-	7.74
Balance as at March 31, 2020	**9.61**	**4.20**	**28.35**	**0.74**	**42.90**
Additions	5.92	-	-	-	5.92
Deletion	-	(2.91)	-	-	(2.91)
Balance as at March 31, 2021	**15.53**	**1.29**	**28.35**	**0.74**	**45.91**
Accumulated amortisation					
Balance as at April 1, 2019	-	-	-	-	-
Transferred from Property, plant and equipment (note 4)	-	-	14.63	0.61	15.24
Amortisation for the year	0.06	0.75	3.68	0.13	4.62
Balance as at March 31, 2020	**0.06**	**0.75**	**18.31**	**0.74**	**19.86**
Amortisation for the year	0.10	0.70	2.25	-	3.05
Disposals	-	(0.68)	-	-	(0.68)
Balance as at March 31, 2021	**0.16**	**0.77**	**20.56**	**0.74**	**22.23**
Net Block as at March 31, 2020	**9.55**	**3.45**	**10.04**	**-**	**23.04**
Net Block as at March 31, 2021	**15.37**	**0.52**	**7.79**	**-**	**23.68**

(Refer note 37 for lease liabilities related disclosures)

7 Other intangible assets

₹ in crore

	Computer software	Others*	Total
Gross Block			
Balance as at April 1, 2019	**6.04**	**6.78**	**12.82**
Additions	1.09	1.82	2.91
Transferred to discontinued operations (note 34)	(0.48)	-	(0.48)
Balance as at March 31, 2020	**6.65**	**8.60**	**15.25**
Additions/Adjustments	1.32	2.70	4.02
Disposals	(0.03)	-	(0.03)
Balance as at March 31, 2021	**7.94**	**11.30**	**19.24**
Accumulated amortisation			
Balance as at April 1, 2019	**2.99**	**3.06**	**6.05**
Amortisation for the year	1.15	0.85	2.00
Transferred to discontinued operations (note 34)	(0.02)	-	(0.02)
Balance as at March 31, 2020	**4.12**	**3.91**	**8.03**
Amortisation for the year	1.25	1.65	2.90
Disposals	(0.03)	-	(0.03)
Balance as at March 31, 2021	**5.34**	**5.56**	**10.90**
Net Block as at March 31, 2020	**2.53**	**4.69**	**7.22**
Net Block as at March 31, 2021	**2.60**	**5.74**	**8.34**

*Others include product registration fees and the wagon rights provided by the Ministry of Railways to carry goods at concessional freight.

8 Investments

	As at March 31, 2021		As at March 31, 2020	
	Holdings No. of securities	Amount ₹ in crore	Holdings No. of securities	Amount ₹ in crore
(a) Investments in equity instruments in subsidiaries and joint ventures (fully paid up) (footnote "ii")				
(i) Subsidiaries (at cost)				
Quoted				
Rallis India Ltd.	9,73,41,610	479.97	9,73,41,610	479.97
Unquoted				
Tata Chemicals International Pte. Limited	48,53,07,852	3,123.75	48,53,07,852	3,123.75
Ncourage Social Enterprise Foundation	25,50,000	2.55	25,50,000	2.55
(ii) Investments in preference shares (fully paid up)				
Unquoted (at cost)				
Direct Subsidiary				
Non Cumulative Redeemable Preference Shares of Tata Chemicals International Pte. Limited	1,61,00,000	750.16	1,61,00,000	750.16
Indirect Subsidiaries				
Non Cumulative Redeemable Preference Shares of Gusiute Holdings (UK) Limited	1,00,00,000	65.18	1,00,00,000	65.18
Non Cumulative Redeemable Preference Shares of Homefield Pvt UK Limited	1,78,50,000	116.34	1,78,50,000	116.34
Less: Impairment #		(116.34)		(116.34)
(iii) Joint ventures (at cost)				
Unquoted				
Indo Maroc Phosphore, S.A. , Morocco	2,06,666	166.26	2,06,666	166.26
Tata Industries Ltd.	98,61,303	170.19	98,61,303	170.19
Total investments		**4,758.06**		**4,758.06**
(b) Other investments				
(i) Investments in equity instruments (Fair value through other comprehensive income)				
Quoted				
The Indian Hotels Co. Ltd.	1,06,89,348	118.49	1,06,89,348	80.17
Oriental Hotels Ltd.	25,23,000	5.75	25,23,000	4.35
Tata Investment Corporation Ltd.	4,41,015	45.67	4,41,015	29.25
Tata Steel Ltd.	30,90,051	250.87	28,90,693	77.93
Tata Steel Ltd. (Partly Paid)	-	-	1,99,358	0.59
Tata Motors Ltd.	19,66,294	59.34	19,66,294	13.97
Titan Company Ltd.	1,38,26,180	2,154.19	1,38,26,180	1,290.97
Unquoted				
The Associated Building Co. Ltd.	550.00	0.02	550.00	0.02
Taj Air Ltd.	40,00,000	-	40,00,000	-
Tata Capital Ltd.	32,30,859	13.02	32,30,859	16.48
Tata International Ltd.	72,000	151.43	48,000	108.48
Tata Projects Ltd.	1,93,500	289.32	1,93,500	222.85
Tata Services Ltd.	1,260	0.13	1,260	0.13
Tata Sons Private Ltd.	10,237	56.86	10,237	56.86
Tata Teleservices Ltd. (footnote 'i') #	-	-	12,85,110	-

	As at March 31, 2021		As at March 31, 2020	
	Holdings No. of securities	Amount ₹ in crore	Holdings No. of securities	Amount ₹ in crore
Unquoted (contd...)				
IFCI Venture Capital Funds Ltd.	2,50,000	0.67	2,50,000	0.67
Kowa Spinning Ltd.	60,000	*	60,000	*
Global Innovation And Technology Alliance (GITA)	15,000	1.50	15,000	1.50
Water Quality India Association	7,100	0.01	7,100	0.01
Total investments (b (i))		**3,147.27**		**1,904.23**
(ii) Investments in non convertible debentures (Fair value through profit and loss)				
Tata International Ltd. (Quoted)	1,500	150.00	-	-
Total investments (b (i+ii))		**3,297.27**		**1,904.23**
Aggregate amount of quoted investments		3,264.28		1,977.20
Aggregate market value of quoted investments		5,245.11		3,207.52
Aggregate carrying value of unquoted investments		4,791.05		4,685.09
# Aggregate amount of impairment in value of unquoted Investments		116.34		117.85

Footnote:

(i) Details of country of incorporation, nature of business and % equity interest have been disclosed in note 38 of the Consolidated Financial Statements for the year ended March 31, 2021.

*value below ₹ 50,000/-

(c) Current investments (Fair value through profit and loss)

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Unquoted		
Investment in mutual funds	1,281.81	1,301.33
Total current investments	**1,281.81**	**1,301.33**

9. Loans

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Other loans (Unsecured, considered good)		
(i) Loans to employees (footnote 'i')	0.62	0.92
	0.62	**0.92**
Current		
(a) Other loans (Unsecured, considered good)		
(i) Loans to employees (footnote 'i')	0.17	0.23
(ii) Loans to related parties (note 43 (b))	676.40	700.03
Less : Impairment (note 43 (b))	(676.40)	(700.03)
	-	-
	0.17	**0.23**

Footnote:

(i) Loans to employees includes ₹ Nil (2020: ₹ Nil) due from officer of the Company. Maximum balance outstanding during the year is ₹ Nil (2020: ₹ Nil).

10. Other financial assets

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Fixed deposits with banks	0.26	0.26
	0.26	**0.26**
Current		
(a) Claim receivable - Related party (note 43 (b))	9.56	4.92
(b) Derivatives (note 40)	-	1.64
(c) Accrued interest income	11.91	2.22
(d) Advance recoverable - Related party (footnote 'i') (note 43 (b))	60.39	65.38
(e) Subsidy receivable (net) (footnote 'ii')	35.22	60.08
(f) Others	1.64	3.07
	118.72	**137.31**

Footnotes:

(i) Advance recoverable from related party is short term in nature and receivable on demand.

(ii) Subsidy receivable from the Government relates to Phosphatic Fertiliser business and Trading business.

11. Other assets

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Capital advances	237.19	115.52
(b) Deposit with public bodies and others	51.13	62.53
(c) Prepaid expenses	3.22	6.18
	291.54	**184.23**
Current		
(a) Prepaid expenses	6.76	6.20
(b) Advance to suppliers	21.85	30.01
Less: Allowances for bad and doubtful advances	(0.05)	(0.08)
	21.80	**29.93**
(c) Statutory receivables	94.77	107.24
(d) Others	-	0.59
	123.33	**143.96**

12. Inventories

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(a)	Raw materials	326.30	502.67
(b)	Work-in-progress	29.55	40.49
(c)	Finished goods	56.20	86.99
(d)	Stock in trade	42.57	12.43
(e)	Stores, spare parts and packing materials (net)	67.02	58.59
		521.64	**701.17**
Footnotes:			
(i)	Inventories includes goods in transit:		
	- Raw materials	35.69	47.05
	- Stock in trade	8.91	5.66
	- Stores and spare parts and packing materials	0.36	0.62

(ii) The cost of inventories recognised as an expense includes ₹ 7.29 crore (2020: ₹ 0.60 crore) in respect of write-down of inventories to net realisable value.

(iii) Inventories have been offered as security against the working capital facilities provided by the bank.

13. Trade receivables

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Current			
(a)	Secured, considered good	6.30	3.99
(b)	Unsecured, considered good	138.62	135.85
(c)	Unsecured, credit impaired	56.93	56.81
	Less: Impairment loss allowance	(56.93)	(56.81)
		144.92	**139.84**

Footnotes:

(i) The Company has appropriate levels of control procedures for new customers which ensures the potential customer's credit quality. Credit limits attributed to customers are reviewed periodically by the Management.

(ii) Movement in credit impaired

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	56.81	68.36
Credit impaired pertaining to discontinued operations (note 34)	-	(11.43)
Provision during the year	0.30	0.17
Reversal during the year	(0.18)	(0.29)
Balance at the end of the year	**56.93**	**56.81**

(iii) Trade receivables have been offered as security against the working capital facilities provided by the bank.

14. Cash and cash equivalents and other bank balances

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents:		
(a) Balance with banks	61.41	83.70
(b) Cash on hand	-	0.02
Cash and cash equivalents as per Statement of Cash Flow	**61.41**	**83.72**
Other bank balances:		
(a) Earmarked balances with banks	18.74	20.70
(b) Deposit accounts (with original maturity less than 12 months from the Balance Sheet date)	605.17	775.16
	623.91	**795.86**

Footnote:

(i) Non cash transactions

The Company has not entered into any non cash investing and financing activities.

15 Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No of shares	₹ in crore	No of shares	₹ in crore
(a) Authorised:				
Ordinary shares of ₹ 10 each	27,00,00,000	270.00	27,00,00,000	270.00
(b) Issued :				
Ordinary shares of ₹ 10 each	25,48,42,598	254.84	25,48,42,598	254.84
(c) Subscribed and fully paid up:				
Ordinary shares of ₹ 10 each	25,47,56,278	254.76	25,47,56,278	254.76
(d) Forfeited shares:				
Amount originally paid-up on forfeited shares	86,320	0.06	86,320	0.06
		254.82		**254.82**

Footnotes:

(i) The movement in number of shares and amount outstanding at the beginning and at the year end

	Year ended March 31, 2021		Year ended March 31, 2020	
	No of shares	₹ in crore	No of shares	₹ in crore
Issued share capital:				
Ordinary shares :				
Balance as at April 1,	25,48,42,598	254.84	25,48,42,598	254.84
Balance as at March 31	**25,48,42,598**	**254.84**	**25,48,42,598**	**254.84**
Subscribed and paid up:				
Ordinary shares :				
Balance as at April 1,	25,47,56,278	254.76	25,47,56,278	254.76
Balance as at March 31	**25,47,56,278**	**254.76**	**25,47,56,278**	**254.76**

(ii) Terms/ rights attached to equity shares

The Company has issued one class of ordinary shares at par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

(iii) Details of shares held by each shareholder holding more than 5% shares.

	As at March 31, 2021		As at March 31, 2020	
	No of shares	%	No of shares	%
Ordinary shares with voting rights				
(i) Tata Sons Private Ltd.	8,12,60,095	31.90	7,26,25,673	28.51
(ii) Life Insurance Corporation of India	1,86,10,802	7.31	1,68,84,036	6.63
(iii) Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,52,00,001	5.97
(iv) ICICI Prudential Mutual fund	*	*	1,60,79,641	6.31

*Not holding more than 5% shares

16. Other equity

₹ in crore

		As at March 31, 2021	As at March 31, 2020
1	Capital reserve and other reserves from amalgamation	1,522.74	1,522.74
2	Securities premium	1,258.21	1,258.21
3	Capital redemption reserve	0.10	0.10
4	Debenture redemption reserve	-	-
5	General reserve	1,411.94	1,411.94
6	Retained earnings	6,078.31	5,859.58
7	Equity instruments through other comprehensive income	2,731.05	1,669.93
Total other equity		**13,002.35**	**11,722.50**

The movement in other equity

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
16.1	**Capital reserve and other reserves from amalgamation**		
	Balance at the beginning of the year	1,522.74	1,522.74
	Balance at the end of the year	**1,522.74**	**1,522.74**
	Footnote: Capital reserve represents the difference between the consideration paid and net assets received under common control business combination transaction. It can be utilised in accordance with the provisions of the 2013 Act.		
16.2	**Securities premium**		
	Balance at the beginning of the year	1,258.21	1,258.21
	Balance at the end of the year	**1,258.21**	**1,258.21**
	Footnote: Securities premium is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of the 2013 Act.		
16.3	**Capital redemption reserve**		
	Balance at the beginning of the year	0.10	0.10
	Balance at the end of the year	**0.10**	**0.10**
16.4	**Debenture redemption reserve**		
	Balance at the beginning of the year	-	240.00
	Transferred to General reseve	-	(240.00)
	Balance at the end of the year	**-**	**-**
	Footnote: The Company is required to create a debenture redemption reserve out of the profits which is available for the purpose of redemption of debentures, which has been redeemed during the previous year.		

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
16.5	**General reserve**		
	Balance at the beginning of the year	1,411.94	1,171.94
	Transferred from Debenture redemption reserve	-	240.00
	Balance at the end of the year	**1,411.94**	**1,411.94**
	Footnote: The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		
16.6	**Retained earnings**		
	Balance at the beginning of the year	5,859.58	5,742.38
	Transition impact of Ind AS 116	-	(0.21)
	Restated balance	**5,859.58**	**5,742.17**
	Profit for the year	479.11	6,840.22
	Remeasurement of defined employee benefit plans (net of tax)	21.36	(37.59)
	Dividend (including tax on dividend ₹ Nil (2020: ₹ 60.45 crore))	(280.23)	(378.90)
	Deemed dividend on demerger (note 34)	-	(6,307.97)
	Refund of tax on dividend	-	1.65
	Transfer from equity instruments through other comprehensive income	(1.51)	-
	Balance at the end of the year (footnote 'ii')	**6,078.31**	**5,859.58**
	Footnotes: (i) The Board of Directors has recommended a final dividend of 100 % (2020: 110 %) for the financial year 2020-21 ₹10.00 per share (2020: ₹ 11.00 per share) which is subject to approval of shareholders. (ii) Includes balance of remeasurement of net defined benefit plans loss of ₹ 45.84 crore (2020: ₹ 67.20 crore). (iii) Retained earnings represents net profits after distributions and transfers to other reserves.		
16.7	**Equity instruments through other comprehensive income**		
	Balance at the beginning of the year	1,669.93	2,174.78
	Changes in fair value of equity instruments at FVTOCI (net of tax)	1,059.61	(504.85)
	Transfer to retained earnings	1.51	-
	Balance at the end of the year	**2,731.05**	**1,669.93**
	Footnote: This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.		

17. Lease liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
Lease liabilities (note 37)	4.85	10.41
	4.85	**10.41**

18. Other financial liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Pension payable on employee separation scheme	0.11	0.17
	0.11	**0.17**
Current		
(a) Current maturities of lease liabilities (note 37)	4.10	4.35
(b) Creditors for capital goods	65.64	80.21
(c) Unclaimed dividend (footnote 'i')	18.77	18.73
(d) Unclaimed debenture interest	0.01	0.01
(e) Derivatives (note 40)	1.09	-
(f) Security deposit from customers	22.19	22.86
(g) Accrued expenses	57.32	52.59
(h) Others	0.75	8.29
	169.87	**187.04**

Footnote:

(i) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for ₹ 0.55 crore (2020: ₹ 0.57 crore), wherein legal disputes with regards to ownership have remained unresolved.

19. Provisions

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Provision for employee benefits		
(i) Pension and other post retirement benefits (note 38)	147.58	158.84
(ii) Long service awards	2.15	2.42
	149.73	**161.26**
(b) Other provisions (footnote 'i')	2.12	2.11
	151.85	**163.37**
Current		
(a) Provision for employee benefits		
(i) Pension and other post retirement benefits (note 38)	6.01	5.66
(ii) Compensated absences and long service awards	43.65	46.57
	49.66	**52.23**
(b) Other provisions (footnote 'i')	154.52	147.41
	204.18	**199.64**

Footnote:

(i) **Other provisions include:**

₹ in crore

	Asset retirement obligation (1)	Provision for litigations and others (2)	Total
Balance as at March 31, 2019	**15.30**	**139.55**	**154.85**
Provisions pertaining to discontinued operation (refer note 34)	-	7.84	7.84
Provisions recognised during the year	0.06	4.12	4.18
Payments / utilisation during the year	-	(17.35)	(17.35)
Balance as at March 31, 2020	**15.36**	**134.16**	**149.52**
Provisions pertaining to discontinued operation (Phosphatic Fertilisers business)	-	7.84	7.84
Provisions recognised during the year	0.01	3.21	3.22
Payments during the year	-	(3.94)	(3.94)
Balance as at March 31, 2021	**15.37**	**141.27**	**156.64**
Balance as at March 31, 2020			
Non-Current	2.11	-	2.11
Current	13.25	134.16	147.41
Total	**15.36**	**134.16**	**149.52**
Balance as at March 31, 2021			
Non-Current	2.12	-	2.12
Current	13.25	141.27	154.52
Total	**15.37**	**141.27**	**156.64**

Nature of provisions :

1) Provision for asset retirement obligation includes provision towards site restoration expense and decomissioning charges. The timing of the outflows is expected to be within a period of one to thirty years from the date of Balance Sheet.

2) Provision for litigations and others represents management's best estimate of outflow of economic resources in respect of water charges, entry tax, land revenue and other disputed items including direct taxes, indirect taxes and other claims. The timing of outflows is uncertain and will depend on the cessation of the respective cases.

20. Deferred tax assets and liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Deferred tax assets	(61.92)	(151.88)
(b) Deferred tax liabilities	263.85	211.43
Deferred tax liabilities (net)	**201.93**	**59.55**

2020-21

₹ in crore

	As at April 1, 2020	Recognised in the Statement of Profit and Loss (continuing operations)	Recognised in the Statement of Profit and Loss (discontinued operation)	Recognised in other comprehensive income	Transferred to Discontinued operation (note 34)	Transition impact of Ind AS 116 (note 37)	As at March 31, 2021
Deferred tax (assets)/liabilities in relation to:							
Allowance for doubtful debts and advances	(25.40)	-	-	-	-	-	(25.40)
Accrued expenses allowed in the year of payment and on fair value of investments	(86.68)	(11.30)	-	142.01	-	-	44.03
Mark to market gains on mutual funds and derivatives	24.46	0.84	-	-	-	-	25.30
Depreciation and amortisation	186.97	7.55	-	-	-	-	194.52
Right-of-use assets and lease liability	(9.49)	1.46	-	-	-	-	(8.03)
Expenses disallowed (including other payables)	(30.31)	1.82	-	-	-	-	(28.49)
	59.55	**0.37**	**-**	**142.01**	**-**	**-**	**201.93**
Deferred tax (assets)/liabilities in relation to:					**Assets**	**Liabilities**	**Net**
Allowance for doubtful debts and advances					(25.40)	-	(25.40)
Accrued expenses allowed in the year of payment and on fair value of investments					-	44.03	44.03
Mark to market gains on mutual funds and derivatives					-	25.30	25.30
Depreciation and amortisation					-	194.52	194.52
Right-of-use assets and lease liability					(8.03)	-	(8.03)
Expenses disallowed (including other payables)					(28.49)	-	(28.49)
					(61.92)	**263.85**	**201.93**

2019-20

₹ in crore

	As at April 1, 2019	Recognised in the Statement of Profit and Loss (continuing operations)	Recognised in the Statement of Profit and Loss (discontinued operation)	Recognised in other comprehensive income	Transferred to Discontinued operation (note 34)	Transition impact of Ind AS 116 (note 37)	As at March 31, 2020
Deferred tax (assets)/liabilities in relation to:							
Allowance for doubtful debts and advances	(44.07)	14.68	-	-	3.99	-	(25.40)
Accrued expenses allowed in the year of payment and on fair value of investments	(28.40)	13.91	(6.77)	(65.42)	-	-	(86.68)
Mark to market gains on mutual funds and derivatives	19.94	4.52	-	-	-	-	24.46
Depreciation and amortisation	242.74	(55.77)	-	-	-	-	186.97
Right-of-use assets and lease liability	-	(9.21)	-	-	(0.17)	(0.11)	(9.49)
Expenses disallowed (including other payables)	(0.42)	-	(31.86)	-	1.97	-	(30.31)
	189.79	**(31.87)**	**(38.63)**	**(65.42)**	**5.79**	**(0.11)**	**59.55**
Deferred tax (assets)/liabilities in relation to:					**Assets**	**Liabilities**	**Net**
Allowance for doubtful debts and advances					(25.40)	-	(25.40)
Accrued expenses allowed in the year of payment and on fair value of investments					(86.68)	-	(86.68)
Mark to market gains on mutual funds and derivatives					-	24.46	24.46
Depreciation and amortisation					-	186.97	186.97
Right-of-use assets and lease liability					(9.49)	-	(9.49)
Expenses disallowed (including other payables)					(30.31)	-	(30.31)
					(151.88)	**211.43**	**59.55**

21. Other liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-current		
(a) Deferred income	10.50	10.50
	10.50	**10.50**
Current		
(a) Statutory dues	43.57	41.90
(b) Advance received from customers	4.07	4.84
(c) Others	0.12	-
	47.76	**46.74**

22. Trade payables

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(a)	Trade payables (footnote 'i')	477.92	571.16
(b)	Amount due to Micro Small and Medium Enterprises (footnote 'ii')	3.73	3.83
		481.65	**574.99**

Footnotes:

(i) Trade payables are non-interest bearing and are normally settled within 60 days.

(ii) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

₹ in crore

			As at March 31, 2021	As at March 31, 2020
1	(a)	Principal overdue amount remaining unpaid to any supplier	0.11	0.23
	(b)	Interest on 1(a) above	*	-
2	(a)	The amount of principal paid beyond the appointed date	5.30	23.40
	(b)	The amount of interest paid beyond the appointed date	-	0.01
3		Amount of interest due and payable on delayed payments	0.01	0.02
4		Amount of interest accrued and remaining unpaid as at year end	0.01	0.02
5		The amount of further interest due and payable even in the succeeding year	-	-

*value below ₹ 50,000

23. Tax assets

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(a)	**Tax assets**		
	Non-current - Advance tax assets (net)	574.90	588.94

24. Tax liabilities

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(a)	Current tax liabilities (net)	135.41	166.02

25. Revenue from operations

₹ in crore

			Year ended March 31, 2021	Year ended March 31, 2020
(a)	Sales of products (footnote 'i' and 'ii')		2,984.26	2,894.02
(b)	Other operating revenues			
	(i)	Sale of scrap	14.02	17.29
	(ii)	Others	0.60	8.98
			14.62	**26.27**
			2,998.88	**2,920.29**
Footnotes:				
(i)	**Reconciliation of sales of products**			
	Revenue from contracts with customer		3,121.62	2,994.29
	Adjustments made to contract price on account of:			
	(a)	Discounts / rebates / incentives	(137.36)	(100.27)
			2,984.26	**2,894.02**

(ii) For operating segments revenue, geographical segments revenue, revenue from major products and revenue from major customers refer note 39.1.

26. Other income

₹ in crore

				Year ended March 31, 2021	Year ended March 31, 2020
(a)	**Dividend income from**				
	(i)	Non-current investments in			
		-	Subsidiaries	26.33	25.93
		-	Joint venture	26.49	72.24
		-	Other non-current investments	20.09	25.05
				72.91	123.22
(b)	**Interest income**				
	(i)	On bank deposits (financial assets at amortised cost)		29.49	40.92
	(ii)	On loans and advances (financial assets at amortised cost)		0.03	0.05
	(iii)	Other interest (financial assets at FVTPL)		17.82	0.02
				47.34	40.99
(c)	**Interest on refund of taxes**			18.42	0.33
(d)	**Others**				
	(i)	Corporate guarantee commission		6.00	1.98
	(ii)	Profit on sale of assets (net)		-	8.34
	(iii)	Gain on sale/redemption of investments (net)		45.82	121.27
	(iv)	Foreign exchange gain (net)		-	2.74
	(v)	Miscellaneous income (footnote 'i')		28.66	10.28
				80.48	144.61
				219.15	309.15

Footnote:

(i) Miscellaneous income primarily includes town income, rent income and liabilities written back.

27. Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Opening stock		
Work-in-progress	40.49	14.64
Finished goods	86.99	89.84
Stock in trade	12.43	51.85
	139.91	**156.33**
Closing stock		
Work-in-progress	29.55	40.49
Finished goods	56.20	86.99
Stock in trade	42.57	12.43
	128.32	**139.91**
Less : Inventory on account of Discontinued operation (note 34)	-	92.83
	11.59	**(76.41)**

28. Employee benefits expense

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Salaries, wages and bonus	183.50	191.33
(b) Contribution to provident and other funds	30.95	15.56
(c) Staff welfare expense	35.97	43.39
	250.42	**250.28**

Footnote:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

29. Finance costs

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Interest costs		
(i) Interest on loans at amortised cost	0.01	24.88
(ii) Interest on obligations under leases (note 37)	0.79	1.57
(b) Translation differences (footnote 'i')	-	0.51
(c) Discount and other charges	17.94	16.41
	18.74	**43.37**

Footnote:

(i) Translation differences on foreign currency loans regarded as borrowing cost net of changes in fair value of derivative contracts.

30. Depreciation and amortisation expense

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Depreciation of property, plant and equipment	190.77	142.27
(b)	Depreciation of investment property	0.60	0.61
(c)	Amortisation of right-of-use assets	3.05	4.62
(d)	Amortisation of intangible assets	2.90	2.00
		197.32	**149.50**

31. Other Expenses

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Stores and spare parts consumed	96.03	70.02
(b)	Packing materials consumed	90.63	76.49
(c)	Power and fuel	488.75	555.18
(d)	Repairs - Buildings	6.97	6.77
	- Machinery	62.00	62.82
	- Others	1.23	0.72
(e)	Rent	7.43	5.94
(f)	Royalty, rates and taxes	40.99	29.51
(g)	Foreign exchange loss (net)	4.15	-
(h)	Distributors' service charges	0.87	2.49
(i)	Sales promotion expenses	1.97	12.13
(j)	Insurance charges	13.98	6.04
(k)	Freight and forwarding charges	423.16	390.06
(l)	Loss on assets sold, discarded or written off (net)	2.78	-
(m)	Bad debts written off	0.13	4.11
(n)	Provision for doubtful debts, advances and other receivables (net)	0.05	5.29
(o)	Directors' fees and commission	7.02	7.44
(p)	Auditors' remuneration (footnote 'i')	3.04	2.48
(q)	Expenditure towards Corporate Social Responsibility (CSR) (footnote 'ii')	20.92	37.81
(r)	Donations and contributions	2.40	5.23
(s)	Others	98.60	111.54
		1,373.10	**1,392.07**

Footnotes:

(i)	**Auditors' remuneration**		
	Statutory Auditors		
	a) For services as auditor	2.67	1.97
	b) For other services (including certification)	0.23	0.31
	c) for reimbursement of expenses	0.06	0.11
	Cost Auditors		
	a) For services as auditor	0.08	0.09
		3.04	**2.48**

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(ii)	Amount required to be spent by the Company during the year on CSR is ₹ 18.51 crore (2020: ₹ 21.39 crore) whereas the Company has spent ₹ 20.92 crore (2020: ₹ 37.81 crore). The Company has spent the following amounts during the year on the activities other than construction/acquisition of any asset.		
1)	Health care, nutrition, sanitation and safe drinking water	5.29	7.02
2)	Environmental sustainability	2.39	20.39
3)	Poverty alleviation, livelihood enhancement and infrastructure support	2.00	1.24
4)	Education and vocational skill development	7.53	4.50
5)	Inclusive growth and empowerment	1.40	0.20
6)	Promotion and development of traditional arts and handicrafts	1.25	2.46
7)	Contribution to Prime Minister's National Relief fund/other relief funds	0.27	0.77
8)	Other approved activities	0.79	1.23
		20.92	**37.81**

32. Expenditure incurred on Scientific Research and Development activities@

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(i)	**Revenue Expenditure (note 28 and 31 of Standalone Statement of Profit and Loss includes) :**		
	(a) Innovation Centre, Pune	21.96	26.82
	(b) Mithapur, Okhalamandal	0.07	0.07
	(c) Nellore - Andhra Pradesh	0.85	1.48
(ii)	**Capital expenditure**		
	(a) Innovation Centre, Pune	5.30	1.26
	(b) Nellore - Andhra Pradesh	0.06	0.87

@The above figure are based on the separate account for the research, and development (R&D) centres of the Company. The centres at Innovation Centre, Pune and Mithapur, Okhamandal are recognised by Department of Scientific and Industrial Research, Ministry of Science and Technology ('DSIR') for in-house research.

33. Income tax expense relating to continuing operations

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Tax expense		
	Current tax		
	In respect of the current year	134.49	194.37
		134.49	**194.37**
	Deferred tax		
	In respect of the current year (note 20)	0.37	(31.87)
		0.37	**(31.87)**
	Total tax expense	**134.86**	**162.50**
(b)	**The income tax expenses for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**613.97**	**834.32**
	Income tax expenses calculated at 25.168 % (2020 : 25.6256 %)	154.52	213.80
	Effect of income that is deductible/exempt from taxation	(18.35)	(18.67)
	Effect of expenses not deductible for tax computation	5.87	11.07
	Effect of other permanent differences (goodwill)	-	(2.19)
	Effect of rate change adjustments in deferred tax (footnote 'i')	-	(39.20)
	Others (including actuarial impact on OCI)	(7.18)	(2.31)
		134.86	**162.50**

Footnote:

(i) During the quarter ended September 30, 2019, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the previous financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/ remeasured using the new tax rate and the Company had reversed deferred tax liabilities amounting to ₹ 39.20 crore.

34. Discontinued operations

Disposal of consumer products business

The National Company Law Tribunal ("NCLT"), Mumbai and NCLT Kolkata, on January 10, 2020 and January 8, 2020 respectively, sanctioned the Scheme of Arrangement amongst Tata Consumer Products Limited (formerly Tata Global Beverages Limited) ("TCPL") and the Company and their respective shareholders and creditors ("the Scheme") for the demerger of the Consumer Products Business Unit ("CPB") of the Company to TCPL. The Scheme became effective on February 7, 2020 upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the CPB is demerged from the Company and transferred to and vested in TCPL with effect from April 1, 2019 i.e. the Appointed Date.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no. 09/2019 dated August 21, 2019 (MCA Circular), the Company has recognised the effect of the demerger on April 1, 2019 and debited the fair value as at April 1, 2019 of Demerged Undertaking i.e. fair value of net assets of CPB to be distributed to the shareholders of the Company, amounting to ₹ 6,307,97 crore to the retained earnings in the Statement of Changes in Equity as dividend distribution. The difference in the fair value and the carrying amount of net assets of CPB as at April 1, 2019 is recognised as gain on demerger of CPB in the Statement of Profit and Loss as an exceptional item, amounting to ₹ 6,220.15 crore (net of transaction cost) during the year ended March 31, 2020.

The financial performance and cash flows for discontinued operations till the effective date of sale:

(a) Analysis of profit from discontinued operations

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Exceptional gain/(loss)		
Gain on disposal of discontinued operations (note 34 (b))	-	6,220.15
Pertaining to Phosphatic Fertilisers business and Trading business (footnote 'i')	-	(26.71)
Pertaining to urea and customised fertilisers business (footnote 'i')	-	(65.36)
Profit before tax	**-**	**6,128.08**
Current tax	-	(1.69)
Deferred tax	-	(38.63)
Profit after tax	**-**	**6,168.40**

Footnote:

(i) Includes provisions made, relating to the erstwhile fertilizer businesses, as per revised notifications issued by the concerned department for change in rate of subsidy for previous years.

(b) Gain on disposal of discontinued operations:

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Consideration (Deemed dividend to shareholders)	-	6,307.97
Transaction costs (demerger expenses)	-	(33.00)
Other adjustments	-	22.57
Net assets transferred(footnote i)	-	(77.39)
Gain on disposal	**-**	**6,220.15**

Footnote:

(i) Information of assets and liabilities transferred as per the Scheme on the appointed date

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Property, plant and equipment and intangible assets (including CWIP)	-	4.13
Deferred tax assets (net)	-	5.79
Other non-current assets	-	0.95
Inventories	-	154.00
Trade receivables and other financial receivables	-	81.43
Other current assets	-	20.70
Total Assets (A)	**-**	**267.00**
Other non-current liabilities	-	2.39
Other current liabilities	-	187.22
Total Liabilities (B)	**-**	**189.61**
Net assets (A - B)	**-**	**77.39**

35 Earnings per share

	Year ended March 31, 2021	Year ended March 31, 2020
Basic and Diluted earnings per share (₹)		
From continuing operations (₹)	18.81	26.37
From discontinued operations (₹)	-	242.13
Total Basic and Diluted earnings per share (₹)	**18.81**	**268.50**

Footnotes:

The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows.

(a) Earnings used in the calculation of basic and diluted earnings per share:	₹ in crore	₹ in crore
Profit for the year from continuing operations	479.11	671.82
Profit for the year from discontinued operations	-	6,168.40
	479.11	**6,840.22**

(b) Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:	No. of Shares	No. of Shares
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share from continuing operations and from discontinued operations	25,47,56,278	25,47,56,278

36 Business combination

During the previous year, The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench on April 23, 2020 approved the Scheme of Merger by Absorption of Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio'), a wholly owned subsidiary of the Company, by the Company ('Scheme'), with an Appointed Date of April 1, 2019.

37 Leases

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Maturity analysis – contractual undiscounted cash flows		
Less than one year	4.92	5.49
One to five years	5.02	11.24
More than five years	-	0.56
Total undiscounted lease liabilities	**9.94**	**17.29**
Discounted Cash flows		
Current	4.10	4.35
Non-Current	4.85	10.41
Lease liabilities	**8.95**	**14.76**

Expenses relating to short-term leases and low value assets have been disclosed under rent in note 31(e).

The incremental borrowing rate of 8.00% per annum to 9.00% per annum (2020: 8.00% per annum to 9.50% per annum) has been applied to lease liabilities recognised in the Standalone Balance Sheet.

38 Employee benefits obligations

(a) The Company makes contributions towards provident fund, in substance a defined benefit retirement plan and towards pension fund and superannuation fund which are defined contribution retirement plans for qualifying employees. The provident fund is administered by the Trustees of the Tata Chemicals Limited Provident Fund and the superannuation fund is administered by the Trustees of the Tata Chemicals Limited Superannuation Fund. The Company is liable to pay to the provident fund to the extent of the amount contributed and any shortfall in the fund assets based on Government specified minimum rates of return relating to current services. The Company recognises such contribution and shortfall if any as an expense in the year incurred.

On account of the above contribution plans, a sum of ₹ 10.11 crore (2020: ₹ 10.00 crore) has been charged to the Standalone Statement of Profit and Loss.

(b) The Company makes annual contributions to the Tata Chemicals Employees' Gratuity Trust and to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, for funding the defined benefit plans for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement or death while in employment or on termination of employment. Employees, upon completion of the vesting period, are entitled to a benefit equivalent to either half month, three fourth month and full month salary last drawn for each completed year of service depending upon the completed years of continuous service in case of retirement or death while in employment. In case of termination, the benefit is equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. Vesting occurs upon completion of five years of continuous service.

The trustees of the trust fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

The Company also provides post retirement medical benefits to eligible employees under which employees at Mithapur who have retired from service of the Company are entitled for free medical facility at the Company hospital during their lifetime. Other employees are entitled to domiciliary treatment exceeding the entitled limits for the treatments covered under the Health Insurance Scheme upto slabs defined in the scheme. The floater mediclaim policy also covers retired employees based on eligibility, for such benefit.

The Company provides pension, housing / house rent allowance and medical benefits to retired Managing and Executive Directors who have completed ten years of continuous service in Tata Group and three years of continuous service as Managing Director/ Executive Director or five years of continuous service as Managing Director/Executive Director. The directors are entitled upto seventy five percent of last drawn salary for life and on death 50% of the pension is payable to the spouse for the rest of his/her life.

Family benefit scheme is applicable to all permanent employees in management, officers and workmen who have completed one year of continuous service. In case of untimely death of the employee, nominated beneficiary is entitled to an amount equal to the last drawn salary (Basic Salary, DA and FDA) till the normal retirement date of the deceased employee.

The most recent actuarial valuations of plan assets and the present values of the defined benefit obligations were carried out at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(c) The following tables set out the funded status and amounts recognised in the Company's Standalone Financial Statements as at March 31, 2021 for the Defined Benefit Plans.

1 Changes in the defined benefit obligation:

₹ in crore

	As at March 31, 2021				As at March 31, 2020			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
At the beginning of the year	**84.97**	**78.27**	**55.08**	**11.66**	**75.41**	**48.93**	**43.12**	**11.51**
Current service cost	4.38	2.28	0.69	1.18	3.38	1.19	0.45	0.99
Past service cost	14.14	-	-	-	-	7.55	-	-
Interest cost	4.80	4.68	3.25	0.68	5.07	3.55	3.22	0.76
Remeasurement (gain)/loss								
Actuarial (gain) / loss arising from:								
- Change in financial assumptions	(2.80)	(6.26)	(3.05)	(0.34)	9.21	18.19	10.18	1.17
- Experience adjustments	(4.58)	3.14	(0.99)	(1.27)	3.14	2.63	0.42	(0.76)
Transfer out *	-	-	-	-	(3.77)	-	-	-
Benefits paid	(9.16)	(1.73)	(2.41)	(1.03)	(7.47)	(1.69)	(2.31)	(0.95)
	91.75	**80.38**	**52.57**	**10.88**	**84.97**	**80.35**	**55.08**	**12.72**
Extinguishment to discontinued operations	-	-	-	-	-	(2.08)	-	(1.06)
At the end of the year	**91.75**	**80.38**	**52.57**	**10.88**	**84.97**	**78.27**	**55.08**	**11.66**

*Pertaining to consumer product business.

2 Changes in the fair value of plan assets:

₹ in crore

	As at March 31, 2021				As at March 31, 2020			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
At the beginning of the year	**79.19**	**-**	**-**	**-**	**81.37**	**-**	**-**	**-**
Interest on plan assets	4.62	-	-	-	5.81	-	-	-
Employer's contributions	9.12	-	-	-	(0.38)	-	-	-
Remeasurement gain/(loss)	-							
Annual return on plan assets less interest on plan assets	0.57	-	-	-	(0.14)	-	-	-
Benefits paid	(9.16)	-	-	-	(7.47)	-	-	-
Value of plan assets at the end of the year	**84.34**	**-**	**-**	**-**	**79.19**	**-**	**-**	**-**
(Asset)/liability (net)	**7.41**	**80.38**	**52.57**	**10.88**	**5.78**	**78.27**	**55.08**	**11.66**

3 Net employee benefit expense for the year:

₹ in crore

	As at March 31, 2021				As at March 31, 2020			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Current service cost	4.38	2.28	0.69	1.18	3.38	1.19	0.45	0.99
Past service cost	14.14	-	-	-	-	7.55	-	-
Interest on defined benefit obligation (net)	0.18	4.68	3.25	0.68	(0.74)	3.55	3.22	0.76
Extinguishment to discontinued operations	-	-	-	-	-	(2.08)	-	(1.06)
Components of defined benefits costs recognised in the Standalone Statement of Profit and Loss	**18.70**	**6.96**	**3.94**	**1.86**	**2.64**	**10.21**	**3.67**	**0.69**
Remeasurement								
Actuarial (gain) / loss arising from:								
- Change in financial assumptions	(2.80)	(6.26)	(3.05)	(0.34)	9.21	18.19	10.18	1.17
- Experience changes	(4.58)	3.14	(0.99)	(1.27)	3.14	2.63	0.42	(0.76)
Impact of asset ceiling	-	-	-	-	(0.17)	-	-	-
Return on plan assets less interest on plan assets	(0.57)	-	-	-	0.14	-	-	-
Components of defined benefits costs recognised in other comprehensive income	**(7.95)**	**(3.12)**	**(4.04)**	**(1.61)**	**12.32**	**20.82**	**10.60**	**0.41**
Net benefit expense	**10.75**	**3.84**	**(0.10)**	**0.25**	**14.96**	**31.03**	**14.27**	**1.10**

4 Categories of the fair value of total plan assets :

₹ in crore

	As at March 31, 2021 Gratuity	As at March 31, 2020 Gratuity
Government of India Securities (Quoted)	6.97	7.10
Corporate Bonds (Quoted)	0.66	3.52
Fund Managed by Life Insurance Corporation of India (Unquoted)	76.70	68.55
Others	0.01	0.02
Total	**84.34**	**79.19**

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

5 Risk Exposure :

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

Investment risk :	If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher than expected.
Changes in bond yields :	A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Longevity risk :	If improvements in life expectancy are greater than assumed, the cost of benefits will increase because pensions are paid for longer than expected. This will mean the funding level will be higher than expected.
Inflation risk :	If inflation is greater than assumed, the cost of benefits will increase as pension increases and deferred revaluations are linked to inflation.

6 Assumptions used in accounting for gratuity, post retirement medical benefits, directors' retirement obligations and family benefit scheme:

		Gratuity and Compensated absences	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Discount rate	**As at March 31, 2021**	**6.50%**	**6.50%**	**6.50%**	**6.50%**
	As at March 31, 2020	6.05%	6.05%	6.05%	6.05%
Increase in Compensation cost	**As at March 31, 2021**	**7.50%**	**NA**	**7.50%**	**7.50%**
	As at March 31, 2020	7.50%	NA	7.50%	7.50%
Healthcare cost increase rate	**As at March 31, 2021**	**NA**	**10.00%**	**8.00%**	**NA**
	As at March 31, 2020	NA	10.00%	8.00%	NA
Pension increase rate	**As at March 31, 2021**	**NA**	**NA**	**6.00%**	**NA**
	As at March 31, 2020	NA	NA	6.00%	NA

(a) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors.

7 **Sensitivity Analysis**

Impact on defined benefit obligation due to change in assumptions

₹ in crore

	As at March 31, 2021									
	Gratuity		Post retirement medical benefits		Directors' retirement obligations		Directors' post retirement medical benefits		Family benefit scheme	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate										
0.50% change	(2.90)	3.10	(6.19)	7.00	(2.63)	2.91	(0.45)	0.51	(0.35)	0.38
Compensation rate										
0.50% change	3.04	(2.87)	-	-	-	-	-	-	-	-
Pension rate										
1% change	-	-	-	-	4.38	(3.83)	-	-	-	-
Healthcare costs										
1% change	-	-	14.27	(11.43)	-	-	1.05	(0.86)	-	-
Life expectancy										
Change by 1 year	-	-	5.57	(5.43)	1.86	(1.86)	0.30	(0.30)	-	-

₹ in crore

	As at March 31, 2020									
	Gratuity		Post retirement medical benefits		Directors' retirement obligations		Directors' post retirement medical benefits		Family benefit scheme	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate										
0.50% change	(2.98)	3.19	(6.31)	7.17	(2.95)	3.28	(0.51)	0.57	(0.38)	0.40
Compensation rate										
0.50% change	3.12	(2.95)	-	-	-	-	-	-	-	-
Pension rate										
1% change	-	-	-	-	4.81	(4.18)	-	-	-	-
Healthcare costs										
1% change	-	-	14.57	(11.59)	-	-	1.17	(1.01)	-	-
Life expectancy										
Change by 1 year	-	-	5.53	(5.38)	1.98	(1.97)	0.32	(0.32)	-	-

The sensitivity analysis above has been determined based on reasonably possible changes of the respective key assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

8 Maturity profile of defined benefit obligation is as follows;

₹ in crore

Expected payments	As at March 31, 2021				As at March 31, 2020			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Within the next 12 months (next annual reporting period)	17.22	2.16	2.80	1.06	12.15	1.90	2.58	1.18
Later than 1 year and not later than 5 years	41.43	10.82	11.39	4.14	36.60	9.57	10.87	4.51
Later than 5 year and not later than 9 years	24.73	15.09	11.66	3.99	24.78	13.37	11.33	3.93
10 years and above	74.67	302.56	123.86	9.65	73.16	277.34	129.08	9.69
Total expected payments	**158.05**	**330.63**	**149.71**	**18.84**	**146.69**	**302.18**	**153.86**	**19.31**
Weighted average duration to the payment of cash flows (in Year)	6.53	16.35	13.98	6.73	7.27	17.16	13.92	6.71

9 The details of the Company's post-retirement and other benefit plans for its employees given above are certified by the actuary and relied upon by the Auditors.

10 Average longevity at retirement age for current beneficiaries of the plan (years)*

	As at March 31, 2021	As at March 31, 2020
Males	21.73	21.73
Females	24.38	24.38

*Based on India's standard mortality table with modification to reflect expected changes in mortality.

(d) Provident Fund

The Company operates Provident Fund Schemes and the contributions are made to recognised funds maintained by the Company. The Company is required to offer a defined benefit interest rate guarantee on provident fund balances of employees. The interest rate guarantee is payable to the employees for the year when the exempt fund declares a return on provident fund investments which is less than the rate declared by the Regional Provident Fund Commissioner (RPFC) on the provident fund corpus for their own subscribers. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions, shortfall between plan assets as the end of the year and the present value of funded obligation has been recognised in the Standalone Balance Sheet and Other Comprehensive Income.

The details of fund and plan assets position are given below:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Plan assets at the end of the year	328.00	326.37
Less: Present value of funded obligation	330.35	340.08
Amount recognised in the Standalone Balance Sheet	**(2.35)**	**(13.71)**

Assumptions used in determining present value of obligation of interest rate guarantee under a deterministic approach:

	As at March 31, 2021	As at March 31, 2020
Guaranteed rate of return	8.50%	8.50%
Discount rate for remaining term to maturity of investments	6.45%	6.35%
Discount rate	6.50%	6.05%
Expected rate of return on investments	8.57%	7.86%

39 Segment information

39.1 Continuing operations

(a) Information about operating segment

The Company has 2 reportable segments which are the Company's strategic business units. These business units offer different products and are managed separately. Reportable Segments approved by Board of Directors are as under:

- Basic chemistry products : Soda Ash, Salt and other bulk chemicals
- Specialty products : Nutrition solutions, agri Solutions and advance materials

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
1. Segment revenue (Revenue from operations)		
(i) Basic chemistry products	2,845.05	2,836.91
(ii) Speciality products	153.01	74.39
	2,998.06	**2,911.30**
Unallocated	0.82	8.99
	2,998.88	**2,920.29**
2. Segment result (Reconciliation with profit from continuing operations)		
(i) Basic chemistry products	645.49	819.20
(ii) Speciality products	(55.85)	(31.99)
Total Segment results	**589.64**	**787.21**
Net unallocated income	43.07	90.48
Finance costs	(18.74)	(43.37)
Profit before tax	**613.97**	**834.32**
Tax expense	(134.86)	(162.50)
Profit for the year from continuing operations	**479.11**	**671.82**

3. Segment assets and segment liabilities

₹ in crore

	Segment assets		Segment liabilities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(i) Basic chemistry products	2,935.70	2,808.67	598.64	650.64
(ii) Speciality products	587.91	587.30	54.77	39.19
	3,523.61	**3,395.97**	**653.41**	**689.83**
Unallocated	11,141.67	9,999.78	754.70	728.60
	14,665.28	**13,395.75**	**1,408.11**	**1,418.43**

4. Other information

₹ in crore

	Addition to non-current assets *		Depreciation and amortisation		Other non-cash expenses**	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
(i) Basic chemistry products	360.29	512.82	151.69	130.27	25.62	(5.44)
(ii) Speciality products	3.60	103.89	35.32	8.27	0.49	0.82
	363.89	**616.71**	**187.01**	**138.54**	**26.11**	**(4.62)**
Unallocated	50.01	75.13	10.31	10.96	18.17	34.34
	413.90	**691.84**	**197.32**	**149.50**	**44.28**	**29.72**

*Comprises additions to Property, plant and equipment, Capital work-in-progress, Goodwill, Right-of-use assets, Other intangible assets and Intangible assets under development.

**Comprises of Provision for employee benefits expense, Provision for doubtful debts and advances/bad debts written off, Provision for contingencies, Foreign exchange gain/(loss) and (Profit)/ loss on assets sold or discarded.

(b) Information about geographical areas

The Company sells its products mainly within India where the conditions prevailing are uniform. Since the sales outside India are below threshold limit, no separate geographical segment disclosure is considered necessary.

All non-current assets in the nature of property, plant and equipment (including capital work in progress) and intangible assets (including those under development) are domiciled in India.

(c) Revenue from major products

The following is an analysis of the Company's segment revenue from continuing operations from its major products

₹ in crore

		Year ended March 31, 2021*	Year ended March 31, 2020*
(i)	**Basic chemistry products**		
	- Soda Ash	1,332.08	1,485.34
	- Salt	990.07	816.19
	- Bicarb	224.46	248.73
	- Others	298.44	286.65
(ii)	**Speciality products**	153.01	74.39
(iii)	**Unallocated**	0.82	8.99
		2,998.88	**2,920.29**

*Including operating revenues.

(d) Major Customer

The Company has one customer whose revenue represents 33% (2020: 28%) of the Company's total revenue and trade receivable represents 28% (2020: 27%) of the Company's total trade receivables.

(e) Other note

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

39.2 Discontinued operations (note 34)

(a) Information about operating segment

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Result :		
Segment result (note 34)	-	6,128.08
Profit before tax	**-**	**6,128.08**
Tax expenses	-	40.32
Profit from discontinued operations after tax	**-**	**6,168.40**

(b) Information about geographical area

Discontinued operations sells its products within India where the conditions prevailing are uniform.

(c) Revenue from major products

Discontinued operations segment includes consumer product business.

(d) Major Customer

No single customer contributed 10% or more to the Company's revenue for the year ended March 31, 2021 and March 31, 2020.

39.3 Reconciliation of information on reportable segment to Standalone Balance Sheet and Standalone Statement of Profit and Loss

(a) Reconciliation of profit for the year as per Standalone Statement of Profit and Loss

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Profit for the year from continuing operations (note 39.1 (a) (2))	479.11	671.82
Profit for the year from discontinued operations (note 39.2 (a))	-	6,168.40
Profit for the year as per Standalone Statement of Profit and Loss	**479.11**	**6,840.22**

(b) Reconciliation of total assets as per Standalone Balance Sheet

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Total assets as per continuing operations (note 39.1 (a) (3))	14,665.28	13,395.75
Total assets as per discontinued operations	-	-
Total assets as per Standalone Balance Sheet	**14,665.28**	**13,395.75**

(c) Reconciliation of total liabilities as per Standalone Balance Sheet

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Total liabilities as per continuing operations (note 39.1 (a) (3))	1,408.11	1,418.43
Total liabilities as per discontinued operations	-	-
Total liabilities as per Standalone Balance Sheet	**1,408.11**	**1,418.43**

40 Derivative financial instruments

(a) The details of the various outstanding derivative financial instruments are given below:

₹ in crore

	As at March 31, 2021		As at March 31, 2020	
	Assets	Liabilities	Assets	Liabilities
Current portion				
Derivatives not designated in a hedge relationship				
- Forward contracts	-	1.09	1.64	-
Total	**-**	**1.09**	**1.64**	**-**

Although these contracts are effective as hedges from an economic perspective, these are not designated for hedge accounting.

(b) The details of the gross notional amounts of derivative financial instruments outstanding are given in the table below:

Derivative instruments	Underlying (Receivables / payables)	As at March 31, 2021	As at March 31, 2020
Forward contracts	USD/INR	$ 1.7 million	W 1.8 million
Forward contracts	EUR/INR	€ 4.1 million	€ 6.3 million
Forward contracts	JYP/INR	¥ 232.5 million	¥ 232.5 million

41 Disclosures on financial instruments

(a) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31 2021.

₹ in crore

		Investments - FVTOCI	Investments - FVTPL	Derivatives - FVTPL	Amortised cost	Total carrying value
Financial assets						
(a)	**Investments - non-current**					
	Equity instrument at fair value	3,147.27	-	-	-	3,147.27
	Debt instrument at fair value	-	150.00	-	-	150.00
(b)	**Investments - current**					
	Investment in mutual funds	-	1,281.81	-	-	1,281.81
(c)	Trade receivables	-	-	-	144.92	144.92
(d)	Cash and cash equivalents	-	-	-	61.41	61.41
(e)	Other bank balances	-	-	-	623.91	623.91
(f)	Loans - non-current	-	-	-	0.62	0.62
(g)	Loans - current	-	-	-	0.17	0.17
(h)	Other financial assets - non-current	-	-	-	0.26	0.26
(i)	Other financial assets - current	-	-	-	118.72	118.72
Total		**3,147.27**	**1,431.81**	**-**	**950.01**	**5,529.09**
Financial liabilities						
(a)	Lease liabilities - non-current			-	4.85	4.85
(b)	Trade payables			-	481.65	481.65
(c)	Other financial liabilities - non-current			-	0.11	0.11
(d)	Other financial liabilities - current			1.09	168.78	169.87
Total				**1.09**	**655.39**	**656.48**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31 2020.

₹ in crore

		Investments - FVTOCI	Investments - FVTPL	Derivatives - FVTPL	Amortised cost	Total carrying value
Financial assets						
(a)	**Investments - non-current**					
	Equity instrument at fair value	1,904.23	-	-	-	1,904.23
(b)	**Investments - current**					
	Investment in mutual funds	-	1,301.33	-	-	1,301.33
(c)	Trade receivables	-	-	-	139.84	139.84
(d)	Cash and cash equivalents	-	-	-	83.72	83.72
(e)	Other bank balances	-	-	-	795.86	795.86
(f)	Loans - non-current	-	-	-	0.92	0.92
(g)	Loans - current	-	-	-	0.23	0.23
(h)	Other financial assets - non-current	-	-	-	0.26	0.26
(i)	Other financial assets - current	-	-	1.64	135.67	137.31
Total		**1,904.23**	**1,301.33**	**1.64**	**1,156.50**	**4,363.70**
Financial liabilities						
(a)	Lease liabilities - non-current			-	10.41	10.41
(B)	Trade payables			-	574.99	574.99
(c)	Other financial liabilities - non-current			-	0.17	0.17
(d)	Other financial liabilities - current			-	187.04	187.04
Total				**-**	**772.61**	**772.61**

(b) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following tables provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required.

₹ in crore

	As at March 31, 2021			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial Liabilities				
Foreign exchange forward contracts	1.09	-	1.09	-
FVTOCI financial investments				
Quoted equity instruments	2,634.31	2,634.31	-	-
Unquoted equity instruments	512.96	-	-	512.96
FVTPL financial investments				
Investment in mutual funds	1,281.81	-	1,281.81	-
Quoted debt instruments	150.00	150.00	-	

There have been no transfers between levels during the period.

₹ in crore

	As at March 31, 2020			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Foreign exchange forward contracts	1.64	-	1.64	-
FVTOCI financial investments				
Quoted equity instruments	1,497.23	1,497.23	-	-
Unquoted equity instruments	407.00	-	-	407.00
FVTPL financial investments				
Investment in mutual funds	1,301.33	-	1,301.33	-

There have been no transfers between levels during the period.

(c) The following tables shows a reconciliation from the opening balance to the closing balance for level 3 fair values.

₹ in crore

	FVTOCI financial investments
Balance as at April 1, 2019	**482.71**
Add / (less): fair value changes through Other comprehensive income	(75.71)
Balance as at March 31, 2020	**407.00**
Addition / (deletion) during the year	39.60
Add / (less): fair value changes through Other comprehensive income	66.36
Balance as at March 31, 2021	**512.96**

(d) Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

(i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value (FVTOCI) and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.

The Company considers Comparable Companies Method (CCM) method and the illiquidity discount based on its assessment of the judgement that market participants would apply for measurement of fair value of unquoted investments. In the CCM method, the Company would find comparable listed entities in the market and use the same PE multiple (ranging from 8.8 to 19.4) for determining the fair value of the investment.

(iii) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iv) The Company enters into derivative financial instruments with various counterparties, principally banks. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, credit quality of counterparties, interest rate and forward rate curves of the underlying instruments etc. and use of appropriate valuation models.

(v) The fair value of non-current borrowings carrying floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).

(e) Financial risk management objectives

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's senior management which is supported by a Treasury Risk Management Group ('TRMG') manages these risks. TRMG advises on financial risks and the appropriate financial risk governance framework for the Company and provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

All hedging activities are carried out by specialist teams that have the appropriate skills, experience and supervision. The Company's policy is not to trade in derivatives for speculative purposes.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. The policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and foreign currency borrowings, primarily with respect to USD.

As at the end of the reporting period , the carrying amounts of the Company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
USD exposure		
Assets	67.38	87.86
Liabilities	(26.99)	(44.06)
Net	**40.39**	**43.80**
Derivatives to hedge USD exposure		
Forward contracts - (USD/ INR)	12.17	13.31
	12.17	**13.31**
Net exposure	**52.56**	**57.11**

The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
If INR had (strengthened) / weakened against USD by 5% (Decrease) / increase in profit for the year	2.63	2.86

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's non-current debt obligations with floating interest rates.

The Company's policy is generally to undertake non-current borrowings using facilities that carry floating-interest rate. The Company manages its interest rate risk by entering into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates.

Interest rate sensitivity

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's results arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Equity price risk management

The Company's exposure to equity price risk arises from investment held by the Company and classified as FVTOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis.

Equity price sensitivity analysis

If prices of quoted equity securities had been 5% higher / (lower), the OCI for the year ended March 31, 2021 and 2020 would increase / (decrease) by ₹ 131.71 crore and ₹ 74.86 crore respectively.

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily trade and other receivables and from its financing activities, including deposits with banks and financial institutions, investment in mutual funds, foreign exchange transactions and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, short term deposits with banks, short term investment, trade and other receivables and other financial assets excluding equity investments.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse actions such as security realisations, etc.
- the financial asset is 120 days past due.

The financial guarantee disclosed under note 45.1 (b) represents the maximum exposure to credit risk under such contracts.

Trade and other receivables

Trade and other receivables of the Company are typically unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by each business unit subject to established policies, procedures and control relating to customer credit risk management. Before accepting new customer, the Company has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other relevant factors. The credit period provided by the Company to its customers generally ranges from 0-60 days. Outstanding customer receivables are reviewed periodically. Provision is made based on expected credit loss method or specific identification method.

The credit risk related to the trade receivables is mitigated by taking security deposits / bank guarantee / letter of credit - as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers.

There is no substantial concentration of credit risk as the revenue and trade receivables from any of the single customer do not exceed 10% of Company revenue and trade receivables, except as disclosed in note 39.1.

For certain other receivables, where recoveries are expected beyond twelve months of the Balance Sheet date, the time value of money is appropriately considered in determining the carrying amount of such receivables.

Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Financial guarantees

Financial guarantees disclosed in note 45.1(b) have been provided as corporate guarantees to financial institutions and banks that have extended credit facilities to the Company's subsidiaries. In this regard, the Company does not foresee any significant credit risk exposure.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The below table analyses the Company's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

₹ in crore

	Carrying amount	Up-to 1 year	1-5 years	Above 5 years	Total
As at March 31, 2021					
Lease liability	8.95	4.92	5.02	-	9.94
Trade and other payables	646.44	646.33	0.11	-	646.44
Total	**655.39**	**651.25**	**5.13**	**-**	**656.38**
As at March 31, 2020					
Lease liability	14.76	5.49	11.24	0.56	17.29
Trade and other payables	757.85	757.68	0.17	-	757.85
Total	**772.61**	**763.17**	**11.41**	**0.56**	**775.14**

42 Capital management

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's risk management committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

43 Related Party Disclosure:

(a) Related parties and their relationship (as defined under IndAS-24 Related Party Disclosures)

Subsidiaries	
Direct	
1	Rallis India Limited, India
2	Tata Chemicals International Pte. Limited ('TCIPL')
3	Ncourage Social Enterprise Foundation
Indirect	
1	PT Metahelix Lifesciences Indonesia (PTLI), Indonesia
2	Valley Holdings Inc., United States of America
3	Tata Chemicals North America Inc., United States of America
4	General Chemical International Inc., United States of America
5	NHO Canada Holdings Inc., United States of America
6	Tata Chemicals (Soda Ash) Partners (TCSAP), United States of America **
7	Tata Chemicals (Soda Ash) Partners Holdings(TCSAPH), United States of America **
8	TCSAP LLC,United States of America
9	Homefield Pvt UK Limited, United Kingdom
10	TCE Group Limited
11	Tata Chemicals Africa Holdings Limited, United Kingdom
12	Natrium Holdings Limited
13	Tata Chemicals Europe Limited, United Kingdom
14	Winnington CHP Limited,United Kingdom
15	Brunner Mond Group Limited, United Kingdom
16	Tata Chemicals Magadi Limited, United Kingdom
17	Northwich Resource Management Limited, United Kingdom
18	Gusiute Holdings (UK) Limited, United Kingdom
19	TCNA (UK) Limited, United Kingdom
20	British Salt Limited, United Kingdom
21	Cheshire Salt Holdings Limited, United Kingdom
22	Cheshire Salt Limited, United Kingdom
23	Brinefield Storage Limited, United Kingdom
24	Cheshire Cavity Storage 2 Limited, United Kingdom
25	Cheshire Compressor Limited, United Kingdom
26	Irish Feeds Limited,United Kingdom
27	New Cheshire Salt Works Limited, United Kingdom
28	Tata Chemicals (South Africa) Proprietary Limited, South Africa
29	Magadi Railway Company Limited, Kenya
30	Alcad, United States of America **
Joint Ventures	
Direct	
1	Indo Maroc Phosphore S.A., Morocco
2	Tata Industries Limited
Indirect	
1	The Block Salt Company Limited, United Kingdom (Holding by British Salt Limited)
2	JOil (S) Pte. Ltd and its subsidiaries (Holding by Tata Chemicals International Pte. Limited)

Other related parties	
1	Tata Chemicals Ltd Provident Fund
2	Tata Chemicals Ltd. Employee Pension Fund
3	Tata Chemicals Superannuation Fund
4	Tata Chemicals Employees Gratuity Trust
5	TCL Employees Gratuity Fund
6	Rallis India Limited Management Staff Gratuity Fund
Key Management Personnel	
1	Mr. R. Mukundan, Managing Director and CEO
2	Mr. Zarir Langrana, Executive Director
Promoter	
1	Tata Sons Private Limited, India
List of subsidiaries and joint ventures of Tata Sons Private Limited @@	
1	TATA AIG General Insurance Company Limited
2	Tata Autocomp Systems Limited
3	Tata International Limited
4	Tata Consultancy Services Limited
5	TATA AIA Life Insurance Company Limited
6	Tata Consulting Engineers Limited
7	Infiniti Retail Limited
8	Tata Medical and Diagnostics Limited
9	Tata Teleservices Limited
10	Ecofirst Services Limited
11	Tata Realty and Infrastructure Limited
12	Tata Investment Corporation Limited
13	Ewart Investments Limited
14	Simto Investment Company Limited
15	Tata Autocomp Hendrickson Suspensions Private Limited
16	Tata SmartFoodz Limited
17	Tata SIA Airlines Limited
18	Tata Communications Limited
19	Tata Communications Collaboration Services Private Limited
20	Tata Teleservices (Maharashtra) Limited
21	Tata Digital Ltd.
22	Tata International Singapore PTE Ltd
23	Tata Elxsi Limited
24	Carbon Disclosure Project India
25	AirAsia India Limited

@@The above list includes the Companies with whom the Company has entered into the transactions during the course of the year.

**a general partnership formed under the laws of the State of Delaware (USA).

(b) Transactions with Related parties (as defined under Ind AS 24) during the year ended March 31, 2021 and balances outstanding as at March 31, 2021

	Subsidiaries of Tata Chemicals Limited										Joint Venture of Tata Chemicals Limited		Promoter	Tata Sons Private Ltd. Its Subsidiaries and Joint Ventures				
	Rallis India Limited, India	Ncourage Social Enterprise Foundation	Gusiute Holdings (UK) Limited	Tata Chemicals North America Inc, United States of America	Tata Chemicals Magadi Limited, U.K	Tata Chemicals International Pte. Limited, Singapore	Homefield UK Private Limited, U.K.	Tata Chemicals Europe Limited	Natrium Holdings Limited	British Salt Limited, U.K	Indo Maroc Phosphore S.A. Morocco	Tata Industries Limited	Tata Sons Private Ltd.	Tata Consultancy Services Limited	Other Entities	Other related parties	Key Management Personnel (KMP)	Total
Transactions with related parties																		
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39.60	-	-	39.60
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods (includes stock in transit) - (net of returns)	0.02	0.16	-	-	14.14	285.29	-	-	-	0.18	-	-	-	-	-	-	-	299.79
	-	-	-	78.04	-	480.52	-	-	-	0.10	-	-	-	-	-	-	-	558.66
Sales (Net)	12.54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12.54
	11.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.11
Other services - expenses & Reimbursement of Expenses	(2.17)	(0.01)	-	(2.25)	(1.56)	(0.06)	-	(3.24)	-	-	-	4.70	9.17	10.28	5.32	-	-	20.18
	(1.00)	(1.14)	-	(1.91)	(1.44)	(0.05)	-	(2.44)	-	-	-	0.71	7.82	10.98	5.21	-	-	16.74
Other services - Income	0.43	0.51	-	-	2.01	-	1.31	0.36	2.32	-	-	-	-	-	11.34	-	-	18.28
	0.08	0.02	-	-	0.26	-	1.61	0.12	-	-	-	0.16	0.10	-	0.16	-	-	2.51
Dividend received	24.34	-	1.99	-	-	-	-	-	-	-	26.49	-	10.24	-	0.79	-	-	63.85
	24.34	-	1.59	-	-	-	-	-	-	-	72.24	-	10.24	-	1.48	-	-	109.89
Miscellaneous purchases/ Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.96	-	-	7.96
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.22	-	-	5.22
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	0.09	79.89	-	16.72	-	-	96.70
	-	-	-	-	-	-	-	-	-	-	-	0.10	74.73	-	21.36	-	-	96.19
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	-	0.10
Interest Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.13	-	-	13.13
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of Debentures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.00	-	-	4.00
Deposit Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.83	-	-	0.83
	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.04
Contributions to employee benefit trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.95	-	24.95
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.91	-	37.91
Other employees' related expenses	0.11	-	-	-	-	-	-	-	-	-	-	0.03	-	-	-	-	-	0.14
	0.61	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	-	-	0.69
Compensation to key Managerial Person																		
Short-term employee benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.59	9.59
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.92	9.92
Post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.31)	(1.31)
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.38	7.38
Balances due from /to related parties																		
Amount receivables/advances/balances/Loans																		
As at March 31, 2021	0.17	-	-	-	-	59.97	676.40	-	-	-	-	-	-	-	0.67	0.42	-	737.63
As at March 31, 2020	0.27	-	2.27	0.32	-	62.07	700.03	-	-	-	-	0.03	-	-	0.42	1.04	-	766.45
Impairment of loans																		
As at March 31, 2021	-	-	-	-	-	-	(676.40)	-	-	-	-	-	-	-	-	-	-	(676.40)
As at March 31, 2020	-	-	-	-	-	-	(700.03)	-	-	-	-	-	-	-	-	-	-	(700.03)
Refundable Deposit																		
As at March 31, 2021	0.12	-	-	-	-	-	-	-	-	-	-	-	-	-	0.83	-	-	0.95
As at March 31, 2020	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.04
Amount payables (in respect of goods purchased and other services)																		
As at March 31, 2021	-	-	-	-	-	185.74	-	-	-	0.04	-	0.77	0.03	2.45	1.63	2.20	-	192.86
As at March 31, 2020	0.01	-	-	-	-	236.29	-	-	-	0.05	-	0.28	7.30	1.18	2.36	2.23	-	249.70
Amount receivable on account of any management contracts																		
As at March 31, 2021	0.58	-	-	0.82	1.00	0.02	0.17	1.15	0.66	-	-	0.02	0.16	-	4.98	-	-	9.56
As at March 31, 2020	0.67	0.76	-	0.63	0.69	0.02	0.85	0.97	-	-	-	0.06	0.18	-	0.09	-	-	4.92

Footnotes:

1. For Investment in related parties refer note 8.
2. For Guarantee to third parties on behalf of subsidiaries in related parties as at March 31 2021 refer 45.1(b).
3. The above figures do not include provision for Compensated absences and contribution to gratuity fund, as separate figures are not available for the Managing Director and Whole-time Director.
4. Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.
5. *value below ₹ 50,000

The figures in light print are for previous year

44 Commitments

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	383.96	289.57
Commitment towards partly paid investment	-	9.19

45. Contingent liabilities and assets

45.1 Contingent liabilities

(a) Claims not acknowledged by the Company relating to the cases contested by the Company and which, in the opinion of the Management, are not likely to devolve on the Company relating to the following areas:

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(i)	Excise, Customs and Service Tax @	104.32	86.41
(ii)	Sales Tax @	37.92	43.89
(iii)	Labour and other claims against the Company not acknowledged as debt	26.11	24.60
(iv)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal) **	529.81	551.39
(v)	Income Tax (decided in Company's favor by Appellate authorities and Department is in further appeal)	15.54	15.54
(vi)	Contractual obligation upto	34.75	34.75

Item (vi)) above includes ₹ 34.75 crore (2020: ₹ 34.75 crore) relating to discontinued operations.

(b) Guarantees provided by the Company to third parties on behalf of subsidiaries aggregates USD 91.8 million & GBP 105.6 million (₹ 1,735.10 crore) (2020: USD 111.60 million & GBP 2.76 million (₹ 870.19 crore)).

**The Company has on-going disputes with income tax authorities mainly pertaining to disallowance of expenses and the computation of, or eligibility of the Company's availment of certain tax incentives or allowances. Most of these disputes and/or disallowances are repetitive in nature spanning across multiple years. All the Tax demands are being contested by the company.

@Excise Duty cases include disputes pertaining to reversal of input tax credit on common input, refund of duty paid under protest. Custom Duty cases include disputes pertaining to import of capital equipment against scripts, tariff classification issues, denial of FTA benefit. VAT/CST/Entry Tax cases include disputes pertaining to Way Bill, reversal/disallowance of input tax credit, pending declaration forms. All the Tax demands are being contested by the company.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments / decisions pending with various forums/authorities.

The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the Standalone Financial Statements.

45.2 Contingent assets

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(i)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal)	78.94	78.40

46. Approval of Standalone Financial Statements

The Standalone Financial Statements were approved for issue by the Board of Directors on May 3, 2021.

Signatures to notes forming part of the Standalone Financial Statements 1 - 46

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran Chairman
(DIN: 00121863)
Padmini Khare Kaicker Director
(DIN: 00296388)
R. Mukundan Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Consolidated Financial Statements

Independent Auditors' Report

To the Members of Tata Chemicals Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Tata Chemicals Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate Financial Statements of such subsidiaries and joint ventures as were audited by the other auditors, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Revenue recognition (refer notes 2.18 and 27 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
Revenue is recognised when the control of the underlying products has been transferred to the customer. Revenue is measured based on transaction price, which is the consideration, after deduction of estimated accruals for sales returns and discounts (including rebates and incentives). Due to the Group's sales under various contractual terms and across geographies, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider there to be a risk of misstatement of the Financial Statements related to transactions occurring close to the year end, as transactions could be recorded in the wrong financial period (cut-off risk). There is also a risk of revenue being overstated due to fraud resulting from pressure on the Group to achieve performance targets at the reporting period end. The recognition and measurement of discounts involves significant assumptions and estimates, particularly the expected level of claims of each customer. Estimation of sales returns also involves significant judgement and estimates. These factors include, for example, climatic conditions and the length of time between sales and sales returns, some of which are beyond the control of the Group. Accordingly, fraud and cut-off risks in revenue recognition including accruals for sales returns and discounts is a key audit matter.	Our audit procedures included: • Assessing the revenue recognition policies of the Group including accounting for sales returns and discounts for compliance with Ind AS; • The Group has manual and automated (information technology – IT) controls on recording revenue and accruals for sales returns and discounts. We tested the design, implementation and operating effectiveness of these controls. We involved our IT specialists for IT testing. In respect of cut-off and fraud risk, we focussed on controls around the timely and accurate recording of year end sales transactions. For auditing assumptions of discounts and estimates of sales returns, we focussed on controls around the accurate recording of accruals for sales returns and discounts. **Fraud and cut-off risk** • Performing testing on selected statistical samples of revenue transactions recorded during the year end. • We verified contractual terms of the invoice and tested the transit time to deliver the goods; • Assessing high risk manual journals posted to revenue to identify unusual items. **Accrual for sales returns and discounts** • Selecting samples of revenue transactions and verifying accruals for discounts in accordance with the eligibility criteria mentioned in the marketing circulars; • Evaluating the Group's ability to accurately estimate the accrual for sales returns and discounts. Comparing historically recorded accruals to the actual amount of sales returns and discounts.

Litigations and claims (refer notes 2.3.5, 2.27, 21 and 47.1 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The Group operates in various countries exposing it to a variety of different laws, regulations and interpretations thereof. The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities. Litigations and claims may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims. Resolution of litigations and claims proceedings may span over multiple years beyond March 31, 2021 due to the complexity and magnitude of the legal matters involved and may involve protracted negotiation or litigation. The computation of a provision or contingent liability requires significant judgement by the Group because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims over time as new facts emerge as each legal case progresses and positions taken by the Group. There is inherent complexity and magnitude of potential exposures is significant across the Group. Significant judgment is necessary to estimate the likelihood, timing and amount of the cash outflows, interpretations of the legal aspects, legislations and judgements previously made by the authorities. Accordingly, this is identified as a key audit matter.	Our audit procedures included: • Obtaining an understanding of actual and potential outstanding litigations and claims against the Group from the respective entity's in-house Legal Counsel and other senior personnel of the Group and assessing their responses; • Assessing status of the litigations and claims based on correspondence between the Group and the various tax/ legal authorities and legal opinions obtained by the Group; • Testing completeness of litigations and claims recorded by assessing the Group's legal expenses and the minutes of the Board meetings; • Assessing and challenging the Group's estimate of the possible outcome of litigations and claims. This is based on the applicable tax laws and legal precedence by involving our tax specialists in taxation related matters and internal/ external legal counsel; • Evaluating the Company's internal control and judgements made by comparing the estimates of prior year to the actual outcome; • Assessing and testing the adequacy and completeness of the Group's disclosures in respect of litigations and claims.

Impairment evaluation of goodwill and mining rights (refer notes 2.3.1, 2.16, 7 and 8 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of goodwill and mining rights represents 33% of the Group's total assets. The Group tests goodwill for impairment annually, or more frequently when there is an indication that the cash generating unit to which goodwill has been allocated may be impaired. Mining rights are tested for impairment when there is an indication that these may be impaired. With the spread of COVID-19 in India and globally, demand loss is expected for the products of the Group. We consider the impairment testing of goodwill and mining rights by the Group to involve significant estimates and judgment. We identified the impairment assessment of goodwill and mining rights as a key audit matter since the assessment process is complex and judgmental by nature and is based on assumptions relating to: - Identifying Cash Generating Unit ('CGU') for allocation of goodwill; - projected future cash inflows; - expected growth rate and profitability; - discount rate; - perpetuity value based on long term growth rate; - sensitivity analyses; and - macro-economic growth factors.	Our audit procedures included the following: • Assessing the identification of relevant Cash Generating Units (CGU) to which goodwill is allocated and to which mining rights belong that are being tested; • Assessing the accuracy of prior period forecasts of the CGU with the actual financial performance of the CGU; • Challenging the assumptions used in impairment analysis, such as growth rate, discount rate, forecasted gross margins and forecasted revenue. This was based on our knowledge of the Group and the markets in which the CGU operates. We took assistance of our valuation specialists for the above testing; • Performing sensitivity analysis of the key assumptions, such as growth rates, discount rate, forecasted gross margins and forecast revenue used in determining the recoverable value; • Evaluating the adequacy of disclosures of key assumptions, judgements and sensitivities in respect of goodwill and mining rights.

Employee benefits provision (refer notes 2.20, 21 and 40 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The valuation of employee benefits by the Group's UK and US subsidiaries is performed annually with the assistance of external independent actuaries. This involves significant estimates and judgment. There are inherent uncertainties involved in estimating salary increase, mortality rate, return on plan assets, discount rate and changes in provisions of pension laws. These estimates of the Group and our related skeptical judgements are considered to be significant to our overall audit strategy and planning. Accordingly, we have considered employee benefits provision for certain components of the Group as a key audit matter.	Our audit procedures included: • Involving our actuarial specialists to assist us in evaluating all pension plans; • Assessing and testing the valuation methodology used by the actuary; • Evaluating the competency of the experts appointed by the Group; • Challenging assumptions used by the Group based on externally derived data in relation to key inputs such as inflationary expectations, discount rates and mortality rates with the assistance of our subject matter experts; • Identifying any changes in actuarial assumptions resulting into actuarial gain or loss; • Performing sensitivity analysis on the assumptions with the assistance of our subject matter experts; • Assessing and testing the adequacy of disclosures of key assumptions and sensitivities in respect of the employee benefits provision.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the Consolidated Financial Statements and our auditors' report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting

in preparation of Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the Financial Statements/financial information of 28 subsidiaries, whose Financial Statements/ financial information reflect total assets of ₹ 14,884.41 crores as at March 31, 2021, total revenues of ₹ 4,622.66 crores and net cash flows amounting to ₹ 486.43 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit (and other comprehensive income) of ₹ 83.50 crores for the year ended March 31, 2021, in respect of 2 joint ventures, whose Financial Statements/financial information have not been audited by us. These Financial Statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the audit reports of the other auditors.

    Certain of these subsidiaries and joint ventures are located outside India whose Financial Statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the Financial Statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The Consolidated Financial Statements also include the Group's share of net loss (and other comprehensive income) of ₹ Nil for the year ended March 31, 2021, as considered in the Consolidated Financial Statements, in respect of one joint venture, whose Financial Statements/financial information have not been audited by us or by other auditors. These unaudited Financial Statements/financial information have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture is based solely on such unaudited Financial Statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these unaudited Financial Statements/financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate Financial Statements of such subsidiaries and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies and joint ventures incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

A. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate Financial Statements of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2021 on the consolidated financial position of the Group and its joint ventures. Refer Notes 21 and 47.1 to the Consolidated Financial Statements.

ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 20 to the Consolidated Financial Statements in respect of such items as it relates to the Group and its joint ventures.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint ventures incorporated in India, except for Rs 0.55 crores, due to legal disputes with regard to ownership that have remained unresolved.

iv. The disclosures in the Consolidated Financial Statements regarding holdings as well as dealings in specified bank notes during the period from November 8 2016 to December 30 2016 have not been made in the Consolidated Financial Statements since they do not pertain to the financial year ended March 31, 2021.

B. With respect to the matter to be included in the Auditor's report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and joint ventures incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and joint ventures incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN: 21046476AAAACT2360

Mumbai
May 3, 2021

Annexure A to the Independent Auditors' report on the Consolidated Financial Statements of Tata Chemicals Limited for the year ended March 31, 2021

Report on the internal financial controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to Consolidated Financial Statements of Tata Chemicals Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its joint ventures as of March 31, 2021 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and joint ventures have, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by such companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN: 21046476AAAACT2360

Mumbai
May 3, 2021

Consolidated Balance Sheet as at March 31, 2021

₹ in crore

			Note	As at March 31, 2021	As at March 31, 2020
I.	**ASSETS**				
(1)	**Non-current assets**				
	(a)	Property, plant and equipment	4	5,372.90	5,121.45
	(b)	Capital work-in-progress		1,034.71	787.80
	(c)	Investment property	5	54.86	21.24
	(d)	Right-of-use assets	6	271.60	260.68
	(e)	Goodwill on consolidation	7	1,917.74	1,954.23
	(f)	Goodwill		45.53	45.53
	(g)	Other intangible assets	8	7,598.40	7,952.48
	(h)	Intangible assets under development		58.80	47.22
	(i)	Investments in joint ventures	9(a)	951.89	770.31
	(j)	Financial assets			
		(i) Other investments	9(b)	3,300.44	1,913.47
		(ii) Loans	10	10.70	9.99
		(iii) Other financial assets	11	24.66	4.93
	(k)	Deferred tax assets (net)	22	-	15.31
	(l)	Advance tax assets (net)	25(a)	663.86	699.92
	(m)	Other non-current assets	12	385.40	285.32
	Total non-current assets			**21,691.49**	**19,889.88**
(2)	**Current assets**				
	(a)	Inventories	13	1,686.56	1,869.16
	(b)	Financial assets			
		(i) Investments	9(c)	1,563.49	1,601.02
		(ii) Trade receivables	14	1,396.99	1,579.92
		(iii) Cash and cash equivalents	15	689.34	1,254.26
		(iv) Bank balances other than (iii) above	15	721.67	825.26
		(v) Loans	10	0.17	0.23
		(vi) Other financial assets	11	153.34	139.01
	(c)	Current tax assets (net)	25(a)	2.59	137.00
	(d)	Other current assets	12	427.42	388.74
				6,641.57	**7,794.60**
	Assets classified as held for sale		26(a)	4.14	4.27
	Total current assets			**6,645.71**	**7,798.87**
	Total assets			**28,337.20**	**27,688.75**
II.	**EQUITY AND LIABILITIES**				
	Equity				
	(a)	Equity share capital	16	254.82	254.82
	(b)	Other equity	17	14,035.15	12,642.84
	Equity attributable to equity share holders			**14,289.97**	**12,897.66**
	Non-controlling interests		18	852.60	763.77
	Total equity			**15,142.57**	**13,661.43**
	Liabilities				
(1)	**Non-current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	19	5,199.48	3,473.36
		(ii) Lease liabilities	39	188.60	188.00
		(iii) Other financial liabilities	20	46.77	151.53
	(b)	Provisions	21	1,598.09	1,653.52
	(c)	Deferred tax liabilities (net)	22	1,572.11	1,437.94
	(d)	Other non-current liabilities	23	126.22	98.07
	Total non-current liabilities			**8,731.27**	**7,002.42**
(2)	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	19	277.58	1,912.94
		(ii) Trade payables			
		- Outstanding dues of micro enterprises and small enterprises	24	21.43	7.52
		- Outstanding dues of creditors other than above	24	1,661.44	1,623.40
		(ii) Other financial liabilities	20	1,717.46	2,687.23
	(b)	Other current liabilities	23	265.39	320.97
	(c)	Provisions	21	365.13	276.90
	(d)	Current tax liabilities (net)	25(b)	154.93	195.94
	Total current liabilities			**4,463.36**	**7,024.90**
	Total liabilities			**13,194.63**	**14,027.32**
	Total equity and liabilities			**28,337.20**	**27,688.75**
	Notes forming part of the Consolidated Financial Statements		1-49		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran — Chairman
(DIN: 00121863)

Padmini Khare Kaicker — Director
(DIN: 00296388)

R. Mukundan — Managing Director and CEO
(DIN: 00778253)

Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)

Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

₹ in crore

		Note	Year ended March 31, 2021	Year ended March 31, 2020
I.	**Incomes**			
	a) Revenue from operations	27	10,199.80	10,356.75
	b) Other income	28	234.42	311.12
	Total income (a+b)		**10,434.22**	**10,667.87**
II.	**Expenses**			
	a) Cost of materials consumed		2,081.16	1,844.23
	b) Purchases of stock-in-trade		322.85	252.44
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(7.09)	(128.27)
	d) Employee benefits expense	30	1,399.74	1,375.37
	e) Finance costs	31	367.37	341.91
	f) Depreciation and amortisation expense	32	759.32	666.47
	g) Other expenses	33	4,902.50	5,063.81
	Total expenses (a to g)		**9,825.85**	**9,415.96**
III.	**Profit before share of profit of joint ventures and tax (I-II)**		**608.37**	**1,251.91**
IV.	Share of profit/(loss) of joint ventures (net of tax)	9(a)	25.62	(3.85)
V.	**Profit before tax (III+IV)**		**633.99**	**1,248.06**
VI.	**Tax expense**			
	(a) Current tax	35	225.79	266.33
	(b) Deferred tax	35	(28.02)	(46.68)
	Total tax expense (a+b)		**197.77**	**219.65**
VII.	**Profit for the year from continuing operations (V-VI)**		**436.22**	**1,028.41**
VIII.	Exceptional gain from discontinued operations (net)	36	-	6,128.08
IX.	Share of profit of joint ventures (net of tax)	9(a), 36	-	31.34
X.	Tax expense of discontinued operations	36	-	(40.32)
XI.	**Profit for the year from discontinued operations (VIII+IX-X)**		**-**	**6,199.74**
XII.	**Profit for the year (VII+XI)**		**436.22**	**7,228.15**
XIII.	**Other comprehensive income (net of tax) ('OCI') - gain/(loss)**			
	A (i) Items that will not be reclassified to the Consolidated Statement of Profit and Loss			
	- Changes in fair value of investments in equities carried at fair value through OCI		1,188.93	(579.88)
	- Remeasurement of defined employee benefit plans (note 40)		175.12	(68.58)
	(ii) Income tax relating to items that will not be reclassified to the Consolidated Statement of Profit and Loss		215.82	(95.79)
	(iii) Share of other comprehensive income in joint ventures (net of tax)		167.29	(76.39)
	B (i) Items that will be reclassified to the Consolidated Statement of Profit and Loss			
	- Effective portion of gain/(loss) on cash flow hedges		291.06	(230.77)
	- Changes in foreign currency translation reserve		(178.47)	439.14
	(ii) Income tax relating to items that will be reclassified to the Consolidated Statement of Profit and Loss		8.63	(4.20)
	(iii) Share of other comprehensive income in joint ventures (net of tax)		(3.12)	10.19
	Total other comprehensive income - gain/(loss) (net of tax) (A (i-ii+iii) +B (i-ii+iii))		**1,416.36**	**(406.30)**
XIV.	**Total comprehensive income for the year (XII+XIII)**		**1,852.58**	**6,821.85**
XV.	**Profit for the year from continuing operations (VII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		256.37	806.59
	(ii) Non-controlling interests		179.85	221.82
			436.22	**1,028.41**
XVI.	**Profit for the year from discontinued operations (XI)**			
	Attributable to:			
	(i) Equity shareholders of the Company		-	6,199.74
	(ii) Non-controlling interests		-	-
			-	**6,199.74**
XVII.	**Profit for the year (XII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		256.37	7,006.33
	(ii) Non-controlling interests		179.85	221.82
			436.22	**7,228.15**
XVIII.	**Other comprehensive income (net of tax) (XIII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		1,415.66	(456.88)
	(ii) Non-controlling interests		0.70	50.58
			1,416.36	**(406.30)**
XIX.	**Total comprehensive income for the year (XIV)**			
	Attributable to:			
	(i) Equity shareholders of the Company		1,672.03	6,549.45
	(ii) Non-controlling interests		180.55	272.40
			1,852.58	**6,821.85**
XX.	**Earnings per share for continuing operations (in ₹)**			
	- Basic and Diluted	37	10.06	31.66
XXI.	**Earnings per share for discontinued operations (in ₹)**			
	- Basic and Diluted	37	-	243.36
XXII.	**Earnings per share for continuing and discontinued operations (in ₹)**			
	- Basic and Diluted	37	10.06	275.02
	Notes forming part of the Consolidated Financial Statements	1-49		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran — Chairman
(DIN: 00121863)
Padmini Khare Kaicker — Director
(DIN: 00296388)
R. Mukundan — Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

a Equity share capital (note 16)

	₹ in crore
Balance as at March 31, 2021	254.82
Balance as at March 31, 2020	254.82

b. Other equity (note 17) and non-controlling interests (note 18)

₹ in crore

	Reserves and surplus						Items of other comprehensive income			Total attributable to the equity shareholders of the parent	Non-controlling interests
	Capital reserve and other reserves from amalgamation	Securities premium	Capital redemption reserve	Debenture redemption reserve	General reserve	Retained earnings *	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Foreign currency translation reserve		
Balance as at April 1, 2019	326.64	1,258.89	0.10	240.00	1,282.47	5,192.86	2,171.68	(54.46)	1,668.27	12,086.45	2,912.48
Transition impact of Ind AS 116	-	-	-	-	-	(14.95)	-	-	-	(14.95)	-
Restated balance as at April 1, 2019	326.64	1,258.89	0.10	240.00	1,282.47	5,177.91	2,171.68	(54.46)	1,668.27	12,071.50	2,912.48
Profit for the year						7,006.33	-	-	-	7,006.33	221.82
Other comprehensive income (net of tax)	-	-	-	-	-	(26.97)	(603.66)	(220.53)	394.28	(456.88)	50.58
Total comprehensive income for the year	-	-	-	-	-	6,979.36	(603.66)	(220.53)	394.28	6,549.45	272.40
Transferred from Debenture redemption reserve	-	-	-	(240.00)	240.00	-	-	-	-	-	-
Dividends including tax on dividend	-	-	-	-	-	(383.89)	-	-	-	(383.89)	(171.18)
Deemed dividend on demerger (note 36)	-	-	-	-	-	(6,307.97)	-	-	-	(6,307.97)	-
Refund of tax on dividend	-	-	-	-	-	1.65	-	-	-	1.65	-
Impact on Merger of Zero Waste to Rallis	-	-	-	-	-	0.14	-	-	-	0.14	0.14
Joint venture Reserve movement	-	-	-	-	-	0.30	-	-	-	0.30	-
Changes in ownership interests in subsidiaries											
Acquisition of non-controlling interests (note 38)	-	-	-	-	-	718.30	-	(6.64)	-	711.66	(2,250.07)
Balance as at March 31, 2020	326.64	1,258.89	0.10	-	1,522.47	6,185.80	1,568.02	(281.63)	2,062.55	12,642.84	763.77
Profit for the year	-	-	-	-	-	256.37	-	-	-	256.37	179.85
Other comprehensive income (net of tax)	-	-	-	-	-	93.14	1,221.72	282.43	(181.63)	1,415.66	0.70
Total comprehensive income for the year	-	-	-	-	-	349.51	1,221.72	282.43	(181.63)	1,672.03	180.55
Transfer to retained earnings - sale of non-current investment	-	-	-	-	-	(1.51)	1.51	-	-	-	-
Dividends	-	-	-	-	-	(280.23)	-	-	-	(280.23)	(91.72)
Joint venture Reserve movement	-	-	-	-	-	0.51	-	-	-	0.51	-
Balance as at March 31, 2021	326.64	1,258.89	0.10	-	1,522.47	6,254.08	2,791.25	0.80	1,880.92	14,035.15	852.60

*including remeasurement of defined employee benefit plans

Notes forming part of the Consolidated Financial Statements 1 - 49

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran — Chairman
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Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)

Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Consolidated Statement of Cash Flows for the year ended March 31, 2021

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
A	**Cash flows from operating activities**		
	Profit before tax from continuing operations	633.99	1,248.06
	Profit before tax from discontinued operations	-	6,159.42
		633.99	**7,407.48**
	Adjustments for :		
	Depreciation and amortisation expense	759.32	666.47
	Provision for exceptional items (note 36)	-	92.07
	Finance costs	367.37	341.91
	Interest income	(56.25)	(59.81)
	Dividend income	(20.12)	(27.31)
	Gain on demerger of discontinued operation (net) (note 36)	-	(6,220.15)
	Share of profit of joint ventures	(25.62)	(27.49)
	Net gain on sale of current investments	(61.00)	(128.70)
	Provision for employee benefits expense	80.15	32.92
	Provision for doubtful debts and advances/bad debts written off (net)	8.29	21.24
	Provision for contingencies (net)	105.21	154.25
	Liabilities no longer required written back	(10.69)	(18.18)
	Foreign exchange loss (net)	23.88	22.25
	Loss/(Profit) on assets sold or discarded (net)	5.79	(15.06)
	Operating profit before working capital changes	**1,810.32**	**2,241.89**
	Adjustments for :		
	Trade receivables, loans, other financial assets and other assets	116.25	(190.96)
	Inventories	182.60	(275.01)
	Trade payables, other financial liabilities and other liabilities	24.46	151.96
	Cash generated from operations	**2,133.63**	**1,927.88**
	Taxes paid (net of refund)	(96.33)	(147.79)
	Net cash generated from operating activities	**2,037.30**	**1,780.09**
B	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(1,241.93)	(1,199.42)
	Proceeds from sale of property, plant and equipment	8.45	29.93
	Proceeds from sale of current investments	4,023.73	8,875.68
	Purchase of non-current investments	(198.90)	-
	Purchase of current investments	(3,925.01)	(8,085.67)
	Bank balances not considered as cash and cash equivalents	101.47	(759.59)
	Payment on sale of discontinued operations (net) (note 36)	-	(8.00)
	Acquisition of non-controlling interests by the group	-	(1,382.12)
	Interest received	55.22	60.13
	Dividend received	46.66	100.83
	Net cash used in investing activities	**(1,130.31)**	**(2,368.23)**

Consolidated Statement of Cash Flows for the year ended March 31, 2021

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
C	**Cash flows from financing activities**		
	Proceeds from borrowings	4,239.29	2,951.73
	Repayment of borrowings	(4,873.41)	(2,129.23)
	Repayment towards lease liabilities	(105.70)	(87.39)
	Finance costs paid	(345.87)	(308.96)
	Payment of Dividend to non-controlling interests	(91.72)	(171.18)
	Bank balances in dividend and restricted account	2.12	(1.86)
	Dividends paid including distribution tax	(280.36)	(382.37)
	Net cash used in financing activities	**(1,455.65)**	**(129.26)**
	Net decrease in cash and cash equivalents	**(548.66)**	**(717.40)**
	Cash and cash equivalents as at April 1	1,254.26	1,888.38
	Exchange difference on translation of foreign currency cash and cash equivalents	(16.26)	83.28
	Cash and cash equivalents as at March 31 (note 15)	**689.34**	**1,254.26**

Footnote:

Reconciliation of borrowings and lease liabilities

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Non-current borrowings (note 19)	5,199.48	3,473.36
Non-current lease liabilities (note 39)	188.60	188.00
Current borrowings (note 19)	277.58	1,912.94
Current maturities of non-current borrowings (note 20)	1,174.89	2,040.65
Current maturities of lease liabilities (note 20 and 39)	91.98	87.42
Liabilities held to hedge non-current borrowings (net) (note 42)	62.81	96.84
	6,995.34	**7,799.21**
Proceeds from borrowings	4,239.29	2,951.73
Repayment of borrowings of continuing operations	(4,873.41)	(2,129.23)
Repayment towards lease liabilities	(105.70)	(87.39)
Transition impact of Ind AS 116	-	298.31
Addition to lease liabilities pertaining to Right-of-use assets	110.10	32.27
Realised foreign exchange loss due to financing activities (net)	-	(48.92)
Unrealised foreign exchange (loss)/gain (net)	(85.05)	522.74
Derecognition of lease	(2.73)	-
Fair value changes (net)	(34.03)	117.21
Unamortised finance cost	(52.34)	19.43
Movement of borrowings and lease liabilities (net)	**(803.87)**	**1,676.15**

The Statement of Cash Flow is prepared using indirect method as prescribed under Ind AS 7.

Notes forming part of the Consolidated Financial Statements 1-49

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

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Notes forming part of the Consolidated Financial Statements

1 Corporate Information

Tata Chemicals Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India; the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company and its subsidiaries (collectively the 'Group') is a diversified businesses dealing in basic chemistry products and specialty products. The Group has a global presence with key subsidiaries in United States of America (USA), United Kingdom (UK) and Kenya that are engaged in the manufacture and sale of soda ash, industrial salt and related products. During the previous year, the Company had demerged consumer product business as per Scheme of Arrangement amongst Tata Consumer Products Limited (formerly Tata Global Beverages Limited) ("TCPL") and the Company and their respective shareholders and creditors (note 36).

2 Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and significant accounting policies

2.1 Basis of compliance

The Consolidated Financial Statements ('CFS') comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act' or 'the 2013 Act') read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

2.3 Critical accounting estimates, assumptions and judgements

The preparation of the CFS requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the Consolidated Financial Statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

2.3.1 Impairment of goodwill, goodwill on consolidation and intangible assets

Goodwill and Intangible assets are tested for impairment at least on an annual basis or more frequently, whenever circumstances indicate that the recoverable amount of the cash generating unit ('CGU') is less than its carrying value. The impairment indicators, the estimation of expected future cash flows and the determination of the fair value of CGU require the Management to make significant estimates, assumptions and judgments. These are in respect of revenue growth rates and operating margins used to calculate projected future cash flows, relevant risk-adjusted discount rate, future economic and market conditions, etc.

2.3.2 Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

Similarly, the identification of temporary differences pertaining to subsidiaries that are expected to reverse in the foreseeable future and the determination of the related deferred income tax liabilities, require the Management to make significant judgments, estimates and assumptions.

2.3.3 Useful lives of property, plant and equipment ('PPE') and intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments, units-of-production and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortisation charge could be revised and may have an impact on the profit of the future years.

2.3.4 Employee Benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.5 Provisions and contingencies

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgment is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Consolidated Financial Statements. Contingent assets are not disclosed in the Consolidated Financial Statements unless an inflow of economic benefits is probable.

2.4 Functional and presentation currency

Items included in the Consolidated Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'Functional Currency'). The CFS are presented in Indian Rupees (₹), which is the Group's presentation currency.

2.5 Basis of Consolidation:

The CFS comprise the Financial Statements of the Company, its subsidiaries and the Group's interest in joint ventures as at the reporting date.

Subsidiaries

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date control commences until the date control ceases.

Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint venture are accounted for using the equity method of accounting (see (III) below).

The CFS have been prepared on the following basis:

I The Financial Statements of the Company and its subsidiary companies have been consolidated on a line by- line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard. Accounting policies of the respective subsidiaries are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

II The results of subsidiaries acquired or disposed of during the year are included in the CFS from the effective date of acquisition and up to the effective date of disposal, as appropriate.

III The CFS include the share of profit / loss of the joint ventures which are accounted as per the 'equity method'.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in OCI of the investee in OCI. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

IV The CFS are presented, to the extent applicable, in accordance with the requirements of Schedule III of the 2013 Act as applicable to the Company's separate Financial Statements.

V Non-controlling interests ('NCI') in the net assets of the subsidiaries that are consolidated consists of the amount of equity attributable to non-controlling shareholders at the date of acquisition.

VI Goodwill on consolidation is measured as the excess of the sum of the consideration transferred, the amount of NCI in the aquiree, and the fair value of acquirer's previously held equity instrument in the aquiree (if any) over the net of acquisition date fair value of identifiable assets acquired and liabilities assumed.

Profit or loss and each component of OCI are attributed to the equity holders of the parent and to the NCI, even if this results in the NCI having a deficit balance.

2.6 Foreign currency translation

(i) Foreign currency transactions and balances

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Consolidated Balance Sheet date and the resultant exchange gains or losses are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items, which are carried in terms of historical cost, denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Foreign exchange differences regarded as an adjustment to the borrowing cost are presented in the Consolidated Statement of Profit and Loss within finance cost. Exchange differences arising from the translation of equity investments at Fair value through other comprehensive income ('FVTOCI') are recognised in OCI. All other foreign exchange gains and losses are presented on a net basis within other income or other expense.

(ii) Foreign operations

Assets and liabilities of entities with functional currencies other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the Consolidated Balance Sheet date. The Statement of Profit and Loss has been translated using the average exchange rates. The net impact of such translation are recognised in OCI and held in foreign currency translation reserve ('FCTR'), a component of Equity.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control, over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement that includes a foreign operation of which the retained interest becomes a financial asset), the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to the Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

In case of a partial disposal of interests in a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to NCI and are not recognised in the Consolidated Statement of Profit and Loss. For all other partial disposal (i.e. partial disposals of joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the Consolidated Statement of Profit and Loss.

2.7 Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the Consolidated Statement of Profit and Loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements, which are recognised and measured in accordance with Ind AS 12- Income taxes and Ind AS 19-Employee benefits, respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of NCI in the aquiree, and the fair value of acquirer's previously held equity instrument in the aquiree (if any) over the net of acquisition date fair value of identifiable assets acquired and liabilities assumed. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the NCI's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting in a contingent consideration arrangement, such contingent consideration, on the acquisition date, is measured at fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve as the case may be.

Measurement period adjustments are adjustments that arise from additional information during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as the measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

2.8 Changes in the proportion held by NCI

Changes in the proportion of the equity held by NCI are accounted for as equity transactions. The carrying amount of the controlling interests and NCI are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the NCI are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

2.9 Property, plant and equipment

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any and also to the costs incurred subsequently to add to, replace part of, or service it and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes interest on borrowings directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use, which generally coincides with the commissioning date of those assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of an asset.

All other repair and maintenance costs, including regular servicing, are recognised in the Consolidated Statement of Profit and Loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

PPE acquired and put to use for projects are capitalised and depreciation thereon is included in the project cost till the project is ready for commissioning.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE (except leasehold improvements) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, leasehold improvements are depreciated on a straight-line method over the shorter of their respective useful lives or the tenure of the lease arrangement. Freehold land is not depreciated.

Schedule II to the Act prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflect the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of PPE are as given below:

Asset	Useful life
Salt Works, Reservoirs and Pans	1-30 years
Plant and Machinery**	1-60 years
Traction Lines and Railway Sidings	15 years
Factory Buildings	5-60 years
Other Buildings	5-60 years
Water Works	15 years
Furniture and Fittings and Office Equipment (including Computers and Data Processing Equipment)	1-10 years
Vehicles	4-10 years
Mines and Quarries**	140 years

**Mines and quarries and certain plant and machinery which are in relation to the USA subsidiaries mine are depreciated using the units-of-production method. Approximately 1% (previous year 2%) of plant and machinery and 100% (previous year 100%) of mines and quarries are depreciated using the units-of-production method.

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal/adjustments of PPE are recognised in the Consolidated Statement of Profit and Loss.

2.10 Intangible assets

Goodwill

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable tangible and intangible net assets purchased. Goodwill is not amortised; however it is tested annually for impairment and carried at cost less accumulated impairment losses, if any. The gains / (losses) on the disposal of an entity include the carrying amount of Goodwill relating to the entity disposed.

Other Intangible assets

Computer software, technical knowhow, product registration, contractual rights, rights to use railway wagons and mining rights of similar nature are initially recognised at cost. The intangible assets acquired in a business combination are measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives. The management's estimates of the useful lives for various class of intangibles are as given below:

Asset	Useful life
Mining rights**	140 years
Computer software	3-8 years
Product registration, contractual rights and rights to use railway wagons	4-20 years
Technical knowhow	3 years

**Mining rights which are in relation to the USA subsidiaries mine are amortised using the units-of-production method. Approximately 99% (previous year 99%) of mining rights are amortised using the units-of-production method.

The estimated useful life is reviewed annually by the management.

Losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.

2.11 Capital work-in-progress ('CWIP') and intangible assets under development

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Group and the cost of the item can be measured reliably.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

2.12 Investment property

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising building are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 2.9 above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Consolidated Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or does not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Consolidated Statement of Profit and Loss in the period of de-recognition.

2.13 Research and Development Expenses

Research expenses are charged to the Consolidated Statement of Profit and Loss as expenses in the year in which they are incurred. Development costs are capitalised as an intangible asset under development when the following criteria are met:

- the project is clearly defined, and the costs are separately identified and reliably measured;
- the technical feasibility of the project is demonstrated;
- the ability to use or sell the products created during the project is demonstrated;
- the intention to complete the project exists and use or sale of output manufactured during the project;
- a potential market for the products created during the project exists or their usefulness, in case of internal use, is demonstrated, such that the project will generate probable future economic benefits; and
- adequate resources are available to complete the project.

These development costs are amortised over the estimated useful life of the projects or the products they are incorporated within. The amortisation of capitalised development costs begins as soon as the related product is released to production.

2.14 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Consolidated Balance Sheet.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operation are presented separately in the Consolidated Statement of Profit and Loss.

2.15 Financial instruments

2.15.1 Investments and other financial assets:

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Consolidated Statement of Profit and Loss or through OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI. The Group has elected to consider the carrying cost of equity investments in joint venture at cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments

Measurement

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Consolidated Statement of Profit and Loss.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment (unhedged) that is subsequently measured at amortised cost is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate ('EIR') method.

- **Fair value through other comprehensive income ('FVTOCI')**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Consolidated Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Consolidated Statement of Profit and Loss. Interest income from these financial assets is included in other income using the EIR.

- **Fair value through profit or loss ("FVTPL")**

  Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment (including current investments) that is subsequently measured at FVTPL (unhedged) is recognised net in the Consolidated Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Consolidated Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Consolidated Statement of Profit and Loss within other income when the Group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with a maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Derecognition of financial assets

A financial asset is derecognised only when the Group

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Group has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.15.2 Debt and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.15.3 Financial liabilities

The Group's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the EIR method. The EIR is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period at effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Consolidated Statement of Profit and Loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

Presentation

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.15.4 Derivatives and hedging activities

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange, fuel and interest rate fluctuations associated with borrowings (cash flow hedges). When the Group opts to undertake hedge accounting, the Group documents, at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Consolidated Statement of Profit and Loss on settlement. When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Consolidated Statement of Profit and Loss as the hedged item affects profit or loss.

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the Consolidated Statement of Profit and Loss.

Derivatives that are not designated as hedges

When derivative contracts to hedge risks are not designated as hedges, such contracts are accounted through FVTPL.

The entire fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item exceeds 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item does not exceed 12 months.

2.15.5 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time of issuance of guarantee. The liability is initially measured at fair value and is subsequently measured at the higher of the amount of loss allowance determined, or the amount initially recognised less, the cumulative amount of income recognised.

2.15.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset when the Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.15.7 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

2.16 Impairment

Financial assets (other than at fair value)

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables the Group applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised upon initial recognition of the receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures.

PPE, CWIP and intangible assets

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit ("CGU"). The carrying values of assets / CGUs at each Balance Sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / CGU is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment loss is recognised in the Consolidated Statement of Profit and Loss. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, consequent to which such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss.

Goodwill

Goodwill is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the Goodwill is allocated to a CGU or group of CGUs, which are expected to benefit from the synergies arising from the business combination in which the said Goodwill arose.

If the estimated recoverable amount of the CGU including the Goodwill is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the unit.

An impairment loss in respect of goodwill is not subsequently reversed, In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimated used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.17 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes and duties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.18 Revenue recognition

2.18.1 Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

2.18.2 Interest income

For all debt instruments measured either at amortised cost or at FVTOCI, interest income is recorded using the EIR Method.

2.18.3 Dividend income

Dividend income is accounted for when Group's right to receive the income is established.

2.18.4 Insurance claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

2.19 Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

As a lessee, The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest . For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2.20 Employee benefits plans

2.20.1 In respect of the Company and domestic subsidiaries

Employee benefits consist of provident fund, superannuation fund, gratuity fund, compensated absences, long service awards, post-retirement medical benefits, directors' retirement obligations and family benefit scheme.

(i) Post-employment benefit plans

Defined contribution plans

Payments to a defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

Defined benefit plans

Contributions to a Provident Fund are made to Trusts administered by the Group/ Regional Provident Fund Commissioners and are charged to the Consolidated Statement of Profit and Loss as incurred. The Group is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to members at the rate declared by the Government of India in respect of the Trust administered by the Group companies.

For defined benefit schemes in the form of gratuity fund, provident fund, post-retirement medical benefits, pension liabilities (including directors) and family benefit scheme, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Consolidated Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Consolidated Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Consolidated Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement Profit and Loss as past service cost.

(ii) Short-term employee benefits

The short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:

(a) In case of accumulating compensated absences, when employees render service that increase their entitlement of future compensated absences; and

(b) In case of non - accumulating compensated absence, when the absences occur.

(iii) Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Long Service Awards are recognised as a liability at the present value of the obligation at the Balance Sheet date. All gains/losses due to actuarial valuations are immediately recognised in the Consolidated Statement of Profit and Loss.

2.20.2 In respect of overseas subsidiaries, the liabilities for employee benefits are determined and accounted as per the regulations and principles followed in the respective countries.

(i) Defined contribution schemes

The USA subsidiaries sponsors defined contribution retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees. These subsidiaries match employee contributions up to certain predefined limits for non-represented employees based upon eligible compensation and the employee's contribution rate. Contributions are charged as expense as they fall due.

For the UK and Kenyan subsidiaries, the contributions payable during the period under defined contribution schemes are charged to the Consolidated Statement of Profit and Loss.

(ii) Defined benefit plans

The USA subsidiaries use standard actuarial methods and assumptions to account for pension and other post retirement benefit plans. Pension and post retirement benefit obligations are actuarially calculated using best estimates of the rate used to discount the future estimated liability, the long-term rate of return on plan assets, and several assumptions related to the employee workforce (compensation increases, health care cost trend rates, expected service period, retirement age and mortality). Pension and post retirement benefit expense includes the actuarially computed cost of benefits earned during the current service period. Actuarial gains and losses are recognised in OCI in the period in which they occur.

For UK subsidiaries, the cost of providing pension benefits is actuarially determined using the projected unit credit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in OCI in the period in which they occur.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement Profit and Loss as past service cost.

2.21 Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises cost for restructuring.

2.22 Employee separation compensation

Compensation paid / payable to employees who have opted for retirement under a Voluntary Retirement Scheme including ex-gratia is charged to the Consolidated Statement of Profit and Loss in the year of separation.

2.23 Borrowing costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

2.24 Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Consolidated Balance Sheet and transferred to the Consolidated Statement of Profit and Loss on systematic and rational basis over the useful lives of the related asset.

2.25 Segment reporting

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Group's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.26 Income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to realise the asset or to settle the liability on a net basis.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of consolidated Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in OCI or directly in equity.

Deferred tax assets include a credit for the Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT asset is recognised as deferred tax assets in the Consolidated Balance Sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

2.27 Provisions and contingencies

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current estimate.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are not disclosed in the Financial Statements unless an inflow of economic benefits is probable.

2.28 Dividend

Final dividend on shares are recorded as a liability, on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3. Recent Indian Accounting Standard (Ind AS) and Note on COVID-19

3.1 Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3.2 Note on COVID-19

The production of soda ash, sodium bicarbonate and specialty products operations in India has recovered after the initial phases of the lockdown as customers' own operations recommenced.

International businesses operated as normal, adhering to relevant guidelines and safe operating practices. COVID-19 disruptions were generally limited to H1 of FY2020-21, the Group had experienced volume reduction along with reduced prices in the domestic and export markets serviced by its international operations.

The Group has taken into account potential impacts of COVID-19 in the preparation of the Consolidated Audited Financial Statements. Based on the information currently available there is no material impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets though management continue to monitor changes in future economic conditions. The impact of COVID-19 on the Consolidated Audited Financial Statements may differ from that estimated as at the date of approval of these Consolidated Audited Financial Statements.

4 Property, plant and equipment

₹ in crore

	Freehold Land*	Leasehold land	Factory Buildings	Other Buildings	Plant and Machinery	Furniture and Fittings and Office Equipments	Vehicles	Salt works, Water works Reservoirs and Pans	Traction Lines, Railway Sidings and Wagons	Mines and Quarries#	Total
Gross Block											
Balance as at April 1, 2019	**274.09**	**22.76**	**720.04**	**192.65**	**4,310.90**	**135.58**	**27.00**	**51.03**	**25.59**	**182.34**	**5,941.98**
Additions / adjustments**	15.05	-	165.53	29.05	897.86	14.48	4.96	12.66	0.31	23.78	1,163.68
Disposals	-	-	(0.13)	(3.53)	(30.19)	(0.79)	(0.89)	-	-	-	(35.53)
Reclassified to assets held for sale (note 26)	-	-	(0.30)	-	-	-	-	-	-	-	(0.30)
Transferred to Right-of-use assets (note 6)	-	-	-	(0.17)	(28.35)	-	(0.74)	-	-	-	(29.26)
Transferred to Discontinued operations (note 36)	-	-	-	-	(5.63)	(0.73)	-	-	-	-	(6.36)
Exchange fluctuations	4.44	-	29.89	1.37	187.12	5.48	2.03	0.18	1.56	18.77	250.84
Balance as at March 31, 2020	**293.58**	**22.76**	**915.03**	**219.37**	**5,331.71**	**154.02**	**32.36**	**63.87**	**27.46**	**224.89**	**7,285.05**
Additions / adjustments **	15.38	-	93.24	23.68	633.07	20.94	1.36	9.96	3.21	17.70	818.54
Disposals	-	-	(2.92)	(6.00)	(123.08)	(3.49)	(2.67)	(15.90)	(1.60)	-	(155.66)
Transferred to Investment property (note 5)	(15.47)	-	(11.47)	(12.87)	-	-	-	-	-	-	(39.81)
Exchange fluctuations	9.73	-	0.26	(0.55)	27.01	(1.61)	(0.82)	(0.03)	(0.64)	(7.86)	25.49
Balance as at March 31, 2021	**303.22**	**22.76**	**994.14**	**223.63**	**5,868.71**	**169.86**	**30.23**	**57.90**	**28.43**	**234.73**	**7,933.61**
Accumulated Depreciation											
Balance as at April 1, 2019	**-**	**3.18**	**160.87**	**34.08**	**1,306.95**	**73.83**	**14.18**	**17.56**	**11.50**	**26.42**	**1,648.57**
Depreciation for the year	-	0.24	47.75	7.20	380.25	15.07	5.72	7.30	2.40	6.97	472.90
Disposals / adjustments	-	-	(0.21)	(0.91)	(24.84)	(0.72)	(0.78)	-	-	-	(27.46)
Reclassified to assets held for sale (note 26)	-	-	(0.03)	-	-	-	-	-	-	-	(0.03)
Transferred to Right-of-use assets (note 6)	-	-	-	-	(14.63)	-	(0.61)	-	-	-	(15.24)
Transferred to Discontinued operations (note 36)	-	-	-	-	(2.13)	(0.56)	-	-	-	-	(2.69)
Exchange fluctuations	-	-	10.44	0.67	68.46	2.79	1.25	0.04	0.94	2.96	87.55
Balance as at March 31, 2020	**-**	**3.42**	**218.82**	**41.04**	**1,714.06**	**90.41**	**19.76**	**24.90**	**14.84**	**36.35**	**2,163.60**
Depreciation for the year	-	0.24	75.29	8.78	420.22	14.90	4.73	6.21	2.05	6.75	539.17
Disposals / adjustments	-	-	(2.71)	(1.74)	(116.28)	(3.03)	(2.63)	(15.71)	(1.58)	-	(143.68)
Transferred to Investment property (note 5)	-	-	(2.46)	(3.12)	-	-	-	-	-	-	(5.58)
Exchange fluctuations	-	-	(0.70)	(0.31)	11.52	(1.04)	(0.58)	0.05	(0.41)	(1.33)	7.20
Balance as at March 31, 2021	**-**	**3.66**	**288.24**	**44.65**	**2,029.52**	**101.24**	**21.28**	**15.45**	**14.90**	**41.77**	**2,560.71**
Net Block as at March 31, 2020	**293.58**	**19.34**	**696.21**	**178.33**	**3,617.65**	**63.61**	**12.60**	**38.97**	**12.62**	**188.54**	**5,121.45**
Net Block as at March 31, 2021	**303.22**	**19.10**	**705.90**	**178.98**	**3,839.19**	**68.62**	**8.95**	**42.45**	**13.53**	**192.96**	**5,372.90**

*Freehold land ₹ 15.05 crore (2020 : ₹ 15.05 crore) and other building ₹ 0.01 crore (2020: ₹ 0.01 crore) for which legal formalities relating to transfer of title are pending.

**Includes ₹ Nil (2020 : ₹ 0.32 crore) preoperative depreciation capitalised.

#Pertaining to assets situated in mines and quarries.

5 Investment property

₹ in crore

	Land	Building	Total
Gross Block			
Balance as at April 1, 2019	**3.58**	**26.52**	**30.10**
Disposals	*	(3.22)	(3.22)
Reclassified to assets held for sale (note 26)	(2.45)	-	(2.45)
Balance as at March 31, 2020	**1.13**	**23.30**	**24.43**
Transferred from Property, plant and equipment (note 4)	15.47	24.34	39.81
Balance as at March 31, 2021	**16.60**	**47.64**	**64.24**
Accumulated depreciation			
Balance as at April 1, 2019	**-**	**2.89**	**2.89**
Depreciation for the year	-	0.66	0.66
Disposals	-	(0.36)	(0.36)
Balance as at March 31, 2020	**-**	**3.19**	**3.19**
Depreciation for the year	-	0.61	0.61
Transferred from Property, plant and equipment (note 4)	-	5.58	5.58
Balance as at March 31, 2021	**-**	**9.38**	**9.38**
Net Block as at March 31, 2020	**1.13**	**20.11**	**21.24**
Net Block as at March 31, 2021	**16.60**	**38.26**	**54.86**

*value below ₹ 50,000

Footnotes:

a) Disclosures relating to fair valuation of investment property

Fair value of the above investment property as at March 31, 2021 is ₹ 279.74 crore (2020: ₹ 139.00 crore) based on external valuation.

Fair Value Hierarchy

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation techniques used.

Description of valuation technique used

The Group obtains independent valuations of its investment property after every three years. The fair value of the investment property have been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property.

b) The Group has not earned any material rental income on the above properties.

6 Right-of-use assets

₹ in crore

	Land	Other Buildings	Plant and Machinery	Rail Equipment	Vehicles	Office Equipments	Total
Gross Block							
Balance as at April 1, 2019	-	-	-	-	-	-	-
Transition impact of Ind AS 116	1.35	105.82	30.35	128.32	11.52	2.24	279.60
Transferred from prepaid expenses	1.87	-	-	-	-	-	1.87
Transferred from Property, plant and equipment (note 4)	-	0.17	28.35	-	0.74	-	29.26
Additions	7.74	18.35	0.09	9.21	3.64	0.98	40.01
Disposals	-	(0.07)	-	(4.84)	-	-	(4.91)
Exchange fluctuations	0.13	5.63	2.35	12.37	0.07	0.10	20.65
Balance as at March 31, 2020	**11.09**	**129.90**	**61.14**	**145.06**	**15.97**	**3.32**	**366.48**
Additions	11.40	31.78	9.26	62.93	0.65	-	116.02
Disposals	-	(7.51)	-	(0.40)	(0.48)	(0.03)	(8.42)
Exchange fluctuations	(0.05)	2.75	0.01	(5.83)	0.16	0.22	(2.74)
Balance as at March 31, 2021	**22.44**	**156.92**	**70.41**	**201.76**	**16.30**	**3.51**	**471.34**
Accumulated depreciation							
Balance as at April 1, 2019	-	-	-	-	-	-	-
Amortisation for the year	0.10	22.08	10.99	47.63	5.56	0.94	87.30
Disposals	-	(0.07)	-	(0.90)	-	-	(0.97)
Transferred from Property, plant and equipment (note 4)	-	-	14.63	-	0.61	-	15.24
Exchange fluctuations	-	0.59	0.43	3.16	0.02	0.03	4.23
Balance as at March 31, 2020	**0.10**	**22.60**	**26.05**	**49.89**	**6.19**	**0.97**	**105.80**
Amortisation for the year	2.61	24.02	14.28	55.30	4.77	1.06	102.04
Disposals	-	(5.82)	-	(0.18)	(0.48)	(0.03)	(6.51)
Exchange fluctuations	-	0.79	(0.03)	(2.50)	0.06	0.09	(1.59)
Balance as at March 31, 2021	**2.71**	**41.59**	**40.30**	**102.51**	**10.54**	**2.09**	**199.74**
Net Block as at March 31, 2020	**10.99**	**107.30**	**35.09**	**95.17**	**9.78**	**2.35**	**260.68**
Net Block as at March 31, 2021	**19.73**	**115.33**	**30.11**	**99.25**	**5.76**	**1.42**	**271.60**

(Refer note 39 for lease liabilities related disclosures)

7. Goodwill on consolidation

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Carrying value as at April 1	1,954.23	1,811.03
Exchange fluctuations	(36.49)	143.20
Carrying value as at March 31	**1,917.74**	**1,954.23**

Goodwill of ₹ 1,529.95 crore (2020: ₹ 1,583.41 crore) and ₹ 235.86 crore (2020: ₹ 218.89 crore) relates to the CGUs - Tata Chemicals North America Inc. and it's subsidiaries ('TCNA Group') and Cheshire Salt Holdings Limited Group and it's subsidiaries ('CSHL Group') respectively. The estimated value in use of the CGUs are based on future cash flows assuming an terminal annual growth rate 2% to 3% for the period subsequent to the forecast period of 5 years and discount rates in the range of 6% to 8%, which consider the operating and macro-economic environment in which the entities operate.

An analysis of the sensitivity of the change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not result in any probable scenario in which the recoverable amount of the CGUs would decrease below the carrying amount.

Goodwill of ₹ 151.93 crore (2020: ₹ 151.93 crore) has been allocated to three CGUs (Individually immaterial) within the specialty products, and evaluated based on their recoverable amounts which exceeds their carrying amounts.

8 Other intangible assets

₹ in crore

	Computer Software	Technical knowhow	Product registration, contractual rights and others*	Mining rights	Total
Gross Block					
Balance as at April 1, 2019	**19.59**	**20.89**	**23.07**	**7,724.07**	**7,787.62**
Additions	2.69	2.98	4.25	0.32	10.24
Transferred to Discontinued operations (note 36)	(0.48)	-	-	-	(0.48)
Exchange fluctuations	1.16	-	-	718.04	719.20
Balance as at March 31, 2020	**22.96**	**23.87**	**27.32**	**8,442.43**	**8,516.58**
Additions	7.24	2.41	5.65	(0.16)	15.14
Disposals	(0.03)	(2.10)	-	-	(2.13)
Exchange fluctuations	(0.52)	-	-	(268.78)	(269.30)
Balance as at March 31, 2021	**29.65**	**24.18**	**32.97**	**8,173.49**	**8,260.29**
Accumulated Amortisation					
Balance as at April 1, 2019	**12.85**	**14.25**	**16.99**	**372.19**	**416.28**
Amortisation for the year	2.08	4.51	1.84	97.50	105.93
Transferred to Discontinued operations (note 36)	(0.02)	-	-	-	(0.02)
Exchange fluctuations	0.85	-	-	41.06	41.91
Balance as at March 31, 2020	**15.76**	**18.76**	**18.83**	**510.75**	**564.10**
Amortisation for the year	3.11	4.16	3.30	106.93	117.50
Disposals	(0.03)	(1.75)	-	-	(1.78)
Exchange fluctuations	(0.35)	-	-	(17.58)	(17.93)
Balance as at March 31, 2021	**18.49**	**21.17**	**22.13**	**600.10**	**661.89**
Net Block as at March 31, 2020	**7.20**	**5.11**	**8.49**	**7,931.68**	**7,952.48**
Net Block as at March 31, 2021	**11.16**	**3.01**	**10.84**	**7,573.39**	**7,598.40**

*Others include wagon rights provided by the Ministry of Railways to carry goods at concessional freight.

9. (a) Investments in joint ventures

The Group's interest in joint ventures are accounted for using the equity method in the Consolidated Financial Statements.

Following are details of investments in Joint ventures:	**Country of incorporation**	**Percentage of ownership Interest**	
		As at March 31, 2021	**As at March 31, 2020**
Indo Maroc Phosphore S.A. ('IMACID')	Morocco	33.33%	33.33%
JOil (S) Pte. Ltd. ('Joil')	Singapore	33.78%	33.78%
Tata Industries Ltd.	India	9.13%	9.13%
The Block Salt Company Ltd.	United Kingdom	50.00%	50.00%

The Group had no contingent liabilities or capital commitments relating to its interest in joint ventures as at March 31, 2021 and 2020. The joint ventures have no other contingent liabilities or capital commitments as at March 31, 2021 and 2020.

Carrying amount of investment in joint ventures

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Indo Maroc Phosphore S.A.	411.38	336.07
JOil (S) Pte. Ltd.*	-	-
Tata Industries Ltd.	538.77	431.97
The Block Salt Company Ltd.	1.74	2.27
Total	**951.89**	**770.31**

*The Group has impaired 100% investment during the year ended March 31, 2015.

₹ in crore

Summary of movement of investment in joint ventures		Year ended March 31, 2021	Year ended March 31, 2020
Opening carrying value as at April 1	A	770.31	870.56
Add/(Less):			
Ind-AS 116 Impact - Lease	B	-	(0.27)
Joint venture reserve movement	C	0.51	0.30
Add: Share of profit of joint ventures			
Group's share of profit for the year (net of tax)			
- from continuing operation		25.62	(3.85)
- from discontinued operation **		-	31.34
	D	**25.62**	**27.49**
Other comprehensive income (net of tax)	E	164.17	(66.20)
Dividend received during the year	F	(26.54)	(73.52)
Exchange fluctuations	G	17.82	11.95
Closing carrying value as at March 31	**A to G**	**951.89**	**770.31**

**includes profit arising from sale of one of the subsidiaries of Tata Industries Limited (a joint venture of the Group).

9. (b) Other investments

	As at March 31, 2021		As at March 31, 2020	
	Holdings No. of securities	Amount ₹ in crore	Holdings No. of securities	Amount ₹ in crore
(a) Investments in equity instruments (Fair value through other comprehensive income)				
(i) Quoted				
Crystal Peak Minerals Inc.	2,90,55,612	-	2,90,55,612	5.45
The Indian Hotels Co. Ltd.	1,06,89,348	118.49	1,06,89,348	80.17
Oriental Hotels Ltd.	25,23,000	5.75	25,23,000	4.35
Tata Investment Corporation Ltd.	4,41,015	45.67	4,41,015	29.25
Tata Steel Ltd.	30,90,051	250.87	28,90,693	77.93
Tata Steel Ltd. (Partly Paid)	-	-	1,99,358	0.59
Tata Motors Ltd.	19,66,294	59.34	19,66,294	13.97
Titan Company Ltd.	1,38,26,180	2,154.19	1,38,26,180	1,290.97
Spartek Ceramics India Ltd.	7,226	-	7,226	-
Nagarjuna Finance Ltd.	400	-	400	-
Pharmaceuticals Products of India Limited	10,000	-	10,000	-
Balasore Alloys Ltd.	504	*	504	*
J.K.Cement Ltd.	44	*	44	*
Total quoted investment (i)		**2,634.31**		**1,502.68**

9. (b) Other investments (Cont...)

	As at March 31, 2021		As at March 31, 2020	
	Holdings No. of securities	Amount ₹ in crore	Holdings No. of securities	Amount ₹ in crore
(ii) Unquoted				
The Associated Building Co. Ltd.	550	0.02	550	0.02
Taj Air Ltd.	40,00,000	-	40,00,000	-
Tata Capital Ltd.	32,30,859	13.02	32,30,859	16.48
Tata International Ltd.	72,000	151.43	48,000	108.48
Tata Projects Ltd.	1,93,500	289.32	1,93,500	222.85
Tata Services Ltd.	1,260	0.13	1,260	0.13
Tata Sons Private Ltd.	10,237	56.86	10,237	56.86
Tata Teleservices Ltd. (footnote '1')#	-	-	12,85,110	-
IFCI Venture Capital Funds Ltd.	2,50,000	0.67	2,50,000	0.67
Kowa Spinning Ltd.	60,000	*	60,000	*
Global Innovation And Technology Alliance (GITA)	15,000	1.50	15,000	1.50
Water Quality India Association	7,100	0.01	7,100	0.01
Gk Chemicals And Fertilizers Limited	1,24,002	-	1,24,002	-
Biotech Consortium India Ltd.	50,000	0.05	50,000	0.05
Indian Potash Ltd.	1,08,000	0.02	1,08,000	0.01
Bharuch Enviro Infrastructure Ltd.	36,750	0.04	36,750	0.04
Narmada Clean Tech Ltd.	3,00,364	0.30	3,00,364	0.30
Cuddalore SIPCOT Industries Common Utilities Ltd.	113	*	113	*
Patancheru Enviro-Tech Ltd.	10,822	0.01	10,822	0.01
Amba Trading & Manufacturing Company Private Ltd.	1,30,000	*	1,30,000	*
Associated Inds. (Assam) Ltd.	30,000	*	30,000	*
Uniscans & Sonics Ltd.	96	*	96	*
Impetis Biosciences Ltd	5,68,414	2.75	5,68,414	3.38
Caps Rallis (Private) Ltd.	21,00,000	-	21,00,000	-
Total unquoted investment (ii)		**516.13**		**410.79**
Total Investments in equity instruments		**3,150.44**		**1,913.47**
(iii) Investments in non convertible debentures (Fair value through profit and loss)				
Tata International Ltd. (Quoted)	1,500	150.00		-
Total investments (iii)		**150.00**		**-**
Total investments (i + ii + iii)		**3,300.44**		**1,913.47**
Aggregate amount of quoted investments (i)		2,784.31		1,502.68
Aggregate market value of quoted investments (i)		2,784.31		1,502.68
Aggregate carrying value of unquoted investments (ii)		516.13		410.79
#Aggregate amount of impairment in value of unquoted Investments		-		1.51

*value below ₹ 50,000/-

9. (c) Current investments (Fair value through profit and loss)

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds - unquoted	1,563.49	1,601.02
Total current investments	**1,563.49**	**1,601.02**

10. Loans

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(Unsecured, considered good)		
Loans to employees (footnote 'i')	0.62	0.92
Security Deposit	10.08	9.07
	10.70	**9.99**
Current		
(Unsecured, considered good)		
Loans to employees (footnote 'i')	0.17	0.23
	0.17	**0.23**

Footnote:

(i) Loans to employees includes ₹ Nil (2020: ₹ Nil) due from officer of the Group. Maximum balance outstanding during the year is ₹ Nil (2020 : ₹ Nil).

11. Other financial assets

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Fixed deposits with banks	1.07	1.03
(b) Deposit with others	3.23	2.94
(c) Derivatives (note 42)	18.02	0.96
(d) Others	2.34	-
	24.66	**4.93**
Current		
(a) Claim receivable - Related party (note 45)	5.16	0.33
(b) Derivatives (note 42)	43.81	12.38
(c) Accrued income	61.97	59.59
(d) Subsidy Receivable (net) (footnote 'i')	35.22	60.08
(e) Others	7.18	6.63
	153.34	**139.01**

Footnote:

(i) Subsidy receivable from the Government relates to Phosphatic Fertiliser business and Trading business.

12. Other assets

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Capital advances	244.20	131.11
(b) Claim receivable	5.37	5.48
(c) Deposit with public bodies and others	53.23	64.86
(d) Prepaid expenses	24.40	28.41
(e) Net defined benefit assets (note 40)	45.71	45.00
(f) Others	12.49	10.46
	385.40	**285.32**
Current		
(a) Prepaid expenses	71.96	43.28
(b) Advance to suppliers	56.37	55.50
(c) Statutory receivables	243.34	221.58
(d) Others	55.75	68.38
	427.42	**388.74**

13. Inventories

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Raw materials (footnote 'i')	542.42	740.59
(b) Work-in-progress	115.12	129.41
(c) Finished goods	676.88	664.10
(d) Stock-in-trade (footnote 'i')	94.30	87.25
(e) Stores, spare parts and packing materials (footnote 'i')	257.84	247.81
	1,686.56	**1,869.16**

Footnotes:

(i) Inventories includes goods in transit.

(ii) The cost of inventories recognised as an expense includes ₹ 19.89 crore (2020: ₹ 9.37 crore) in respect of write-down of inventories to net realisable value, and has been reduced by ₹ 2.48 crore (2020: ₹ 3.66 crore) in respect of reversal of such write-down. Reversal of previous write-downs have been largely as a result of increased selling prices of certain products.

(iii) Inventories have been offered as security against the working capital facilities provided by the bank.

14. Trade receivables

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Current		
(a) Secured, considered good	73.21	93.52
(b) Unsecured, considered good	1,323.78	1,486.40
(c) Unsecured, credit impaired	90.99	87.36
Less: Impairment loss allowance	(90.99)	(87.36)
	1,396.99	**1,579.92**

Footnotes:

(i) Before accepting new customer, the Group has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits attributed to customers are reviewed periodically by the Management.

(ii) Movement in credit impaired

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	87.36	91.43
Credit impaired pertaining to discontinued operations (note 36)	-	(11.43)
Provision during the year	5.77	11.24
Reversal during the year	(2.12)	(4.29)
Exchange fluctuation	(0.02)	0.41
Balance at the end of the year	**90.99**	**87.36**

(iii) Trade receivables have been offered as security against working capital facilities provided by the bank.

15. Cash and cash equivalents and other bank balances

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents:		
(a) Balance with banks	263.19	489.65
(b) Cash on hand	0.05	0.10
(c) Deposit accounts (with original maturity less than 3 months)	426.10	764.51
Cash and cash equivalents as per Statement of Cash Flow	**689.34**	**1,254.26**
Other bank balances:		
(a) Earmarked balances with banks	20.20	22.32
(b) Deposit accounts (other than (c) above, with maturity less than 12 months from the Balance Sheet date)	701.47	802.94
	721.67	**825.26**

Footnote:

(i) Non cash transactions

The Group has not entered into non cash investing and financing activities.

16. Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No of shares	₹ in crore	No of shares	₹ in crore
(a) Authorised:				
Ordinary shares of ₹ 10 each	27,00,00,000	270.00	27,00,00,000	270.00
(b) Issued :				
Ordinary shares of ₹ 10 each	25,48,42,598	254.84	25,48,42,598	254.84
(c) Subscribed and fully paid up:				
Ordinary shares of ₹ 10 each	25,47,56,278	254.76	25,47,56,278	254.76
(d) Forfeited shares:				
Amount originally paid-up on forfeited shares	86,320	0.06	86,320	0.06
		254.82		**254.82**

Footnotes:

(i) The movement in number of shares and amount outstanding at the beginning and at the year end

	Year ended March 31, 2021		Year ended March 31, 2020	
	No of shares	₹ in crore	No of shares	₹ in crore
Issued share capital:				
Ordinary shares :				
Balance as at April 1,	25,48,42,598	254.84	25,48,42,598	254.84
Balance as at March 31	**25,48,42,598**	**254.84**	**25,48,42,598**	**254.84**
Subscribed and paid up:				
Ordinary shares :				
Balance as at April 1,	25,47,56,278	254.76	25,47,56,278	254.76
Balance as at March 31	**25,47,56,278**	**254.76**	**25,47,56,278**	**254.76**

(ii) Terms/ rights attached to equity shares

The Company has issued one class of ordinary shares at par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

(iii) Details of shares held by each shareholder holding more than 5% shares.

	As at March 31, 2021		As at March 31, 2020	
	No of shares	%	No of shares	%
Ordinary shares with voting rights				
(i) Tata Sons Private Ltd.	8,12,60,095	31.90	7,26,25,673	28.51
(ii) Life Insurance Corporation of India	1,86,10,802	7.31	1,68,84,036	6.63
(iii) Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,52,00,001	5.97
(iv) ICICI Prudential Mutual fund	*	*	1,60,79,641	6.31

*Not holding more than 5% shares

17. Other equity

₹ in crore

	As at March 31, 2021	As at March 31, 2020
1. Capital reserve and other reserves from amalgamation	326.64	326.64
2. Securities premium	1,258.89	1,258.89
3. Capital redemption reserve	0.10	0.10
4. Debenture redemption reserve	-	-
5. General reserve	1,522.47	1,522.47
6. Foreign currency translation reserve	1,880.92	2,062.55
7. Retained earnings	6,254.08	6,185.80
8. Equity instruments through other comprehensive income	2,791.25	1,568.02
9. Effective portion of cash flow hedges	0.80	(281.63)
Total other equity	**14,035.15**	**12,642.84**

The movement in other equity

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
17.1	**Capital reserve and other reserves from amalgamation**		
	Balance at the beginning of the year	326.64	326.64
	Balance at the end of the year	**326.64**	**326.64**
	Footnote:		
	Capital reserve represents the difference between the consideration paid and net assets received under common control business combination transaction. It can be utilised in accordance with the provisions of the 2013 Act.		
17.2	**Securities premium**		
	Balance at the beginning of the year	1,258.89	1,258.89
	Balance at the end of the year	**1,258.89**	**1,258.89**
	Footnote:		
	Securities premium is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of the 2013 Act.		
17.3	**Capital redemption reserve**		
	Balance at the beginning of the year	0.10	0.10
	Balance at the end of the year	**0.10**	**0.10**
17.4	**Debenture redemption reserve**		
	Balance at the beginning of the year	-	240.00
	Transferred to General reseve	-	(240.00)
	Balance at the end of the year	**-**	**-**
	Footnote:		
	The Group is required to create a debenture redemption reserve out of the profits which is available for the purpose of redemption of debentures, which has been redeemed during the previous year.		
17.5	**General reserve**		
	Balance at the beginning of the year	1,522.47	1,282.47
	Transferred from Debenture redemption reserve	-	240.00
	Balance at the end of the year	**1,522.47**	**1,522.47**
	Footnote:		
	The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		
17.6	**Foreign currency translation reserve**		
	Balance at the beginning of the year	2,062.55	1,668.27
	Changes during the year	(181.63)	394.28
	Balance at the end of the year	**1,880.92**	**2,062.55**
	Footnote:		
	The Foreign currency translation reserve represents all exchange differences arising from translation of Financial Statements of foreign operations.		

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
17.7	**Retained earnings**		
	Balance at the beginning of the year	6,185.80	5,192.86
	Profit for the year	256.37	7,006.33
	Remeasurement of defined employee benefit plans (net of tax)	93.14	(26.97)
	Dividend (including tax on dividend ₹ Nil (2020: ₹ 60.45 crore))	(280.23)	(383.89)
	Deemed dividend on demerger (note 36)	-	(6,307.97)
	Refund of tax on dividend	-	1.65
	Transition impact of Ind AS 116	-	(14.95)
	Impact on Merger of Zero Waste to Rallis	-	0.14
	Joint venture reserve movement	0.51	0.30
	Acquisition of non-controlling interests (note 38)	-	718.30
	Transfer from equity instruments through other comprehensive income	(1.51)	-
	Balance at the end of the year(note 'ii')	**6,254.08**	**6,185.80**

Footnotes:

(i) The amount that can be distributed by the holding company as dividends to its equity shareholders is determined based on the Standalone Financial Statements of the holding company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

The Board of Directors has recommended a final dividend of 100 % (2020: 110%) for the financial year 2020-21 ₹ 10.00 per share (2020: ₹ 11.00 per share) which is subject to the approval of shareholders.

(ii) Includes balance of remeasurement of net defined benefit plans loss of ₹ 640.95 crore (2020: ₹ 734.09 crore).

(iii) Retained earnings represents net profits after distributions and transfers to other reserves.

		Year ended March 31, 2021	Year ended March 31, 2020
17.8	**Equity instruments through other comprehensive income**		
	Balance at the beginning of the year	1,568.02	2,171.68
	Changes in fair value of equity instruments at FVTOCI (net of tax)	1,221.72	(603.66)
	Transfer to Retained earnings	1.51	-
	Balance at the end of the year	**2,791.25**	**1,568.02**

Footnote:

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

		Year ended March 31, 2021	Year ended March 31, 2020
17.9	**Effective portion of cash flow hedges (note 42(c))**		
	Balance at the beginning of the year	(281.63)	(54.46)
	Acquisition of non-controlling interests (note 38)	-	(6.64)
	Changes during the year	282.43	(220.53)
	Balance at the end of the year	**0.80**	**(281.63)**

Footnote:

The effective portion of cash flow hedges represents the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

18. Non-controlling interests ('NCI')

Subsidiaries that have non-controlling interests are listed below:

₹ in crore

	Country of incorporation and operation	Non-controlling interests share	
		As at March 31, 2021	As at March 31, 2020
Rallis India Limited ("Rallis")	India	49.94%	49.94%
Tata Chemicals (Soda Ash) Partners Holdings** (note 38)	United States of America	-	^^
Tata Chemicals (Soda Ash) Partners ** (note 38)	United States of America	-	^^
PT Metahelix Lifesciences Indonesia	Indonesia	34.23%	34.23%
Alcad**	United States of America	50.00%	50.00%

**a general partnership formed under the laws of the State of Delaware (USA).

^^During the year ended March 31, 2020, the group has acquired balance 25% (note 38).

Movement of non-controlling interests

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Opening as at April 1	763.77	2,912.48
Add/(Less):		
Profit for the year	179.85	221.82
Other comprehensive income for the year	0.70	50.58
Dividends including tax on dividend	(91.72)	(171.18)
Impact on Merger of Zero Waste to Rallis	-	0.14
Acquisition of non-controlling interests by Group	-	(2,250.07)
Closing as at March 31	**852.60**	**763.77**

19. Borrowings

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-current		
Secured - at amortised cost		
(a) Term loans - bank (footnote 'a')	3,370.68	1,402.54
(b) Term loans - others (footnote 'b')	0.10	0.27
Unsecured - at amortised cost		
(a) Term loans - bank (footnote 'c')	1,907.52	2,098.59
(b) Term loans - others (footnote 'd')	-	0.42
(c) Other loans (footnote 'e')	4.68	5.23
	5,282.98	**3,507.05**
Less: Unamortised finance cost	83.50	33.69
	5,199.48	**3,473.36**
Current		
Loans repayable on demand		
Secured - from banks		
(a) Cash/packing credits/Bank overdraft (footnote 'f')	0.05	24.12
(b) Working capital demand loan (footnote 'g')	44.21	42.88
Unsecured - from banks		
(a) Term loans - bank (footnote 'h')	-	1,324.14
(b) Working capital demand loan (footnote 'i')	204.71	378.33
(c) Suppliers' credit (footnote 'j')	28.61	143.47
	277.58	**1,912.94**

Footnotes:

(a) (i) Secured term loans owed by Natrium Holdings and its subsidiaries ('Natrium Holdings Limited Group'):

Secured term loans of Natrium Holdings Limited Group comprise of an £ 80 million term loan ('Term loan') and a £ 20 million revolving credit facility ('RCF'). As at March 31, 2021, the debt outstanding under the term loan amounts to ₹ 806.02 crore (2020: ₹ 748.02 crore) (£ 80 million 2020: £ 80 million).

A maximum of £ 20 million can be drawn down under the RCF, of which ₹ 20.15 crore (2020: ₹ 187.01 crore) (2021: £ 2 million and 2020: £ 20 million) had been drawn down as at March 31, 2021.

Interest on this facility is payable at LIBOR plus 1.15% per annum (2020: 1.15% per annum). The debt facilities are secured by fixed and floating charges over the assets of the sub-group. Both the above loans are repayable in full in March 2023.

(ii) Secured term loans owed by Cheshire Salt Holdings Limited ('CSHL Group'):

Secured term loans of CSHL Group comprise of a £ 50 million term loan ('Term loan') and a £ 5 million revolving credit facility ('RCF'). As at March 31, 2021, the debt outstanding under the term loan amounts to ₹ 503.76 crore (2020 ₹ 467.51) (2021: £ 50 million 2020: £ 50 million). The RCF is utilised/outstanding as at March 31, 2021 ₹ 30.23 crore(2020: ₹ Nil) (2021: £ 3 million (2020: £ Nil))

Interest on these facilities is payable at RFR plus 2.45% per annum. The debt facilities are secured by fixed and floating charges over the assets of the sub-group. The term loans is repayable in instalments commencing March 2024 and ending in March 2026.

(iii) Secured term loans owed by Tata Chemicals North America ('TCNA') Group:

Secured term loan of TCNA is a USD 275 million term loan ('Term loan')

The Term loan is secured by a first-priority interest in the TCNA's 75% interest in TCSAPH, the TCNA's assets, and equity interest in foreign subsidiaries. As at March 31, 2021, the debt outstanding is ₹ 2,010.52 crore (2020: ₹ 1,704.73 crore) (USD 275.00 million (2020: USD 225.30 million) of which an amount of ₹ Nil (2020: ₹ 1,704.73 crore) (USD Nil (2020: USD 225.30 million) disclosed in note 20 within the heading current maturity of non-current borrowings under other financial liabilities (current)). The Term loan is amortised in installments beginning December 19, 2022 and concluding June 19, 2025.

The borrowing under this facility bears interest at either LIBOR plus applicable margin or a fallback rate based upon (a) if no LIBO Rate is available for the relevant Interest Period, the Reference Bank Rate as of the Specified Time before the date of that Borrowing and for a period equal in length to the Interest Period of that Borrowing, or (b) if neither the LIBO Rate nor a Reference Bank Rate is available for the relevant Interest Period, the Cost of Funds shall apply to that Borrowing for that Interest Period. The applicable margin on the Term loan and Revolver is 4.00% per annum on LIBOR borrowings.

(b) Debt owed by Rallis:

Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property of Rallis, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. The balance payable as on March 31, 2021 is ₹ 0.25 crore (2020: ₹ 0.27 crore) of which ₹ 0.15 crore (2020: ₹ Nil) has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current). Rate of interest on this loan is 2% per annum.

(c) (i) Debt owed by Homefield Pvt UK Limited:

Term Loan amounts outstanding were ₹ 332.65 crore (2020: ₹ 340.49 crore) (USD 45.50 million (2020: USD 45 Million). The loan is repayable in full in February 2022 has been disclosed in note 20 within the heading current maturities of non-current borrowings under Other financial liabilities (current). Interest on this loan is payable based on USD LIBOR plus a margin of 1.85% per annum.

(ii) Debt owed by Homefield Pvt UK Limited:

Term Loan amount outstanding is ₹ 208.36 crore (2020: ₹ 215.65 crore) (USD 28.50 Million (2020: USD 28.50 Million). This loan repayable in full in March 2023. Interest on this loan is payable based on USD LIBOR plus a margin of 1.15% per annum.

(iii) Debt owed by Rallis:

Loan of ₹ 15.00 crore is repayable in quarterly installments. The repayment began after a moratorium of 24 months from February 2018. The balance outstanding as at March 31, 2021 is ₹ 6.00 crore (2020: ₹ 9.45 crore) of which ₹ 3.00 crore

(2020: ₹ 3.00 crore) has been grouped in note 20 within current maturities of non-current borrowings under Other financial liabilities (current), which are payable in next 12 months.

(iv) Debt owed by Tata Chemicals Magadi Limited ('TCML'):

The outstanding loan as at the year end is ₹ 350.94 crore (USD 48 million) (2020: ₹ 363.19 crore (USD 48 million)) of which ₹ 116.98 crore (2020: Nil) ((USD 16 million (2020: USD Nil) has been grouped in note 20 within current maturities of non-current borrowings under Other financial liabilities (current). The loan is repayable in instalments commencing July 2021 and ending January 2024. Interest on this loan is payable, every six months i.e. in January and July, based on 6 months USD LIBOR plus a margin of 1.80% per annum.

(v) Debt owed by Tata Chemicals International Pte. Limited ('TCIPL'):

The outstanding loan as at March 31, 2021 is ₹ 1,462.20 crore (2020: ₹ 1,513.30 crore) (USD 200 million (2020: USD 200 million)). The loan bear an effective interest rate of 3.91% (2020: 3.81%). The loan is repayable in full on December 12, 2022.

(vi) Debt owed by Valley Holdings Inc. ('VHI'):

The Bridge loan of ₹ 731.10 crore (2020: ₹ Nil) (USD 100 Million (2020: USD Nil) is unsecured and is repayable in full on December 19, 2021 and the same has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current). The applicable margin on the Bridge loan is 3.35% per annum on LIBOR borrowings.

(d) Debt owed by Rallis:

Term loan from Council of Scientific and Industrial Research: The balance payable as on March 31, 2021 is ₹ 0.08 crore (2020: ₹ 0.42 crore), out of which ₹ 0.08 crore (2020: ₹ Nil) has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current). The same is repayable alongwith interest in 7 annual installments. The loan bears interest of 3% per annum.

(e) Debt owed by Rallis:

Sales Tax Deferral Scheme: The loan is repayable in annual installments which range from a maximum of ₹ 1.13 crore to a minimum of ₹ 0.15 crore over the period stretching from April 1, 2020 to March 31, 2027. The amount outstanding is free of interest. The balance outstanding as at March 31, 2021 is ₹ 5.31 crore (2020: ₹ 5.54 crore), out of which ₹ 0.63 crore (2020: ₹ 0.31 crore) has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current).

(f) Debt owed by Rallis:

Bank overdrafts and cash credit facility ₹ 0.05 (2020: ₹ 24.12 crore) are secured by first pari passu charge on inventories (including raw material, finished goods and work-in-progress) and book debts.

(g) (i) Debt owed by TCML:

Outstanding loan of ₹ 14.21 crore (2020: ₹ 17.38 crore)(2021: USD 1.94 million and 2020: USD 2.3 million). It is a secured overdraft facility against dues receivable from Kenyan Revenue Authority. The rate of interest for this borrowing is 8.08% per annum.

(ii) Debt owed by Rallis India Limited:

Loan of ₹ 30.00 crore (2020: ₹ 25.50 crore) is secured by first pari passu charge on stock (including raw material, finished goods and work-in-progress) and book debts and carries a weighted average interest of 7.12 % per annum (2020: 8.50% per annum).

(h) Term loan of VHI, comprised of a ₹ Nil (2020: ₹ 1,324.14 crore) (USD Nil (2020: USD 175 million) term loan ('Bridge loan')

The Bridge loan is unsecured and has been repaid in full in June 2020. The effective interest rate for the year ended March 31, 2020 was ranging from 2.94% to 3.19%.

(i) Debt owed by TCIPL:

₹ 204.71 crore (June 2020: ₹ 378.33 crore)(2021: USD 28 million and 2020: USD 50 million) is towards unsecured working capital facility and is repayable within 90 days (2020: 90 days). Interest is charged at 0.80% to 2.62% (2020: 1.39% to 3.99%) per annum.

(j) Suppliers' credit:

Unsecured Supplier's credit repayable on demand bears interest ranging from 1.13 % to 2.49 % per annum (2020: 1.91 % to 3.14 % per annum)

20. Other financial liabilities

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Non-Current			
(a)	Derivatives (note 42)	25.74	127.90
(b)	Deposit payable	-	6.45
(c)	Others	21.03	17.18
		46.77	**151.53**
Current			
(a)	Current maturities of non-current borrowings (note 19)		
	(i) From Banks - Secured (note 19 - footnote 'a')	-	1,704.73
	(ii) From Others - Secured (note 19 - footnote 'b')	0.15	-
	(iii) From Banks - Unsecured (note 19 - footnote 'c')	1,183.73	343.49
	(iv) From Others - Unsecured (note 19 - footnote 'd' and 'e')	0.63	0.31
		1,184.51	**2,048.53**
	Less: Unamortised cost of borrowings	9.62	7.88
		1,174.89	**2,040.65**
(b)	Current maturities of lease liabilities (note 39)	91.98	87.42
(c)	Interest accrued	34.49	10.42
(d)	Creditors for capital goods	132.57	175.14
(e)	Unclaimed dividend	20.23	20.36
(f)	Unclaimed debenture interest	0.01	0.01
(g)	Derivatives (note 42)	41.14	166.68
(h)	Security deposits from customers	45.42	38.32
(i)	Others	176.73	148.23
		1,717.46	**2,687.23**

21. Provisions

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Non-Current			
(a)	Provision for employee benefits		
	(i) Pension and other post retirement benefits (note 40)	1,407.35	1,466.54
	(ii) Compensated absences and long service awards	6.05	4.05
		1,413.40	**1,470.59**
(b)	Other provisions (footnote 'i')	184.69	182.93
		1,598.09	**1,653.52**
Current			
(a)	Provision for employee benefits		
	(i) Pension and other post retirement benefits (note 40)	20.42	25.72
	(ii) Compensated absences and long service awards	97.34	99.00
		117.76	**124.72**
(b)	Other provisions (footnote 'i')	247.37	152.18
		365.13	**276.90**

Footnotes:

(i) Other provisions include:

₹ in crore

	Asset retirement obligation (1)	Provision for emission allowance (2)	Provision for warranty (3)	Provision for restructuring expenses (4)	Provision for litigations and others (5)	Total
Balance as at April 1, 2019	**182.12**	**8.18**	**0.39**	**11.63**	**142.42**	**344.74**
Provisions pertaining to discontinued operation (Phosphatic Fertilisers business)	-	-	-	-	7.84	7.84
Provisions recognised during the year	10.76	135.98	0.31	-	7.20	154.25
Payments/utilisations/surrenders during the year	(12.30)	(140.36)	(0.29)	(11.57)	(22.86)	(187.38)
Exchange fluctuations	15.60	0.12	-	(0.06)	-	15.66
Balance as at March 31, 2020	**196.18**	**3.92**	**0.41**	**-**	**134.60**	**335.11**
Provisions pertaining to discontinued operation (Phosphatic Fertilisers business)	-	-	-	-	7.84	7.84
Provisions recognised during the year	9.26	84.67	0.24	-	3.20	97.37
Payments/utilisations/surrenders during the year	(2.78)	-	(0.32)	-	(3.94)	(7.04)
Exchange fluctuations	(4.72)	3.50	-	-	-	(1.22)
Balance as at March 31, 2021	**197.94**	**92.09**	**0.33**	**-**	**141.70**	**432.06**
Balance as at March 31, 2020						
Non-Current	182.93	-	-	-	-	182.93
Current	13.25	3.92	0.41	-	134.60	152.18
Total	**196.18**	**3.92**	**0.41**	**-**	**134.60**	**335.11**
Balance as at March 31, 2021						
Non-Current	184.69	-	-	-	-	184.69
Current	13.25	92.09	0.33	-	141.70	247.37
Total	**197.94**	**92.09**	**0.33**	**-**	**141.70**	**432.06**

Nature of provisions :

(1) Provision for asset retirement obligation represents site restoration expense and decommissioning charges in India and cost towards reclamation of the mine and land upon the termination of the partnership in USA. The timing of the outflows is expected to be within a period of 1 to 96 years from the date of Consolidated Balance Sheet.

(2) Provision for emission allowance represents obligations to surrender carbon emission allowances under the EU emissions trading scheme. The timing of the outflows is expected to be within a period of one year from the date of Consolidated Balance Sheet.

(3) Provision for warranty relates to certain products that fail to perform satisfactorily during the warranty period. Provision made as at respective year ends represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of one year from the date of Consolidated Balance Sheet.

(4) Provision for restructuring expenses represents costs to be incurred following the closure of plant in UK and committed expenditure to demolish redundant power facilities owned by the Group in UK.

(5) Provision for litigations and others represents management's best estimate of outflow of economic resources in respect of water charges, entry tax, land revenue and other disputed items including direct taxes, indirect taxes and other claims. The timing of outflows is uncertain and will depend on the cessation of the respective cases.

22. Deferred tax assets (net) and liabilities (net)

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(a)	Deferred tax assets (net) (footnote 'i')	-	15.31
(b)	Deferred tax liabilities (net) (footnote 'ii')	(1,572.11)	(1,437.94)

Footnotes:

(i) Deferred tax assets (net)

₹ in crore

	As at April 1, 2020	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others	Exchange fluctuations	As at March 31, 2021
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments and intangible asset	15.38	(15.39)	-	-	-	-	0.01	-
Others	(0.08)	0.08	-	-	-	-	-	-
	15.30	**(15.31)**	**-**	**-**	**-**	**-**	**0.01**	**-**
Tax losses	0.01	(0.01)	-	-	-	-	-	-
	15.31	**(15.32)**	**-**	**-**	**-**	**-**	**0.01**	**-**

₹ in crore

	As at April 1, 2019	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others**	Exchange fluctuations	As at March 31, 2020
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments and intangible asset	1.10	0.33	-	-	-	13.37	0.58	15.38
Allowance for doubtful debts and advances	4.35	-	-	-	-	(4.35)	-	-
Defined benefit obligation	0.65	-	-	-	-	(0.65)	-	-
Others	0.04	(0.54)	-	-	-	-	0.42	(0.08)
	6.14	**(0.21)**	**-**	**-**	**-**	**8.37**	**1.00**	**15.30**
Tax losses	2.10	-	-	-	-	(2.09)	-	0.01
Unused Credits	28.00	-	-	-	-	(28.00)	-	-
	36.24	**(0.21)**	**-**	**-**	**-**	**(21.72)**	**1.00**	**15.31**

(ii) Deferred tax liabilities (net)

₹ in crore

	As at April 1, 2020	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others	Exchange fluctuations	As at March 31, 2021
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments (PPE) and intangible asset	(1,410.43)	16.74	-	-	-	-	39.04	(1,354.65)
Acquisition of non-controlling interest (PPE and Intangible)	(168.43)	(19.69)	-	-	-	-	5.98	(182.14)
Allowance for doubtful debts and Advances	35.64	1.33	-	-	-	-	-	36.97
Accrued expenses allowed in the year of payment and on fair value of investments	86.66	12.25	-	(142.01)	-	-	-	(43.10)
Mark to market gains on mutual funds and derivatives	(24.46)	(0.84)	-	-	-	-	-	(25.30)
Right-of-use assets and lease liability	11.11	(1.46)	-	-	-	-	-	9.65
Financial assets at FVTOCI	5.64	(0.39)	-	-	-	-	(0.04)	5.21
Partnership tax basis differences for USA Subsidiaries	(16.84)	3.26	-	(48.29)	-	-	1.24	(60.63)
Defined benefit obligation	45.96	2.44	-	(33.47)	-	-	(1.05)	13.88
Others (including other payables)	(2.79)	29.70	-	(0.68)	-	-	1.77	28.00
	(1,437.94)	**43.34**	**-**	**(224.45)**	**-**	**-**	**46.94**	**(1,572.11)**

₹ in crore

	As at April 1, 2019	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations) (note 36)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others**	Exchange fluctuations	As at March 31, 2020
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments (PPE) and intangible asset	(1,390.22)	93.94	-	-	-	(13.37)	(100.78)	(1,410.43)
Acquisition of non-controlling interest (PPE and Intangible)	-	(1.47)	-	-	-	(156.30)	(10.66)	(168.43)
Allowance for doubtful debts and Advances	51.54	(16.26)	-	-	-	0.36	-	35.64
Accrued expenses allowed in the year of payment and on fair value of investments	28.41	(13.94)	6.77	65.42	-	-	-	86.66
Mark to market gains on mutual funds and derivatives	(19.94)	(4.52)	-	-	-	-	-	(24.46)
Right-of-use assets and lease liability	-	9.10	-	-	1.84	0.17	-	11.11
Financial assets at FVTOCI	5.53	-	-	-	-	-	0.11	5.64
Partnership tax basis differences for USA Subsidiaries	(38.17)	4.53	-	18.82	-	-	(2.02)	(16.84)
Defined benefit obligation	30.86	(1.84)	-	14.77	-	(1.32)	3.49	45.96
Alternative Minimum Tax ('AMT') Credit	64.09	(18.19)	-	-	-	(47.50)	1.60	-
Others (including other payables)	(29.28)	(4.46)	31.86	0.98	-	1.66	(3.55)	(2.79)
	(1,297.18)	**46.89**	**38.63**	**99.99**	**1.84**	**(216.30)**	**(111.81)**	**(1,437.94)**

**Includes Impact of Tax Receivables (on AMT), transfer to discontinued operation, Impact of Merger of Metahelix Life Sciences Limited with Rallis India Limited and Impact due to acquisition of non-controlling interest on PPE and Intangible assets.

(iii) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

₹ in crore

	As at March 31, 2021		As at March 31, 2020	
	Gross amount	Tax effect	Gross amount	Tax effect
Deductible temporary differences	2,076.60	387.47	1,237.11	261.23
Unused tax losses	985.03	226.51	962.25	229.87
	3,061.63	**613.98**	**2,199.36**	**491.10**

The Unused tax losses amounting to ₹ 1.50 crore (2020: ₹ 6.04 crore) for which no deferred tax asset was recognised expires between FY 2021 - 2029.

The deductible temporary differences and others unused tax losses do not expire under current tax legislation i.e. ₹ 3,060.13 crore (2020: ₹ 2,193.32 crore).

23. Other liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-current		
(a) Deferred income (including government grants)	94.05	56.41
(b) Others	32.17	41.66
	126.22	**98.07**
Current		
(a) Statutory dues	135.17	131.79
(b) Advance received from customers	113.63	114.64
(c) Deferred income (including government grants and emission trading allowance)	4.50	60.14
(d) Others	12.09	14.40
	265.39	**320.97**

24. Trade payables

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Trade payables	1,661.44	1,623.40
(b) Amount due to Micro Small and Medium Enterprises	21.43	7.52
	1,682.87	**1,630.92**

25. Tax assets and liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Tax assets		
Non-current		
(i) Advance tax assets (net)	**663.86**	**699.92**
Current		
(i) Current tax assets (net)	**2.59**	**137.00**
(b) Current tax liabilities (net)	**154.93**	**195.94**

26. Assets classified as held for sale

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Assets classified as held for sale		
(i) Assets held for sale (footnote 'i')	4.14	4.27
	4.14	**4.27**

Footnote:

(i) The Group intends to dispose off freehold land and buildings which it no longer utilises in the next 12 months. The Group is currently in negotiation with some potential buyers. No impairment loss was recognised on reclassification of the assets as held for sale nor as at reporting date as the management of the Group expect that the fair value (estimated based on the recent market prices of similar assets in similar locations) less costs to sell is higher than the carrying amount.

27. Revenue from operations

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Sales of products (footnote 'ii' and 'iii')	10,088.79	10,252.37
(b) Other operating revenues		
(i) Sale of scrap	54.69	56.86
(ii) Miscellaneous income (footnote 'i')	56.32	47.52
	10,199.80	**10,356.75**

Footnotes:

(i) Miscellaneous income primarily includes income from supply agreement, Business Insurance claim and Terminalling Income.

(ii) Reconciliation of sales of products		
Revenue from contract with customer	10,919.21	10,993.90
Adjustments made to contract price on account of:		
(a) Discounts / rebates / incentives	(369.61)	(244.17)
(b) Sales returns /credits / reversals - agri business	(460.81)	(497.36)
	10,088.79	**10,252.37**

(iii) For operating segments revenue, geographical segments revenue, revenue from major products and revenue from major customers refer note 41.1.

28. Other income

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Dividend income from		
(i) Non-current investments measured at FVTOCI	20.12	27.31
	20.12	**27.31**
(b) Interest income from financial assets at amortised cost		
(i) On bank deposits (financial assets at amortised cost)	34.09	43.37
(ii) Other interest (financial assets at FVTPL)	22.16	16.44
	56.25	**59.81**
(c) Interest on refund of taxes	18.51	0.72
(d) Others		
(i) Rental and Town income	40.56	16.07
(ii) Gain on sale/redemption of investments (net)	61.00	128.70
(iii) Profit on sale of assets (net)	-	15.06
(iv) Insurance claim received	11.89	20.75
(v) Miscellaneous income (footnote 'i')	26.09	42.70
	139.54	**223.28**
	234.42	**311.12**

Footnote:

(i) Miscellaneous income primarily includes export benefits and liabilities written back.

29. Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Opening stock		
Work-in-progress	129.41	112.43
Finished goods	664.10	594.62
Stock-in-trade (acquired for trading)	87.25	125.34
	880.76	**832.39**
Closing stock		
Work-in-progress	115.12	129.41
Finished goods	676.88	664.10
Stock-in-trade (acquired for trading)	94.30	87.25
	886.30	**880.76**
Less: Inventory on account of Discontinued operation (note 36)	-	92.83
Add: Exchange fluctuations	(1.55)	12.93
	(7.09)	**(128.27)**

30. Employee benefits expense

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Salaries, wages and bonus	1,097.58	1,107.12
(b)	Contribution to provident and other funds	141.14	79.47
(c)	Staff welfare expense	161.02	188.78
		1,399.74	**1,375.37**

31. Finance costs

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Interest costs		
	(i) Interest on loans at amortised cost	276.59	255.78
	(ii) Interest on obligations under leases (note 39)	9.71	11.34
(b)	Translation differences (footnote 'i')	(0.42)	0.41
(c)	Discount and other charges	81.49	74.38
		367.37	**341.91**

Footnote:

(i) Translation differences on foreign currency loans regarded as borrowing cost net of changes in fair value of derivative contracts.

32. Depreciation and amortisation expense

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Depreciation of property, plant and equipment	539.17	472.58
(b)	Depreciation of Investment property	0.61	0.66
(c)	Amortisation of right-of-use assets	102.04	87.30
(d)	Amortisation of intangible assets	117.50	105.93
		759.32	**666.47**

33. Other Expenses

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Stores and spare parts consumed	279.06	258.39
(b)	Packing materials consumed	227.39	196.06
(c)	Power and fuel	1,437.09	1,449.90
(d)	Repairs - Buildings	18.47	18.52
	- Machinery	392.88	417.65
	- Others	9.70	8.81
(e)	Rent	51.92	58.92
(f)	Royalty, rates and taxes	282.66	339.77
(g)	Distributor's service charges	2.38	6.04
(h)	Sales promotion expenses	81.22	84.69
(i)	Insurance charges	63.17	45.42
(j)	Freight and forwarding charges	1,457.18	1,551.42
(k)	Loss on assets sold, discarded or written off (net)	5.79	-
(l)	Bad debts written off	0.17	6.92
(m)	Provision for doubtful debts, advances and other receivables (net)	8.12	14.32
(n)	Foreign exchange loss (net)	23.88	22.25
(o)	Director's fees and commission	11.08	11.12
(p)	Others	550.34	573.61
		4,902.50	**5,063.81**

34. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

35. Income tax expense relating to continuing operations

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	**Tax expense**		
	Current tax		
	In respect of the current year	225.79	266.33
		225.79	**266.33**
	Deferred tax		
	In respect of the current year (note 22)	(28.02)	(46.68)
		(28.02)	**(46.68)**
	Total tax expense	**197.77**	**219.65**

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(b)	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**633.99**	**1,248.06**
	Income tax expenses calculated at 25.168 % (2020: 25.6256 %) (Company's domestic tax rate)	159.56	319.82
	Differences in tax rates in foreign jurisdictions	17.49	(13.08)
	Share of profit of equity accounted investees	(6.62)	0.85
	Effect of income that is exempt from taxation	(10.06)	(17.97)
	Effect of not deductible expenses for tax computation	8.61	21.07
	Effect of concessions (research and development and other allowances)	(12.81)	(52.14)
	Effect of rate change (footnote 'I')	-	(39.20)
	Others	6.70	4.72
		162.87	**224.07**
	Adjustments recognised in the current year in relation to the current tax of prior years on account of completed assessments.	1.39	(3.57)
	Alternative Minimum Tax - differential	19.37	2.01
	Effect of unused tax losses and tax offsets not recognised as deferred tax assets / Utilisation	14.14	(2.86)
		197.77	**219.65**

Footnote:

(i) During the quarter ended September 30, 2019, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the previous financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/ remeasured using the new tax rate and the Company had reversed deferred tax liabilities amounting to ₹ 39.20 crore.

36. Discontinued operations

Disposal of consumer products business

The National Company Law Tribunal ("NCLT"), Mumbai and NCLT Kolkata, on January 10, 2020 and January 8, 2020 respectively, sanctioned the Scheme of Arrangement amongst Tata Consumer Products Limited (formerly Tata Global Beverages Limited) (""TCPL"") and the Company and their respective shareholders and creditors ("the Scheme") for the demerger of the Consumer Products Business Unit (""CPB"") of the Company to TCPL. The Scheme became effective on February 7, 2020 upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the CPB is demerged from the Company and transferred to and vested in TCPL with effect from April 1, 2019 i.e. the Appointed Date.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no. 09/2019 dated August 21, 2019 (MCA Circular), the Company has recognised the effect of the demerger on April 1, 2019 and debited the fair value as at April 1, 2019 of Demerged Undertaking i.e. fair value of net assets of CPB to be distributed to the shareholders of the Company, amounting to ₹ 6,307.97 crore to the retained earnings in the Consolidated Statement of Changes in Equity as dividend distribution. The difference in the fair value and the carrying amount of net assets of CPB as at April 1, 2019 is recognised as gain on demerger of CPB in the Consolidated Statement of Profit and Loss as an exceptional item, amounting to ₹ 6,220.15 crore (net of transaction cost) during the year ended March 31, 2020.

The financial performance and cash flows for discontinued operations till the effective date of sale:

(a) Analysis of profit from discontinued operations

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Exceptional gain/(loss) (net)		
Gain on disposal of discontinued operations (note 36 (b))	-	6,220.15
Pertaining to Phosphatic Fertilisers business and Trading business (footnote 'i')	-	(26.71)
Pertaining to urea and customised fertilisers business (footnote 'i')	-	(65.36)
	-	**6,128.08**
Share of profit of joint ventures (net of tax) (note 9 (a))	-	31.34
Profit before tax	**-**	**6,159.42**
Current tax	-	(1.69)
Deferred tax	-	(38.63)
Profit after tax	**-**	**6,199.74**

Footnote:

(i) Includes provisions made, relating to the erstwhile fertilizer businesses, as per revised notifications issued by the concerned department for change in rate of subsidy for previous years.

(b) Gain on disposal of discontinued operations:

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Consideration (Deemed dividend to shareholders)	-	6,307.97
Transaction costs (demerger expenses)	-	(33.00)
Other adjustments	-	22.57
Net assets transferred (footnote 'i')	-	(77.39)
Gain on disposal	**-**	**6,220.15**

Footnote:

(i) Information of assets and liabilities transferred as per the Scheme on the appointed date

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Property, plant and equipment and intangible assets (Including CWIP)	-	4.13
Deferred tax assets (net)	-	5.79
Other non-current assets	-	0.95
Inventories	-	154.00
Trade receivables and other financial receivables	-	81.43
Other current assets	-	20.70
Total Assets (A)	**-**	**267.00**
Other non-current liabilities	-	2.39
Other current liabilities	-	187.22
Total Liabilities (B)	**-**	**189.61**
Net assets (A - B)	**-**	**77.39**

37. Earnings per share

	As at March 31, 2021	As at March 31, 2020
Basic and Diluted earnings per share (₹)		
From continuing operations (₹)	10.06	31.66
From discontinued operations (₹)	-	243.36
Total Basic and Diluted earnings per share (₹)	**10.06**	**275.02**

Footnotes:

The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows.

(a) Earnings used in the calculation of basic and diluted earnings per share:	₹ in crore	₹ in crore
Profit for the year from continuing operations attributable to equity shareholders of the Company	256.37	806.59
Profit for the year from discontinued operations attributable to equity shareholders of the Company	-	6,199.74
	256.37	**7,006.33**

(b) Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:	No. of shares	No. of shares
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share from continuing operations and from discontinued operations	25,47,56,278	25,47,56,278

38. Group Informations:

Particulars of subsidiaries and joint ventures which have been considered in the preparation of the Consolidated Financial Statements:

Name of the Company	Country of Incorporation	Nature of Business	% Equity Interest	
			As at March 31, 2021	As at March 31, 2020
Subsidiaries				
Direct				
Rallis India Limited ('Rallis')	India	Manufacturing	50.06%	50.06%
Bio Energy Venture - 1 (Mauritius) Pvt. Ltd	Mauritius	Investment	-	(footnote 'vi')
Tata Chemicals International Pte. Limited ('TCIPL') (footnote 'vi')	Singapore	Trading, Investment	100.00%	100.00%
Ncourage Social Enterprise Foundation (Under Section 8 of the Companies Act, 2013)	India	Social Enterprise	100.00%	100.00%
Indirect				
Rallis Chemistry Exports Limited	India	Manufacturing	(footnote 'iii')	100.00%
Metahelix Life Sciences Limited	India	Manufacturing	-	(footnote 'iv')
Zero Waste Agro Organics Limited ('ZWAOL') (footnote 'vi')	India	Manufacturing	-	(footnote 'v')
PT Metahelix Lifesciences Indonesia (footnote 'vii')	Indonesia	Manufacturing	65.77%	65.77%
Valley Holdings Inc.	United States of America	Investment	100.00%	100.00%
Tata Chemicals North America Inc. ('TCNA')	United States of America	Trading	100.00%	100.00%
General Chemical International Inc.	United States of America	Dormant	100.00%	100.00%
NHO Canada Holdings Inc.	United States of America	Dormant	100.00%	100.00%
Tata Chemicals (Soda Ash) Partners ('TCSAP') (footnote 'I' and 'ii')	United States of America	Manufacturing	100.00%	100.00%
Tata Chemicals (Soda Ash) Partners Holdings ('TCSAPH') (footnote 'I' and 'ii')	United States of America	Investment	100.00%	100.00%

Name of the Company	Country of Incorporation	Nature of Business	% Equity Interest	
			As at March 31, 2021	As at March 31, 2020
TCSAP LLC (footnote 'ii')	United States of America	Investment	100.00%	100.00%
Homefield Pvt UK Limited	United Kingdom	Investment	100.00%	100.00%
TCE Group Limited (formerly known as Homefield 2 UK Limited)	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals Africa Holdings Limited	United Kingdom	Investment	100.00%	100.00%
Natrium Holdings Limited (formerly known as Tata Chemicals Europe Holdings Limited)	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals Europe Limited	United Kingdom	Manufacturing	100.00%	100.00%
Winnington CHP Limited	United Kingdom	Manufacturing	100.00%	100.00%
Brunner Mond Group Limited	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals Magadi Limited	United Kingdom	Manufacturing	100.00%	100.00%
Northwich Resource Management Limited	United Kingdom	Dormant	100.00%	100.00%
Gusiute Holdings (UK) Limited	United Kingdom	Investment	100.00%	100.00%
TCNA (UK) Limited	United Kingdom	Trading	100.00%	100.00%
British Salt Limited	United Kingdom	Manufacturing	100.00%	100.00%
Cheshire Salt Holdings Limited	United Kingdom	Investment	100.00%	100.00%
Cheshire Salt Limited	United Kingdom	Investment	100.00%	100.00%
Brinefield Storage Limited	United Kingdom0	Dormant	100.00%	100.00%
Cheshire Cavity Storage 2 Limited	United Kingdom	Dormant	100.00%	100.00%
Cheshire Compressor Limited	United Kingdom	Dormant	100.00%	100.00%
Irish Feeds Limited	United Kingdom	Dormant	100.00%	100.00%
New Cheshire Salt Works Limited	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals (South Africa) Proprietary Limited	South Africa	Trading	100.00%	100.00%
Magadi Railway Company Limited	Kenya	Dormant	100.00%	100.00%
Alcad (footnote 'i')	United States of America	Manufacturing	50.00%	50.00%
Joint Ventures				
Direct				
Indo Maroc Phosphore S. A	Morocco	Manufacturing	33.33%	33.33%
Tata Industries Ltd.	India	Diversified	9.13%	9.13%
Indirect				
The Block Salt Company Limited (Holding by British Salt Limited)	United Kingdom	Manufacturing	50.00%	50.00%
JOil (S) Pte. Ltd and its subsidiaries (Holding by TCIPL)	Singapore	Manufacturing	33.78%	33.78%
Promoter				
Tata Sons Private Limited	India			

Footnotes:

(i) A general partnership formed under the laws of the State of Delaware (USA).

(ii) During the previous year, Valley Holdings Inc., an indirect wholly owned subsidiary had acquired the remaining 25% partnership interest from The Andover Group, Inc. in Tata Chemicals (Soda Ash) Partners Holdings for a consideration of ₹ 1,382.12 crore (USD 195 million). With this acquisition, the ownership in Tata Chemicals (Soda Ash) Partners, the soda ash producing operating entity increased from 75% to 100%. The resultant difference between the consideration paid and book value of Non Controlling Interest amounting to ₹ 718.30 crore (net of consequential deferred taxes) has been credited to the retained earnings.

(iii) Consequent to making an application to the Registrar of Companies, Maharashtra by Rallis Chemistry Exports Limited, a wholly-owned subsidiary of the Rallis India Limited (RCEL) for removal of its name from the register of companies, MCA has issued a certificate for striking off its name from the register of companies w.e.f March 29, 2021. Accordingly, RCEL has ceased to be a subsidiary of the Group effective the said date.

(iv) The Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench and the NCLT, Mumbai Bench have approved the Scheme of Merger by Absorption of Metahelix Life Sciences Limited (WOS of Rallis) with Rallis India Limited ('Scheme') from the Appointed Date of April 1, 2019. The Effective Date of the Scheme is February 1, 2020. Accordingly, Metahelix has ceased to be a subsidiary of the Company with effect from February 1, 2020. There is no impact of this transaction on the Consolidated Financial Statements.

(v) The NCLT, Mumbai Bench also approved the Scheme of Amalgamation of Zero Waste Agro Organics Limited (WOS of Rallis) with Rallis India Limited ('Scheme') on February 22, 2020 from the Appointed Date of April 1, 2017. The Effective Date of the Scheme is July 9, 2020. Accordingly, Zero Waste has ceased to be a subsidiary of the Company with effect from July 9, 2020. There is no impact of this transaction on the Consolidated Financial Statements.

(vi) The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench on April 23, 2020 approved the Scheme of Merger by Absorption of Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio'), a wholly owned subsidiary of the Company, with the Company ('Scheme'), with an Appointed Date of April 1 2019. The Registrar of Companies at Mauritius removed the name of Bio from the register of companies w.e.f. June 1, 2020 and accordingly, Bio has ceased to be a subsidiary of the Company with effect from June 1, 2020. Consequent to this, TCIPL has become a direct wholly owned subsidiary of the Company with effect from that date. There is no impact of the merger in the Consolidated Financial Statements.

(vii) During the year, PT Metahelix Life Sciences Indonesia, a subsidiary of Rallis, received approval for the cancellation of its Company Registration Number and revocation of its business license w.e.f March 19, 2021. Further, an application for cancellation of its Tax Identification Number has been made and the approval for the same is awaited.

39. Leases

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Maturity analysis – contractual undiscounted cash flows		
Less than one year	100.45	110.06
One to five years	142.31	184.71
More than five years	82.51	53.41
Total undiscounted lease liabilities	**325.27**	**348.18**
Discounted Cash flows		
Current	91.98	87.42
Non-Current	188.60	188.00
Lease liabilities	**280.58**	**275.42**

Expenses relating to short-term leases and low value assets have been disclosed under rent in note 33(e).

The incremental borrowing rate of 1.20% per annum to 13.00% per annum (2020: 1.90% per annum to 13.00% per annum) has been applied to lease liabilities recognised in the Consolidated Balance Sheet.

40. Employee benefits obligations

(a) In respect of the Company and domestic subsidiaries

The Company and its domestic subsidiaries make contributions towards provident fund, in substance a defined benefit retirement plan and towards pension and superannuation funds which are defined contribution retirement plans for qualifying employees. The provident fund is administered by the Trustees of the Provident Fund and the superannuation fund is administered by the Trustees of the Superannuation Fund. The Company and its domestic subsidiaries are liable to pay to the provident fund to the extent of the amount contributed and any shortfall in the fund assets based on Government specified minimum rates of return relating to current services. Such contribution and shortfall if any, are recognised as an expense in the year in which these are incurred.

On account of the above contribution plans, a sum of ₹ 15.58 crore (2020: ₹ 14.78 crore) has been charged to the Consolidated Statement of Profit and Loss.

The Company and its domestic subsidiaries make annual contributions to the Employees' Gratuity Trust and to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, for funding the defined benefit plans for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement or death while in employment or on termination of employment. Employees, upon completion of the vesting period, are entitled to a benefit equivalent to either half month, three fourth month and full month salary last drawn for each completed year of service depending upon the completed years of continuous service in case of retirement or death while in employment. In case of termination, the benefit is equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. Vesting occurs upon completion of five years of continuous service.

The trustees of the trust fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

The Company also provides post retirement medical benefits to eligible employees under which employees at Mithapur who have retired from service of the Company are entitled for free medical facility at the Company hospital during their lifetime. Other employees are entitled to domiciliary treatment exceeding the entitled limits for the treatments covered under the Health Insurance Scheme upto slabs defined in the scheme. The floater mediclaim policy also covers retired employees based on eligibility, for such benefit.

The Company provides pension, housing/house rent allowance and medical benefits to retired Managing and Executive Directors who have completed ten years of continuous service in Tata Group and three years of continuous service as Managing Director/ Executive Director or five years of continuous service as Managing Director/Executive Director. The directors are entitled upto seventy five percent of last drawn salary for life and on death 50% of the pension is payable to the spouse for the rest of his/her life. Domestic subsidiaries also include a supplemental pay scheme (a life long pension), an unfunded scheme, covering certain Executives.

Family benefit scheme is applicable to all permanent employees in management, officers and workmen who have completed one year of continuous service. Incase, of untimely death of the employee, the nominated beneficiary is entitled to an amount equal to the last drawn salary (Basic Salary, DA and FDA) till the normal retirement date of the deceased employee.

The most recent actuarial valuations of plan assets and the present values of the defined benefit obligations were carried out at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(b) In respect of overseas subsidiaries, the liabilities for employee benefits are determined and accounted as per the regulations and principles followed in the respective countries.

(i) UK and Kenyan subsidiaries

The Homefield UK Private Limited - Group operates defined contribution schemes, under which costs of ₹ 15.26 crore (2020: ₹ 13.84 crore) are charged to the Consolidated Statement of Profit and Loss on the basis of contributions payable. The Group also operates defined benefit schemes, the assets of which are held in separate trustee administered funds.

Defined benefit scheme - Tata Chemicals Europe Limited ('TCEL')

TCEL operates defined benefit pension arrangements in the UK, which were available to substantially all employees but are now closed to new members and closed for further accruals from May 31, 2016.

The scheme is funded by the payment of contributions to a separately administered trust fund. The fund is valued every three years using the projected unit method by an independent, professionally qualified actuary. The Trustees of the fund set the contribution rates with agreement from TCEL after taking advice from the independent actuary.

The most recent triennial valuation was performed at December 31 2017, and a payment schedule was agreed between the trustees of the pension scheme and TCEL whereby TCEL will make contributions towards the deficit in the fund from December 2017 to March 2041. TCEL will also continue to make contributions towards the expenses of the fund.

The present value of the defined benefit obligation was measured using the projected unit method. The projected unit method is an accrued benefits valuation method in which the scheme liabilities make allowance for projected benefit increases for employed members. The assumptions which had the most significant effect on the results of the valuation were those relating to investment returns and price inflation.

Defined benefit scheme - British Salt Limited ('BSL')

BSL operates defined benefit pension arrangements in the UK. Eligible employees of the salt business were members of the British Salt Retirement Income and Life Assurance Plan ('RILA') which was closed to future accrual and new members on 31 January, 2008.

RILA is funded by the payment of contributions to a separately administered trust fund. The fund is valued every three years using the projected unit method by an independent, professionally qualified actuary. The Trustees of the fund set the contribution rates with agreement from the BSL after taking advice from the independent actuary.

The most recent triennial valuation was performed at December 31 2017 and a payment schedule was agreed between the Trustees and BSL whereby BSL will make contributions which aim to cover the expenses of the scheme.

The present value of the defined benefit obligation was measured using the projected unit method. The assumptions which had the most significant effect on the results of the valuation were those relating to investment returns and price inflation.

(ii) USA subsidiaries - Tata Chemicals North America and its subsidiaries ('TCNA')

TCNA also sponsor defined contribution retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees. TCNA matches employee contributions up to certain predefined limits for non-represented employees based upon eligible compensation and the employee's contribution rate. TCNA's contribution to these plans was ₹ 6.55 crore (2020: ₹ 5.84 crore)

Pension plans and other post retirement benefit

TCNA maintains several defined benefit pension plans covering hourly employees hired/rehired on or before June 30, 2017 and salaried employees hired/rehired on or before September 6, 2016. A participating employee's annual post retirement pension benefit is determined by the employee's credited service and, in most plans, final average annual earnings with the TCNA. Vesting requirements are five years. TCNA's funding policy is to annually contribute the statutorily required minimum amount as actuarially determined. TCNA also maintains several plans providing non-pension post retirement benefits covering substantially all hourly and certain salaried employees. TCNA funds these benefits on a pay-as-you-go basis.

Plan assets

The assets of TCNA's defined benefit plans are managed on a co-mingled basis in a Master Trust. The investment policy and allocation of the assets in the Master Trust were approved by TCNA's Investment Committee, which has oversight responsibility for the retirement plans.

The pension fund assets are invested in accordance with the statement of Investment Policies and Procedures adopted by TCNA, which are reviewed annually. Pension fund assets are invested on a going-concern basis with the primary objective of providing reasonable rates of return consistent with available market opportunities, a quality standard of investment, and moderate levels of risk.

(c) **The following tables set out the funded status and amounts recognised in the Group's Consolidated Financial Statements as at March 31, 2021 and March 31, 2020 for the Defined benefits plans:**

i **Changes in the defined benefit obligation:**

₹ in crore

	Year ended March 31, 2021		Year ended March 31, 2020	
	Funded	Unfunded	Funded	Unfunded
At the beginning of the year	5,096.82	262.64	4,923.80	253.12
Current service cost	48.45	5.79	42.33	4.72
Interest cost	148.90	12.90	151.41	12.83
Remeasurements (gain)/loss				
Actuarial (gain) / loss arising from:				
- Changes in financial assumptions	420.46	(5.64)	(40.98)	37.48
- Changes in demographic assumptions	(17.03)	0.74	(14.65)	(0.08)
- Experience adjustments	(34.03)	(3.30)	(3.40)	(8.29)
Benefits paid	(233.95)	(10.08)	(227.33)	(17.53)
Transfer in/(out)*	0.06	-	(3.77)	-
Past service cost	15.35	-	1.20	(25.00)
Exchange fluctuations	160.83	(3.15)	268.21	8.53
	5,605.86	**259.90**	**5,096.82**	**265.78**
Extinguishment due to discontinued operations	-	-	-	(3.14)
At the end of the year	**5,605.86**	**259.90**	**5,096.82**	**262.64**

ii **Changes in the fair value of plan assets:**

₹ in crore

	Year ended March 31, 2021		Year ended March 31, 2020	
	Funded	Unfunded	Funded	Unfunded
At the beginning of the year	3,925.91	-	3,881.08	-
Interest on plan assets	112.03	-	119.89	-
Administrative expenses	(10.56)	-	(12.81)	-
Remeasurement (gain)/loss				
Annual return on plan assets less interest on plan assets	524.32	-	(92.27)	-
Contributions	32.72	-	59.78	-
Benefits paid	(233.95)	-	(227.33)	-
Transfer in/(out)*	0.06	-	-	-
Exchange fluctuations	135.52	-	197.57	-
Value of plan assets at the end of the year	**4,486.05**	**-**	**3,925.91**	**-**
Liability (net)	**1,119.81**	**259.90**	**1,170.91**	**262.64**

*transfer out pertaining to consumer product business.

iii Net employee benefit expense for the year:

₹ in crore

	Year ended March 31, 2021		Year ended March 31, 2020	
	Funded	Unfunded	Funded	Unfunded
Current service cost	48.45	5.79	42.33	4.72
Past service cost	15.35	-	1.20	(25.00)
Administrative expenses	10.56	-	12.81	-
Interest on defined benefit obligation (net)	36.87	12.90	31.52	12.83
Extinguishment due to discontinued operations	-	-	-	(3.14)
Components of defined benefits costs recognised in Consolidated profit or loss	**111.23**	**18.69**	**87.86**	**(10.59)**
Remeasurements of the net defined benefit liability/(asset)				
Actuarial (gain) / loss arising from:				
- Changes in financial assumptions	420.46	(5.64)	(40.98)	37.48
- Changes in demographic assumptions	(17.03)	0.74	(14.65)	(0.08)
- Experience adjustments	(34.03)	(3.30)	(3.40)	(8.29)
Impact of assets ceiling	-	-	(0.17)	-
Return on plan assets less interest on plan assets	(524.32)	-	92.27	-
Components of defined benefits costs recognised in other comprehensive income	**(154.92)**	**(8.20)**	**33.07**	**29.11**
Net benefit expense	**(43.69)**	**10.49**	**120.93**	**18.52**

iv Categories of the fair value of total plan assets :

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Government Securities/Corporate Bonds (Quoted)	2,530.51	2,024.17
Government Securities/Corporate Bonds (Unquoted)	561.17	534.97
Equity Instruments (Quoted)	358.23	253.31
Equity Instruments (Unquoted)	800.61	635.75
Insurer Managed/Hedged Funds	107.60	96.66
Others (Quoted)	33.58	327.09
Others (Unquoted)	94.35	53.96
Total	**4,486.05**	**3,925.91**

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

v Risk Exposure :

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

Investment risk:	If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher than expected.
Changes in bond yields:	A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Longevity risk:	If improvements in life expectancy are greater than assumed, the cost of benefits will increase because pensions are paid for longer than expected. This will mean that the funding level will be higher than expected.
Inflation risk:	If inflation is greater than assumed, the cost of benefits will increase as pension increases and deferred revaluations are linked to inflation.

vi (a) Assumptions used to determine net periodic benefit costs:

		India		USA Plans		UK Plans
		Funded	Unfunded	Funded	Unfunded	Funded
Discount rate	**As at March 31, 2021**	6.06 % to 6.85% p.a.	6.06 % to 6.85% p.a.	3.37%	3.26% p.a.	2.10% p.a.
	As at March 31, 2020	6.05% to 6.83% p.a.	6.05% to 6.83% p.a.	3.64%	3.58% p.a.	2.35% p.a.
Increase in compensation cost	**As at March 31, 2021**	7.50% - 8.00% p.a.	7.50% - 8.00% p.a.	5.30% to 8.40% p.a.	NA	NA
	As at March 31, 2020	7.50% - 8.00% p.a.	7.50% - 8.00% p.a.	5.30% to 8.40% p.a.	NA	NA
Healthcare cost increase rate	**As at March 31, 2021**	NA	8.00%-10.00% p.a.	NA	NA	NA
	As at March 31, 2020	NA	8.00%-10.00% p.a.	NA	6.75% p.a.	NA
Pension increase rate	**As at March 31, 2021**	NA	6.00% p.a.	NA	NA	3.10% p.a.
	As at March 31, 2020	NA	6.00% p.a.	NA	NA	2.50% p.a.

(a) Discount rate for the domestic plans is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations. Discount rate for USA Subsidiaries is based on high quality bonds and for UK subsidiaries it is based on corporate bonds.

(b) The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors.

(c) The details of post-retirement and other benefit plans for its employees given above are certified by the actuaries and relied upon by the Auditors.

(vi) (b) Average longevity at retirement age for current beneficiaries of the plan (years)

	India As at March 31, 2021	UK As at March 31, 2021	USA As at March 31, 2021	India As at March 31, 2020	UK As at March 31, 2020	USA As at March 31, 2020
Males	12 to 22 years	21 to 24 years	23 to 24 years	5 to 22 years	21 to 25 years	23 to 24 years
Females	12 to 25 years	24 to 27 years	25 to 26 years	5 to 25 years	24 to 27 years	25 to 26 years

vii Sensitivity Analysis

Impact on defined benefit obligation due to change in assumptions as at March 31, 2021 ₹ in crore

	As at March 31, 2021							
	TCL		Rallis		USA		UK	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate								
0.25% change	-	-	-	-	-	-	(124.64)	134.60
0.5% change	(12.53)	13.90	-	-	(141.25)	165.60	-	-
1% change	-	-	(3.89)	4.62	-	-	-	-
Compensation rate								
0.5% change	3.04	(2.87)	-	-	32.85	(40.52)	-	-
1% change	-	-	3.14	(2.78)	-	-	-	-
Pension rate								
1% change	4.38	(3.83)	-	-	-	-	-	-
Healthcare costs								
1% change	15.32	(12.29)	-	-	-	-	-	-

Impact on defined benefit obligation due to change in assumptions as at March 31, 2020

₹ in crore

	As at March 31, 2020							
	TCL		Rallis		USA		UK	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate								
0.25% change	-	-	-	-	-	-	(107.74)	114.34
0.5% change	(13.12)	14.61	-	-	(140.00)	164.06	-	-
1% change	-	-	(4.93)	3.89	-	-	-	-
Compensation rate								
0.5% change	3.12	(2.95)	-	-	31.29	(37.68)	-	-
1% change	-	-	2.78	(2.50)	-	-	-	-
Pension rate								
1% change	4.81	(4.18)	-	-	-	-	-	-
Healthcare costs								
1% change	15.74	(12.60)	-	-	0.01	(0.01)	-	-

The sensitivity analysis above has been determined based on reasonably possible changes of the respective key assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

viii Maturity profile of the defined benefit obligation as at March 31, 2021 is as follows:

₹ in crore

Expected payments	As at March 31, 201		
	India	US	UK
Within the next 12 months (next annual reporting period)	28.77	103.86	118.51
Later than 1 year and not later than 5 years	88.89	446.50	503.29
6 years and above	594.44	596.90	700.39
Weighted average duration of the payments (in no. of years)	6-17 years	13-15 years	15-16 years

Maturity profile of the defined benefit obligation as at March 31, 2020 is as follows:

₹ in crore

Expected payments	As at March 31, 2020		
	India	US	UK
Within the next 12 months (next annual reporting period)	23.70	105.80	115.29
Later than 1 year and not later than 5 years	79.67	451.80	484.56
6 years and above	567.25	614.06	661.97
Weighted average duration of the payments (in no. of years)	6-17 years	12-15 years	15-18 years

(d) Provident Fund

The Company and its domestic subsidiaries operate Provident Fund Schemes and the contributions are made to the recognised funds maintained. The Company and its domestic subsidiaries are required to offer a defined benefit interest rate guarantee on provident fund balances of employees. The interest rate guarantee is payable to the employees for the year when the exempt fund declares a return on provident fund investments which is less than the rate declared by the Regional Provident Fund Commissioner ('RPFC') on the provident fund corpus for their own subscribers. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions, shortfall between plan assets as the end of the year and the present value of funded obligation has been recognised in the Consolidated Balance Sheet and Other Comprehensive Income.

The details of fund and plan assets position are given below:

₹ in crore

Provident Fund	TCL		RALLIS	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Plan assets at the end of the year	328.00	326.37	104.07	91.99
Less: Present value of funded obligation	330.35	340.08	102.15	89.26
Amount recognised in the Consolidated Balance Sheet	**(2.35)**	**(13.71)**	**-**	**-**

Assumptions used in determining present value of obligation of interest rate guarantee under a deterministic approach:

	As at March 31, 2021	As at March 31, 2020
Guaranteed rate of return	8.50%	8.50%
Discount rate for remaining term to maturity of investments	6.41% - 6.45%	6.35% - 6.83%
Discount rate	6.50%	6.05%
Expected rate of return on investments	6.41% - 8.57%	7.69% - 7.86%

41. Segment information

41.1 Continuing operations

(a) Information about operating segments

The Company has 2 reportable segments which are the Company's strategic business units. These business units offer different products and are managed separately. Reportable Segments approved by Board of Directors are as under:

- Basic chemistry products : Soda Ash, Salt and other bulk chemicals
- Specialty products : Nutrition solutions, agri Solutions and advance materials

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
1.	**Segment revenue (Revenue from operations)**		
	(i) Basic chemistry products	7,608.92	8,013.74
	(ii) Speciality products	2,580.00	2,328.85
		10,188.92	**10,342.59**
	Inter segment revenue	(11.54)	(10.06)
		10,177.38	**10,332.53**
	Unallocated	22.42	24.22
		10,199.80	**10,356.75**
2.	**Segment result (Reconciliation with profit from continuing operations)**		
	(i) Basic chemistry products	728.50	1,355.51
	(ii) Speciality products	209.33	166.90
	Total segment results	**937.83**	**1,522.41**
	Net unallocated income/(expenditure)	37.91	71.41
	Finance costs	(367.37)	(341.91)
	Profit before share of profit/loss from investment in joint ventures and tax	**608.37**	**1,251.91**
	Share of profit\(loss) of joint ventures (net of tax)	25.62	(3.85)
	Tax expense	(197.77)	(219.65)
	Profit for the year from continuing operations	**436.22**	**1,028.41**

3. Segment assets and segment liabilities*

₹ in crore

	Segment assets		Segment liabilities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(i) Basic chemistry products	17,010.57	17,150.00	3,014.05	2,893.42
(ii) Speciality products	2,884.62	2,804.05	943.75	930.13
	19,895.19	**19,954.05**	**3,957.80**	**3,823.55**
Unallocated	8,442.01	7,734.70	9,236.83	10,203.77
	28,337.20	**27,688.75**	**13,194.63**	**14,027.32**

*Including assets held for sale

4. Other information

₹ in crore

	Addition to non-current assets *		Depreciation and amortisation		Other non-cash expenses**	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
(i) Basic chemistry products	947.61	1,252.05	648.28	584.39	206.65	178.90
(ii) Speciality products	195.98	208.50	100.39	70.86	(1.50)	17.42
	1,143.59	**1,460.55**	**748.67**	**655.25**	**205.15**	**196.32**
Unallocated	50.06	75.13	10.65	11.22	18.17	34.34
	1,193.65	**1,535.68**	**759.32**	**666.47**	**223.32**	**230.66**

*Comprises additions to Property, plant and equipment, Capital work-in-progress, Goodwill, Right-of-use assets, Other intangible assets and Intangible assets under development.

**Comprises of Provision for employee benefits expense, Provision for doubtful debts and advances/bad debts written off, Provision for contingencies, Foreign exchange gain/(loss) and (Profit)/ loss on assets sold or discarded.

(b) Information about geographical areas

The geographical segments revenue are disclosed on the basis of sales as follows:

- Asia (other than India): Comprising sales to customers located in Asia (other than India).

- Europe: Comprising sales to customers located in Europe.

- Africa: Comprising sales to customers located in Africa.

- America: Comprising sales to customers located in America.

1. Geographical Segment revenue*

₹ in crore

	Year ended March 31, 2021			
	Basic chemistry products	Specialty products	Unallocated	Total
(i) India	2,891.03	2,009.01	22.42	4,922.46
(ii) Asia (other than India)	219.62	102.27	-	321.89
(iii) Europe	1,353.33	52.93	-	1,406.26
(iv) Africa	234.15	13.51	-	247.66
(v) America	2,888.10	399.55	-	3,287.65
(vi) Others	11.15	2.73	-	13.88
	7,597.38	**2,580.00**	**22.42**	**10,199.80**

₹ in crore

		Year ended March 31, 2020			
		Basic chemistry products	Specialty products	Unallocated	Total
(i)	India	2,746.83	1,823.54	24.22	4,594.59
(ii)	Asia (other than India)	353.74	187.47	-	541.21
(iii)	Europe	1,305.65	16.74	-	1,322.39
(iv)	Africa	309.24	29.30	-	338.54
(v)	America	3,278.25	271.04	-	3,549.29
(vi)	Others	9.97	0.76	-	10.73
		8,003.68	**2,328.85**	**24.22**	**10,356.75**

*Including operating revenues and net off inter segment revenue

2. Non-current assets*

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(i)	India	4,730.89	4,333.80
(ii)	Asia (other than India)	0.71	1.17
(iii)	Europe	1,793.15	1,513.89
(iv)	Africa	117.91	149.22
(v)	America	10,715.43	11,132.79
		17,358.09	**17,130.87**

*Non-current assets other than investments in joint ventures, financial assets, deferred tax assets (net) and net defined benefit assets

(c) Revenue from major products

The following is an analysis of the Company's segment revenue from continuing operations from its major products.

₹ in crore

		Year ended March 31, 2021 *	Year ended March 31, 2020 *
(i)	**Basic chemistry products**		
	- Soda Ash	5,177.08	5,843.86
	- Salt	1,341.80	1,167.62
	- Bicarb	446.65	437.43
	- Others	631.85	554.77
(ii)	**Speciality products**		
	- Crop Protection (includes Fungicides, Herbicides and Insecticides)	1,884.72	1,723.45
	- Seeds	398.90	364.27
	- Others	296.38	241.13
(iii)	**Unallocated**	22.42	24.22
		10,199.80	**10,356.75**

*Including operating revenues and net off inter segment revenue

(d) Revenue from major customers

No single customer contributed 10% or more to the Group's revenue for the year ended March 31, 2021 and March 31, 2020.

(e) Other note

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

41.2 Discontinued operations (note 36)

(a) Information about operating segment

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Result :		
Segment result (note 36)	-	6,128.08
Share of profit of joint ventures (net of tax)	-	31.34
Profit before tax	**-**	**6,159.42**
Tax expenses	-	(40.32)
Profit from discontinued operations after tax	**-**	**6,199.74**

(b) Information about geographical area

Discontinued operations sells its products mainly within India where the conditions prevailing are uniform.

(c) Revenue from major products

Discontinued operations segment includes consumer product business.

(d) Major Customer

No single customer contributed 10% or more to the discontinued operations of the Group's revenue for the year ended March 31, 2021 and March 31, 2020.

41.3 Reconciliation of information on reportable segment to Consolidated Balance Sheet and Consolidated Statement of Profit and Loss

(a) Reconciliation of profit for the year as per Consolidated Statement of Profit and Loss

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Profit for the year from continuing operations (note 41.1 (a) (2))	436.22	1,028.41
Profit for the year from discontinued operations (note 41.2 (a))	-	6,199.74
Profit for the year as per Consolidated Statement of Profit and Loss	**436.22**	**7,228.15**

(b) Reconciliation of total assets as per Consolidated Balance Sheet

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Total assets as per continuing operations (note 41.1 (a) (3))	28,337.20	27,688.75
Total assets as per discontinued operations	-	-
Total assets as per Consolidated Balance Sheet	**28,337.20**	**27,688.75**

(c) Reconciliation of total liabilities as per Consolidated Balance Sheet

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Total liabilities as per continuing operations (note 41.1 (a) (3))	13,194.63	14,027.32
Total liabilities as per discontinued operations	-	-
Total liabilities as per Consolidated Balance Sheet	**13,194.63**	**14,027.32**

42. Derivative financial instruments and hedging activities

(a) The details of the various outstanding derivative financial instruments are given below:

₹ in crore

	As at March 31, 2021		As at March 31, 2020	
	Assets	Liabilities	Assets	Liabilities
Current portion				
Derivatives designated in cash flow hedges				
- Forward contracts	6.05	-	0.14	4.03
- Interest rate swaps	-	37.14	-	37.02
- Commodity swaps	37.76	1.58	1.17	125.60
Total designated derivatives	**43.81**	**38.72**	**1.31**	**166.65**
Derivatives not designated in a hedge relationship				
- Forward contracts	-	2.42	11.07	0.03
Total un-designated derivatives	**-**	**2.42**	**11.07**	**0.03**
Total current portion	**43.81**	**41.14**	**12.38**	**166.68**
Non-current portion				
Derivatives designated in cash flow hedges				
- Forward contracts	1.15	-	0.23	-
- Interest rate swaps	-	25.67	-	59.82
- Commodity swaps	16.87	0.07	0.73	68.08
Total designated derivatives	**18.02**	**25.74**	**0.96**	**127.90**
Total non-current portion	**18.02**	**25.74**	**0.96**	**127.90**
Total	**61.83**	**66.88**	**13.34**	**294.58**

Derivatives not designated in a hedge relationship are effective as hedges from an economic perspective, however these are not considered for hedge accounting.

(b) The details of the gross notional amounts of derivative financial instruments outstanding are given in the table below:

Derivative instruments	Underlying (Receivables/ payables / borrowings)	Units	As at March 31, 2021	As at March 31, 2020
Forward contracts	USD/INR	$ million	9.9	1.8
Forward contracts	EUR/INR	€ million	4.1	6.3
Forward contracts	EUR/GBP	€ million	10.6	9.9
Forward contracts	USD/GBP	$ million	6.0	10.8
Forward contracts	USD/ZAR	$ million	-	0.5
Forward contracts	JPY/INR	JPY million	232.5	300.2
Forward contracts	JPY/USD	JPY million	92.3	-
Forward contracts	INR/USD	₹ crore	157.0	197.0
Forward contracts	GBP/USD	£ million	12.0	-
Commodity swaps	Heavy fuel oil	MT	-	6,600.0
Commodity swaps	Natural Gas (US)	million MMBTU	5.0	9.2
Commodity swaps	Natural Gas (UK)	million therms	79.4	116.4
Interest rate swaps	Floating to fixed	$ million	200	252.0

(c) The following table analyses the movement in the effective portion of Cash Flow Hedge Reserve ('CFHR') for the year ended March 31, 2021 and 2020

₹ in crore

	Forward contracts	Interest rate swaps	Commodity swaps	Total
Balance as at April 1, 2019	**3.15**	**(19.70)**	**(37.91)**	**(54.46)**
Net (losses) / gains recognised in the CFHR	(4.86)	(59.45)	(226.81)	(291.12)
Amount re-classified from the CFHR and included in the Consolidated Statement of Profit & Loss (due to settlement of contracts) within:				
Power and Fuel cost	-	-	80.74	80.74
Other expenses	(2.03)	-	-	(2.03)
Finance costs	-	(12.32)	-	(12.32)
Deferred income tax	-	-	4.20	4.20
Acquisition of non-controlling interests (note 38)	-	-	(6.64)	(6.64)
Balance as at March 31, 2020	**(3.74)**	**(91.47)**	**(186.42)**	**(281.63)**
Net (losses) / gains recognised in the CFHR	8.26	(5.19)	146.64	149.71
Amount re-classified from the CFHR and included in the Consolidated Statement of Profit & Loss (due to settlement of contracts) within:				
Power and Fuel cost	-	-	102.21	102.21
Other expenses	2.49	-	-	2.49
Finance costs	-	36.65	-	36.65
Deferred income tax	-	(0.29)	(8.34)	(8.63)
Balance as at March 31, 2021	**7.01**	**(60.30)**	**54.09**	**0.80**

43. Disclosures on financial instruments

(a) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2021.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives - FVTPL	Derivatives - FVTOCI	Amortised cost	Total carrying value
Financial assets						
(a) **Investments - non current**						
Equity instrument at fair value	3,150.44	-	-	-	-	3,150.44
Debt instrument at fair value	-	150.00	-	-	-	150.00
(b) **Investments - current**						
Investment in mutual funds	-	1,563.49	-	-	-	1,563.49
(c) Trade receivables	-	-	-	-	1,396.99	1,396.99
(d) Cash and cash equivalents	-	-	-	-	689.34	689.34
(e) Other bank balances	-	-	-	-	721.67	721.67
(f) Loans - non-current	-	-	-	-	10.70	10.70
(g) Loans - current	-	-	-	-	0.17	0.17
(h) Other financial assets - non-current	-	-	-	18.02	6.64	24.66
(i) Other financial assets - current	-	-	-	43.81	109.53	153.34
Total	**3,150.44**	**1,713.49**	**-**	**61.83**	**2,935.04**	**7,860.80**
Financial liabilities						
(a) Borrowings - non-current			-	-	5,199.48	5,199.48
(b) Lease liabilities - non-current			-	-	188.60	188.60
(c) Borrowings - current			-	-	277.58	277.58
(d) Trade payables			-	-	1,682.87	1,682.87
(e) Other financial liabilities - non-current			-	25.74	21.03	46.77
(f) Other financial liabilities - current			2.42	38.72	1,676.32	1,717.46
Total			**2.42**	**64.46**	**9,045.88**	**9,112.76**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2020.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives - FVTPL	Derivatives - FVTOCI	Amortised cost	Total carrying value
Financial assets						
(a) **Investments - non-current**						
Equity instrument at fair value	1,913.47	-	-	-	-	1,913.47
(b) **Investments - current**						
Investment in mutual funds	-	1,601.02	-	-	-	1,601.02
(c) Trade receivables	-	-	-	-	1,579.92	1,579.92
(d) Cash and cash equivalents	-	-	-	-	1,254.26	1,254.26
(e) Other bank balances	-	-	-	-	825.26	825.26
(f) Loans - non-current	-	-	-	-	9.99	9.99
(g) Loans - current	-	-	-	-	0.23	0.23
(h) Other financial assets - non-current	-	-	-	0.96	3.97	4.93
(i) Other financial assets - current	-	-	11.07	1.31	126.63	139.01
Total	**1,913.47**	**1,601.02**	**11.07**	**2.27**	**3,800.26**	**7,328.09**
Financial liabilities						
(a) Borrowings - non-current			-	-	3,473.36	3,473.36
(b) Lease liabilities - non-current			-	-	188.00	188.00
(c) Borrowings - current			-	-	1,912.94	1,912.94
(d) Trade payables			-	-	1,630.92	1,630.92
(e) Other financial liabilities - non-current			-	127.90	23.63	151.53
(f) Other financial liabilities - current			0.03	166.65	2,520.55	2,687.23
Total			**0.03**	**294.55**	**9,749.40**	**10,043.98**

(b) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities that are measured at fair value or where fair value disclosure is required

₹ in crore

	As at March 31, 2021			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Commodity swaps	54.63	-	54.63	-
Forward contracts	7.20	-	7.20	-
FVTOCI financial investments				
Quoted equity instruments	2,634.31	2,634.31	-	-
Unquoted equity instruments	516.13	-	-	516.13
FVTPL financial investments				
Investment in mutual funds	1,563.49	-	1,563.49	-
Quoted debentures	150.00	150.00	-	
Liabilities measured at fair value:				
Derivative financial liabilities				
Forward contracts	2.42	-	2.42	-
Interest rate swaps	62.81	-	62.81	-
Commodity swaps	1.65	-	1.65	-

There have been no transfers between levels during the period.

₹ in crore

	As at March 31, 2020			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	-	-	-	-
Commodity swaps	1.90	-	1.90	-
Forward contracts	11.44	-	11.44	-
FVTOCI financial investments				
Quoted equity instruments	1,502.68	1,502.68	-	-
Unquoted equity instruments	410.79	-	-	410.79
FVTPL financial investments				
Investment in mutual funds	1,601.02	-	1,601.02	-
Liabilities measured at fair value:				
Derivative financial liabilities				
Forward contracts	4.06	-	4.06	-
Interest rate swaps	96.84	-	96.84	-
Commodity swaps	193.68	-	193.68	-

(c) The following tables shows a reconciliation from the opening balance to the closing balance for level 3 fair values.

₹ in crore

	FVTOCI financial investments
Balance as at April 1, 2019	**486.50**
Add / (less): Fair value changes through Other comprehensive income	(75.71)
Balance as at March 31, 2020	**410.79**
Addition / (deletion) during the year	39.60
Add / (less): Fair value changes through Other comprehensive income	65.74
Balance as at March 31, 2021	**516.13**

(d) Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

(i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value (FVTOCI) and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.

The Company considers Comparable Companies Method (CCM) method and the illiquidity discount based on its assessment of the judgement that market participants would apply for measurement of fair value of unquoted investments. In the CCM method, the Company would find comparable listed entities in the market and use the same PE multiple (ranging from 8.8 to 19.4) for determining the fair value of the investment.

(iii) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iv) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, credit quality of counterparties, interest rate curves and forward rate curves of the underlying commodity etc. and use of appropriate valuation models.

(v) The fair value of non-current borrowings carrying floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Group (since the date of inception of the loans).

(e) Financial risk management objectives

The Group is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Board of Directors/Committee of Board of the respective operating entities approve the risk management policies. The implementation of these policies is the responsibility of the operating entities. The Board of Directors/ Committee of Board of the respective operating entities periodically review the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

All hedging activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Group's policy is not to trade in derivatives for speculative purposes.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, commodity price, liquidity and other market changes. Financial instruments affected by market risk include borrowings, deposits, investments and derivative financial instruments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and all recognised monetary assets and liabilities which are denominated in a currency other than the functional currency of the entities of the Group. The foreign exchange risk management policy requires operating entities to manage their foreign exchange risk against their functional currency and to meet this objective they enter into derivatives such as foreign currency forwards, option and swap contracts, as considered appropriate and whenever necessary.

The Group has international operations and hence, it is exposed to foreign exchange risk arising from various currencies, primarily with respect to USD. As at the end of the reporting period, the carrying amounts of the Group's foreign currency denominated monetary assets and liabilities, in respect to the primary foreign currency exposure i.e. USD, and derivative to hedge the foreign currency exposure are as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
USD exposure		
Assets	227.53	194.48
Liabilities	(193.97)	(255.97)
Net	**33.56**	**(61.49)**
Derivatives to hedge USD exposure		
Forward contracts - (USD/INR)	72.42	13.31
	72.42	**13.31**
Net exposure	**105.98**	**(48.18)**

The Group's exposure to foreign currency changes for all other currencies is not material.

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
If INR had (strengthened) / weakened against USD by 5%		
(Decrease) / increase in profit for the year	5.30	(2.41)

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Group's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Group's exposure to the risk of changes in market rates relates primarily to the Group's non-current debt obligations with floating interest rates.

The Group's policy is generally to undertake non-current borrowings using facilities that carry floating-interest rate. The Group manages its interest rate risk by entering into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Moreover, the short-term borrowings of the Group do not have a significant fair value or cash flow interest rate risk due to their short tenure.

As the Group does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates.

As at the end of reporting period, the Group had the following long term variable interest rate borrowings and derivative to hedge the interest rate risk as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-current variable interest rate borrowings	5,282.98	3,507.05
Derivatives to hedge interest rate risk		
Interest rate swaps (designated in Cash flow hedges)	1,462.20	1,602.58
Total	**1,462.20**	**1,602.58**
Net exposure	**3,820.78**	**1,904.47**

Interest rate sensitivity

The following table demonstrates the impact to the Group's profit before tax and other comprehensive income to a reasonably possible change in interest rates on long term floating rate borrowings, with all other variables held constant:

	Increase/decrease in basis points	Effect on profit before tax ₹ in crore	Effect on other comprehensive income ₹ in crore
March 31, 2021	+50/-50	(26.41)/26.41	7.31/(7.31)
March 31, 2020	+50/-50	(17.54)/17.54	8.01/(8.01)

The effect on other comprehensive income is calculated on change in fair of cash flow hedges entered to hedge the interest rate risks.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Group's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

Equity price risk management

The Group's exposure to equity price risk arises from investments held by the Group and classified in the Consolidated Balance Sheet as FVTOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis.

Equity price sensitivity analysis

If prices of equity instrument had been 5% higher/(lower), the OCI for the year ended March 31, 2021 and 2020 would increase/(decrease) by ₹ 131,72 crore and ₹ 75.13 crore respectively.

Commodity price risk

Certain entities within the Group are affected by the volatility in the price of commodities. Its operating activities require the ongoing production of steam and electricity and therefore require a continuous supply of fuels. Due to potential volatility in the price of fuels, the Group has put in place a risk management strategy whereby the cost of fuels are hedged.

Commodity price sensitivity

The following table shows the effect of price changes in commodities to OCI due to changes in fair value of cash flow hedges entered to hedge commodity price risk.

₹ in crore

If the price of the future contracts were higher / (lower) by 10%	Commodity	As at March 31, 2021	As at March 31, 2020
Increase / (decrease) in OCI for the year	Natural gas	48.12	46.89
Increase / (decrease) in OCI for the year	HFO	-	0.87

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily trade and other receivables and from its investing activities, including deposits with banks and financial institutions, investment in mutual funds and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, short term investment, trade receivables and other financial assets excluding equity investments.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse actions such as security realisations, etc.
- the financial asset is 120 days past due.

Trade and other receivables

The Trade and other receivables of Group are majorly unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by each business unit subject to the established policy, procedures and control relating to customer credit risk management. Before accepting any new customer, the Group has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other factors. The credit period provided by the Group to its customers generally ranges from 0-60 days. Outstanding customer receivables are regularly monitored. Provision is made based on expected credit loss method or specific identification method.

The credit risk related to the trade receivables is mitigated by taking security deposits / bank guarantee / letter of credit - as and where considered necessary, setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers.

As the revenue and trade receivables from any of the single customer do not exceed 10% of Group revenue, there is no substantial concentration of credit risk.

For certain other receivables, where recoveries are expected beyond twelve months of the Balance Sheet Date, the time value of money is appropriately considered in determining the carrying amount of such receivables.

Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Risk Management Policy includes an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long term funding and liquidity management requirements. The Group manages the liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The below table analyses the Group's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

₹ in crore

	Carrying amount	Up-to 1 year	1-5 years	Above 5 years	Total
As at March 31, 2021					
Borrowings and future interest thereon	6,651.95	1,646.86	5,570.51	-	7,217.37
Lease liabilities	280.58	110.06	184.71	53.41	348.18
Trade and other payables	2,113.35	2,092.32	21.03	-	2,113.35
Total	**9,045.88**	**3,849.24**	**5,776.25**	**53.41**	**9,678.90**
As at March 31, 2020					
Borrowings and future interest thereon	7,426.95	4,127.30	3,654.71	1.65	7,783.66
Lease liabilities	275.42	110.06	184.71	53.41	348.18
Trade and other payables	2,047.03	2,023.40	23.63	-	2,047.03
Total	**9,749.40**	**6,260.76**	**3,863.05**	**55.06**	**10,178.87**

The below table analyses the Group's derivative financial liabilities into relevant maturity groupings based on the remaining period (as at the reporting date) to the contractual maturity date.

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Current portion	41.14	166.68
Non-current portion (within one - three years)	25.74	127.90
Total	**66.88**	**294.58**

All the derivative financial liabilities are included in the above analysis, as their contractual maturity dates are essential for the understanding of the timing of the under-lying cash flows.

44. Capital management

The capital structure of the Group consists of net debt and total equity. The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Group's risk management committee reviews the capital structure of the Group considering the cost of capital and the risks associated with each class of capital.

45. Related Party Disclosure:

(a) Related parties and their relationship (as defined under Ind AS 24 Related Party Disclosures)

Joint Ventures	
Direct	
Indo Maroc Phosphore S.A., Morocco	
Tata Industries Limited	
Indirect	
The Block Salt Company Limited, United Kingdom (Holding by British Salt Limited)	
JOil (S) Pte. Ltd and its subsidiaries (Holding by Tata Chemicals International Pte. Limited)	
Key Management Personnel ('KMP')	
Mr. R. Mukundan, Managing Director and CEO	
Mr. Zarir Langrana, Executive Director	
Promoter	
Tata Sons Private Limited, India	
Other Related Parties @	
TATA AIG General Insurance Company Limited	Tata Teleservices (Maharashtra) Limited
Tata Autocomp Systems Limited	Tata Digital Ltd.
Tata International Limited	Tata International Singapore PTE Ltd
Tata Consultancy Services Limited	Tata Elxsi Limited
TATA AIA Life Insurance Company Limited	Carbon Disclosure Project India
Tata Consulting Engineers Limited	Tata Medical and Diagnostics Limited
Infiniti Retail Limited	Simto Investment Company Limited
AirAsia India Limited	Tata Chemicals Ltd Provident Fund
Tata Teleservices Limited	Tata Chemicals Ltd Emp Pension Fund
Ecofirst Services Limited	Tata Chemicals Superannuation Fund
Tata Realty and Infrastructure Limited	Tata Chemicals Employees Gratuity Trust
Tata Investment Corporation Limited	TCL Employees Gratuity Fund
Ewart Investments Limited	Rallis India Limited Provident Fund
Tata Autocomp Hendrickson Suspensions Private Limited	Rallis India Limited Management Staff Gratuity Fund
Tata SmartFoodz Limited	Rallis India Limited Senior Assistants Super Annuation Scheme
Tata SIA Airlines Limited	Rallis Executive Staff Super Annuation Fund
Tata Communications Limited	Rallis India Limited Non-Management Staff Gratuity Fund
Tata Communications Collaboration Services Private Limited	

@ The above list includes the Companies with whom Tata Chemicals Limited has entered into the transactions during the course of the year.

(b) Transactions with Related parties (as defined under Ind AS 24) during the year ended March 31, 2021 and balances outstanding as at March 31, 2021.

₹ in crore

	Joint Ventures of Tata Chemicals Limited			Promoter	Subsidiaries and Joint ventures of Tata Sons Private Limited		Other Related parties	KMP	Total
	Indo Maroc Phosphore S. A.	The Block Salt Company Ltd.	Tata Industries Ltd.	Tata Sons Private Limited	Tata Consultancy Services Ltd.	Other Entities			
Investments	**-**	**-**	**-**	**-**	**-**	**39.60**	**-**	**-**	**39.60**
	-	-	-	-	-	-	-	-	-
Purchase of goods (includes stock in transit) - net	**-**	**-**	**-**	**-**	**-**	**47.64**	**-**	**-**	**47.64**
	-	-	-	-	-	18.68	-	-	18.68
Sales	**-**	**7.54**	**-**	**-**	**-**	**-**	**-**	**-**	**7.54**
	-	4.38	-	-	-	-	-	-	4.38
Other Services - expenses (net of reimbursements)	**-**	**-**	**4.70**	**18.89**	**14.25**	**6.06**	**-**	**-**	**43.90**
	-	-	0.71	16.93	15.11	6.21	-	-	38.96
Other Services - Income	**-**	**-**	**-**	**-**	**-**	**11.34**	**-**	**-**	**11.34**
	-	-	0.16	0.10	-	0.16	-	-	0.42
Dividend received	**26.49**	**-**	**-**	**10.24**	**-**	**0.81**	**-**	**-**	**37.54**
	72.24	-	-	10.24	-	1.48	-	-	83.96
Miscellaneous purchases	**-**	**-**	**-**	**-**	**-**	**7.96**	**-**	**-**	**7.96**
	-	-	-	-	-	5.22	-	-	5.22
Dividend paid	**-**	**-**	**0.09**	**79.89**	**-**	**16.72**	**-**	**-**	**96.70**
	-	-	0.10	74.73	-	21.38	-	-	96.21
Interest paid	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	0.10	-	-	0.10
Interest received	**-**	**-**	**-**	**-**	**-**	**13.13**	**-**	**-**	**13.13**
	-	-	-	-	-	-	-	-	-
Redemption of Debentures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	4.00	-	-	4.00
Deposit received	**-**	**-**	**-**	**-**	**-**	**0.83**	**-**	**-**	**0.83**
	-	-	-	-	-	-	-	-	-
Contributions to employee benefit trusts / Other Employees' Related Expenses	**-**	**-**	**0.03**	**-**	**-**	**-**	**40.04**	**-**	**40.07**
	-	-	-	-	-	0.08	37.91	-	37.99
Compensation to KMPs									
Short-term employee benefits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9.59**	**9.59**
	-	-	-	-	-	-	-	9.92	9.92
Post-employment benefits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.31)**	**(1.31)**
	-	-	-	-	-	-	-	7.38	7.38
Amount receivables / advances /balances									
As at March 31, 2021	**-**	**1.58**	**-**	**-**	**-**	**0.84**	**0.42**	**-**	**2.84**
As at March 31, 2020	-	2.61	0.03	-	-	0.42	1.04	-	4.10
Refundable Deposit									
As at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**0.83**	**-**	**-**	**0.83**
As at March 31, 2020	-	-	-	-	-	-	-	-	-
Amount payables (in respect of goods purchased and other services)									
As at March 31, 2021	**-**	**-**	**0.77**	**6.08**	**2.56**	**1.74**	**2.20**	**-**	**13.35**
As at March 31, 2020	-	-	0.28	13.83	1.28	2.37	2.23	-	19.99
Amount receivable on account of any management contracts									
As at March 31, 2021	**-**	**-**	**0.02**	**0.16**	**-**	**4.98**	**-**	**-**	**5.16**
As at March 31, 2020	-	-	0.06	0.18	-	0.09	-	-	0.33

Footnotes:

The figures in light print are for previous year.

1. For Investment in related parties as at March 31, 2021 refer Note 9 (a) and (b).
2. The above figures do not include provision for Compensated absences and contribution to gratuity fund, as separate figures are not available for the Managing Director and Whole-time Director.
3. Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.

46. Commitments

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	628.06	586.44
Commitment towards partly paid investments	-	9.19

47. Contingent liabilities and assets

47.1 Contingent liabilities

(a) Claims not acknowledged by the Group relating to cases contested by the Group and which, in the opinion of the Management, are not likely to devolve on the Group relating to the following areas:

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(i)	Excise, Customs and Service Tax @	144.28	88.65
(ii)	Sales Tax @	49.97	53.37
(iii)	Labour and other claims against the Group not acknowledged as debt	32.16	31.32
(iv)	Income Tax (pending before Appellate authorities in respect of which the Group is in appeal) **	785.41	745.65
(v)	Income Tax (decided in Group's favour by Appellate authorities and Department is in further appeal)	15.54	15.54
(vi)	Contractual obligation upto	34.75	34.75

Item (vi) above includes ₹ 34.75 crore (2020: ₹ 34.75 crore) relating to discontinued operations.

(b) Land rates Demand for ₹ 687.28 crore (KShs 10.28 Billion) (2020: ₹ 1,257.48 crore (KShs 17.45 Billion)

On May 3 2019, the High Court delivered its judgement in respect of the petition against a demand for land rates levied on the Company by the Kajiado County Government during the year. The Court's judgment quashed this demand in entirety. In its judgement, the court also ordered that both parties submit themselves to a consultation process to be led by the Cabinet Secretary for Mining, supervised by the Court in order to agree on the acreage to which land rates should be levied. Following the lapse of period for negotiations as directed by the High Court, the company proceeded to the court of appeal to seek directions on the land rates. On December 2 2020, the Kajiado County issued an adjusted demand of ₹ 687.28 crore (KShs 10.28 Billion) for outstanding land rates. A similar demand was resent on March 24 2021 which has been objected. In the opinion of management, after taking appropriate legal advice, the liability is not considered to be probable at this stage and hence it has been disclosed as a contingent liability.

(c) Various claims pending before Industrial Tribunals and Labour Courts of which amounts are indeterminate.

**The Company has on-going disputes with income tax authorities mainly pertaining to disallowance of expenses and the computation of, or eligibility of the Company's availment of certain tax incentives or allowances. Most of these disputes and/or disallowances are repetitive in nature spanning across multiple years. All the Tax demands are being contested by the company.

@ Excise Duty cases include disputes pertaining to reversal of input tax credit on common input, refund of duty paid under protest. Custom Duty cases include disputes pertaining to import of capital equipment against scripts, tariff classification issues, denial of FTA benefit. VAT/CST/Entry Tax cases include disputes pertaining to Way Bill, reversal/disallowance of input tax credit, pending declaration forms. All the Tax demands are being contested by the company.

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.

The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the Consolidated Financial Statements.

47.2 Contingent assets

₹ in crore

	As at March 31, 2021	As at March 31, 2020
a) Income Tax (pending before Appellate authorities in respect of which the Group is in appeal)	78.94	78.40

48. Statement of Net Assets and Profit or Loss Attributable to Owners and Non-controlling Interests

Sr. No.	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ in crore	As % of consolidated profit or loss	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated total comprehensive income	₹ in crore
	Parent								
	Tata Chemicals Limited	40.41	13,257.17	80.64	479.11	95.19	1,080.97	90.19	1,560.08
	Subsidiaries								
	Indian Subsidiaries								
1	Rallis India Limited	4.85	1,591.37	38.50	228.68	0.12	1.32	13.31	230.00
2	Ncourage Social Enterprise Foundation	0.00	0.04	(0.01)	(0.04)	0.00	0.03	(0.00)	(0.01)
	Foreign Subsidiaries								
1	Tata Chemicals International Pte. Limited	11.75	3,855.62	13.74	81.62	2.00	22.67	6.03	104.29
2	Homefield Pvt. UK Limited	(3.93)	(1,288.27)	(2.38)	(14.13)	-	-	(0.82)	(14.13)
3	TCE Group Limited (formerly known as Homefield 2 UK Limited)	0.04	13.19	(25.46)	(151.26)	-	-	(8.74)	(151.26)
4	Natrium Holdings Limited (formerly known as Tata Chemicals Europe Holdings Limited)	(1.89)	(618.71)	(26.80)	(159.22)	-	-	(9.21)	(159.22)
5	Brunner Mond Group Limited	2.39	785.39	(24.04)	(142.83)	-	-	(8.26)	(142.83)
6	Tata Chemicals Europe Limited	(2.81)	(923.43)	(15.07)	(89.52)	(15.43)	(175.27)	(15.31)	(264.79)
7	Tata Chemicals Magadi Limited	(0.55)	(181.85)	3.46	20.58	0.65	7.38	1.62	27.96
8	Tata Chemicals South Africa (Pty) Limited	0.15	48.63	1.90	11.28	-	-	0.65	11.28
9	Northwich Resource Management Limited	-	-	-	-	-	-	-	-
10	Tata Chemicals Africa Holdings Limited	0.00	1.51	(0.15)	(0.87)	-	-	(0.05)	(0.87)
11	Magadi Railway Company Limited	0.00	0.01	-	-	-	-	-	-
12	Winnington CHP Limited	0.73	240.19	8.50	50.48	17.76	201.74	14.59	252.22
13	Gusiute Holdings (UK) Limited	17.14	5,621.56	20.09	119.34	-	-	6.90	119.34
14	Valley Holdings Inc.	22.56	7,397.98	19.79	117.51	-	-	6.79	117.51
15	Tata Chemicals North America Inc.	3.43	1,125.10	(18.44)	(109.54)	-	-	(6.33)	(109.54)
16	Tata Chemicals North America (UK) Limited	-	-	-	-	-	-	-	-
17	General Chemical International Inc.	0.00	0.01	-	-	-	-	-	-
18	NHO Canada Holdings Inc.	-	-	-	-	-	-	-	-
19	Tata Chemicals (Soda Ash) Partners	4.96	1,625.86	0.26	1.55	-	-	0.09	1.55
20	TCSAP Holdings	0.00	1.18	(0.05)	(0.27)	-	-	(0.02)	(0.27)
21	TCSAP LLC	-	-	0.50	2.97	-	-	0.17	2.97
22	British Salt Limited	0.63	208.09	2.29	13.63	(0.29)	(3.26)	0.60	10.37
23	Cheshire Salt Holdings Limited	0.01	4.06	-	-	-	-	-	-
24	Cheshire Salt Limited	0.04	11.86	-	-	-	-	-	-

Sr. No.	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ in crore	As % of consolidated profit or loss	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated total comprehensive income	₹ in crore
25	Brinefield Storage Limited	(0.00)	(0.06)	-	-	-	-	-	-
26	Cheshire Cavity Storage 2 Limited	-	*	-	-	-	-	-	-
27	Cheshire Compressor Limited	-	*	-	-	-	-	-	-
28	Irish Feeds Limited	-	*	-	-	-	-	-	-
29	New Cheshire Salt Works Limited	0.06	19.78	0.04	0.25	-	-	0.01	0.25
30	PT. Metahelix Lifesciences Indonesia	0.00	1.18	(0.02)	(0.10)	-	-	(0.01)	(0.10)
31	ALCAD	0.03	9.84	22.71	134.88	-	-	7.80	134.88
		100.00	**32,807.30**	**100.00**	**594.10**	**100.00**	**1,135.58**	**100.00**	**1,729.68**
a)	**Non-controlling Interests**								
	Indian Subsidiaries								
	Rallis India Limited		(851.91)		(112.42)		(0.70)		(113.12)
	Foreign Subsidiaries								
	TCSAP Holdings		-		(67.43)		-		(67.43)
	PT. Metahelix Lifesciences Indonesia		(0.69)		-		-		-
			(852.60)		**(179.85)**		**(0.70)**		**(180.55)**
b)	**Joint Ventures (Investment as per the Equity method)**								
	JOil (S) Pte. Ltd. and its subsidiaries		-		-		-		-
	The Block Salt Company Limited		1.74		(0.67)		-		(0.67)
	Indo Maroc Phosphore S.A.		411.38		84.16		-		84.16
	Tata Industries Ltd.		538.77		(57.87)		164.17		106.30
			951.89		**25.62**		**164.17**		**189.79**
c)	**Adjustments arising out of Consolidation**		(18,616.62)		(183.50)		116.61		(66.89)
	Consolidated		**14,289.97**		**256.37**		**1,415.66**		**1,672.03**

*value below ₹ 50,000/-

49. Approval of Consolidated Financial Statements

These Consolidated Financial Statements were approved for issue by the Board of Directors on May 3, 2021.

Signatures to notes forming part of the Consolidated Financial Statements 1 - 49

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board
N. Chandrasekaran Chairman
(DIN: 00121863)
Padmini Khare Kaicker Director
(DIN: 00296388)
R. Mukundan Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary and joint venture companies as on March 31, 2021

₹ in crore

Sr. No.	Name of the Subsidiary Company	Date of acqusition / incorporation	Reporting Currency	Exchange rate	Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Dividend	% holding
1	Tata Chemicals International Pte. Limited	October 23, 2005	USD	73.11	4,362.75	(507.13)	5,754.46	1,898.84	5,276.98	771.74	86.47	6.07	80.40	-	100.00
2	Homefield Pvt. UK Limited	November 01, 2005	USD	73.11	987.93	(2,276.20)	49.07	1,337.34	43.87	-	(13.92)	-	(13.92)	-	100.00
3	TCE Group Limited	December 14, 2010	GBP	100.75	412.25	(399.06)	490.01	476.82	490.01	-	(156.96)	-	(156.96)	-	100.00
4	Natrium Holdings Limited	December 07, 2010	GBP	100.75	412.25	(1,030.96)	969.08	1,587.79	*	-	(165.22)	-	(165.22)	-	100.00
5	Brunner Mond Group Limited	October 22, 2005	GBP	100.75	842.46	(57.08)	785.38	-	-	-	(141.52)	6.70	(148.22)	-	100.00
6	Tata Chemicals Europe Limited	October 22, 2005	GBP	100.75	373.18	(1,296.61)	942.69	1,866.12	-	922.20	(83.11)	9.79	(92.90)	-	100.00
7	Tata Chemicals Magadi Limited	February 28, 2005	USD	73.11	322.97	(504.81)	371.51	553.35	-	406.56	20.28	-	20.28	-	100.00
8	Tata Chemicals South Africa (Pty) Limited	April 09, 1996	ZAR	4.95	0.84	47.79	55.38	6.75	-	102.66	16.91	4.68	12.23	-	100.00
9	Northwich Resource Management Limited	October 22, 2005	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
10	Tata Chemicals Africa Holdings Limited	October 22, 2005	GBP	100.75	*	1.51	1.51	-	-	-	(0.90)	-	(0.90)	23.17	100.00
11	Magadi Railway Company Limited	February 28, 2005	KSH	0.67	0.01	-	0.01	-	-	-	-	-	-	-	100.00
12	Winnington CHP Limited	June 13, 2013	GBP	100.75	-	240.19	520.55	280.36	-	468.49	52.39	-	52.39	-	100.00
13	Gusiute Holdings (UK) Limited	December 04, 2007	USD	73.11	5,350.09	271.47	5,621.77	0.21	5,533.82	-	117.57	-	117.57	148.17	100.00
14	Valley Holdings Inc.	January 30, 2008	USD	73.11	*	7,397.98	8,859.49	1,461.51	8,831.42	-	105.52	(10.24)	115.76	152.66	100.00
15	Tata Chemicals North America Inc.	March 26, 2008	USD	73.11	*	1,125.10	3,221.67	2,096.57	1,700.12	23.58	(119.07)	(11.16)	(107.91)	95.04	100.00
16	Tata Chemicals North America (UK) Limited	August 22, 2014	USD	73.11	*	*	-	-	-	-	-	-	-	-	100.00
17	General Chemical International Inc.	March 26, 2008	USD	73.11	0.01	-	0.01	-	-	-	-	-	-	-	100.00
18	NHO Canada Holdings Inc.	March 26, 2008	USD	73.11	*	-	*	-	-	-	-	-	-	-	100.00
19	Tata Chemicals (Soda Ash) Partners$	March 26, 2008	USD	73.11	-	1,625.86	2,717.70	1,091.84	-	2,648.46	1.53	-	1.53	292.44	100.00
20	TCSAP Holdings $	March 26, 2008	USD	73.11	-	1.18	1.18	-	-	-	(0.26)	-	(0.26)	-	100.00
21	TCSAP LLC	March 26, 2008	USD	73.11	-	-	-	-	-	-	2.92	-	2.92	2.92	100.00
22	Rallis India Limited	November 09, 2009	INR	1.00	19.45	1,571.92	2,587.42	996.05	283.48	2,429.43	303.61	74.93	228.68	48.62	50.06
23	PT. Metahelix Lifesciences Indonesia@	May 19, 2016	Rupiah	0.01	6.83	(5.64)	1.22	0.03	-	-	(0.10)	-	(0.10)	-	65.77
24	British Salt Limited	January 18, 2011	GBP	100.75	*	208.09	845.94	637.85	7.72	362.46	14.29	0.14	14.15	-	100.00
25	Cheshire Salt Holdings Limited	January 18, 2011	GBP	100.75	1.41	2.65	4.06	-	4.03	-	-	-	-	-	100.00
26	Cheshire Salt Limited	January 18, 2011	GBP	100.75	*	11.86	11.89	0.03	4.03	-	-	-	-	-	100.00
27	Brinefield Storage Limited	January 18, 2011	GBP	100.75	0.01	(0.07)	-	0.06	-	-	-	-	-	-	100.00
28	Cheshire Cavity Storage 2 Limited	January 18, 2011	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
29	Cheshire Compressor Limited	January 18, 2011	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
30	Irish Feeds Limited	January 18, 2011	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
31	New Cheshire Salt Works Limited	January 18, 2011	GBP	100.75	7.68	12.11	19.79	-	1.48	-	0.26	-	0.26	-	100.00
32	ALCAD	March 26, 2008	USD	73.11	-	9.84	45.33	35.49	-	408.91	132.87	-	132.87	132.05	50.00
33	Ncourage Social Enterprise Foundation	December 08, 2017	INR	1.00	2.55	(2.51)	6.63	6.59	1.38	21.60	(0.04)	-	(0.04)	-	100.00

Notes:

1. The Financial Statements of subsidiaries are converted into Indian Rupees on the basis of exchange rate as on closing day of the financial year.
2. $Partner's capital included as reserves
3. Items highlighted (Asterisk (*)) denotes figures below ₹ 50,000.
4. @During the year, PT Metahelix Life Sciences Indonesia, a subsidiary of the Company, received approval for the cancellation of its Company Registration Number and revocation of its business license w.e.f March 19, 2021. Further, an application for cancellation of its Tax Identification Number has been made and the approval for the same is awaited.
5. Consequent to making an application to the Registrar of Companies, Maharashtra by Rallis Chemistry Exports Limited, a wholly-owned subsidiary of the Rallis India Limited for removal of its name from the register of companies, MCA has issued a certificate for striking off its name from the register of companies w.e.f March 29, 2021. Accordingly, RCEL has ceased to be a subsidiary of the Group effective the said date.

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary and joint venture companies as on March 31, 2021 (contd.)

₹ in crore

Sr. No.	Name of Joint Venture	Joint Ventures	Date of acqusition as Joint Ventures	Currency	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year Considered in Consolidation	Profit / Loss for the year Not Considered in Consolidation
						Number of Shares	Amount of Investment in Joint Venture	Extend of Holding %					
1	JOil (S) Pte. Limited	Joint Ventures	January 28, 2009	SGD	December 31, 2020 and note 1	2,50,00,000	143.18	33.78%	Note 4	Note 5	-	-	Not Applicable
2	The Block Salt Company Limited	Joint Ventures	January 18, 2011	GBP	March 31, 2021	15,00,00,000	1.51	50.00%	Note 4	Not Applicable	1.74	(0.67)	Not Applicable
3	Indo Maroc Phosphore S.A.	Joint Ventures	May 02, 2005	MAD	December 31, 2020 and note 2	2,06,666	166.26	33.33%	Note 4	Not Applicable	297.29	84.16	Not Applicable
4	Tata Industries Ltd.	Joint Ventures	March 27, 2019	INR	March 31, 2021	98,61,303	170.19	9.13%	Note 4	Not Applicable	488.51	(57.88)	Not Applicable

Notes:

1. Investment impaired during the year ended March 31, 2015
2. Local GAAP Financial Statement audited as on December 31, 2020 and figures are based on audited fit for consolidation statement as on March 31, 2021
3. There is significant influence due to interest in joint control over economic activities
4. There is significant influence due to shareholding and joint control over the economic activities
5. Since the Group has no further commitment to absorb losses in excess of its investment, it has not accounted for additional losses reported by JOil.

For and on behalf of the Board

N. Chandrasekaran (DIN: 00121863) — Chairman

Padmini Khare Kaicker (DIN: 00296388) — Director

R. Mukundan (DIN: 00778253) — Managing Director and CEO

Nandakumar S. Tirumalai (ICAI M. No.: 203896) — Chief Financial Officer

Rajiv Chandan (ICSI M. No.: FCS 4312) — General Counsel & Company Secretary

Mumbai, May 3, 2021

Notice

NOTICE IS HEREBY GIVEN THAT THE EIGHTY-SECOND (82ND) ANNUAL GENERAL MEETING OF THE MEMBERS OF TATA CHEMICALS LIMITED WILL BE HELD ON FRIDAY, JULY 2, 2021 AT 3.00 P.M. (IST) VIA VIDEO CONFERENCING FACILITY OR OTHER AUDIO VISUAL MEANS TO TRANSACT THE FOLLOWING BUSINESSES:

Ordinary Business

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.
3. To declare dividend on the Ordinary Shares for the financial year ended March 31, 2021.
4. To appoint a Director in place of Mr. Zarir Langrana (DIN: 06362438), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

5. **Appointment of Mr. Rajiv Dube (DIN: 00021796) as an Independent Director of the Company**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Mr. Rajiv Dube (DIN: 00021796) who was appointed as an Additional Director of the Company with effect from September 18, 2020 by the Board of Directors and who holds office up to the date of the next Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act'), but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Act [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended and the Articles of Association of the Company, the appointment of Mr. Rajiv Dube, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, as amended and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from September 18, 2020 to September 17, 2025 (both days inclusive), be and is hereby approved."

6. **Appointment of Mr. N. Chandrasekaran (DIN: 00121863) as a Director of the Company**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Mr. N. Chandrasekaran (DIN: 00121863), who was appointed as an Additional Director of the Company with effect from November 24, 2020 by the Board of Directors and who holds office upto the date of the next Annual General Meeting in terms of Section 161(1) of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company, but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. **Ratification of Remuneration of Cost Auditors**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and the Companies (Audit and Auditors) Rules, 2014, as amended, the Company hereby ratifies the remuneration of ₹ 7,50,000 (Rupees Seven lakh Fifty thousand) plus applicable taxes, travel and out-of-pocket expenses incurred in connection with the cost audit payable to D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), who are appointed as Cost Auditors by the Board of Directors of the Company to conduct audit of the cost records of the Company for the financial year ending March 31, 2022."

Notes:

1. In view of the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated January 13, 2021, May 5, 2020, April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its Circulars dated January 15, 2021 and May 12, 2020 ('SEBI Circulars') has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the 82nd AGM of the Company is being held through VC/OAVM on **Friday, July 2, 2021 at 3.00 p.m. (IST)**. The proceedings of the 82nd AGM shall be deemed to be conducted at the Registered Office of the Company at Bombay House, 24 Homi Mody Street, Fort, Mumbai - 400 001.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND SEBI CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**

3. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 to 7 of the Notice is annexed hereto. The Board of Directors have considered and decided to include Item Nos. 5 to 7 as given above, as Special Business in the forthcoming AGM as they are unavoidable in nature.

   The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standards - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

4. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the live proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Institutional Investors, who are Members of the Company, are encouraged to attend the 82nd AGM through VC/OAVM mode and vote electronically. Corporate/Institutional Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutiniser by e-mail at tcl.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an email to investors@tatachemicals.com.

7. In line with the MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Integrated Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 82nd AGM has been uploaded on the website of the Company at www.tatachemicals.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com.

8. **Book Closure and Dividend:**

   i. **The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday, June 16, 2021 to Monday, June 21, 2021, both days inclusive.** The dividend of ₹ 10 per equity share of ₹ 10 each (i.e. 100%), if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS') on or after **Tuesday, July 6, 2021** as under:

For Shares held in electronic form: To all the Beneficial Owners as at the end of the day on **Tuesday, June 15, 2021** as per the list of beneficial owners to be furnished by NSDL and Central Depository Services (India) Limited ('CDSL'); and

For shares held in physical form: To all the Members after giving effect to valid transmission and transposition requests lodged with the Company as of the close of business hours on **Tuesday, June 15, 2021**.

ii. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company/TSR Darashaw Consultants Private Limited, Registrar and Transfer Agent ('Registrar' or 'RTA' or 'TSR') by sending documents through e-mail. The documents can also be uploaded on the link https://tcpl.linkintime.co.in/formsreg/submission-of-form-15g-15h.html. The detailed process is available on the website of the Company at: https://www.tatachemicals.com/TDSInformation.htm.

iii. **Updation of mandate for receiving dividends directly in bank account through Electronic Clearing System or any other means in a timely manner:**

Shares held in physical form: Members are requested to send the following documents in original to TSR latest by **Monday, June 14, 2021**:

a. a signed request letter mentioning their name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

i) Name and Branch of Bank and Bank Account type;

ii) Bank Account Number & Type allotted by the Bank after implementation of Core Banking Solutions;

iii) 11 digit IFSC Code.

b. original copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

c. self-attested photocopy of the PAN Card; and

d. self-attested photocopy of any document (such as Aadhaar Card, Driving Licence, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

Shares held in electronic form: Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by the Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

iv. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrant/Bankers' cheque/demand draft to such Members, at the earliest once the normalcy is restored in view of the ongoing Covid-19 pandemic.

9. Effective April 1, 2019, the Company had stopped accepting any fresh transfer requests for securities held in physical form. In view of this and to eliminate all risks associated with physical shares, Members holding shares in physical form are requested to dematerialise their holdings. Members may contact TSR at csg-unit@tcplindia.co.in for assistance in this regard. Members may also refer to Frequently Asked Questions ('FAQs') on the Company's website at https://www.tatachemicals.com/FAQsonDemat.htm.

10. The format of the Register of Members prescribed by the MCA under the Act requires the Company/Registrar and Transfer Agent to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc. A form for capturing additional details is available on the Company's website under the section 'Investor Resources' at https://www.tatachemicals.com/UpdationForm.htm and is also attached to this Annual

Report. Members holding shares in physical form are requested to submit the filled in form to the Company or to the Registrar in physical mode as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the details to their respective DPs only and not to the Company or TSR.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to Registrar/their DPs. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

11. **Nomination facility:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the Company's website at https://www.tatachemicals.com/Investors/Investor-resources/Other-forms. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no.

12. **Consolidation of Physical Share Certificates:** Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

14. **Process for registering e-mail addresses to receive this Notice along with credentials for remote e-Voting**:

    i. **Registration of e-mail addresses with TSR:** The Company has made special arrangements with TSR for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice along with credentials for remote e-voting. Eligible Members whose e-mail addresses are not registered with the Company/DPs are required to provide the same to TSR **on or before 5.00 p.m. (IST) on Friday, June 25, 2021**.

    Process for registration of e-mail address is as follows:

    a. Visit the link: https://tcpl.linkintime.co.in/EmailReg/Email_Register.html

    b. Select the name of the Company from the dropdown list: **Tata Chemicals Limited**

    c. Enter the Folio No./DP ID, Client ID, Shareholder Name, PAN details, Mobile no. and e-mail address.

       Members holding shares in physical form are additionally required to enter one of their share certificate numbers and upload a self-attested copy of the PAN Card and address proof viz. Aadhaar Card or Passport and front and backside of their share certificate

    d. The system will send OTP on the Mobile no. and e-mail address

    e. Enter OTP received on Mobile no. and e-mail address

    f. The system will then confirm the e-mail address for the limited purpose of service of Notice of AGM along with Integrated Annual Report 2020-21 and e-voting credentials

    After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Integrated Annual Report for FY 2020-21 along with the e-Voting User ID and Password. In case of any queries, Members may write to csg-unit@tcplindia.co.in or evoting@nsdl.co.in.

    ii. **Registration of e-mail address permanently with the Company/DPs:** Members are requested to register the e-mail address with their concerned DPs in respect of electronic holding and with TSR in respect of physical holding by writing to them. The request letter should be signed by the first named shareholder. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/TSR to enable servicing of Notices/documents/Annual Reports and other communications electronically to their e-mail address in future.

15. **Remote e-Voting before/during the AGM:**

    i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI Listing Regulations (as amended) and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed NSDL for facilitating voting through electronic means. The facility for casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by NSDL.

ii. Members of the Company holding shares either in physical form or in electronic form as on the **cut-off date of Friday, June 25, 2021** may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM. Any non individual shareholder or shareholder holding securities in physical mode who acquires shares of the Company and becomes a Member of the Company after the despatch of the Notice and holding shares as on the **cut-off date i.e. Friday, June 25, 2021**, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in.

Individual shareholders holding securities in demat mode, who acquire shares of the Company and become a Member of the Company after despatch of the Notice and holding shares as on the **cut-off date i.e. Friday, June 25, 2021** may follow the login process mentioned below in point 17(B)(i).

iii. The remote e-Voting period commences on **Monday, June 28, 2021 at 9.00 a.m. (IST)** and ends on **Thursday, July 1, 2021 at 5.00 p.m. (IST)**. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the **cut-off date i.e. Friday, June 25, 2021**.

iv. Members will be provided with the facility for voting through remote electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on such resolutions upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. Subject to the receipt of requisite votes, resolutions shall be deemed to be passed on the date of the meeting i.e. July 2, 2021.

v. The remote e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

16. Mr. P. N. Parikh (Membership No.: FCS 327) and failing him, Ms. Jigyasa Ved (Membership No.: FCS 6488) and failing her, Mr. Mitesh Dhabliwala (Membership No.: FCS 8331) of M/s. Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutiniser for providing facility to the Members of the Company to scrutinise remote e-Voting process as well as voting at the AGM in a fair and transparent manner. The Scrutiniser will submit his/her report to the Chairman or to any other person authorised by the Chairman after the completion of the scrutiny of the e-Voting (votes cast through remote e-Voting before/during the AGM), within the time stipulated under the applicable laws. The result declared along with the Scrutiniser's report shall be communicated to the Stock Exchanges on which the Company's shares are listed, NSDL and will also be displayed on the Company's website at www.tatachemicals.com.

17. **Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:**

A. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM

i. Members will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast through the NSDL e-Voting system. Members may access by following the steps mentioned below for accessing NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join General Meeting" menu against the Company's name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company i.e. **116011** will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.

ii. Members may join the Meeting through laptops, smartphones, tablets and iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot might experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

iii. Members are encouraged to submit their questions with regard to the financial statements or any other matter to be placed at the 82nd AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID/Folio number and mobile number, in advance at investors@tatachemicals.com before 3.00 p.m. (IST) on Tuesday, June 29, 2021. Such questions by the Members shall be suitably replied by the Company.

iv. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio number, PAN and mobile number at investors@tatachemicals.com between Friday, June 25, 2021 (9.00 a.m. IST) and Monday, June 28, 2021 (5.00 p.m. IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

v. Members who need technical assistance before or during the AGM to access and participate in the Meeting may contact NSDL on evoting@nsdl.co.in/1800 1020 990 or 1800 224 430 or contact Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.co.in.

B. INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/DURING THE AGM

Step 1: Access to NSDL e-Voting system

i. LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

In terms of SEBI Circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat accounts maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access the e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL: https://eservices.nsdl.com/. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under **"Login"** which is available under **"IDeAS"** section. Please enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on options available against the Company's name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the Meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** on the Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your 16 digit demat account number held with NSDL), Password/OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against the Company's name or **e-Voting service provider** - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for a seamless voting experience. **NSDL Mobile App is available on:** App Store Link: https://itunes.apple.com/us/app/nsdl/id922834763?ls=1&mt=8 Google Play Link: https://play.google.com/store/apps/details?id=com.msf.NSDL.Android

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and then click on New System Myeasi. 2. After successful login of Easi/Easiest, the user will also be able to see the e-Voting Menu. The menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link at www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile no. & e-mail address as recorded in the demat account. After successful authentication, user will be provided links for the respective **e-Voting service provider** i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once you login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against the Company's name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 or 1800 224 430
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542/43

ii. LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE

How to Log-in to NSDL e-Voting website?

A. Visit the e-Voting website of NSDL. Open web browser by typing the following: https://www.evoting.nsdl.com/.

B. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholders/Members' section.

C. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-Services i.e. IDeAS, you can login at https://eservices.nsdl.com/ with your existing IDeAS login. Once you login to NSDL e-Services after using your login credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

D. Details of User ID are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
i)	For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12******, then your User ID is IN300***12******
ii)	For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12**************, then your User ID is 12**************
iii)	For Members holding shares in Physical Form	EVEN followed by Folio Number registered with the Company. For example, if EVEN is 116011 and Folio Number is 001***, then User ID is 116011001***

E. Details of Password are given below:

i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will prompt you to change your password.

iii) How to retrieve your 'initial password'?

If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of your beneficiary ID for CDSL account or Folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'. If your email ID is not registered, please follow process mentioned in the notice for those shareholders whose e-mail IDs are not registered.

F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

H. Now, you will have to click on 'Login' button.

I. After you click on the 'Login' button, home page of e-Voting will open.

Step 2: Cast your vote electronically and join the AGM on NSDL e-Voting system

How to cast your vote electronically on NSDL e-Voting system?

A. After successful login at Step 1, you will be able to see EVEN of all the companies in which you are holding shares and whose voting cycle and General Meeting is in active status.

B. Select "EVEN" of Company i.e. **116011** for which you wish to cast your vote during the remote e-Voting period and during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

C. Now you are ready for e-Voting as the Voting page opens.

D. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.

E. Upon confirmation, the message 'Vote cast successfully' will be displayed.

F. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

G. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

The instructions for e-Voting during the AGM are as under:

i. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.

ii. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so shall be eligible to vote through remote e-Voting system in the AGM.

General Guidelines for Members:

i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.

ii. In case of any queries/grievances pertaining to remote e-Voting (before the AGM and during the AGM), you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available in the download section of www.evoting.nsdl.com or call on the toll-free number: 1800 1020 990/1800 224 430 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal or Ms. Pallavi Mhatre from NSDL at the designated e-mail IDs: evoting@nsdl.co.in or amitv@nsdl.co.in or pallavid@nsdl.co.in

By Order of the Board of Directors

Rajiv Chandan
General Counsel & Company Secretary
FCS 4312

Mumbai, May 3, 2021

Registered Office:
Tata Chemicals Limited
Bombay House,
24 Homi Mody Street,
Fort, Mumbai - 400 001
CIN: L24239MH1939PLC002893
Tel. No: + 91 22 6665 8282
Email: investors@tatachemicals.com
Website: www.tatachemicals.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 7 of the accompanying Notice dated May 3, 2021:

Item No. 5

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), appointed Mr. Rajiv Dube (DIN: 00021796) as an Additional Director of the Company with effect from September 18, 2020. In terms of Section 161(1) of the Act, Mr. Dube holds office upto the date of this Annual General Meeting ('AGM') and is eligible for appointment as a Director. The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director.

Based on the recommendations of the NRC and subject to the approval of the Members, Mr. Dube was also appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from September 18, 2020 to September 17, 2025, in accordance with the provisions of Section 149 read with Schedule IV to the Act.

Mr. Dube has consented to act as Director of the Company, subject to appointment by the Members and has given his declaration to the Board that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Dube has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Order or any such Authority. Further, Mr. Dube is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Mr. Dube has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). Further, Mr. Dube is exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

In the opinion of the Board, Mr. Dube fulfils the conditions specified under the Act read with Rules thereunder and the SEBI Listing Regulations for his appointment as an Independent Non-Executive Director of the Company and is independent of the management. The terms and conditions of the appointment of Independent Directors would be made available for inspection to the Members by sending a request along with their DP/Client ID or Folio No. from their registered email address to the Company at investors@tatachemicals.com.

Mr. Dube is an Indian industry veteran with nearly 36 years of multi-sector experience, having served at the highest echelons of two Indian conglomerates - Tata and Aditya Birla. An engineer and a post graduate in business management, he began his career on the shop floor of Tata Motors and rose to be President of its car business before joining the Group Board of the Aditya Birla conglomerate as an Executive Director, on which he remained for nearly 9 years. He has served on several other Indian and foreign Boards in various capacities over 22 years and brings deep insights in corporate governance, management and transformation of businesses as varied as auto, metals, mining, power and renewables, cement, trading, textiles, retail and financial services. An avid sustainability champion, he was an alternate Council Member of the World Business Council for Sustainable Development (WBCSD) Geneva and has been active on several industry bodies. Currently, Mr. Dube is an independent director on Boards of other companies, Advisory Board Member & Professor of Practice at the Deakin Business School, Melbourne and a Senior Advisor to firms in India and Australia. He is also the Honorary Consul of Morocco in Mumbai for the states of Maharashtra, Gujarat and Goa in India.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable regulations, the appointment of Mr. Dube as an Independent Director for 5 (five) consecutive years commencing from September 18, 2020 is now placed for the approval of the Members by an Ordinary Resolution.

Based on the qualifications, experience and knowledge, the Board considers that Mr. Dube's association would be of immense benefit to the Company and accordingly, the Board commends the Ordinary Resolution set out in Item No. 5 of the accompanying Notice for approval of the Members.

Except Mr. Dube and his relatives, none of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

Item No. 6

The Board of Directors of the Company, based on the recommendations of the NRC, appointed Mr. N. Chandrasekaran (DIN: 00121863) as an Additional Director and Chairman of the Board with effect from November 24, 2020. In terms of Section 161(1) of the Act, Mr. Chandrasekaran holds office upto the date of this Annual General Meeting ('AGM') and is eligible for appointment as a Director. The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director.

Mr. Chandrasekaran is the Chairman of the Board at Tata Sons Private Limited ('Tata Sons'), promoter of the Company. Mr. Chandrasekaran joined the Board of Tata Sons in October 2016 and was appointed Chairman in January 2017. He also chairs the Boards of several group operating companies, including Tata Steel Limited, Tata Motors Limited, The Tata Power Company Limited and Tata Consultancy Services Limited ('TCS') – of which he was Chief Executive Officer from 2009-17. His appointment as Chairman of Tata Sons followed a 30-year business career at TCS, which he joined from university. Mr. Chandrasekaran rose through the ranks at TCS to become the CEO and Managing Director of the leading global IT solution and consulting firm. Under his leadership, TCS generated total revenues of US$ 16.5 billion in 2015-16 and consolidated its position as the largest private sector employer in India and the country's most valuable company. In addition to his professional career at Tata, Mr. Chandrasekaran is a Director on the Board of India's central bank, the Reserve Bank of India, since 2016. Mr. Chandrasekaran is on the International Advisory Council of Singapore's Economic Development Board. He is the Chairman of Indian Institute of Management (Lucknow) as well as the President of the Court at Indian Institute of Science, Bengaluru. He is the member of Bocconi's International Advisory Council and the Co-Chair India-US CEO Forum. Mr. Chandrasekaran has been awarded several honorary doctorates by leading Universities in India and internationally, including an honorary Doctor of Letters from Macquarie University, Australia, Doctor of Letters from the Regional Engineering College, Trichy, Tamil Nadu, where he completed a Masters degree in Computer Applications before joining TCS in 1987. Mr. Chandrasekaran is also the author of Bridgital Nation, a ground-breaking book on harnessing technological disruptions to bring Indians closer to their dreams.

Mr. Chandrasekaran is eligible to be appointed as a Director in terms of Section 164(2) of the Act. A declaration to this effect and the consent to act as Director, subject to appointment by the Members, has been received from Mr. Chandrasekaran. Further, he has also confirmed that he is not debarred from holding the office of a director pursuant to any SEBI Order or any such Authority.

The Board considers that the association of Mr. Chandrasekaran would be of immense benefit to the Company and accordingly, the Board commends the Ordinary Resolution set out in Item No. 6 of the accompanying Notice for approval of the Members.

Except Mr. Chandrasekaran and his relatives, none of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

Item No. 7

The Company is directed under the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended, to have the audit of its cost records conducted by a Cost Accountant. Further, in accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022 at a remuneration of ₹ 7,50,000 plus applicable taxes, travel and out-of-pocket expenses.

Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 7 of the accompanying Notice for ratification of the remuneration amounting to ₹ 7,50,000 plus applicable taxes, travel and out-of-pocket expenses payable to the Cost Auditors for the financial year ending March 31, 2022.

The Board commends the Ordinary Resolution set out at Item No. 7 of the accompanying Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the accompanying Notice.

By Order of the Board of Directors

Rajiv Chandan
General Counsel & Company Secretary
FCS 4312

Mumbai, May 3, 2021

Registered Office:
Tata Chemicals Limited
Bombay House,
24 Homi Mody Street,
Fort, Mumbai - 400 001
CIN: L24239MH1939PLC002893
Tel. No: + 91 22 6665 8282
Email: investors@tatachemicals.com
Website: www.tatachemicals.com

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM

[PURSUANT TO REGULATIONS 26(4) AND 36(3) OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD–2 ON GENERAL MEETINGS]

Name of the Director	Mr. Zarir Langrana (Executive Director)	Mr. Rajiv Dube (Non-Executive, Independent Director)	Mr. N. Chandrasekaran (Non-Executive, Non-Independent Director)
DIN	06362438	00021796	00121863
Date of Birth	February 12, 1959	February 4, 1962	June 2, 1963
Age	62 years	59 years	58 years
Date of first appointment	April 1, 2018	September 18, 2020	November 24, 2020
Qualifications	Economics graduate from the University of Madras and post graduate qualification in business management from XLRI, Jamshedpur; Advanced Management Programme at Harvard Business School.	An engineer and a post graduate in business management.	Holds a Bachelor's degree in Applied Science and also a Master's degree in Computer Applications from Regional Engineering College, Trichy, Tamil Nadu, India.
Expertise in specific functional areas	Mr. Langrana has over 35 years of extensive experience in the field of sales and marketing, strategy, operations and general management.	Mr. Dube has nearly 36 years of multi-sector experience with deep insights in corporate governance, management and transformation of businesses. Please refer to the detailed profile provided in the explanatory statement to Item no. 5 of the Notice.	Mr. Chandrasekaran has a rich experience in various areas of business, technology, operations, societal and governance matters. Please refer to the detailed profile provided in the explanatory statement to Item no. 6 of the Notice.
Terms and conditions of appointment or re-appointment	N.A.	Appointment as an Independent Director for a period of 5 (five) years from September 18, 2020 to September 17, 2025	Appointment as Director liable to retire by rotation
Details of remuneration last drawn (FY 2020-21)	₹ 3,14,52,932 (including commission of ₹ 1,35,00,000#)	Sitting Fees: ₹ 1,70,000 Commission: ₹ 20,00,000#	Sitting Fees: ₹ 1,20,000 Commission: Nil&
Details of remuneration sought to be paid	As approved by the Members at the 79th AGM held on July 25, 2018	Sitting Fees and Commission, if any, as approved by the Board of Directors	Sitting Fees as approved by the Board of Directors
Directorships in other Companies (excluding foreign companies)	Nil	1. Tata International Limited* 2. Tata Investment Corporation Limited*	1. Tata Sons Private Limited 2. Tata Consultancy Services Limited* 3. Tata Steel Limited* 4. Tata Motors Limited* 5. The Indian Hotels Company Limited* 6. The Tata Power Company Limited* 7. Tata Consumer Products Limited* 8. TCS Foundation (Section 8 Company)

Name of the Director	Mr. Zarir Langrana (Executive Director)	Mr. Rajiv Dube (Non-Executive, Independent Director)	Mr. N. Chandrasekaran (Non-Executive, Non-Independent Director)
Membership/ Chairpersonship of Committees in other companies (excluding foreign companies)	NIL	**1. Tata International Limited** - Nomination and Remuneration Committee (Member) - Committee of Directors (Member) **2. Tata Investment Corporation Limited** - Audit Committee (Member) - Nomination and Remuneration Committee (Member)	**1. Tata Sons Private Limited** - Corporate Social Responsibility Committee (Chairman) - Nomination and Remuneration Committee (Member) **2. Tata Consultancy Services Limited** - Corporate Social Responsibility Committee (Chairman) - Nomination and Remuneration Committee (Member) - Executive Committee of the Board (Chairman) **3. Tata Steel Limited** - Nomination and Remuneration Committee (Member) - Executive Committee of the Board (Chairman) **4. Tata Motors Limited** - Nomination and Remuneration Committee (Member) **5. The Indian Hotels Company Limited** - Nomination and Remuneration Committee (Member) **6. The Tata Power Company Limited** - Nomination and Remuneration Committee (Member) - Executive Committee of the Board (Chairman) **7. Tata Consumer Products Limited** - Nomination and Remuneration Committee (Member)

Name of the Director	Mr. Zarir Langrana (Executive Director)	Mr. Rajiv Dube (Non-Executive, Independent Director)	Mr. N. Chandrasekaran (Non-Executive, Non-Independent Director)
No. of Board Meetings during the year:			
(a) Total Meetings during respective tenure:	9	5	3
(b) Attended:	9	5	3
Inter-se relationship with other Directors and Key Managerial Personnel	None	None	None
No. of shares held:			
(a) Own	3,666	-	1,00,000
(b) For other persons on a beneficial basis	-	-	-

**Listed Entities (including entities whose debt is listed on a Stock Exchange)*

#Commission is for FY 2020-21, which will be paid during FY 2021-22

&As a policy, Mr. N. Chandrasekaran, Chairman of the Board has abstained from receiving commission from the Company

To,
TSR Darashaw Consultants Private Limited
Unit: **Tata Chemicals Limited**
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli West, Mumbai - 400 083
E-mail: csg-unit@tcplindia.co.in

Updation of Shareholder Information

I/We request you to record the following information against my/our Folio No.:

General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN:*	
CIN/Registration No.:* (applicable to Corporate Shareholders)	
Tel. No. with STD Code:	
Mobile No.:	
E-mail Id:	

**Self attested copy of the document(s) enclosed*

Bank Details:

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No.:@	
Name of the Bank:	
Bank Branch Address:	

@A blank cancelled cheque is enclosed to enable verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/Registrar and Transfer Agent responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained till I/We hold the securities under the above mentioned Folio No./Beneficiary account.

Place : ____________________

Date : ____________________

Signature of sole/first holder

Note: Members holding shares in demat form are requested to submit the Updation Form to their respective Depository Participant.

FINANCIAL STATISTICS - Standalone

Year	CAPITAL ACCOUNTS					REVENUE ACCOUNTS						Earnings per Ordinary Share (Basic)	Dividend per Ordinary Share	Net worth per Ordinary Share
	Share Capital	Reserves	Borrowings@	Capital Employed	Net Block#	Gross revenue ***	Expenses	Depreciation	Profit before taxes	Taxes	Distributable profit for the year			
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹	₹	₹
1944-45	152	8	69	229	179	16	29	—	(13)	—	—	—	—	8.11
1949-50	152	10	126	288	223	116	107	9	—	—	—	0.07	—	7.83
1954-55	192	24	86	302	210	223	191	18	14	—	14	1.03	—	10.80
1959-60	312	64	325	701	501	351	303	21	27	1	12	0.90	0.60	11.68
1964-65	362	220	281	863	643	876	649	72	155	63	80	2.91	1.60	15.52
1974-75	994	906	1189	3089	2390	3464	2652	201	611	250	309	3.82	1.60	18.06
1979-80	994	2036	2848	5878	4432	5860	4421	513	926	364	434	5.97	2.00	31.80
1984-85	1594	6705	11987	20286	9715	13570	10429	968	2173	450	1204	12.34	2.50	53.70
1989-90	4917	25926	34129	64972	21293	30902	23172	2056	5674	1600	3612	8.29	3.00	62.73
1990-91	7375	26070	58398	91843	33942	35202	27354	2403	5445	1000	3945	6.03	2.50	45.35
1991-92	7375	29831	62262	99468	51179	41204	29580	2650	8974	3000	3974	8.10	3.00	50.45
1992-93	9262	41931	95966	147159	98308	48743	34754	2623	11366	3871	6495	8.91	3.50	54.84
1993-94	11268	71225	125245	207738	171930	64698	40424	2266	22008	500	16508	20.21	6.00	73.03
1994-95	11288	92630	152664	256582	183030	92443	59171	4601	28671	6	23165	25.38	6.50	92.00
1995-96	18069	113349	154892	286310	187603	155565	103420	10489	41656	2200	22231	21.83	6.50	72.72
1996-97	18070	125449	161606	305125	193962	162813	122372	11409	29032	3800	20487	13.96	6.50	79.42
1997-98	18070	141396	152755	312221	201843	166151	121432	11513	33205	4350	28863	15.97	6.50	88.28
1998-99	18070	149537	157023	324630	203479	150030	117432	11615	20983	2816	18167	10.06	5.00	92.79
1999-00	18070	151240	137023	306313	202244	165882	139190	12347	14345	2616	11729	6.50	5.00	93.73
2000-01	18070	176474	114627	309171	188436	173411	141518	13284	18609	2114	16495	9.13	5.00	105.36
2001-02	18070	137066	106071	307638	181467	151605	118278	13321	20006	7324	12682	7.02	5.00	84.35
2002-03	18070	145516	81626	289288	168441	170483	130588	13693	26202	6544	19658	10.88	5.50	89.81
2003-04	21516(a)	182018	76554	324291	174145	272984	225961	14415	32608	10555	22053	10.25	5.50	94.48
2004-05	21516	178268	132422	367544	156239	322515	263451	13770	45294	11239	34055	15.83	6.50	92.80
2005-06	21516	195254	145449	394514	155097	373461	308481	13893	51087	15784	35303	16.41	7.00	100.45
2006-07	21516	217768	104177	372583	151474	426923	348504	15035	63384	18963	44421	20.65	8.00	111.07
2007-08	23406	333762	234384	619375	151258	484819	354233	14876	115710	20792	94918	42.82	9.00	152.64
2008-09	23523	362407	367610	763842	184375	872402	790072	16303	66027	20822	45205	19.25	9.00	164.11
2009-10	24332	403964	294651	741969	183009	576975	499443	18719	58813	15335	43478	18.38	9.00	176.07
2010-11	25482	448586	297594	771822	192763	656776	580460	20446	55870	15021	40849	16.32	10.00	186.09
2011-12	25482	468069	336709	839127	208104	846375	747472	22468	76435	17775	58660	23.03	10.00	193.73
2012-13	25482	505250	371640	914847	205984	897412	793447	21429	82536	18205	64331	25.25	10.00	208.33
2013-14	25482	544641	303469	895153	203713	911890	839120	15882	56888	13281	43607	17.12	10.00	223.79
2014-15	25482	578845	271588	895038	197529	1053087	948407	19271	85409	21612	63797	25.04	12.50	237.22
2015-16^	25482	783143	352372	848385**	205270	1093794	985888	19879	88027	21407	66620	26.15	10.00	317.41
2016-17^	25482	860063	241132	819678**	213340	863080	747132	16988	98960	29689	69271	27.19	11.00	347.60
2017-18^	25482	1106932	140721	965720**	169824	908530	639087	13913	255530	78834	176696	69.36	22.00	444.51
2018-19^	25482	1154139	70792	936950**	222718	516235	381060	14323	120852	29878	90974	35.71	12.50	463.04
2019-20^	25482	1172250	1476	828403**	277121	935752	224562	14950	696240	12218	684022	268.50	11.00	470.15
2020-21^	**25482**	**1300235**	**895**	**968887****	**310391**	**321803**	**240674**	**19732**	**61397**	**13486**	**47911**	**18.81**	**10.00**	**520.39**

(a) Includes the balance lying in share capital suspense account amounting to ₹ 3446 lakh.

@ From year ended March 31, 2011 onwards borrowing include non-current (long-term) borrowing + non-current leases + current (short-term) borrowing + current maturity of non-current (long-term) borrowing and leases

\# From year ended March 31, 2011 onwards net block includes capital work-in-progress + capital advances

^ From year ended March 31, 2016 onwards, the Company has followed Ind AS

** Capital Employed: total assets minus current liabilities plus current (short-term) borrowing plus current maturities of non-current (long-term) borrowing and lease obligations minus investment in subsidiary companies (other than Rallis India Limited)

*** including other income and exceptional gains

FINANCIAL STATISTICS - Standalone

Equity Shares Issued on Conversion of Bonds/Debentures	₹ in lakh	Premium		Rights Issue		₹ in lakh	Bonus Issue		₹ in lakh
1982-83	116	₹	8/- per share	1954-55	1 for 2 at par	48	1966-67	1 for 10	30
1983-84	300	₹	10/- per share	1957-58	4 for 5 at par	112	1968-69	3 for 10	100
1984-85/1985-89	600	₹	30/- per share	1961-62	1 for 5 at Prem Re. 0.5 per share	50	1970-71	1 for 5	87
1987-88	725	₹	40/- per share	1972-73	1 for 5 at Prem Re. 0.5 per share	104	1974-75	1 for 2	311
1987-88	725	₹	60/- per share				1985-86	2 for 5	777
1992-93	1960	₹	40/- per share				1990-91	1 for 2	2458
1993-94	1960	₹	40/- per share				1995-96	3 for 5	6777
2007-08	1889	₹	220.78/- per share						
2008-09	117	₹	220.78/- per share						
2009-10	809	₹	220.78/- per share						
	9201					**314**			**10540**

FINANCIAL STATISTICS - Consolidated

Year	CAPITAL ACCOUNTS							REVENUE ACCOUNTS								Earnings per Ordinary Share (Basic)	Net Worth per Ordinary Share
	Share Capital	Reserves	Minority Interest	Borrowings *	Capital Employed	Net block#	Goodwill on Consolidation	Gross Revenue ***	Expenses	Depreciation	Profit before Taxes	Taxes	Minority Interest	Share of Profit/ (Loss) in Associate	Profit for the Year		
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹	₹
2005-06	21516	200419	-	182769	430024	277941	70749	425315	346846	18404	60065	17231	-	-	42834	19.91	103.11
2006-07	21516	235666	-	186420	469081	305605	76324	606283	504082	27388	74813	24009	-	-	50804	23.62	119.52
2007-08	23406	348439	4234	480669	885172	337121	464924	677783	528813	31383	117587	21147	-	-	96440	43.51	158.96
2008-09	23523	453455	15219	628381	1122734	376696	562128	1300712	1166716	42264	91732	15751	11171	-	64810	27.59	202.81
2009-10	24332	447310	35006	499372	1007837	383096	532470	983144	845176	44678	93290	20932	13114	1347	60591	25.61	193.89
2010-11	25482	519687	40645	569972	1161268	449047	563242	1136412	979211	45105	112096	27492	19257	-	65347	26.10	214.00
2011-12	25482	608145	44809	706073	1381258	495141	635874	1425027	1232095	50868	138343	34392	19946	(246)	83759	32.88	248.72
2012-13	25482	615874	53614	838400	1532813	468350	662702	1545211	1400520	53388	91303	30252	20703	(308)	40040	15.72	251.75
2013-14	25482	531069	65522	839306	1480479	476215	672261	1636983	1641748	47124	(51889)	28878	22100	(333)	(103200)	(40.51)	218.46
2014-15	25482	529689	67349	837884	1481024	460432	695699	1768873	1606708	46314	115851	35112	20553	(540)	59646	23.41	217.92
2015-16@	25482	659950	259846	909042	2164099**	1202595	176193	1764956	1579960	57137	127859	28732	23558	1489	77058	30.25	269.05
2016-17@	25482	765342	262389	744256	2109338**	1183144	169841	1546394	1327495	55244	163655	41807	24099	1562	99311	38.98	310.42
2017-18@	25482	1084689	271716	641825	2320108**	1157090	173185	1593580	1218260	53059	322261	56935	26941	4923	243308	95.51	435.78
2018-19@	25482	1208645	291467	614343	2431680**	1262173	181103	1240285	1020023	57139	163123	34359	23094	9921	115591	45.38	484.43
2019-20@	25482	1264284	76377	770237	2470486**	1436751	195423	1679595	874949	66647	737999	17933	22182	2749	700633	275.02	506.27
2020-21@	**25482**	**1403515**	**85260**	**693293**	**2541829****	**1468100**	**191774**	**1043422**	**906653**	**75932**	**60837**	**19777**	**17985**	**2,562**	**25637**	**10.06**	**560.93**

* From year ended March 31, 2011 onwards, borrowing include non-current (long-term) borrowing + non-current leases+ current (short-term) borrowing + current maturity of non-current (long-term) borrowing and leases

\# From year ended March 31, 2011 onwards, net block includes capital work-in-progress + intangible assets held under development + capital advances

@ From year ended March 31, 2016 onwards, the Company has followed Ind AS

** Capital Employed: Total Assets minus current liabilities plus current (short-term) borrowing plus current maturities of non-current (long-term) borrowing and lease obligations

*** including other income and exceptional gains

Abbreviations

Active Ingredients	AI
ADP - Human Resource Information System	ADP HRIS
Affirmative Action	AA
Agile, Competitive, Excellence	ACE
American Natural Soda Ash Corporation	ANSAC
Annual General Meeting	AGM
Anti-Bribery & Anti-Corruption	ABAC
Anti-Money Laundering	AML
Audit Committee	AC
Automatic Weather Station	AWS
Behaviour-based Safety Observations	BSO
Board of Directors	BOD
Build Resilient Approach in Response to Covid-19 Epidemic	BRACE
Business Assurance Audit	BAA
Carbon Capture and Usage plant	CCU
Centre of Excellence	CoE
Chemical Industrial Association	CIA
Chief Executive Officer	CEO
Chief Operating Officer	COO
Code for Responsible Extraction	CORE
Combined Heat and Power	CHP
Committee of Sponsoring Organisations of the Treadway Commission	COSO
Confederation of Indian Industry	CII
Continuous Emission Monitoring System	CEMS
Continuous Opacity Monitors	COMS
Corporate Identity Number	CIN
Corporate Social Responsibility	CSR
Council of Scientific & Industrial Research	CSIR
Cross-Functional Team	CFT
Crushed Refined Soda	CRS
Current Year	CY
Customer Satisfaction Index	CSAT
Department of Environmental Quality	DEQ
Doctor of Medicine	MD
Earnings before interest, taxes, depreciation and amortisation	EBITDA
Effluent Treatment Plant	ETP
Electronic Customer Relationship Management	ECRM
Electrostatic Precipitator	ESP
Enterprise Resource Planning	ERP
Ethics Counsellor	EC
European Industrial Gases	EIG
European Soda Ash Producers Association	ESAPA
Extended Producer Responsibility	EPR
Federation of Indian Chambers of Commerce & Industry	FICCI
Feed Additive and Premixture System	FAMI-QS
Food & Beverages	F&B
Forward Breeding	FB
Fraud Risk Assessment	FRA
Free Cash Flows	FCF
Fructooligosaccharide	FOS
Galactooligosaccharide	GOS
Genetic Male Sterility	GMS
Global Positioning System	GPS
Global Reporting Initiative	GRI
Greenhouse Gas	GHG
Grow-out Test	GOT
Hazard and Operability Study	HAZOP
Hazard Identification and Risk Analysis	HIRA
High Compression Thickener	HCT
High Rate Thickener	HRT
Highly Dispersible Silica	HDS
Human Resource Management System	HRMS
Increase Value, Enhance Skills for Tomorrow	INVEST
Indian Chamber of Commerce	ICC
Indian Council of Agricultural Research	ICAR
Indian Green Building Council	IGBC
Industrial Internet of Things	IIoT
Industrial Minerals Association	IMA
Innovation Centre	IC
Integrated Reporting	IR
International Integrated Reporting Council	IIRC
International Organisation for Standardisation	ISO
International Standards on Assurance Engagements	ISAE
IT Infrastructure Library	ITIL
Job Safety Analysis	JSA

Key Performance Indicators	KPIs
Kilo-volt-ampere	KVA
Kilotonne	KT
Key Account Management	KAM
Laboratory Information Management System	LIMS
Long-term Asset Management Plan	LAMP
Long-Term Sustainability Planning	LTSP
Machine Learning	ML
Make-up Water	MUW
Management Information System	MIS
Management Review Committee	MRC
Memorandum of Understanding	MoU
Metric Million British Thermal Unit	MMBtu
Metric Tonnes	MT
Million Cubic Feet	MCFT
Natural Language Processing	NLP
Net Promoter Score	NPS
New Product Development	NPD
Nitrogen Oxide	NOx
Occupational Health and Safety Assessment Series	OHSAS
Okhai Centre for Empowerment	OKHAI
One Tata Operating Network	OTON
Operational Health and Safety	OHS
Particulate Matter	PM
Plant Variety Protection	PVP
Prevention of Sexual Harassment	POSH
Process Safety & Risk Management	PSRM
Profit After Tax	PAT
Profit Before Tax	PBT
Programmable Logic Controller	PLC
Progressive Safety Index	PSI
Rallis Innovation Chemistry Hub	RICH
Rapid Generation Advancement	RGA
Research & Development	R&D
Responsible care	RC
Return on Capital Employed	ROCE
Rice Husk Ash	RHA
Risk Management Committee	RMC
Rural Entrepreneurship Development Programme	REDP
Safety Health and Environment	SHE
Safety Health Environment & Sustainability Committee	SHESC
Science Based Targets Initiative	SBTi
Science, Technology, Engineering and Maths	STEM
Scientific Advisory Board	SAB
Seamlessly Harnessing Internal Expertise	SHINE+
Securities and Exchange Board of India	SEBI
Self-Help Groups	SHG
Standard Ash Magadi	SAM
Standard Operating Procedures	SOPs
Strategic Planning Process	SPP
Strengths, Weaknesses, Opportunities and Threats	SWOT
Sulfur Oxide	SOx
Suspended Particulate Matter	SPM
Sustainability Development Goals	SDG
Tata Affirmative Action Programme	TAAP
Tata Chemical Society for Rural Development	TCSRD
Tata Chemicals Europe	TCE
Tata Chemicals International Pte. Ltd.	TCIPL
Tata Chemicals Limited	TCL
Tata Chemicals Magadi Limited	TCML
Tata Chemicals North America Inc.	TCNA
Tata Chemicals South Africa (Pty.) Limited	TCSA
Tata Code of Conduct	TCoC
Tata Consumer Products Limited	TCPL
Tata Tomorrow University	TTU
Terajoules	TJ
Tonnes Per Annum	TPA
Tonnes Per Day	TPD
Tonnes Per Month	TPM
Transportation Management System	TMS
Uninterrupted Power Supply	UPS
United States Food and Drug Administration	USFDA
Variable Frequency Drive	VFD
Voice of Consumer	VoC
Vulnerability Assessment and Penetration Testing	VAPT
Water Soluble Fertiliser	WSF
Work from Home	WFH
Work Safe Online	WSO
World Health Organisation	WHO

Awards and Recognitions

Tata Chemicals wins 'Product Innovator of the Year Award' at FICCI Chemicals and Petrochemicals Awards 2021

CII
Confederation of Indian Industry

Tata Chemicals bags 3rd position and two Gold level awards at CII "Six Sigma National Competition" Award 2020

Tata Chemicals wins ICC Acharya P. C. Ray Award

Tata Chemicals wins CSIR Diamond Jubilee Technology Award 2019

Tata Chemicals bags 3rd spot in Responsible Business Ranking 2020

CII
Confederation of Indian Industry

Tata Chemicals wins CII National Awards for Excellence in Water Management

CII
Confederation of Indian Industry

Tata Chemicals recognised amongst India's top 25 most innovative companies by CII

TATA

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