TATA CHEMICALS

Advancing Science.
Creating Value.

Integrated
Annual Report **2019-20**

81st Year

Basis of Reporting

The principles of Integrated Reporting <IR> have emerged as a benchmark for global best practice in corporate reporting. We have based our annual report on these principles for transparency and disclosures beyond statutory norms. FY 2019-20 is the fifth year of such reporting. Through <IR>, we intend to enrich our reporting for all stakeholders by providing information on our value creation process using the interlinkages of multiple capitals.

This report is prepared in accordance with the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards. We have also followed internationally recognised frameworks and guidelines of United Nations Global Compact, Global Reporting Initiative (GRI) and AA1000 Framework for Accountability and the Integrated Reporting <IR> framework of the International Integrated Reporting Council ('IIRC'). We apply the following principles of AA1000 AS (2008):

Inclusivity

We commit accountability to stakeholders who are impacted, directly or indirectly, by our organisation. We have mapped our stakeholders 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 that have been identified through our ongoing stakeholder engagement and are addressed by various programmes or action points with measurable targets.

Responsiveness

Our reporting addresses a gamut of stakeholders, each having their own needs and interests. This report is one element of our interaction and communication. It reflects how we manage our operations by accounting and responding to stakeholder concerns.

Reporting period and scope

This report covers financial and non-financial information and activities of Tata Chemicals Limited ('the Company' or 'TCL') and key domestic and overseas subsidiaries during the period April 1, 2019 to March 31, 2020. The report's financial figures are audited by BSR & Company LLP, Chartered Accountants and the non-financial information are assured by Ernst & Young Associates LLP.

Assurance Statement

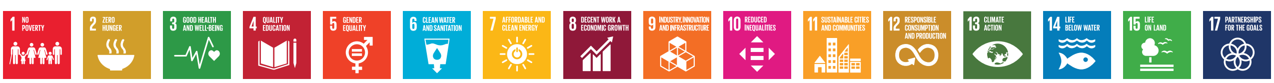
The non-financial information disclosed in this Report, on a voluntary basis, is as per the Integrated Reporting <IR> Framework of the IIRC and has undergone an independent assurance by Ernst & Young Associates LLP. This assurance has been done as per the 'Limited' criteria of the ISAE3000 assurance standard (International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information) as well as the 'Type 1, Moderate' criteria of the AccountAbility AA1000 AS assurance standard. The specific environmental and social performance data subjected to this assurance, approach, limitations as well as the assurance conclusion are presented in the Assurance Statement available at https://www.tatachemicals.com/IRAssurance201920.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 operations 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



Advancing Science. Creating Value.

For more than 80 years, we at Tata Chemicals have operated with a sense of purpose to play an active role in shaping a better world. We graduated from a manufacturing to a science and innovation-led entity. We seeded multiple new businesses and created extensive global footprint, manufacturing capacities and employment opportunities. We ensured prosperity of all stakeholders.

We are determined to build our solid foundation to meet the growing expectations of our stakeholders in the ever changing world.

We have undertaken important restructuring exercise – demerging consumer product business to create an innovative, pure-play science company which is our forte. This will augment our innovation index by delving deeper into science to develop unique solutions, besides making our business more efficient, streamlined and synergistic. We are also making strategic capex investments in high-potential and newly seeded portfolios as well as towards embedding sustainability in all our operations and decision-making.

Our efforts are strengthening our business model and positioning us to create value for our stakeholders at economic, social and environmental levels.

Our six capitals

Financial capital

Pool of funds (debt and equity) used to sustain and create additional value across all capitals.

Manufacturing capital

Plants, warehouses, logistics facilities and physical assets in which we have made financial investment to ensure sustained and efficient operations and generate long-term returns.

Intellectual capital

Scientific knowledge, research & development (R&D) capabilities and innovation quotient which is core to our business for product development and provides us competitive edge.

Social & Relationship capital

Initiatives we undertake for the welfare of the communities, supply partners, dealers and customers to secure our reputation as a trusted, long-term partner of choice and the license to operate.

Human capital

The knowledge, skills, experience and motivation of our employees on which we depend on for value creation.

Natural capital

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 which has unavoidable environmental impacts.

81st Annual General Meeting

Date: Tuesday, July 7, 2020

Time: 3.00 p.m. (IST)

Through Video Conference facility

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Statutory Reports

Financial Statements

Tata Chemicals: An Innovative, Science-Led Sustainable Chemistry Company

A part of US$ 113 billion Tata Group, Tata Chemicals is a globally leading multinational company employing over 4,600 people and present in 40+ countries. In our eight decades of existence, we have brought to the fore our knowledge and expertise in science to develop innovative products that provide a competitive edge to our customers and have positively impacted the society. We enjoy a strong and established position globally in inorganic and crop protection chemicals.

Ownership structure (%)

34.59	Promoter and promoter group
43.50	Institutional
21.91	Non-institutional

Mission

Serving Society through Science

Vision

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

Values

- S - Safety
- P - Passion
- I - Integrity
- C - Care
- E - Excellence

Our Reputation

3rd largest
Soda Ash manufacturer **(globally)**

6th largest
Sodium bicarbonate manufacturer **(globally)**

~13 million
Farmer contacts **(India)**

Top 25
Ranked amongst top 25 India's Most Innovative Companies in 2019

Pioneer
In FOS/GOS products **(India)**

Basic Chemistry Products

Inorganic chemistry products like Soda Ash, Bicarb, Salt, Marine Chemicals, Crushed Refined Soda and Cement

End user segment
B2B – Industries

Value drivers
- Specialised portfolio in soda ash, bicarb and cement
- India's leading edible and vacuum salt manufacturer
- Strong partnerships with global glass and detergent companies
- Operational excellence and cost competitiveness

Specialty Products

Agri Sciences

Seeds, crop protection formulations and other agricultural inputs

End user segment
B2C – Farmers

Value drivers
- World class product development and manufacturing for global agro chemical supply
- Deep farmer connect
- Wide domestic reach covering 80% of India's districts

Nutritional Sciences

Ingredient and formulation solutions, including prebiotic dietary fibres for human and animal health

End user segment
B2B – Food processing companies

B2C – Consumers

Value drivers
- Strong product differentiation, patent protected
- Deep scientific know-how in nutritional innovation

Material Sciences

Value creating offerings in the niche area of advanced nano-material solutions

End user segment
B2B – Industries

Value drivers
- Green patented technology for manufacturing Highly Dispersible Silica (HDS)
- Nano zinc oxide with improved UV blocking, anti-microbial and anti-fungal properties along with water dispersibility
- Deep understanding of high performance innovative chemistries
- Strong R&D capabilities including nanotechnology
- Operational excellence

Energy Sciences

Cutting-edge and disruptive electro-chemistry solutions for Energy Storage

End user segment
B2B – Industries

Value drivers
- Capitalise on the emerging opportunities in electric vehicles and stationary applications, with circular economy concept around Lithium-ion technology - active materials manufacturing, cell & battery manufacturing and recycling critical materials from used batteries
- Collaborating with leading global battery makers for contemporary and next generation chemistries and Indian research institutes (ISRO, CSIR-CECRI)

Growing and Diversified Global Footprint

America

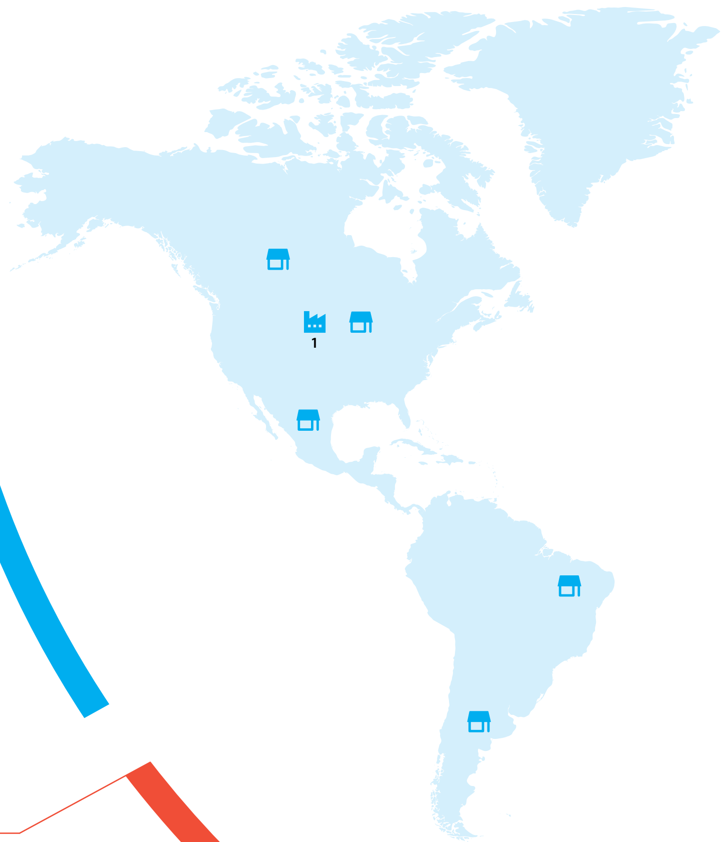
Revenue ₹ 3,403 Cr.

EBITDA ₹ 762 Cr.

1. Green River, Wyoming, USA

Canada, USA, Mexico, Brazil and Argentina

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



Europe

Revenue ₹ 1,356 Cr.

EBITDA ₹ 157 Cr.

2. Lostock, UK
3. Winnington, UK
4. Middlewich, UK

Europe and the UK (Sodium Bicarbonate marketed globally)

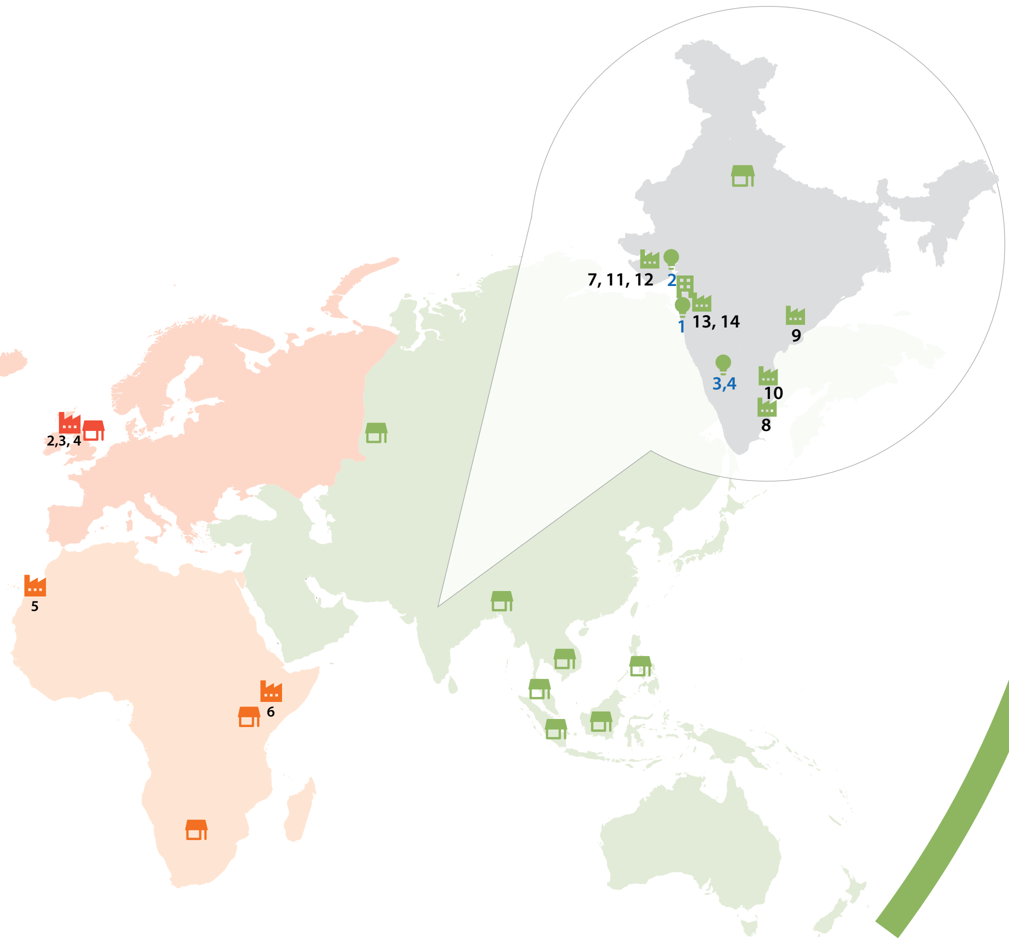
Tata Chemicals Europe (TCE) – Amongst Europe's leading producers of Sodium Bicarbonate, Salt (through British Salt) light Soda Ash and other products

Africa

Revenue ₹ 457 Cr.

EBITDA ₹ 49 Cr.

Note: Financials are after IND AS adjustments



Asia

Revenue ₹ 5,168 Cr.

EBITDA ₹ 975 Cr.

1. TCL Innovation Centre, Pune
2. TCL R&D Centre, Mithapur, Gujarat
3. Rallis Innovation Chemistry Hub (RICH), Bengaluru, Karnataka
4. Agri-Biotech R&D Facility (Seeds), Bengaluru, Karnataka

India, Bangladesh, Indonesia, Malaysia, Thailand, Philippines

Tata Chemicals International Pte. Ltd. (TCIPL) - Trading of Soda Ash, procurement of raw materials and holding investments of international subsidiaries

7. Mithapur-Gujarat
8. Cuddalore-Tamil Nadu
9. Nellore-Andhra Pradesh
10. Sriperumbudur-Tamil Nadu
11. Ankleshwar-Gujarat (Rallis)
12. Dahej-Gujarat (Rallis)
13. Lote-Maharashtra (Rallis)
14. Akola-Maharashtra (Rallis)

Mumbai

Legend

Innovation Centre

Head Office

Manufacturing facilities

Markets

Operational subsidiary

5. Jorf Hasfar, Morocco (JV), North Africa
6. Magadi, Kenya

Sub-Saharan Africa

Tata Chemicals Magadi (TCML) – Africa's largest Soda Ash manufacturers and one of the leading exporters in Kenya

Tata Chemicals South Africa (TCSA) – A licensed bulk handling terminal, servicing a large part of customers' Soda Ash requirements and also a growing third-party cargo handling business

FY 2019-20 Operational and Strategic Highlights

Capacity expansion and debottlenecking programme in Mithapur with implementation phased to focus on rapid expansion of essential products and alignment with the new strategic imperatives brought on by the pandemic

Completed demerger of Consumer Products Business with smooth transitioning of employees to become a focussed science driven chemistry company

Acquired balance 25% stake in Tata Chemicals (Soda Ash) Partners Holdings from The Andover Group for US$ 195 million to increase ownership to 100%

Mithapur Saltworks

Operationalised and commenced trial production of the 5,000 MT greenfield biotechnology (Fructo-Oligosaccharides) manufacturing unit at Nellore, Andhra Pradesh. Products are under global approval process

Commenced commercial production of non rubber and rubber grade Silica at 900 TPM Silica plant in Cuddalore, Tamil Nadu

Commenced commercial production of the first phase expansion (500 MT) of Metribuzin plant. Second phase expansion (500 MT) underway

Secured land in Dholera, Gujarat with support of Gujarat government to set up a greenfield manufacturing facility for Energy Sciences vertical

Board of Directors

C

MR. BHASKAR BHAT

Non-Executive Director

A mechanical engineer from IIT Madras with a post-graduate diploma in management from IIM Ahmedabad, Mr. Bhat joined the Tata Watch Project (initiated at Tata Press) in 1983, which is now Titan Company Limited. He then took over as Managing Director of the Company on April 1, 2002 and held the position till his superannuation on September 30, 2019. Mr. Bhat has engineered the creation of many brands including pioneering the concept of franchising and retailing in Watches, Jewellery, Eyewear and Precision Engineering. He was awarded the Distinguished Alumnus Award of IIT Madras in 2008. He was inducted as a Director on the Board of Tata Sons in November 2017. He was appointed as Non-Executive Director of Tata Chemicals Limited in December 2016.

B E A C D

MS. VIBHA PAUL RISHI

Non-Executive Independent Director

Ms. Vibha Paul Rishi holds a BA Degree in Economics from Delhi University and an MBA with specialisation in marketing from the Faculty of Management Studies, New Delhi. She is an experienced business leader who has worked with Titan, PepsiCo, Max India and Future Group with stints in India, the UK and USA. Her last role was as the Executive Director, Brand and Human Capital of Max India. She has worked at senior positions in branding, strategy, innovation and human capital around the world. She serves on the Boards of several reputed companies and is also on the Board of Pratham, an NGO that works to provide education to underprivileged children in India and is the Non-Executive, Independent Director on the Board of Tata Chemicals since September 2014.

D A B E F

MR. S. PADMANABHAN

Non-Executive Director

Mr. Padmanabhan is a distinguished alumnus of IIM Bangalore, a Gold Medallist and alumnus from PSG College of Technology, Coimbatore and has also completed the Advanced Management Program at Harvard Business School. His career with the Tata Group companies spans over 35 years. During a 26-year stint with Tata Consultancy Services, Mr. Padmanabhan held several senior leadership roles. In the past, he has held the positions of Executive Director of Tata Power as well as the Group Chief Human Resources Officer at Tata Sons. He also serves on the Boards of several other Tata companies. Appointed as a Non-Executive Director of Tata Chemicals Limited in December 2016, he is currently the Executive Chairman, Tata Business Excellence Group (TBExG) and head of Ethics.

A C F

MS. PADMINI KHARE KAICKER

Non-Executive Independent Director

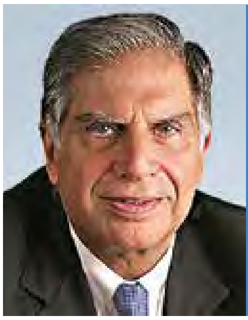
Ms. Padmini Khare Kaicker is a Chartered Accountant from the Institute of Chartered Accountants of India, a Certified Public Accountant (USA) and a Diploma holder in Business Finance from the Institute of Chartered Financial Analysts of India. She is the Managing Partner of B. K. Khare & Co., one of the leading Indian accounting firms. She has a wide and varied experience in the areas of audit, taxation, corporate finance, risk management, corporate governance, M&A and restructuring. She serves on the Board of several companies and has been a Non-Executive, Independent Director on the Board of Tata Chemicals Limited since April 2018.

C A

DR. C. V. NATRAJ

Non-Executive Independent Director

Dr. C. V. Natraj is a Ph.D. in Chemistry from the Indian Institute of Science, Bangalore. He also has postdoctoral research experience in biochemistry from the University of Michigan, Ann Arbor. Dr. Natraj has more than 30 years of experience in research. He headed the research function as Director on the Board of Hindustan Lever Limited and later went on to lead the Corporate Research function for Unilever as Senior Vice President. He is the Technical Advisor to the Society for Innovation and Development at the Indian Institute of Science. He was appointed on the Board of Tata Chemicals Limited as a Non-Executive, Independent Director in August 2019.



MR. RATAN N. TATA

Chairman Emeritus

Mr. Ratan Tata was the Chairman of Tata Sons from 1991 till his retirement on December 28, 2012. He was also Chairman of the major Tata companies, including Tata Motors, Tata Steel, Tata Consultancy Services, Tata Power, Tata Global Beverages (now renamed as Tata Consumer Products Limited), Tata Chemicals, Indian Hotels and Tata Teleservices. During his tenure, the Group's revenues grew manifold, totalling over US$ 100 billion in 2011-12. He is the Chairman of the Tata Trusts which are amongst India's oldest, non-sectarian philanthropic organisations that work in several areas of community development. He is the Chairman of the Council of Management of the Tata Institute of Fundamental Research and also serves on the Board of Trustees of Cornell University and the University of Southern California.

MR. K. B. S. ANAND

Non-Executive Independent Director

Mr. Anand, aged 64 years, is a Mechanical Engineer from the Indian Institute of Technology, Bombay having passed out in the year 1977 and then completed his Post Graduate Diploma in Business Management from the Indian Institute of Management, Kolkata in the year 1979 having specialisation in Marketing. Mr. Anand joined Asian Paints Limited in the year 1979 and worked in the Sales and Marketing function of the Architectural Coating and Chemical business, Industrial products manufacturing. He was made the head of the Decoratives Business in 2009 and Managing Director & CEO of Asian Paints Limited effective April 1, 2012. He superannuated as the Managing Director & CEO of Asian Paints Limited on March 31, 2020. He serves on the Board of Marico Limited and Borosil Glass Works Limited. He was appointed on the Board of Tata Chemicals Limited as a Non-Executive, Independent Director in October 2019.

B D E F

MR. R. MUKUNDAN

Managing Director & CEO

An engineer from IIT Roorkee, he joined the Tata Administrative Service in 1990, after completion of MBA from FMS, Delhi University. He is also an alumnus of the Harvard Business School. He has extensive experience in the field of strategy, business development, manufacturing and general management. During his 30 year career with the Tata Group, he has held various responsibilities across the chemical, automotive and hospitality sectors of the group. He serves on executive committees of various industry forums.

B D E F

MR. ZARIR LANGRANA

Executive Director

An economics graduate from the University of Madras with post-graduation in Business Management from XLRI, Jamshedpur, Mr. Langrana has also attended Advanced Executive Development programmes at Harvard Business School. During his association with Tata Chemicals of over 35 years joining through the Tata Administrative Service, he has led the Corporate Strategy and Business Development functions and headed the global marketing function for the chemicals business. Appointed an Executive Director in April 2018, Mr. Langrana currently heads the Global Chemicals Business and the new ventures in Specialty Chemicals. He also serves on the executive committees of various industry forums in the country.

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

Age 50-60   Age above 60

Management Team

Mr. R. Mukundan
Managing Director & CEO

Mr. Zarir Langrana
Executive Director

Mr. John Mulhall
Chief Financial Officer

Mr. R. Nanda
Chief Human Resources Officer

Mr. Rajiv Chandan
General Counsel & Company Secretary

Mr. Shohab Rais
Chief Operating Officer,
India Chemicals Business

Mr. Rino Raj
Chief Operating Officer,
Energy & Battery Business

Mr. K. R. Venkatadri
Chief Innovation & Digital Officer

Mr. M. S. S. Rao
Chief Safety & Engineering

Mr. Sanjiv Lal
Managing Director & CEO,
Rallis India Limited

Mr. Scott Ellis
Managing Director & CEO,
Tata Chemicals North America

Dr. Martin Ashcroft
Managing Director,
Tata Chemicals Europe

Mr. Harish Nair
Executive Director & COO,
Tata Chemicals Magadi

MD & CEO's Message

Dear Shareholders,

At the outset, I hope you and your family are safe. We are indeed living through very unusual times and your Company has faced the challenge of Covid-19 pandemic by immediately mobilising efforts to protect employees and our immediate communities. In line with the Tata philosophy of community being a key stakeholder in the business, we proactively pivoted our assets to serve our communities to face the pandemic. We stepped up our efforts to produce and supply disinfectants and masks, ensure food security and ramp up medical facilities in and around our plant at Mithapur, Gujarat. Our subsidiary Rallis temporarily transformed its chemical units to supply hand sanitisers across Maharashtra, Gujarat, Telangana and Karnataka.

Our approach to the pandemic was centred around four key actions of:

1. Safety of our employees, communities, partners and assets
2. Rapid pivot to digital to ensure business continuity
3. Conservation of cash through cost control, working capital and capex reduction
4. Ensuring continuous support to our customers and supply chain partners.

At this point of time, all our plants and R&D centres are operational. I take this opportunity to thank our teams for their resilience and agility. While this pandemic has impacted economic activity, we are confident of emerging stronger as we come out of this challenge.

Advancing Science, Creating Value

This year we made significant progress in our strategy by becoming a sharply focussed science and chemistry-led organisation, with the smooth transition of our consumer business as a merged entity with Tata Consumer Products Limited. I want to thank all our stakeholders for their support and guidance through this process to create value for all our shareholders.

Our strategy going forward will be to build scale and value in the businesses of:

1. Performance Materials (Soda Ash, Marine Chemicals, Silica and Nano Products)
2. Nutritional Sciences (Food and Pharma grade Salt and Bicarb, Ingredients and formulations, Prebiotics, Probiotics and Natural Extracts)
3. Agri-Sciences (Crop care, seeds – through our subsidiary Rallis)
4. Energy Sciences (Battery recycling, actives and battery storage)

During the year, we acquired the balance 25% stake in Tata Chemicals (Soda Ash) Partners in North America for US$ 195 million. It is now our fully owned subsidiary, resulting in a simpler organisation structure and greater degree of strategic freedom. Our Soda Ash units in India, UK and USA delivered to the plan. The Kenyan unit has since overcome operational issues. Our Silica unit at Tamil Nadu launched new Technical and Food grades for diverse applications. Our supplies of Salt kept pace with demand in India and the UK. We will continue to accelerate capex to support growth in these markets. Our expansion and investments in Food and Pharma grade bicarb is progressing on schedule in the UK and India. Our Prebiotics FOS manufacturing plant at Andhra Pradesh began its commercial production in the last quarter of the year. Rallis delivered a strong performance and our focus is on new product launches and scheduled capex completion. Rallis completed the merger of Metahelix, thereby having a complete portfolio of products including seeds, crop care, etc. in its portfolio. We moderated our investments in EV Battery in tune with the pace of transition to electric in the auto sector, even as we began operations of battery recycling unit.

On the financial front, consolidated revenue from operations was flat at ₹ 10,357 crore in FY 2019-20. EBITDA increased by 9% to ₹ 1,949 crore, while PAT was ₹ 1,028 crore. Our business continues to generate robust cash flows at ₹ 1,780 crore which supported the Capex to the tune of ₹ 1,199 crore during the year. The total cash and current investment was ₹ 3,681 crore as on March 31, 2020.

We will continue to drive value through innovation, digitalisation and sustainability across our five business units. We will continue to invest in our R&D labs in Pune and Bengaluru to bring new products and offerings to our customers. The current pandemic has brought the importance of digital thrust and sustainability focus. Our newest plant in Andhra Pradesh has been designed with digital thread as a central core along with sustainability embedded in its operations. We see this as our future design and operational principle.

Going forward, we expect immediate market conditions to be challenging and your Company is well positioned to emerge stronger by leveraging the rethink in supply chain strategies around the world. I take this opportunity to thank you all for your continued support and trust in us.

Best regards,

R. Mukundan
Managing Director & CEO

Our Business Model and Interlinkage of Capitals

Inputs

Financial Capital

- Prudent financial management and strong balance sheet position – Cash and current investment: ₹ 3,681 crore(↓); Networth: ₹ 13,661 crore(↓)
- Cash generating business model
- On a standalone basis, the Company is debt-free

Manufactured Capital

- Capex – ₹ 1,199 crore(↑)
- Manufacturing facilities with large capacities – Soda Ash: 3,670 KT(↑); Sodium Bicarbonate: 222 KT(↑); IVSD: 1,078 KT(↑); Cement: 362 KT(↓)
- Inbound and outbound logistics infrastructure and processes
- Integration with supply chain

Intellectual Capital

- Investment in R&D (TCL, India + Rallis) – ₹ 65 crore(↓)
- Technically skilled people in R&D – 228(↑)
- State-of-the-art innovation centres
- Partnerships with scientific institutes for collaborative R&D

Human Capital

- Skilled, passionate and experienced people – 4,678(↑)
- Training days per employee – 2.9 mandays/employee(↓)
- Safety training – 2.82 mandays/employee(↑)
- Sustained investment in learning and development, health and safety and engaging work culture

Social and Relationship Capital

- CSR spending (standalone) – ₹ 38 crore(↑)
- Strong and collaborative relationships with customers, suppliers and contractors supported by technology and strong processes
- Extensive distribution network

Natural Capital

- Natural resources used in manufacturing – Trona 51,67,160 MT(↑), Solar Salt 21,03,068 MT(↑), Brine 95,91,778 KL(↑), Limestone 20,86,088 MT(↑), Energy consumption from Coal & Natural Gas – 47,736 TJ
- Prudent and sustainable use of natural resources along with recycling

Note: (↑/↓ indicate change over previous year, (-) means no change)

How we create value across two science-led, integrated business verticals

Basic Chemistry Business | **Specialty Products Business**

We are advancing our 80+ years of science knowledge and innovation capabilities to develop pioneering solutions and drive business growth

Basic Chemistry Business

Established business with strong foundation, client (B2B) relationships and steady growth. We enjoy market leading position in multiple markets globally supported by our robust manufacturing capacity, R&D capabilities, manpower and channel relationships. We have embarked on capacity expansion programmes to cater the growing global demand

Refer to page 44-51 for more information on value creation process

Specialty Products Business (Nutritional Sciences, Agri Sciences, Material Sciences and Energy Sciences)

High-growth potential business area. We are an established player in agri sciences with strong domestic market reach (to 13 million farmers covering 80% of India's districts), extensive R&D-led product profile and growing international operations that we are supporting with capacity expansion. Nutritional, Material and Energy Sciences are newly seeded business in emerging areas where we intend to establish our niche with pioneering solutions

Refer to page 52-56 for more information on value creation process

Supported by

- Strong governance
- Prudent risk management
- Trade off in managing the six capitals
- Effective strategy deployment
- Stakeholder engagement

Outputs

Key Products

Soda Ash
3,670 KT

Sodium Bicarbonate
222 KT

IVSD
1,078 KT

Cement
362 KT

Other Products

Crop Care (Rallis)

Seeds (Rallis)

Highly Dispersible Silica

Fructo-oligosaccharide

Galacto-oligosaccharide

Nano Zinc Oxide

Addressing material matters

Environment sustainability

Zero harm (to people, asset, environment)

Outcomes

Financial Capital

- Revenue – ₹ 10,357 crore(↑)
- EBITDA – ₹ 1,949 crore(↑)
- EBITDA / turnover – 19%(↑)
- Dividend per share (proposed) – ₹ 11(↓)
- Cash generated from operations – ₹ 1,780 crore(↑)
- Gross debt : equity – 0.56(↑)
- Net debt / EBITDA – 2.06(↑)
- Consistent value creation for the investors and shareholders

Manufactured Capital

- Sales – Soda Ash: 3,407 KT(↓); Sodium Bicarbonate: 211 KT(↑); IVSD: 1,057 KT(↑); Cement: 350 KT(↓)
- Globally leading manufacturer of Soda Ash and Sodium Bicarbonate

Intellectual Capital

- Strong intellectual property – 152 patents held (cumulative)
- Robust new product launches

Refer to page 28 of the report to know more on our innovation

Human Capital

- Employee productivity (PBT per employee) – ₹ 0.3 crore(-)
- Total Recordable Incident Frequency Rate – 1.69(↑)
- Incidents of labour unrest – 0(-)

Refer to page 34 of the report to know more about our employee initiatives and page 31 for health and safety initiatives

Social and Relationship Capital

- CSR beneficiaries – 1.5 lakh
- High customer satisfaction index score
- Quick and effective complaint resolution
- Multiple new customers added

Natural Capital

- GHG emission – 4,447 KT(↑)
- Responsible Manufacturing Index (global) – 2.4(↑)
- Energy savings – 1,104 TJ(↑)
- Water recycled – 86%(↑)
- Solid waste utilisation – 37%(↑) (only India operations)
- % Limestone recycled (India operations) - 87%(↓)
- Biodiversity preservation

Refer to page 40 of the report to know more on our sustainability initiatives

Strategy for a Sustainable Future

Our strategy is developed based on the opportunities and risks in our operating environment. It helps us to remain focussed on growing our business and market position, while setting a clear path for long term sustainability and maximising stakeholder value.

Strategic Objective 1

Sustain market leadership and focus on being the most cost-efficient in the Basic Chemistry Business

Enabler

- World's 3rd and 6th largest Soda Ash and Sodium Bicarbonate manufacturer, respectively
- Global presence and access to world's largest natural reserves in the US
- Supplier of choice to global glass and detergent companies

Progress in FY 2019-20

- Ongoing capex for capacity expansion and debottlenecking at Mithapur with implementation phased to focus on rapid expansion of essential products
- Environmental Impact Assessment (EIA) approval for Soda Ash expansion at Mithapur
- Acquired remaining 25% stake in Tata Chemicals (Soda Ash) Partners Holdings from The Andover Group Inc for US$ 195 million, thereby increasing Tata Chemicals' ownership to 100%

Priorities going forward

- Debottlenecking / capacity expansions for Soda Ash, Bicarb, Salt, Cement, Caustic, Chlorine derivatives
- Growing value-added products under portfolio
- Exploring adjacencies and forward integrate across Soda Ash value chain

KPIs

₹1,949 Cr. EBITDA	**₹1,248 Cr.** PBT	**₹1,028 Cr.** PAT (before NCI)
19% EBITDA Margin	**3,670 KT** Soda Ash production	**222 KT** Bicarb production
362 KT Cement production	**1,078 KT** IVSD production	

Strategic Objective 2

Aggressively grow the Specialty Products Business through a strong science differentiated, innovation pipeline

	Agri Sciences	Nutritional Sciences	Material Sciences	Energy Sciences
Enabler	• Wide reach covering 80% of India's districts and ~13 million farmer connects by Rallis • Diversified portfolio covering crop protection solutions, plant growth nutrients, seeds and agro services • Strong brand image among farmers	• India's 1st and only Nutritional Sciences business for FOS and GOS manufacturing • Solutions for microbiome modulation with global scale capacities for Short chain FOS & GOS	• 'Green' patented technology for manufacturing Highly Dispersible Silica (HDS) for tyres • Wide range of customised Conventional Silica products • Patented process for Nano Zinc oxide and strong R&D capabilities including nanotechnology	• Build on technologies in Lithium-ion battery/ cell manufacturing and Next Generation chemistries • Partnership with Tata Technologies to establish own Battery Engineering Centre in Pune
Progress in FY 2019-20	• ₹ 800 crore investment approved for growth in key molecules and enhancing of formulation plant capacity • Metahelix Life Sciences-Rallis merger to enhance shareholder value and leverage synergies of businesses	• Commissioned state-of-the-art Nutraceuticals plant at Nellore	• Commissioned 10 KTPA precipitated Silica manufacturing plant at Cuddalore post upgrading the plant infrastructure & systems • Accelerated R&D and commercial engagement with tyre companies • Capacity enhancement for manufacturing of Nano Zinc Oxide and increase in customer engagements	• Land acquisition and development at Dholera, Gujarat • Development of batteries at our engineering centre for 2W and 3W OEMs • Engagements with power and telecom companies for Energy Storage Solutions • Commenced pilot scale Lithium-ion battery recycling operations and commercial sale of recovered, metal salts

	Agri Sciences	Nutritional Sciences	Material Sciences	Energy Sciences
Priorities going forward	• New product development across segments like crop protection, nutrition and seeds • International Business Development through partnerships with customers • Succeed with New formulation technology, GMO & Non-GMO traits	• Investing in microbiome and fermentation-based ingredients, prebiotics, probiotics and enzymes • Shifting from traditional to synthetic biotech and promote co-development model with customers • High quality Natural Extracts for food and pharma industry	• Focussing on HDS for tyre and other high-growth applications and exploring adjacent innovative materials • Evaluating and executing phased capacity expansion of Silica • Scale Nano Zinc Oxide business into coatings and additive applications • Expansion of portfolio into other nanomaterials aimed at healthcare and advanced applications	• Building < 1 GWh cell line by 2021 with technology from a global leader • Completing 2-3 commercial scale energy storage projects • Scaling Lithium-ion battery recycling operations • Setting up pilot line to manufacture cathode active materials
KPIs	New Product Development-NSDI	Revenue from FOS	Net sales from new business	Net sales from new business
	% revenue from new products	Number of new projects / Applications added	New key customer accounts won	Start of Production for own cell line
		Number of scientific publication	Adherence to milestones in key customer engagement journey	Order pipeline for OEM business

Strategic Objective 3

Focus on Sustainability, Innovation and Digitisation as key platforms for transformation

	Sustainability	Innovation	Digitisation
Enabler	• Strong foundation of SDG, product stewardship • Corporate sustainability policy • CDP, UNGC & IR framework for reporting performance • Science-Based Target Initiative (SBTi) commitment to reducing absolute carbon footprint • Active member of ICC, BCCI, CII, CIA, ESAPA, EU Salt Association	World-class R&D facilities: • Innovation Centre, Pune • Rallis Innovation Chemistry Hub (RICH), Bengaluru • Innovation Centre - Seeds Division *Refer to page 28-30 for more details on R&D facilities*	• Technical expertise in analytics and process automation • Culture for leveraging digital assets across the organisation

Progress in FY 2019-20	• Announced UK's first industrial scale carbon capture and utilisation plant with £16.7 million investment at TCE
	• Established Centre for Sustainable Agriculture and Farm Excellence (C-SAFE) and Centre for Sustainable Conservation Action for Protection of Ecosystems of the Seas (C-SCAPES)
	• Plastic waste used as alternate fuel source at Cement plant supporting the circular economy concept
		• Agri Sciences
		  o Portfolio expansion: Paddy crop protection products viz. Zygant (pesticide) and Ayaan (fungicide) were introduced; and Rapid regeneration technique for rice was implemented
		• Nutritional Sciences
		  o New product pilot completed and ventured into skin domain (built novel prototypes)
		  o Developed staple food fortification premixes
		• Material Sciences
		  o New grades of Silica for garment and oral care applications
		• Energy Sciences
		  o ISRO Lithium cell technology transfer completed
		  o NCA cell prototyping work completed at CSIR-CECRI
		• Analytics for R&D
		  o Developed analytics roadmap
		  o Bioinformatics to support field study and diagnostic projects at Rallis for seeds
			• Optimal Rake logistic planning and Salt Pan Automation at Mithapur
			• Prescriptive analytics for factory operations in Soda Ash manufacturing
			• Agri Sciences
			  o Implemented Dealer Management System and Sales Force Automation
			• Synergising IT operations across businesses - Financing and accounting support harmonised

	Sustainability	Innovation	Digitisation
Priorities going forward	• Continue on climate change mitigation • Innovative solutions to capture carbon from coal-based boilers • Promoting sustainability in the supply chain • Digital enablement to track KPIs • Implementing circular economy in business	• Leveraging academic ecosystem for technology acquisition and building infrastructure for Specialty Chemistry Business • Leveraging synergy benefits across all R&D centres • Building Centre of Excellence (CoE) to cater to computational and analytical requirements of all R&D centres	• Sharing global IT/digital teams and building common IT operation and delivery • Business Process Reengineering for process harmonisation • Implementing new tools, software and techniques • Leveraging digital expertise for business transformation
KPIs	**61.25** Sustainability Assessment Index (SAF) **87%** Limestone recycled (India operations)	Commercialisation of technologies developed Scientific support to new business	Digital Maturity Model (DMM) Score
	86% of water recycled **4,447 KT** GHG emission	**152** Cumulative Patents filed **₹65 Cr.** Investment in R&D (TCL, India + Rallis)	Business benefits as a result of digital projects implementation
	1,104 TJ Energy savings	Joint projects between R&D centres	Value delivered by synergy of IT operations

Material Issues Impacting our Strategy

As we define our goals and strategic priorities, we identify and analyse material matters that may impact our value creation and stakeholders over the short, medium and long-term. They provide better understanding of our business impact on stakeholders and vice versa.

Materiality study and process

We conduct extensive materiality study every four years by engaging with all our internal and external stakeholders. We regularly update the position of these material aspects in the materiality matrix, as we keep analysing their status with our management committee. We address highly critical aspects through a structured roadmap and increased engagement with respective stakeholders. In FY 2019-20, we adopted a new approach to finalise material matters for the study carried out in previous years that consists of the following:

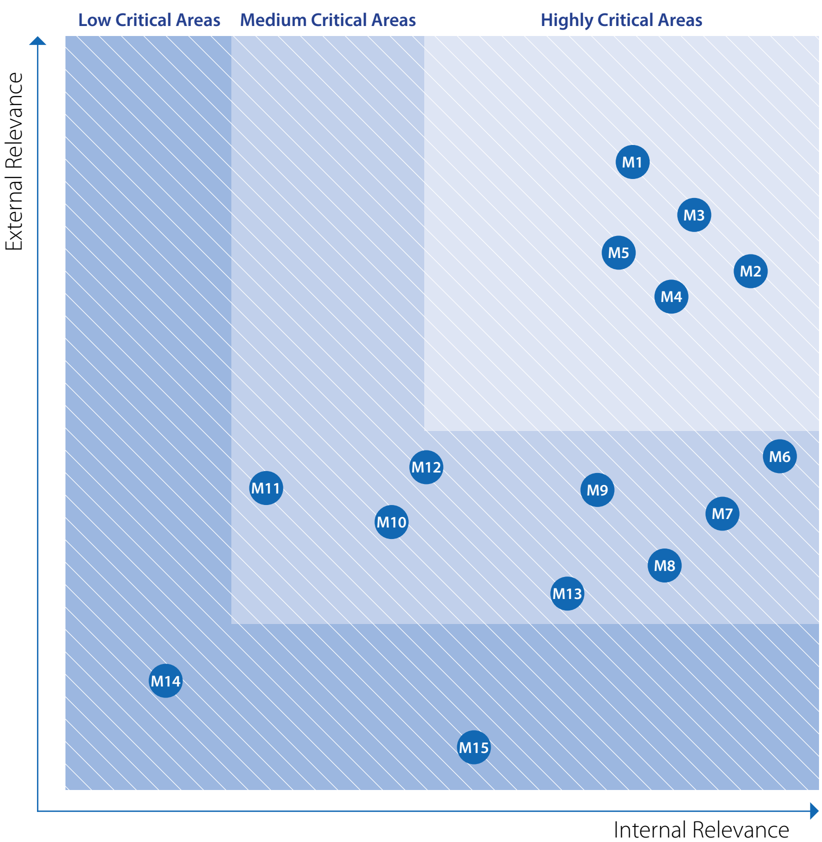
- Internal strategy workshops and calls with all locations to analyse the progress of each material topic
- Discussing and prioritising issues in monthly Management Review Committee
- Analysis of global trends and local environment, chemical sector and social challenges

Identifying material issues	Evaluating present status of material issues	Mapping ambitions against materiality issues	Identifying critical and key action areas based on gaps to be covered
Study of: • internal and external factors • SWOT analysis carried out by all group companies	• Engaging with internal cross-functional teams • Evaluating the long-term strategy plan and its progress	• Prioritising actionable themes for now and by 2030 • Revamping the strategy and aligning all the geographies	Prioritising the key areas into short, medium and long-term needs, as per internal and external relevance

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

Highly Critical Material Aspects

Material aspects	Its context for now and future	Impact on our value creation	How are we managing
M1 Energy	The chemical industry being energy-intensive, it is significantly impacted by volatility in energy prices and macro-economic uncertainty. There is also a growing demand for cleaner fuels.	Inefficient production processes can increase our costs and carbon footprint, diminishing our competitive advantages.	We are working towards transitioning to cleaner fuels. We continuously focus our efforts in energy audits and energy saving drives across geographies. *Refer to page 41 for more inputs on energy management*
M2 Health & Safety	Dealing with twin issues – handling of hazardous chemicals and employee occupational health & safety (OHS). Complacence in individual behaviour creates more vulnerability.	Any process safety gaps and OHS incidents may lead to loss of life, lost days and damage to assets, environment and business reputation. It may lead to discontinued business relationships, increase in insurance premium, etc.	We are committed to continual improvement in responsible manufacturing to achieve Zero Harm to people, assets and environment. We are promoting a safety culture through felt leadership and stakeholder engagement. *Refer to page 31-33 for more inputs on health & safety*
M3 Climate Change	Rising focus on climate change and Nationally Determined Targets and a shift from disaster recovery to climate resilience.	Climate change can impact the operations directly and indirectly. From operational efficiencies to logistics, the whole value chain can be impacted.	We have conducted several vulnerability studies, including the extreme 2-Degree Scenario analysis at our Mithapur plant, located near coast, to protect the operations and local communities. *Refer to page 36-39 for more inputs on sustainability*



Material topics

Highly Critical Areas

- M1 Energy
- M2 Health & Safety
- M3 Climate Change
- M4 Biodiversity
- M5 Water & Waste Management

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

Material aspects	Its context for now and future	Impact on our value creation	How are we managing
M4 Biodiversity	Increased expectations from stakeholders and community. Biodiversity is also our focus to preserve the ecosystem.	Our extensive work in the vicinity of our operations has led to a positive impact on the local environment and our reputation.	Focus and alignment on: • Responsible mining/supply chain • Species conservation • Elimination of commodity-driven deforestation in supply chain • C-SCAPES Centre at Mithapur *Refer to page 38 for more inputs on our biodiversity initiatives*
M5 Water & Waste Management	Rising concern about plastic waste and unprecedented threats to land and marine ecosystems.	Water and waste management are two critical areas we are working on with our value chain partners, government, and the community.	Focussed assignments on: • Integrated watershed management and rainwater harvesting • Water recycling and reuse • Use of plastic waste as fuel in cement plant • Recyclable packaging material • Bulk transportation to reduce consumption of packaging materials *Refer to page 42 for more inputs on water and waste management initiatives*

Medium Critical Material Aspects

M6

Customer Engagement

Being an innovative science-led company, our business depends on understanding the needs of existing and potential customers. This assists in developing products that provide a value-added proposition. Higher engagements with customers happen through satisfaction surveys, contact programmes, e-customer care, ChemConnect call centre, senior leadership visits, annual distributors' conference, COO club, etc.

M7

Community Engagement

A focus on the community in our territories enables society and our business to grow. It enhances our reputation among global investors and helps us meet regulatory requirements. We undertake interventions in building economic capital, ensuring environmental integrity, providing enablers for development and cross cutting themes of diversity, empowerment and affirmative action.

M8

Product Stewardship

There is an increasing demand for sustainable products, from both regulators and customers to tackle climate change. We, together with our value chain ensure that our products are manufactured, stored, transported, used, disposed of and recycled with high regard for human health, safety and environmental stewardship. This makes our products competitive in a strictly regulated scenario.

M9

Performance Standards for Contractors / Suppliers

Our business performance and that of our contractors, suppliers, and partners are inter-dependent. We have set high onboarding standards and ensure they have appropriate skills to do business with us. We conduct Suppliers Audit programme for critical suppliers and sustainability assessments during pre-boarding of new ones. Further, we support them in building robust systems.

M10

Spills

Oil and chemical spills can cause serious damage to the environment and our business. We have set high standards for product handling, storage, transportation, and distribution, and also train and inform distribution value chain. Incidents related to product spills, transport accident, bad products and packaging quality are tracked and assessed for continuous improvement.

M11

Diversity

Diverse perspectives within organisations lead to faster problem-solving and higher innovation. Our commitment to sustaining a diverse workforce is helping us expand our global operations. We embrace programmes like Tata LEAD and Tata Affirmative Action and undertake employment, entrepreneurship and education initiatives.

M12

Ethics and Governance

We are renowned for our integrity and ethics. Our employees ensure integrity and ethics in all business conduct and dealings. We also encourage value chain partners to raise the bar on human rights, anti-bribery and anti-corruption measures. We are constantly striving to improve our governance framework and policies by benchmarking to best practices. Deployment of ethics policies is done through our Ethics Counsellor. Greater awareness of Tata Code of Conduct is created during Ethics Month.

M13

Employee Engagement

It is essential to nurture the passion and commitment of our workforce, as their interactions with stakeholders have a direct bearing on our business outcomes. We provide learning opportunities, cross-geography deputations, reward and recognition, and feedback platforms. Developing team management skills is another area of focus.

Engaging with our Stakeholders

Engaging effectively with stakeholders enables us to understand and respond to their interests and expectations. It is an important driver for building long-term relations which facilitates us in delivering on our strategy.

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

Highly Critical Material Aspects

Key stakeholders and their relevant matters	Relevant Material Issues	Various Platforms/Forums of Engagement
Shareholder and Investors Appreciation in share price and growth in dividends, business profitability and sustainability, high-level of corporate governance, environmental sustainability, financial stability and development prospects	M3 M12	Annual General Meeting (AGM), Integrated Report to shareholders, investor/analysts meets, quarterly results, media releases, company website, reports to stock exchanges
Customers Consistent quality, responsiveness to needs, aftersales service, sustainability, responsible guidelines, climate change disclosures, Sustainability Performance, Responsible Mining Code, product quality and high-value products, Health & Safety, Responsible marketing	M1 M2 M5 M6 M7	Distributor /retailer/ direct customer meets, senior leaders customer meets/visits, customer plant visits, COO club, achievers meet, KAM workshops, focus group discussion, membership in trade organisation /associations, complaints management, helpdesk, conferences, joint business development plans, information on packaging, customer surveys. CDP climate, water and supply chain reporting
Suppliers/Partners Quality issues, timely delivery, sustainability performance, safety checks, compliances, ethical behaviour, ISO and OHSAS Standards, on time payment	M2 M9 M12	Supplier prequalification/vetting, suppliers 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
Government Climate change roadmap, sustainability frameworks, policy advocacy, discussions on Plastic Waste Management Rule, framework beyond compliance and responsible care, timely contribution to exchequer, proactive engagement, contribution to local infrastructure, skill and capacity building, sustainable livelihood, clean and safe environment	M3 M5 M10 M11 M9 M12	Advocacy meetings with local/state/national government and ministries, seminars, media releases, conferences, membership in local enterprise partnership, membership in industry bodies such as ICC, BCCI, CII, etc.
Employees Responsible care, innovation, operational efficiencies, improvement areas, employee engagements, Long Term Strategy Plans, employee benefits, training, awareness, brand communication, Health & Safety	M2 M9 M12 M13 M15	Senior leaders' communication/talk, senior leadership forum, town hall briefing, goal setting and performance appraisal meetings/performance review, exit interviews, arbitration/ union meetings, wellness initiatives, focus on workplace safety, employee engagement survey, email, intranet, flat screens, websites, poster campaigns, house magazines, confluence, circulars, quarterly publication, intranet, theatre workshops (oorja), newsletters

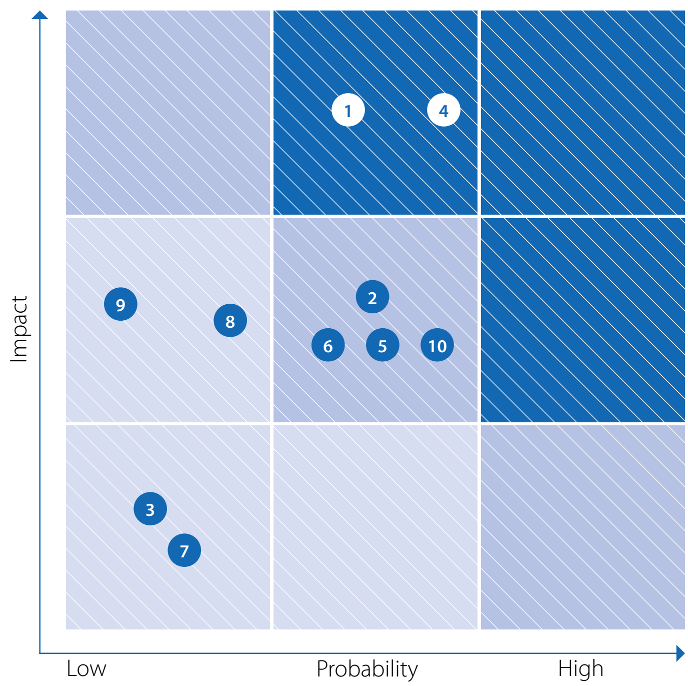
Risk Management

Risks are inherent to business. At Tata Chemicals, Enterprise Risk Management allow us to address business uncertainties as we strive for long term, sustainable growth. We are committed to effectively identifying and managing Enterprise Risks in our pursuit of our strategic business objectives aimed at enhancing stakeholder's value.

Sourav Ghosh
Controller - Risk

The risk-related information outlined in this section is not exhaustive and is for information purpose 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.

Risk mapping



Sr. No.	Key risk	Change in rating from FY 2018-19: Probability	Change in rating from FY 2018-19: Impact
1	Sustainability and Climate Change	No Change	No Change
2	Digitalisation	No Change	No Change
3	Succession planning	No Change	No Change
4	Failure/Delay in achieving business transformation objective	New risk	
5	Cyber Attack	No Change	No Change
6	Loss of market leadership and failure to scale up volumes	No Change	No Change
7	Financial risk	No Change	No Change
8	Regulatory changes	↓	↑
9	Government policy change	↓	No Change
10	Safety hazards	No Change	No Change

Approach to risk management

The Enterprise Risk Management framework provides mechanism for identification and prioritisation of risks including scanning the business environment and continuous monitoring of internal risk factors. Risk Management forms an integral part of the management's focus. On March 11, 2020, the world was disrupted when the World Health Organisation (WHO) declared Covid-19 as a 'pandemic'. Your Company is working on a resilient and adaptive Risk management strategy as events are unfolding and new information is emerging.

Relevant Risk registers have been suitably recalibrated to monitor mitigation plans related to disruption caused by Covid-19 related risks.

Information regarding Tata Chemicals' key risk and their mitigation strategies:

Strategic risk

Sustainability risks

Failure to respond to sustainability and climate change related risks

Linkage to Capital
Natural
Social and Relationship Capital

Mitigation

- We aim to be the benchmark standard
- 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 through ~99% offset of plastic waste as per EPR action plan
- Engaging with regulatory authorities, assisting the community on various Covid-19 related initiatives including funding support to government, manufacture and distribution of hand sanitizers, production and distribution of masks, earmarking isolation ward at Mithapur with around 100 beds

Digitalisation risks

Failure to embrace digitalisation as a key lever of Business Growth

Linkage to Capital
Intellectual capital

Mitigation

- There is clear focus and plan to incorporate digital technology as a core component of the Company's operations
- A digital roadmap has been created with clear timelines, projects and business outcomes with the help of an external expert
- Regular external assessments of our Data Maturity to identify improvement areas
- Using technology to make processes simpler for customers, vendors and internal stakeholders
- Digitisation initiatives are being undertaken by the Company to move from instincts to insights, focussing on improving efficiency with better analytics to make informed decisions
- Projects are being implemented to create digital awareness across organisation, create digital culture across all levels
- IT team reconfigured to focus on Core IT and Digital Projects with their active participation with business

Succession planning risks

Failure to have a robust and flexible succession planning process

Linkage to Capital
Human capital

Mitigation

- The Company has a succession planning process, which is reviewed and updated annually during the Global Leadership meet
- A large part of the requirement of skills for new businesses have been drawn from existing businesses through SHINE+, ensuring capability building through role changes
- The Company endeavours to provide many learning platforms and avenues to allow employees upgrade skill levels to meet future challenges
- Succession planning builds a robust pipeline of people ready for the next level

Failure / Delay in achieving business transformation objective

Linkage to Capital
Manufactured capital

Mitigation

- Enter into new product lines which complement existing products and provides new markets
- Identify products having export potential to expand market reach
- Explore greenfield and inorganic routes to expand footprint

Operational risks

Loss of data & compromised operations resulting from cyber attacks

Linkage to Capital
Manufactured capital

Mitigation

- Regular security compliance checks, periodic third-party assessment, using robust threat monitoring systems, cyber insurance policy, regular patch management, cyber security awareness programme, Benchmarking to ISO 27001 (global standard for Information Security Management System) and upgrading the ISMS policies covering all entities within TCL
- Cyber security war room exercises for senior leadership team, cyber security training across plants and offices. Steps taken by the Management to address Cyber Security Risks is periodically reviewed by the risk management committee of the Board
- Additional monitoring measures including regular reviewing of logs, access of key applications and systems through encrypted VPNs to have enhanced cyber security during "work from home" for connected workforce and facilitating ease of conducting business in the current unprecedented scenario

Loss of market leadership and failure to scale up volumes

Linkage to Capital
Manufactured capital

Mitigation

- Continuing focus on cost leadership
- Scaling capacity both in India and Internationally through brown field expansion and debottlenecking
- Servicing Indian market through cost efficient supply chain
- Creating a portfolio of value-added products by focussing on converting customer needs into products through R&D and innovation

Financial risks

Disciplined capital allocation and cost effective financing structure inability to secure sufficient, cost effective funding

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 on adding economic value and improving ROCE
- Proactive use of the capital and debt markets
- Considering the current situation, conserving 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 management

Regulatory and Compliance risks

Frequent amendments to the statutory rules and regulations which could impact the Company's operation

Linkage to Capital
Social and relationship capital

Mitigation

- Monitoring of compliances through an e-enabled compliance management framework used in with periodic reporting and reviews at leadership forums
- Centralised capture of compliance requirements

Government policy change which could impact the Company's operation

Linkage to Capital
Social and relationship capital

Mitigation

- Ongoing dialogue, liaison meetings and conversations with regulatory authorities and 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

Reputational risks

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
- 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
- Various safety improvement initiatives are implemented and its effectiveness is evaluated
- Hazards identified using techniques such as Stop & Think Assessment (STOP), 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
- GPS system installed in bromine tanker and migrated to ISO tankers for transporting Bromine; leading to product safety in 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 the 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 numbers to address medical related queries
  - Plants working with minimal workforce
  - Close monitoring on Government regulations and ensuring its adherence
  - All non-sites offices are closed Employees are working from home

Advancing Digitalisation and Innovation for a Better Tomorrow

We are pioneering cutting-edge technologies and nurturing innovation to retain our competitive edge. Better technology is helping us transform business and processes to improve efficiencies and customer experience. Innovation is accelerating product stewardship and in seeding niche product areas.

152
Cumulative Patents filed

59
Plant Variety Protection (PVP) in the process of registration under PPV & FRA

4
Publications in peer reviewed journals

SDGs impacted

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

Insights into our R&D centres and key developments

	Innovation Centre – Bengaluru RICH (Crop care)	Innovation Centre – Bengaluru – Seeds	Innovation Centre – Pune
Key initiatives / development FY 2019-20	• Innovation Turnover Index (ITI) increased to over 16% in FY 2019-20 as compared to 10% in the previous year • Three new formulations launched – Zygant and Ayaan in Paddy and Sarthak in Potato and Chilli	• Innovation has led to reduced use of fossil fuel • The seeds ITI showed a score of 12.6% during the year under review	• Partnered with tyre companies for Silica application development • Commercialised new grades of Silica for garment and oral care applications • Internalised Lithium cell technology transferred from ISRO • Scientific support to new business • Staple food fortification Premixes • Ventured into skin domain (built new science)
Way forward	• Evaluate technologies to improve competitiveness and differentiation • Enhance technology to improve success rate	• Attain leadership position in select crops and build opportunities in cotton • Advance technologies in the genetically modified space and build gene editing capabilities	• Leverage Indian academic ecosystem for technology acquisition and development • Commercialise in-house developed technologies • New products and applications in material science, nutrition and energy

Innovation

Innovation priorities

- Progress on the R&D long term plan
- Drive synergies between all the R&D centres
- Balance innovation focus with 70% business-led and 30% science-led projects
- Build CoE to cater the computational and analytical requirements of R&D centres and enhance their efficiency
- Acquire and develop technology from Indian academic ecosystem

Goals

- Innovation leading to business growth through new products and new applications
- Creating R&D infrastructure for new areas of business focus
- Deployment of In-house developed technologies and products
- Advancing technology in seed space

Healthier and beautiful smile

We successfully developed TAVERSIL A50, a specialty grade precipitated Silica that is used as an abrasive agent in toothpaste for better cleaning and polishing performance with tailor-made abrasive properties. It also assists effective removal of pellicle film from teeth surface.

Making India healthier with fortified food

Malnutrition or lack of micronutrients is a key challenge in India. To address this issue, the FSSAI (through FFRC) has recommended fortification of common staple food items. While TCL has been at the forefront of this with its pioneering iodised salt, it has stepped up by developing food fortification premixes for all recommended categories. We have already launched micronutrient premixes for fortification of milk, oil, flour and rice.

How we are enhancing the performance of innovation function

- Leveraging digital and analytics
- Synergising competencies of the three R&D centres to work on cross-cutting opportunities
- Hosting iNNCOTECH symposium to drive new ideas and promote thought leadership
- Open Innovation with partnership by partnering global Research labs
- S&G for prioritising and tracking progress of projects
- Enhancing competencies of the scientists
- Meeting customers to enhance end-customer need understanding
- Strengthen IP strategy

We are focussed on developing sustainable and new technology solutions in line with the business strategy to benefit society and improve the Company's competitive edge. This is being done through internal and external collaboration, focussing on creating platform technology competencies and improving innovation index for the Company.

K. R. Venkatadri
Chief Innovation & Digital Officer

Digitalisation

Digitalisation priorities

- Realigning and renewing IT systems to meet the evolving business needs
- System simplification and creating synergistic platforms
- Strengthening Cyber Security
- Strengthening capabilities in data analytics
- Theme-based initiatives at Mithapur to facilitate effective utilisation of inventory and streamlining logistics
- Setting up Smart Labs with automation
- Digitisation of the finance function

Goals

- Strengthening Core IT for availability, reliability, security and optimising cost
- Set-up of common team to service SAP support and IT Security across entities
- Digitise all the functions

Key digital initiatives in FY 2019-20

- Rolled out supplier collaboration and sourcing platform across group
- Prepared IT Roadmap & Enterprise architecture to leverage industry standard digital technologies
- Initiated work on Laboratory Information Management system (for R&D labs), Transportation / Dealer (at Rallis) / Human Resource Management System modules
- Strengthening internal capability in digital and data analytics

Our bimodal IT strategy

a) **Core IT:** To deliver predictable and consistent performance of IT systems

b) **Business Enablement:** Exploring and implementing multiple solutions to business problems leveraging digital solution

SDGs impacted

Next level digitalisation

We have successfully piloted Industrial Internet of Things (IIoT) technology for a few processes at Mithapur plant and are replicating it across other equipment and processes. The new Nutrition business Mambattu plant was designed with state-of-the-art digital systems that meet global quality standards. To evolve to an insightful organisation and unlock the power of data, a data maturity assessment was done; implementation of recommendations is underway

Cyber Security

Cyber Security is a critical aspect. We are continually strengthening it through training, data loss prevention and war room exercises, etc.

Build Resilient Approach in Response to Covid-19 Epidemic [BRACE]

IT function is fully geared up for tackling the challenge of Covid-19. Employees are enabled to work from home securely. All the critical transactions including financial closures are completed without any challenge. IT roadmap has been revisited and projects are prioritised based on challenges and opportunities considering Covid-19 impact

We are driving transformational change with IT to have smart factories, smart labs, smart offices along with a KPI-driven digital and insights mindset. This will create a digital and analytics led enterprise and will help us drive the productivity of various business functions. It will further aid in reimagining the business model for organisational transformation.

K R Venkatadri
Chief Innovation and Digital Officer

Enhancing Health and Safety Practices

Safety is an essential part of Tata Chemicals' value system. Our 'Zero Harm' approach – Zero Harm to People, Asset and Environment – guides the safety roadmap for the operations and assists us in achieving our business targets.

We are guided and governed by the Tata Code of Conduct:

We shall not compromise safety in the pursuit of commercial advantage. We shall strive to provide a safe, healthy and clean working environment for our employees and all those who work with us.

Safety Priorities and Goals

- Enhance Safety Culture by reinforcing Safety Leadership for achieving Target Zero Harm – Zero Harm to People, Asset and Environment
- Improved Asset Integrity Programme for the safety of physical assets
- Strengthen the Safety Risk Assessment, Audit and Process Safety Management
- Focus on improving employee engagement through Line Function Accountability
- Standardisation of safety reporting through e-enabled data management system

Our Approach to Safety Target Zero Harm

Zero Harm to People

Reduces serious injuries and eliminates disabilities and deaths

- Take responsibility and care of teammates by building safety culture
- Drive health & safety improvements across business

Zero Harm to Assets

Ensures assets reliability and longevity

- Adhere to Long-term Asset Management Plan (LAMP), safety standard operating procedures and maintenance practices
- Routine inspection, condition monitoring and change management

Zero Harm to Environment

Advocates environment-friendly business practices

- Eliminate activities having adverse impact
- Monitor, benchmark and work with third parties
- Adopt workflows and technologies that improve environmental performance

Key initiatives for operational health and safety (OHS) in FY 2019-20

Initiatives	Impact
Felt leadership programme to strengthen safety culture Programme focussed on risk thinking, safety cuture and root cause analysis	• 25 Senior Leaders trained • 62% compliance to strategic commitment plan under the leadership influence
Focus on employee engagement • Several initiatives covering safety, behaviour, hazard identification etc. undertaken • Cross Functional Teams (CFTs) are formed to deploy safety initiatives like Process Safety and Risk Management etc. Joint management-workmen committees at sites to focus on OHS areas with active participation of Senior Management	• 1.0 Nearmiss reported per employee per month • 90% closure of nearmiss • 124 people trained in Process Safety
Operational Safety – Asset Integrity, Risk Assessment, Audit and Inspection • Long-term Asset Management Plan and structural safety programmes are in place • Draft 'Guidelines for Safety Risk Assessment over Organisation Life Cycle' released • Cross site safety audit for Indian subsidiaries completed • Internal / external audits, inspections, surprise checks and engagement with experts to identify lapses and improvement areas	Responsible Care® Good Chemistry at Work Retained for India operations • One new site certified for ISO 45001:2018 and one for ISO 14001:2015 • 82% - closure of audit action points
Digitisation and Data Analytics • Global e-enabled portal, 'WSO' for safety data management. Exploring data analysis and development of predictive models to identify vulnerable areas, early warning signs to reduce safety incidents • Explored IoT solutions for lone working areas	• 100% - implementation of WSO at TCL and its subsidiaries • Successful completion of pilot for safety wearables in lone working areas

Way forward

- Sustaining the ongoing safety improvement programmes
- Standardisation and certification of Health & Safety Systems
- Strengthening of training and certification modules for key trades associated with high risk activities
- Enhanced focus on Lead Indicators through progressive Safety Index for measurable systematic improvements in Health & Safety

Safety Governance and Working Structure

Board Level

(Board of Directors; Safety, Health, Environment and Sustainability Committee; Risk Management Committee; Audit Committee)

Providing direction and guidance to the Management to ensure due addressal of safety implications & risks in all ongoing and new strategic initiatives, budgets, positive assurance, audit actions and improvement plans

Management Level

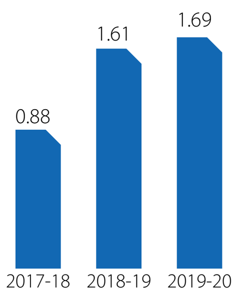
(Management Review Council; Global Chemical Council; Risk Management Group; Strategic Business Unit Council; Site Apex Committee; Steering Committee)

Reviewing safety performance, risks and their mitigation plans implementation, audit closure and improvement plans and key safety priorities

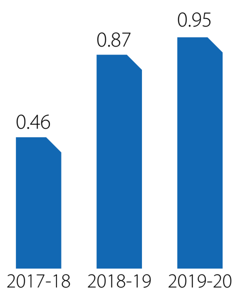
Working Committees & Line Functions

(Joint Safety Committees; Departmental Safety Committees
Office Safety Committees and all Line function including individual company and contract employees)

Implementation of safety as per Management & Board requirement, adhere and ensure that the mandated safety requirements are followed



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



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

*Includes all subsidiaries

UN SDGs

We witnessed one unfortunate fatal incident in FY 2019-20. A detailed investigation was carried out and critical gaps were identified to prevent such incidents in future.

People are Critical in a Science-led Future

The experience and expertise of our multi-generation, multi-nationality and gender diverse teams is the key to achieving high performance benchmarks and delivering unique science-led solutions. We are restructuring our organisation, re-engineering our people processes and investing in people capabilities to create more value for them, the organisation and our stakeholders.

SDGs impacted

HR priorities

- Organisational restructuring for transformation
- Talent on-boarding and capability enhancement
- Nurturing engagement among the multi-generational workforce
- Enhancing HR operational effectiveness

Key initiatives undertaken in FY 2019-20 and outlook for future

Organisation restructuring for transformation

With our structural re-alignment into Basic Chemistry Products (BCPB) and Specialty Chemicals Products (SCPB) businesses, we are undertaking business-specific changes in our people management approach in order to make ourselves leaner, agile and flatter. For our SCPB, self-managed teams have been institutionalised to foster collaboration, speed and customer-centricity in the workforce. We have also restructured our Innovation Centres (IC) and are focussed on driving greater synergy among Metahelix and Rallis' operating teams post their merger.

Talent onboarding and capability enhancement

We continue to strengthen our core competencies of customer-centricity and operational excellence through training and implementation of 5S and Business Excellence tools. To provide access to contemporary concepts, we offer platforms like edX and certification courses from the best global universities. On the leadership development front, we invested in executive coaching, leadership journeys for high potential women, immersive programmes on Felt Leadership and manager development. We continued with the 'iNNCOTECH' platform to facilitate outside-in perspective and bridge Innovation and Technology through Collaboration. We are using 'Tech Talk' platform to share information on latest developments in our Innovation Centres.

As we envisage scaling new businesses, investing more in digital initiatives and building niche/specialist skills, we focus on hiring skilled talent and enhancing the capabilities of our people. Our intent going forward is to further R&D capabilities and collaborate with academia and premium research institutions to drive focussed innovation and create science-led solutions.

Nurturing engagement

We launched an online Reward & Recognition platform 'Kudos', HR Helpdesk for timely resolution of employee queries and a biometric-based self-managed attendance system, 'SMART'. We provide employees a platform to opt for career changes through our 'SHINE+' programme while also emphasising on various elements of diversity to create a more inclusive organisation.

Several changes in HR policies and process are updated and relooked to modernise them based on recommendations received by cross functional teams under the 'Refresh 2020' initiative.

Enhancing HR operational effectiveness

Our migration to an integrated HRMS solution in FY 2020-21, will enhance employee experience and improve the operational efficiencies of the HR function, while driving both workforce and workplace transformation.

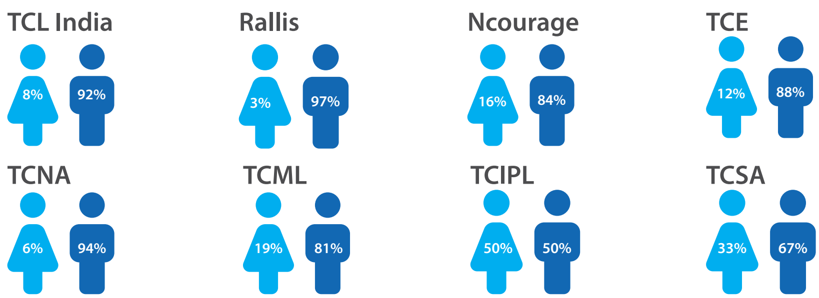
Improving outcomes of new hires

Our campus to corporate induction programme for Graduate Engineer Trainees was enhanced and re-branded as 'Aarambh'. Using a mobile based platform, we are engaging with the new batch of GET's even before they come on board, giving them an overview of the organisation and our values through carefully crafted learning content. Their year-long learning journey covers experiential learning, CSR and technical projects and access to a programme on foundational leadership competencies – 'ValYOU Starter' enabling them to lay a strong foundation to their budding careers.

Diversity and inclusion at Tata Chemicals

As on March 31, 2020 (on-roll employees)	White Collared	Blue Collared	Total
TCL India	1,176	644	1,820
Rallis	1,547	63	1,610
Ncourage	19	0	19
TCE	86	321	407
TCNA	183	390	573
TCML	221	0	221
TCIPL	4	0	4
TCSA	24	0	24
Total	**3,260**	**1,418**	**4,678**

Gender ratio



Our key performance indicators

	UOM	FY19	FY20
Gender Diversity	%	7	7
Employee Engagement	%	73	NA*
Functional Training Coverage (unique employees)	%	72	72
Training days per employee	Mandays/employee	3.4	2.9
Employees in R&D (Intellectual Capital)	Nos.	224	228
Voluntary attrition#	%	10	10
Employee productivity (PBT per employee)	Crore /employee	0.3	0.3
Incidents of labour unrest	Nos.	0	0

*Employee engagement survey is conducted every two years by an external partner.

#Voluntary attrition for India pertains to white collared employees.

As we continue our transformation journey towards becoming a leading sustainable science-led solutions company, our key theme for human resources this year is to create an organisational climate that nurtures diversity, operational excellence, innovation and greater cooperation and synergies among teams within and across businesses and functions. We will continue to invest in our workforce to enhance their skills and competencies required for the organisation of the future.

R. Nanda
Chief Human Resources Officer

Driving Prosperity of the Communities

Our CSR programme are closely aligned to the United Nations Sustainable Development Goals. It encompasses our enduring commitment to stimulate economic activity and enrich the quality of life, while sharing its lasting benefit in the regions we operate in and strengthening relationships with the communities.

CSR priorities

- Enriching the quality of life by creating sustainable livelihoods
- Maintaining and conserving environment and bio-diversity
- Enabling the aspects of health, sanitation, nutrition, education
- Building Social Capital for long term sustainability

Development that enables Sustainability and Community Empowerment

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 & Well-being, 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

Building economic capital

Farm based livelihoods

In FY 2019-20, we engaged with more than 9,800 farmers on capacity building, exposure visits, field demonstration and livestock management system training programmes. Seeds and agri-equipment support was provided for enhancing the productivity. We facilitated registration of Okhamandal Farmer Producer Company Ltd. which would benefit approximately 1,200 farmers.

Non-farm-based livelihoods

We are running skill development programmes in different locations to train unemployed youths and facilitate their employment or entrepreneurship development. Vocational skill training includes fashion technology, welder, fitter, domestic electrician, beauty and wellness, etc. We set-up a technical skill training institute at Mithapur affiliated with NSDC which also supports Tata Strive Centre at Aligarh and the ITI at Dwarka.

With the objective of creating sustainable livelihood opportunities for rural women artisans, Okhai is bringing them to the customer. 2,366 artisans across India have benefited with a market linkage to 40,000 online customers. Okhai is now a recognised and sustainable online fashion brand with over 1,92,000 online followers. Its first flagship store in Mumbai will be launched shortly.

We organised entrepreneurship development training for women members of self-help groups. At Mithapur, six clusters / group enterprises were formed engaged in Bandhani, Rexene & Leather, Bead work, Jute, Block print and Coconut Fibre products. They are linked to Okhai for market development and also have two retail outlets. In Kenya, TCML engaged 60 women in bead work to help them earn a sustainable livelihood. Lake Magadi Eco-tourism project is helping to finance local community projects.

Our CSR impact - FY 2019-20

Parameter	Impact
Building economic capital	
Farm-based livelihoods:	
Number of farmers benefited	9,840
Number of cattle covered	56,250
Non-farm-based livelihoods:	
Number of youths covered under skill development programme	1,576
Number of artisans impacted under traditional handicraft promotion initiative	2,566
Sales of traditional handicraft (₹ lakh)	651.14
Ensuring environmental integrity	
Number of people sensitised	7,568
Number of mangroves planted	1,03,700
Whale sharks rescued	44 this year, total 787
Litres of Water harvested (MCft)	31
Enablers for social, economic and environmental development	
Good Health & Well-being:	21,718
Number of people covered under general healthcare	3,194
Nutrition – No. of women covered	8,549
Nutrition – No. of children covered	9,975
Education:	
Number of students supported (LAMP)	6,952
Number of students supported	13,918
Clean Water and Sanitation:	
Number of families supported for drinking water and toilets (Mithapur)	1,060
Number of people supported for drinking water (Ncourage)	48,000

Self-sustaining entities driving our CSR activities

- **Social enterprises:** Okhai Centre for Empowerment (Okhai), Tata Chemicals Society for Rural Development (TCSRD) and Ncourage Social Enterprise Foundation (NSEF)

- **Centres of Excellence:** Centre for Sustainable Agriculture & Farm Excellence (C-SAFE) and Centre for Sustainable Conservation Action for Protection of Ecosystems of the Seas (C-SCAPES)

Ensuring environmental integrity

In Mithapur, we run biodiversity conservation programmes like recovery of coral reef, conservation of whale shark, mangrove plantation, rejuvenating indigenous flora and fauna and environmental education initiatives.

Our Whale Shark project focusses on its habitat study and research on migratory pattern and breeding biology. We are working with the Eco Clubs in local schools to raise awareness on environment conservation.

TCL participated in UN Convention on Migratory Species – COP13 held in Gandhinagar. In the Green Program, we planted 1.03 lakh mangroves in Dwarka, Gujarat and Sundarbans, West Bengal. We have established C-SCAPES in Mithapur as a dedicated knowledge, research and field implementation institution.

Land development, water management and conservation programmes like recharging by well recharge structures, water harvesting by check dam and community pond structures, etc. were carried out at Gujarat. A dry waste processing plant was installed at Mithapur, launched under the Swachh Bharat Abhiyan.

Enablers for social, economic and environmental development

Good health and well-being

During the year, 3,194 people benefited through health and nutrition camps. In Sriperumbudur and Mambattu, a herbal-based kitchen garden was promoted as preventive health measure. In Kenya, TCML supported Magadi Hospital provided health care services to 30,000 community people. TCML also supported with 15 tonnes of unimix for 3,000 nursery school children in Magadi. In UK, TCE organised fund-raising volunteering activities for charity-funded St Luke's Hospice. TCL implemented 'Holistic Nutrition' project in Amravati and Barwani targeted at the child's first 1,000 days.

Education

TCL undertook need-based educational programmes across locations focussed on ensuring zero drop-out and improving educational quality in schools, starting from pre-primary. Initiatives like eLibrary, Learning Enhancement Program, teacher training, scholarships, Child Learning and Improvement Program, Shreemati Nathibai Damodar Thackersey Women's University and Career Resource Centre benefited ~13,900 children. The Learning & Migration Program, focussed on strengthening the community school management system and improving the learning capabilities of students, benefited ~6,900 children.

In Kenya, TCML provided infrastructure support to schools and scholarships to more than 100 students at various levels. In UK, TCE provided career information with emphasis on STEM to 300 students in all-girls Loreto Grammar School in Altrincham, Cheshire. TCE has collaborated on a joint CSR project with Passion for Learning, who mentor 400 children across schools in the North West of the UK (TCE's locality). Our team of volunteers go into local primary schools on a weekly basis, to mentor groups of underprivileged Year 5 and Year 6 children, and help open their minds to the possibility of a career in the manufacturing and chemical industry.

Safe water and sanitisation

We facilitated clean water supply through our Samridhhi and Swachh Tarang projects under which roof rainwater harvesting structures were developed, hand pumps were repaired, and households were supported with water purifier systems. During the year, 830 households were provided tap connection. Behaviour change programme – Swachh Bharat Mission Cleanliness Drives and construction of toilets and sanitation units improved sanitation in the rural areas.

In Kenya, TCML supplied 60,000 litres of treated drinking water per day to 18 public primary schools, 40 ECDE (early childhood development education), 7 dispensaries and 17 community waterpoints using its water boozer. TCL supplied 150,000 litres of treated drinking water per week to remote regions between Magadi and Singiraine.

Building social capital

We work towards inclusion and empowerment of women, scheduled caste, scheduled tribe and other vulnerable sections of society. TCNA undertook programmes to support single mothers, senior citizens, children in need and veterans. TCL has set-up two social enterprises, Okhai which facilitates sustainable livelihood for artisans and Ncourage which promotes affordable, clean and safe drinking water through Tata Swach range of water purification systems as well as animal health and nutrition. This year, the Magadi Soda Foundation carried out needs assessment and launched a participatory strategy development process to inform community development priorities.

Other initiatives

During the year, TCL provided relief support to disaster affected people in Maharashtra. We provided ample opportunities to employees and family members to volunteer on different social and environment issues.

Supporting the nation to combat Covid-19 pandemic

We have adopted a two-pronged approach to tackle Covid-19 – one, supporting the government and two, supporting the local communities. We manufactured and supplied more than 1.17 million Litres of disinfectant to the Government of Gujarat and 600,000 Litres to BMC, Mumbai alongside augmenting Mithapur Hospital by setting up temporary additional facilities. Self Help Groups and artisans associated with our Okhai initiative were engaged to produce over 2 lakh masks in Mithapur and Cuddalore for distribution to police and local communities, providing livelihood to 275 women. We have supported over 47,000 people from vulnerable communities across our plants with dry ration kits. We also engaged with the local communities for increasing awareness about the pandemic and safety measures, using posters and videos.

Fulfilling aspirations

Nutan, a bright student, completed her 12th grade and wanted to pursue medical studies. Her father motivated her to pursue this dream but was unable to fund her education. We supported her with scholarship for pursuing MBBS from medical college in Baroda which she has successfully completed. She is now a practicing doctor and is preparing for MD examination. Nutan's journey has inspired many girls from her village to follow their dreams.

At Tata Chemicals, social development is an important goal, we touch the lives of millions globally and strive to be a neighbour of choice. We focus on sustainable community development to address the UN SDGs and development challenges through programmes that are replicable and scalable, while empowering communities.

Alka Talwar
Chief CSR and Sustainability Officer

Stepping up Sustainability Commitment

We are taking bold steps, evaluating all our operations and investments, and embedding sustainability in our strategic priorities to protect the environment and the communities. Our sustainability goals are closely aligned with the UN SDGs and reflect our commitment to be a transparent and responsible organisation.

Sustainability priorities

- **Carbon emissions:** Capturing carbon in usable form
- **Circular economy:** Reducing waste and converting it to wealth
- **Biodiversity:** Being resource efficient, conserving habitats and focussing on tree plantation

Sustainability goals and how we are achieving them

	Goals and targets	How are we achieving
Economic	• Maintaining business leadership position and focussing on cost efficiency • Focussing on high-return business and enhancing shareholders' value • Product stewardship	• Capacity expansion plan of major products with a focus on carbon reduction • Focus on developing value-added products (i.e. Bicarb, Highly Dispersible Silica) • Digital ecosystem to enhance operational efficiency and productivity • Reducing environmental impact by developing more water-based formulations than solvent-based products
Environmental	• Commitment to Science Based Target initiative • Reducing environmental impact of our manufacturing operations through waste management and renewable energy initiatives • Focussing on reducing carbon emissiions, becoming water neutral and achieving 100% packaging material recycling	• Conducting climate change risk assessment and waste mapping study • Promoting smart agriculture • Revamping energy and emissions roadmap at plant level • Lowering product lifecycle impact • Energy audits • Transitioning to clean fuels and technology • Initiating carbon capture and conversion to usable form project at TCE. Conducting feasibility study for more such initiatives • Implementing continuous air emissions monitoring systems • Biodiversity conservation projects • Responsible sourcing • Innovating to manage waste, especially plastic
Social	• 3 million tree plantations by 2030 • Promoting species conservation • Strengthening biodiversity around our operations for both natural and human communities	• Plantation on 500 acres of land (biodiversity reserve, mangroves, mines area, salt works, and wastelands, new sites, etc.) • Establishment of 'Prakriti' Mitra-Sakhi Mandals • Restoration and conservation of coral reefs: coverage of new reef in 2,000 m^2 area

Sustainability framework

Our sustainability strategy and policies support best practices and drives encouraging change across the business. They are underlined by our corporate strategy which aims to integrate sustainability across business, having in place robust systems and processes and focussing on operational efficiencies and carbon abatement plans. The Safety, Health, Environment and Sustainability and Risk Management Committees have oversight and ultimate responsibility for sustainability matters. They are regularly updated on performance across all internally defined sustainability-related material risk matters. We have facilitated e-enablement for tracking sustainability KPIs, the performance of which are used to review strategy on an annual basis.

Key sustainability initiatives undertaken in FY 2019-20

Energy conservation

Mithapur

- Replaced traditional lights with LED lights and undertook VFD conversion for HRT, HCT and slurry feed pump resulting in total power savings of 2,423,023 kWh
- Undertook technology switch-over of CCG Electrolysers from De Nora to UHDE which will save 500 kWh per tonne of Caustic

Magadi

- Replaced 160W mercury vapour flood lamp with 100W LED flood lamp for outdoor applications and 5ft fluorescent lamps with 5ft LED lamp for indoor application
- Replaced calciner refractories and furnace chamber
- Installed and commissioned a waste oil recycling system
- Installed two 1.2 kW solar powered high-mast lighting systems

North America

- Undertook energy efficiency projects, resulting in estimated yearly power savings of 6,364,156 kWh and 20% less coal usage. These projects include:
  - o Optimisation of boiler electrostatic precipitator (ESP)
  - o GR2 Dryer 2 Draft Fan VFD
  - o GR3 Fan Upgrades
  - o Baghouse on-demand purging
- Exploring applications for solar and wind opportunities

UK

- TCE has detailed list of opportunities to conserve resources and efficiency improvements planned with new boiler at Middlewich
- Project sanctioned to increase electricity generation on the Lostock steam turbine and expected to increase electricity generation of the turbine saving the site around £70k per annum with this steam-generated electricity displacing electricity generated from natural gas thus reducing the carbon footprint of the site
- Metering projects are underway across the sites to better understand their electricity consumption and implement focussed efficiency projects
- Use of highly integrated heating system avoids cooling of the water and helps to reduce our energy needs

Emission management

Mithapur

- Replaced CEHP 1 economiser, installed sonic soot blower in CEHP 1 & 2 and automatic blowdown system in HPB 3 boiler, resulting in approximate annual coal savings of 1,248 tonnes

Magadi

- Kajiado dust control project to reduce dust emission
- Ongoing project to instal CEMS (Continuous Emission Monitoring System) at ESP Plant

USA

- Exploring the elimination of coal by converting coal-fired boilers to natural gas along with potential to reduce GHG emission by 30% by installing new soot blower and exploring carbon capture/ offsets

UK

- Invested in a contemporary boiler plant at the British Salt plant that will have ~94% efficiency (80% currently) translating to 8,500 TPA reduction in CO_2
- Winnington CHP, part of TCE's Northwich operations, is developing a Carbon Capture and Utilisation scheme for capturing food and pharmaceutical grade CO_2 and will use it in the Sodium Bicarbonate plant. This global first initiative will contribute to a 40,000 TPA reduction in CO_2 emissions

Waste management

Mithapur

- Used plastic waste (96 tonnes) and waste/spent oil (9,300 litres) as alternative fuel for Cement plant
- Focussed on bulk transportation of products through railway, bulkers, and containers
- Ensured 100% fly ash utilisation and 87.6% effluent solids filtration and utilisation

Magadi

- Initiated recycling of waste oil, torn plastic and scrap metal
- Conducted ESIA (Environment Social Impact Assessment) study for waste disposal guidance

USA

- Implemented a new solid waste management policy that necessitates recording of waste volumes/streams and explores the potential for recycling
- Installed a Soda Ash recovery unit that increased operational efficiency of deca units
- Implemented a sulphate reduction project that captures additional purge from evaporator bodies to feed purge deca recovery units
- Rerouted mud stream so that it can be transported and processed in the paste plant

UK

- Continued to ensure that effluent discharges are within permissible standards and sent out waste ash and lime to third parties for reuse

Water conservation/management

Mithapur

- Replaced resin at water softening plant, curbing chemical consumption and effluent generation
- Continued water harvesting programme in the community

Magadi

- Ongoing project on domestic sewerage
- Installation of meters and push taps to control water usage

UK

- The British Salt site at Middlewich harvested rainwater for use within the plant. The Sodium Bicarbonate plant returns water abstracted from the river Weaver for cooling purposes, incurring a net zero consumption

Addressing climate change

Climate change is an important agenda for us. Being one of the leading chemical companies with vast global operations, we aspire to play an enabling role in transitioning to a low-carbon economy. To achieve this, we have signed up the commitment to Science Based Target initiatives and have in place Climate Change Strategy for 2030 aimed at reducing carbon emissions by 30%, becoming water neutral and achieving circular economy in our value chain. We have initiated this journey by conducting a climate change risk assessment for Mithapur and are working on an action plan. We are ensuring the effectiveness of our climate action through active involvement of the Board and top leadership. The Executive Committee of Board reviews and mentors sustainability and climate change initiatives. The Board also provides guidance and support to the management.

> Sustainability is embedded in the way we do business. It is not just about energy & water efficiency, adopting circular economy principles, mitigation of climate change and biodiversity impacts of business; it's about seeing the complete picture, a 360 degree view that considers all stakeholders' needs and blends both financial and non-financial goals into key business strategies.
>
> **Alka Talwar**
> Chief CSR & Sustainability Officer

Rehabilitating waterfowls

The evaporation ponds at TCNA are a stopover site for migratory birds, especially waterfowl, which was a challenge as their bodies would be covered by soda ash. A 'Waterfowl Rehabilitation Programme' was undertaken, with permission from the United States Fish and Wildlife Service. The programme required TCNA personnel to keep waterfowl and other wildlife away from the evaporation ponds. The affected waterfowl were brought to the rehabilitation room and allowed to swim in a tank with warm water. This helped dissolve the soda ash on their bodies. They were then put through some rest and recovery steps and then released near the Blacks Fork River or Green River.

A total of 80 waterfowl were rehabilitated and released in 2019.

Sustainability Highlights

Sustainability area	Performance indicator	FY 2018-19	FY 2019-20	Status
Climate change performance	Scope 1 CO_2 emissions (Kilo tonnes)	4,322	4,446	↑
	Scope 2 CO_2 emissions (Kilo tonnes)	38.36	42.7	↑
	Scope 3 emissions (Kilo tonnes)	93.34	119.36	We have worked on improving the methodology to calculate the emissions which has led to increase in the scope 3
Energy performance	Direct energy (TJ)	46,190	47,736	↑
	Indirect energy (TJ)	254	315	↑
Water management	Fresh water withdrawal (Megalitres)	28,749	27,728	↓
	Sea water withdrawal (Megalitres)	76,442	70,535	↓
	% water recycled and reused	66	86	We have worked out the calculation methodology at TCNA which resulted in increase of recycled water
	Treated water discharged (Megalitres)	88,516.5	79,770	↓
Waste generated and disposed	Hazardous waste (MT)	3,175	4,832	Demolition of a section of the Winnington site at Tata Chemicals Europe for new projects has led to increase in waste which was re-utilised and also disposed with the recycler
	Non-hazardous waste (MT)	7,84,462	9,03,517	
	Solid waste utilisation (only India operations)	4,00,361	5,49,815	↑
Raw material consumption	Limestone (MT)	19,66,852	20,86,088	↑
	Trona (MT)	50,75,142	51,87,160	↑
	Solar Salt (MT)	16,79,232	21,03,068	↑
	Brine (KL)	70,55,585	95,91,778	↑
Recycled material consumed	% Limestone recycled at India Operations	89.74	86.69	↓
	Soda Ash recovery at TCNA	1,08,147	1,06,956	↓
Air emissions (in MT)	SOx	5,451	3,471	↓
	NOx	2,106	5,601	↑
	SPM	1,902	1,478	↓

This data covers Tata Chemicals India, North America, Europe and Kenya Operations.

Basic Chemistry Products

Stepping up as trusted partner for our customers

We are an essential chemical input provider for leading global companies with over eight decades legacy. Our customers trust us for our quality and services and expect us to play a more important role in their value chain. We are investing in capacities, capabilities, thought leadership and innovation to surpass their expectation by delivering unmatched value proposition to them.

Business overview

We engage in the manufacture of inorganic chemistry products with plants spread across four continents – America, Europe, Africa and Asia. We are the world's third largest Soda Ash and India's leading vacuum evaporated iodised salt producer. Our salt works, spread over 36,000 acres, are the largest in Asia. We produce soda ash using synthetic and natural mining process. Of this, 3/4th capacity consists of natural soda ash allowing us significant cost competiveness.

Customer centricity, operational excellence and sustainability are the key pillars of our strategies. We are a preferred choice of customers and continue to focus on building and consolidating relationship. Our portfolio comprises differentiated and value-added brands and products meeting the specific customer needs. We lead and succeed in the market through continuous improvement programmes, cost optimisation, and lean and innovative supply chain solutions. Safety is one of our core values as we strive to achieve our target of Zero Harm.

Read more Pg 4-5

Information on geographical spread and subsidiaries

Our product portfolio

Soda Ash – Light

End-user segments and applications

Detergent, Sodium Bicarbonate, Sodium Silicates, other chemicals, dyes and intermediaries

Brands / products

Light Soda Ash, STPP

Soda Ash – Dense

End-user segments and applications

Float glass – construction and housing, automotive sector, silicates

Container Glass - soft drinks, spirits, pharmaceuticals, tableware, glass

Brands / products

Dense Soda Ash, Granplus, Detmate

Bicarb

End-user segments and applications

Pharma (US/British/Indian Pharmacopoeia), Food, Animal and poultry feed, Food grade dust, Explosion suppressant, Haemodialysis, Flue Gas Treatment

Brands / products

Pharmakarb, Medikarb, Sodakarb, Alkakarb, Speckarb, Hemokarb, Briskarb

Salt [IVSD]

End-user segments and applications

Food Processing, industrial salt, de-icing, dairy products, water softening and industrial applications

Brands / products

Edible Salt, Glacia, Granulite (British Salt), Magadi Moore, Nyama and Moore Maziwa

Cement

End-user segments and applications

Construction, Pre-cast Pipes, Blocks, etc.

Brands / products

Tata Shudh OPC, Masonry Cement and PPC

Halogen Products

End-user segments and applications

Agri Chemicals, Pesticides, Pharma Intermediaries, Fire Retardants, Textile Processing

Brands / products

Liquid Bromine, Caustic Soda

Crushed Refined Soda

End-user segments and applications

Sodium Silicate, Animal feed additive, Lead processing, Mining applications, Effluent / Flue gas / Compost heap treatment

Brands / products

Crushed Refined Soda

Gypsum

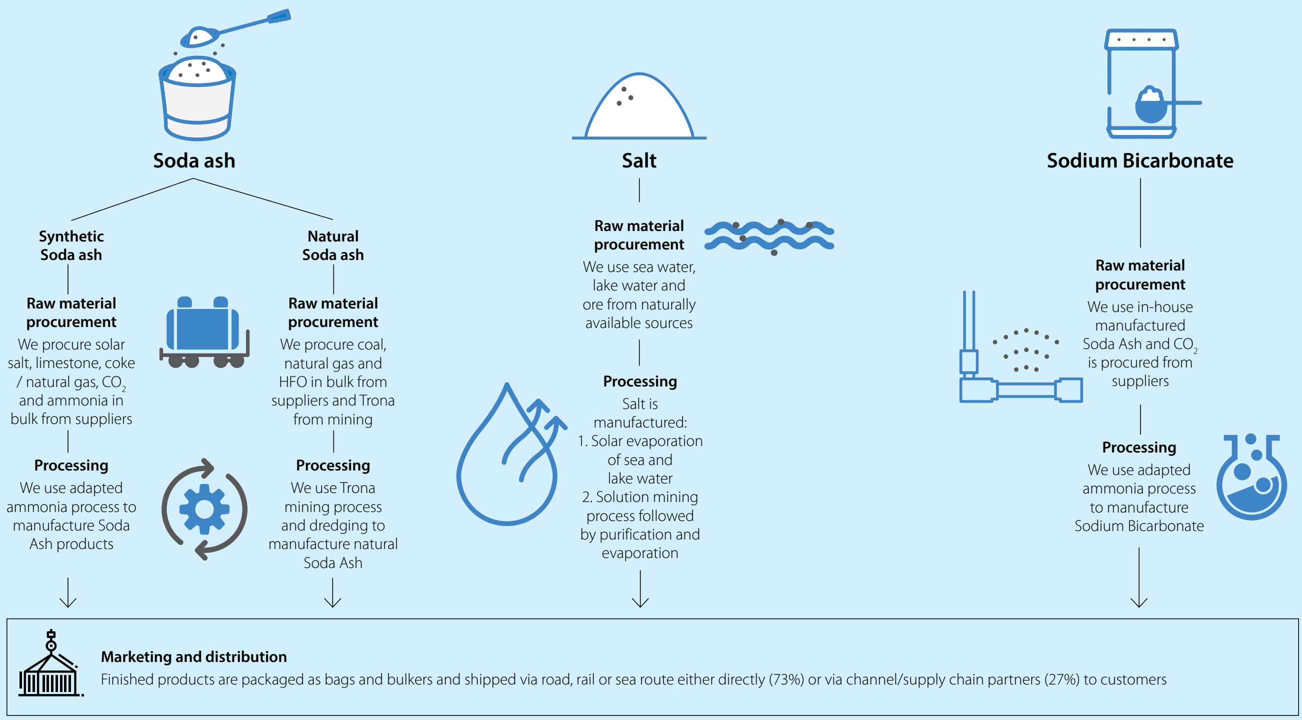
End-user segments and applications

Portland Cement, Soil Treatment, Inert Filler in paints, paper, pharma, etc.

Brands / products

Gypsum

Value Chain



Competitive Advantage

1

Reputation

Strong corporate brand and very high image score

World's – 3rd largest Soda ash manufacturer

2

Distribution

Lean supply chain and network of depots, pioneers in bulk movement of soda ash in India

3

Leadership

Market leaders in Bicarb and a major player in Soda Ash in India

TCNA has significant market presence in the U.S. and Canada

Market leader in Bicarb and Soda Ash in UK

4

Relations

Strong and Longstanding relationships with Blue chip customers spanning over several decades

High Marketing capability due to partnership with ANSAC

5

Operational excellence

Efficient, cost effective, safe and sustainable

TCE-ground-breaking HR practices to utilise 21st century processes for traditional industries

6

Technology and cost competitiveness

Use of technology for deeper customer connect and ease of doing business

World's leading state-of-the-art CHP power plant-Low carbon emissions in UK

Operational and strategic developments

TCL

- FY 2019-20 has been a year of mixed performance. The year began with strong momentum in demand and price. However, the demand and prices came under pressure due to increase in imports on removal of Anti-dumping duty (ADD) on Soda Ash, addition of new capacity from other players which caused oversupply due to Covid-19 pandemic outbreak
- Branded product sales grew by 30% with the commercialisation of the Speckarb and Detmate brands and increased penetration of Medikarb brand led by wider acceptance from pharma and haemodialysis segment
- Growth in cement volumes due to higher acceptability and deeper penetration of the relaunched version with value-added proposition of high one-day strength along with volume stabilisation of the newly launched PPC
- Focussed on improving customer experience by rolling out online customer portal – ChemConnect – across all distributors and many customers and introducing online channel finance facilities which received good response
- Entered into a long-term supply agreement for salt with Tata Consumer Products Limited ('TCPL') pursuant to the demerger of the Consumer Products Business to TCPL, making it one of our key strategic customers. We focus on providing them world-class service and value to establish deep relationship with them for maximising mutual value

Picture Credit: Abbot Logistic Group

- Progressing steadily on execution of Pragati Project involving a CAPEX spread for debottlenecking and brownfield expansion of our existing capacities of various products. Capex for debottlenecking of Salt and Bromine capacities has been completed The expansion of salt production is underway and envisages an additional 100Kt production in FY 2020-21
- Initiated a Climate Change Risk Assessment to combat and increase resilience to climate change issues. We plan to use SBTi methodology and adopting alternate energy solutions, carbon capture, energy efficiency and other programmes to achieve the ambitious absolute carbon reduction targets

TCNA

- Acquired remaining 25% stake in TCSAP from our minority interest partner (Owens-Illinois) for US$ 195 million
- Renewed Union Collective Bargaining Agreement through Q4 FY 2021-22, ensuring labour stability
- Growth in daily manufacturing as a result of debottlenecking and maintenance efforts

TCE

- Initiated building UK's first major carbon capture and usage plant (CCU) at our CHP operation
- Invested in a new power plant for salt operation with likely operationalisation in 2020
- Continued utilising electrical generation capacity to enable the decarbonisation of the UK National Grid and support intermittency challenges

Read more
Pg 103-109
Management Discussion and Analysis for more information on our operational performance

Strategies

Grow volume of current products and strengthen leadership through:

- Debottlenecking, brownfield expansions and maintenance of existing capacities
- Operational interventions, cost optimisation and investment in technologies and continuous improvement
- Portfolio choices to enhance value, improve efficiency and margins
- Exploring adjacencies and forward integrating across soda ash, chlorine and salt value chains
- Identifying white spaces and value accretive products where we can leverage our core competencies
- Use technology to drive operational efficiencies through predictive operating controls in main plants and automation of customer engagement cum analytics
- Develop our strong export capability in high-grade and high-end applications

Expanding and investing in value-accretive cement portfolio

As a step towards circular economy, we established our cement production facility in 1993 to utilise the solid waste generated in the manufacturing of Soda Ash and to realise value from it. Our strategic direction in the business has been to continuously add value to products to meet customer requirements. Subsequently, we expanded our portfolio to Masonry cement, a niche and unique product and OPC cement with high one-day strength.

Continuing this journey forward, we expanded our product offering by launching Tata Shudh PPC Cement in response to the changing customer expectations for blended cements. Made of high-quality fly ash, this cement can be used for all construction applications. With this, our cement portfolio cuts across wide application segments and offers widest range in construction in our core markets of Saurashtra and Kutch.

With rising demand, our PPC cement is gaining increasing acceptability due to its quality and versality. To serve this growing demand, we have planned to further augment our production capacity by 0.3 MMT by FY 2021-22.

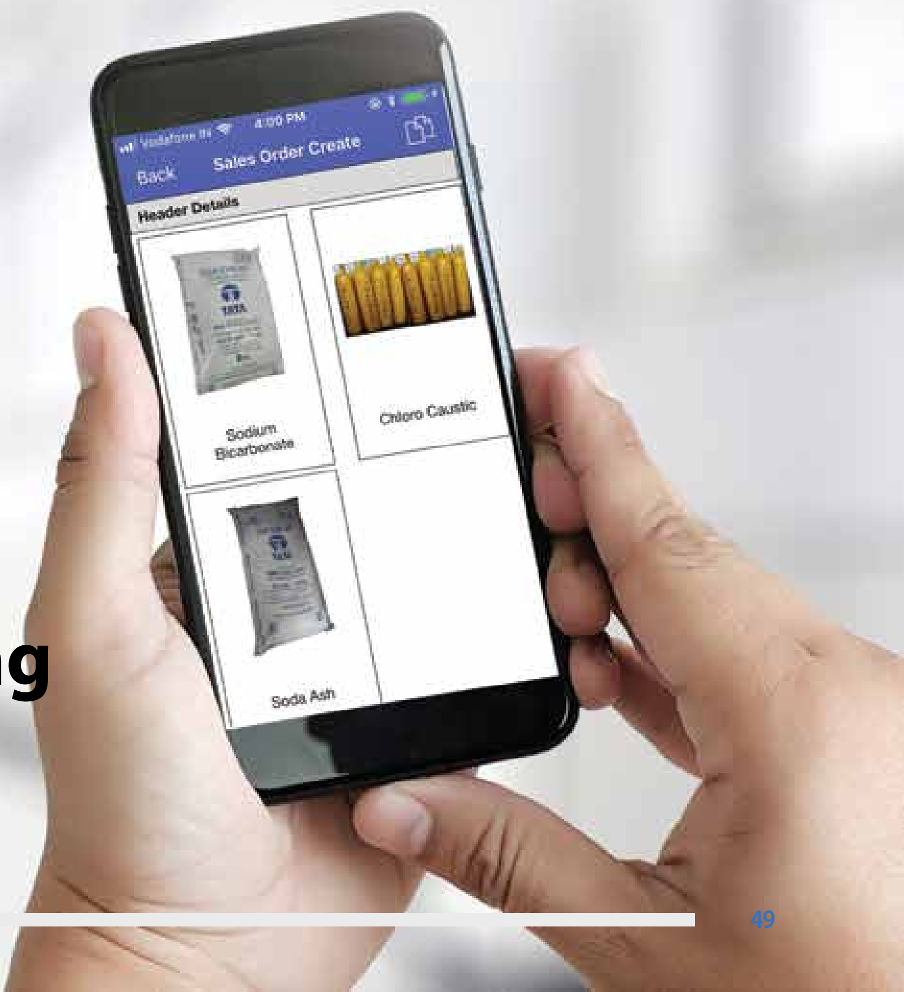
Empowering customers with ChemConnect

ChemConnect is our cloud-based web application, providing real-time access and services on the go. A one-stop shop solution, it makes available information and data, facilitates transaction tracking and eases conducting business through facilities like order booking, MIS, banking, balance confirmation, complaint management etc.

Launched initially in the B2B context of Indian Chemical operations, ChemConnect today helps serve our customers (business partners) and goes right upto the next tier of our customers' customers i.e. the end customers. It powers our global chemical operations and remains at the forefront of redefining customer experience. Its success can be gauged from the fact that more than 99% of orders are effortlessly booked by our channel customers through it.

We continue to add more features to make the application more robust. During the year, we completely stabilised customer empowerment and business transparency. We also added online channel finance facility through banks for instant low-cost finance which has been well received by channel partners. It will be instrumental in growing theirs as well as our business.

Over 99% of orders are effortlessly booked by our channel customers using ChemConnect



TCNA advances energy efficiency and sustainability

Two legacy pulverised coal fired boilers at TCNA, the largest consuming unit that generate most steam to run the facility and generate power, became inefficient. Further, the soot blower cleaning devices in their Ljungström Air Heaters (LAH) were severely clogged with fly ash, restricting the heat transfer and non-utilisation of waste heat which instead rose up the stack. TCNA invested in replacing the LAHs of both these boilers to improve their efficiency and operation. It resulted in the stack temperatures declining from 390°F to 325°F and hence 14,000 tonnes / year of lower coal usage translating into ~US$ 700,000 annual savings. Additionally, it enabled boilers to operate at full production and curbed SO_2 emissions by 187 tonnes per year.

TCE aspires to be the world's lowest carbon footprint sodium bicarbonate producers

From 2021, Tata Chemicals Europe will be making one of the lowest carbon footprint sodium bicarbonate and sodium carbonate products in the world by investing in a carbon capture and utilisation (CCU) technology.

The CCU plant will capture CO_2 from the flue gases emitted from its combined heat and power plant (CHP) and transform it into a key raw material for manufacturing sodium bicarbonate, thereby reducing emissions. It will be capable of capturing up to 40,000 tonnes per year of CO_2 i.e. ~10% of TCE's carbon emissions at the CHP plant. It will support the annual manufacture of over 120,000 tonnes of high purity sodium bicarbonate used in haemodialysis, pharmaceuticals, food, animal feed and many other applications.

The project could pave the way for other industrial applications of CO_2 capture and is an important step in decarbonising industrial activity. The TCE CCU plant will play a major role in supporting the Government's recently announced target of net zero carbon emissions by 2050.

Our revenue growth will see good trajectory as we keep commissioning our capex projects.

We would also continue our journey on the path of pioneering and providing thought leadership through introducing first-in-the-market products and services that provide unique solutions and value to our customers. Introduction of sodium bicarbonate brands addressing targeted segments, online ChemConnect to the second-tier customers, instant channel finance through ChemConnect, bulk supplies, introduction bulkers etc. are steps towards this journey

Shohab Rais
COO - India Chemical Business

Serving farmers through Science

Rallis leverages its experience and strong domain knowledge in agri-sciences to develop products and provide technology-led agronomy services that help farmers increase their yield and contribute to India's agricultural economy aimed at food security and nutrition need of growing population and addressing societal concerns on sustainable agriculture.

Business overview

Rallis develops and manufactures a wide range of products and solutions including seeds, crop protection solutions and Specialty Nutrient solutions to improve farm productivity. It aims to accelerate farmers' prosperity by intervening in each stage of the crop cycle and offering advanced technology-led agronomy services. Its international business deals with active ingredients and its formulation and contract manufacturing.

Rallis sustainable performances reflects its longstanding association with Indian farmers, trade channel and international customers and its ability in developing and delivering innovative solutions for chosen areas of business.

Product portfolio

Domestic business

Seeds, Crop Protection formulations and Specialty Nutrients

End user segments

Farmers

International business

Crop Protection Active Ingredients and its formulation and Contract Manufacturing

End user segments

Global agro chemical companies

Competitive advantage

1 Leadership

- One of India's leading crop care companies with growing international business
- Serving 5 million plus farmers across 80% of India's districts

2 Scale, reach and operational excellence

- Large state-of-the-art manufacturing capacity with ongoing capex
- Extensive dealer and retail reach

3 Innovative products

- Safe, superior and sustainable products and solutions across the agricultural value chain
- In-house R&D and association with global innovators

4 Low-cost manufacturing

- Contract manufacturer of relevant chemicals to global companies
- Affordability to farmers

5 Robust technology

- Advanced technology solutions for predictive advisory service
- Analytics-based planning on data resources

Value Chain

Research & development

We have proven capabilities and strong R&D and execution capabilities. We leverage our expertise in science to develop superior, viable and environmentally sustainable products.

Raw material sourcing, processing and manufacturing

We procure quality raw materials from long-term suppliers and process them at our own plants to manufacture products using optimal resources. We also engage with organisers and grower farmers in production of Hybrid Seeds which are further processed & packed at seed processing plants.

Distribution and logistics

We reach 80% of districts in the country through our strong network of dealers and retailers to take our innovative offerings to the farmers.

Farmer support services

We have initiated services using digital technology to enable farmers to access timely information on weather, market prices and crop environment.

Read more Pg 109-110 in Management Discussion and Analysis for more information on our operational performance

Rallis celebrates farmer's success with Zygant and Ayaan

Rallis introduced two new brands for Paddy farmers – Zygant and Ayaan. Zygant delivers excellent stem borer control and root growth which helps in early crop establishment, profuse tillering for additional yield and lush green canopy growth. Ayaan is an excellent combination Fungicide to prevent disease. It induces uniform panicle emergence for grain filling and colour. It also influences the flag leaf to remain green and erect longer for additional and good quality harvest. Both are completely safe for environment and user-friendly.

Rallis marketing team took the challenge of establishing their value proposition among farmers with 'Harvestivals' marketing initiative.

As progressive farmers commonly use both granule insecticide like Zygant and Strobilurin fungicide like Ayaan in their paddy field, farmers were selected from across states. Both Rallis and popular MNC brands were used at adjacent fields and plots were well maintained till harvesting time.

Post this, field days were organised at farmers' fields to determine results. A 1x1 meter size area (3 locations randomly from centre of plot) was selected in both comparative plots and panicles were harvested and total number of panicle and hills were counted. 10 panicles were selected at random from both the plots to measure their length, grains per panicle, grain colour, weight, no. of chaffy grains and finally thresh the grains of all panicles and weigh it.

The result: The Rallis team got exciting feedback from these Harvestivals. The farmers were happy and satisfied with its results. Several farmers got 4-5 Quintal of additional yield and excellent Paddy grain quality.

Nurturing food technology for healthy living

Global markets are witnessing a growing base of discerning and lifestyle-conscious consumers who are increasingly demanding food and supplements that balance functionalities (naturalness, safety and nutrition) and positive eating experience. We are striving to deliver on this with our rich knowledge in fermentation, food technology and biogenomics.

Competitive advantage

1

Expertise

- In human nutrition and microbiome
- In fermentation technology that enables production using whole cell route, opening opportunities in other human nutrition segments, using the biosynthesis route

2

Strong partnerships

With Indian and global academic institutions and research bodies to further gut microbiota knowledge and the effects of its modulation on human health.

3

Leading efforts

In Bio-informatics usage in human gut microbiota with development of accurate predictive models of microbiome response to interventions.

4

Robust application support

Enabling close co-ordination with customers on new product development (NPD) projects and deep understanding of their requirements.

Business overview

We offer nature-inspired and science-backed ingredient and formulation solutions, marketed under the brand Tata NQ, catering to human and animal health. Our flagship product lines – FOSSENCE® and GOSSENCE® – are prebiotic dietary fibres that promote gut microbiome growth for better digestive and immune health.

We are among the few prebiotics manufacturers following the whole-cell fermentation route, using in-house developed patented technology. Our operation is supported by a multi-disciplinary team of scientists working on microbiome science (the core science platform) and fermentation technology (the manufacturing platform) as well as state-of-the-art manufacturing facilities. We hold numerous publications and patents.

Product portfolio

FOSSENCE®

Fructo oligosaccharide (FOS)

Segment
Prebiotics

Customers
B2B: Wellness food and beverage (F&B), nutraceutical formulations, and animal feed companies

GOSSENCE PRO®

Glacto oligosaccharide (GOS)

Segment
Prebiotics

Customers
B2B: Infant and dairy food companies

Value Chain

Raw material (RM) sourcing

Sugar (primary RM) for FOS and Lactose (primary RM) for GOS are sourced in bulk from global suppliers at international price parity

Cultures of micro-organism strains

For bio-conversion, we rely on our patented micro-organism strains developed at Innovation Centre, Pune. These are multiplied using sugar and by-product of the conversion process as medium

Downstream processing

Sugar/lactose solution is fermented using the patented cultures to produce oligosaccharides of fructose with DP 2-5. This is purified to 95% and spray-dried to give FOSSENCE powder

Packaging and logistics

Four variants of product are packed across various stock-keeping units as per customer requirement and end-use applications

Marketing

Products are distributed globally either directly (for large key accounts) or through channel partners (for other customers)

Nutrition is the core of our strategy.

Through our ongoing research on the gut microbiome, we are constantly discovering unique and useful insights which, we believe, provide a holistic approach towards health and nutrition. We will continue to offer science-backed solutions and work closely with customers to re-imagine the product possibilities. Tata NQ Innovation Day is one such opportunity platform to interact with customers, regulators and opinion leaders to build a cohesive plan to improve the overall health index of the country we wish to serve.

Rahul Gupta

Business Head - Nutritional Sciences

TATA NQ

Advancing human nutrition, re-imagining possibilities

We have initiated 'NQ Innovation Day', an industry platform that engages with customers to expand knowledge on prebiotics benefits and explore limitless possibilities of prebiotic formulations and pass it on to end consumer. In FY 2019-20, three such events were arranged with the participation of 150+ major F&B and Nutraceutical companies and some notable dignitaries.

Result: Many participant companies have initiated NPD projects to leverage the functional and health benefits of FOS. These include:

- Ability to partly replace sugar with zero GI ingredient
- Enhancing sensory feel by masking off-notes and aftertaste of ingredients
- Ability to promote growth of beneficial bacteria in the gut for weight and cholesterol management, immunity maturation, and mineral absorption, among others

Read more Pg 110-111 in Management Discussion and Analysis for more information on our operational performance

Material Sciences

Solutions for better performance

We are leveraging our proprietary knowhow, supported by R&D efforts by IC, Pune, to deliver high-performance nano-material solutions.

Product portfolio

HDS

End-user segments and applications

Passenger Car Radial (PCR) and Truck & Bus Radial (TBR)

Brands / products

TREADSIL™

Functional Silica

End-user segments and applications

Technical rubber goods applications

Brands / products

TAFOSIL™

Conventional Silica

End-user segments and applications

Tyre and other rubber goods application
Non-rubber food: feed, detergents, oral care, and agro-chemicals applications

Brands / products

TYSIL™
TAVERSIL™

Nano Zinc Oxide (nZnO)

End-user segments and applications

Cosmetics, paints/coatings, adhesives, plastics and baby care products

Brands / products

ZnSpers, Zing C Spl, Zn Coat WD/Znmer

Business overview

We are a leading player in the niche area of advanced nano-material solutions. With growing demand for superior materials like Highly Dispersible Silica (HDS) for high-performance and fuel-efficient green tyres and nano Zinc Oxide (nZnO) for improved anti-fungal, anti-microbial and UV blocking properties in industrial and cosmetic applications, this business caters to an expanding market. A similar demand trend for high-performance silica products in non-tyre rubber (automotive elastomers) and non-rubber applications (oral care, coatings) provides more growth opportunity.

Read more Pg 111
in Management Discussion and Analysis for more information on our operational performance

Energy Sciences

Lithium-ion cells are one of the most critical components in an Electric Vehicle (EV); and with the Company's inherent strengths in chemistry, Tata Chemicals is creating a platform to become a world-class provider of cutting-edge and disruptive electro-chemistry solutions for Energy Storage. Apart from EVs, there are numerous applications in stationary storage, in particular for supporting growing number of renewable energy generation projects. We have a unique opportunity to build a truly circular economy around Lithium-ion technology starting from active materials, to cell and battery manufacturing and finally to recycling critical materials from used batteries.

We are partnering with leading battery makers in the world for contemporary commercial cells, global R&D labs for next-generation technologies and Indian Research Institutes (like ISRO, CSIR-CECRI) for indigenous development of actives, cells and recycling. TCL also has interests in some of the next generation chemistries which are under development in the labs and working actively with some of the leading global players in the segment.

With strong capabilities in chemistry, Tata Chemicals has also launched its Lithium-ion battery recycling operations.

For setting up manufacturing operations in future, we have invested in a plant site of over 127 acres of land in Dholera, Gujarat. This site can house the manufacturing of actives, cells and batteries, as well as recycling operations. We have established a Battery Pack Engineering Centre in Pune in collaboration with Tata Technologies. Our scientists at the Innovation Centre in Pune are working on the cell and active manufacturing technologies.

Results at a Glance

₹ in crore

Particulars	Standalone 2019-20	Standalone 2018-19*	Consolidated 2019-20	Consolidated 2018-19*
Revenue from continuing operations	2,920.29	3,121.25	10,356.75	10,336.72
EBITDA	718.04	686.64	1,949.17	1,780.46
Profit Before Tax (PBT) after exceptional gain	834.32	860.48	1,248.06	1,437.26
Profit After Tax (PAT)	671.82	630.81	1,028.41	1,162.82
Profit After Tax (PAT) including discontinued operations	6,840.22	854.84	7,228.15	1,386.85
Total Comprehensive Income	6,297.78	1,087.83	6,821.85	1,972.98
Share Capital	254.82	254.82	254.82	254.82
Other Equities	11,722.50	12,110.15	12,642.84	12,086.45
Non Controling Interest	-	-	763.77	2,914.67
Networth (Shareholders Equity)	**11,977.32**	**12,364.97**	**13,661.43**	**15,255.94**
Borrowings	**14.76**	**707.92**	**7,702.37**	**6,143.43**
- Non current	10.41	13.46	3,661.36	4,782.91
- Current	-	0.99	1,912.94	352.46
- Current maturities[1]	4.35	693.47	2,128.07	1,008.06
Cash and Cash Equivalents (including Deposits with < 12 months maturity & Current Investments)	2,180.91	3,252.47	3,680.54	4,204.53
Capital Employed[2]	8,284.03	9,434.89	24,704.86	24,316.80
Borrowings / Networth (Shareholders Equity)	0.00	0.06	0.56	0.40
Networth per share (₹)	470.15	485.36	506.27	484.43
Earnings Per Share - Basic & Diluted (₹)	**268.50**	**33.56**	**275.02**	**45.38**
Dividend per share paid (proposed for FY 2019-20) [₹]	11.00	12.50	11.00	12.50
No. of Shares	25,47,56,278	25,47,56,278	25,47,56,278	25,47,56,278

** Previous year figures have been recast/restated.*

Notes:

1. Current Maturities includes Lease Liabilities
2. 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-First Annual Report on the performance of the Company together with the Audited Financial Statements for the Financial Year ('FY') ended March 31, 2020.

Financial Results

₹ in crore

Particulars	Standalone		Consolidated	
	Year ended March 31, 2020	Year ended March 31, 2019*	Year ended March 31, 2020	Year ended March 31, 2019*
Revenue from continuing operations	**2,920.29**	**3,121.25**	**10,356.75**	**10,336.72**
Profit before depreciation and finance costs	1,027.19	1,086.96	2,260.29	2,189.92
Depreciation and amortisation expense	149.50	140.34	666.47	568.50
Profit before finance costs	**877.69**	**946.62**	**1,593.82**	**1,621.42**
Finance costs	43.37	86.14	341.91	353.70
Profit before exceptional items	**834.32**	**860.48**	**1,251.91**	**1,267.72**
Exceptional gain (net)	-	-	-	70.33
Profit before share of profit of joint ventures and tax	**834.32**	**860.48**	**1,251.91**	**1,338.05**
Share of profit of joint ventures	-	-	(3.85)	99.21
Profit before tax	**834.32**	**860.48**	**1,248.06**	**1,437.26**
Tax expense	162.50	229.67	219.65	274.44
Profit from continuing operations after tax	**671.82**	**630.81**	**1,028.41**	**1,162.82**
Profit from discontinued operations after tax	**6,168.40**	**224.03**	**6,199.74**	**224.03**
Profit for the year	**6,840.22**	**854.84**	**7,228.15**	**1,386.85**
Attributable to:				
- Equity shareholders of the Company	6,840.22	854.84	7,006.33	1,155.91
- Non-controlling interests	-	-	221.82	230.94
Other comprehensive income ('OCI')	(542.44)	232.99	(406.30)	586.13
Total comprehensive income	**6,297.78**	**1,087.83**	**6,821.85**	**1,972.98**
Balance in Retained earnings at the beginning of the year	**5,742.38**	**6,435.12**	**5,192.86**	**4,626.08**
Changes on account of merger	-	(877.97)	-	-
Profit for the year (attributable to equity shareholders of the Company)	6,840.22	854.84	7,006.33	1,155.91
Remeasurement of defined employee benefit plans	(37.59)	(1.93)	(26.97)	82.14
Transition impact of Ind AS 116	(0.21)	-	(14.95)	-
Transfer from OCI - sale of non-current investment	-	2.98	-	4.39
Dividends including tax on dividend	(378.90)	(670.66)	(383.89)	(675.66)
Deemed dividend on demerger	(6,307.97)	-	(6,307.97)	-
Refund of tax on dividend	1.65	-	1.65	-
Acquisition of non-controlling interests	-	-	718.30	-
Others	-	-	0.44	-
Balance in Retained earnings at the end of the year	**5,859.58**	**5,742.38**	**6,185.80**	**5,192.86**

** Previous year figures have been recast/restated.*

Dividend

For FY 2019-20, the Board of Directors has recommended a dividend of ₹ 11.00 per share i.e. 110% (previous year ₹ 12.50 per share i.e. 125%) 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 2020-21 would amount to ₹ 280.23 crore (previous year ₹ 378.90 crore including dividend distribution tax).

Dividend Distribution Policy

In accordance with Regulation 43A of the 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 same is available on the Company's website at https://www.tatachemicals.com/DividendDistPolicy.htm.

Covid-19 pandemic

The Covid-19 pandemic is the defining global health crisis of our time and is spreading very fast across the continents. But it is much more than a health crisis and is having an unprecedented impact on people and economies worldwide.

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. Though the long-term directional priorities of the Company remain firm, in light of Covid-19 and its expected impact on the operating environment, the key priorities of the Company would be to closely monitor supply chain, conserve cash and control fixed costs, while continuing to invest in some of the growth areas. During this period, the Company has also initiated digital interventions to honour its commitment to suppliers and partners.

The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19. Towards the end of the quarter ended March 2020, the operations were disrupted at certain manufacturing facilities of the Company. The manufacturing operations at Mithapur (Gujarat) for the production of soda ash and cement were scaled down temporarily. Inspite of such scale down, the Company took efforts to ensure normalcy in the production and movements of Tata Salt and sodium bicarbonate which are essential inputs for food and pharma products. The plants located at Mambattu, Nellore (Andhra Pradesh) and Sriperumbudur (Tamil Nadu) producing Fructooligosaccharide ('FOS') and Cuddalore (Tamil Nadu) producing Silica resumed operations towards the end of April 2020 after a shutdown for around four weeks.

The Company has taken various initiatives towards financial, medical and community support in the fight against Covid-19 pandemic. This included financial support towards the relief funds of State Governments, providing sodium hydrochloride, hand sanitizers, medical infrastructure, supply of dry ration, driver kit, hygiene kit, distribution of masks, awareness drives, etc. In addition to this, voluntary contributions by the Company as well as its employees were also made to the Tata Community Initiatives Trust for contribution towards the said purpose.

In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of all its employees at all its plant locations, various branch offices and the head office. The Company observed all the government advisories and guidelines thoroughly and in good faith.

Demerger of the Consumer Products Business

With a view to enable the Company to focus on its Basic Chemistry and Specialty Products Business and to integrate the Consumer Products Business activities undertaken by both, the Company and Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited), under a single entity, the Board of Directors of the Company at its Meeting held on May 15, 2019 approved the Scheme of Arrangement amongst Tata Consumer Products Limited ('TCPL') and the Company and their respective shareholders and creditors ('the Scheme') for the demerger of the Consumer Products Business of the Company ('CPB') to TCPL. The CPB consisted of the business of sourcing, packaging, marketing, distribution and sales of (i) vacuum evaporated edible common salt for human consumption, (ii) spices, (iii) protein foods and (iv) certain other food and other products.

Pursuant to the Order dated September 11, 2019 passed by the Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench, and in terms of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Members of the Company at a duly convened meeting held on October 30, 2019 approved the Scheme by a requisite majority. Thereafter, the NCLT, Mumbai Bench and Kolkata Bench, vide their respective Orders dated January 10, 2020 and January 8, 2020, sanctioned the Scheme. The Scheme became effective on February 7, 2020 upon filing of the certified copies of the Orders of NCLT sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, CPB is demerged from the Company and transferred to and vested in TCPL with effect from April 1, 2019 i.e. the Appointed Date. Accordingly, the operations of CPB have been classified as discontinued operations. Further, Members may refer to note 34 of the Standalone Audited Financial Statements for the impact on the Financial Statements pertaining to the Scheme.

In accordance with the provisions of the Scheme, shareholders of Tata Chemicals Limited holding 100 shares of ₹ 10 each as on the Record Date i.e. March 5, 2020, were allotted 114 Equity Shares of

₹ 1 each of Tata Consumer Products Limited, which are listed on BSE Limited, the National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

Merger of Bio Energy Venture-1 (Mauritius) Pvt. Ltd.

The Board of Directors of the Company at its Meeting held on March 22, 2019 approved the Scheme of Merger by Absorption between the Company and Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio-1'), a wholly owned subsidiary of the Company ('Scheme'). The NCLT, Mumbai Bench, on April 23, 2020, sanctioned the Scheme, with the Appointed Date of April 1, 2019. The Scheme is subject to the approval of the regulatory authorities at Mauritius.

In accordance with Ind AS 103, the Financial Statements of the Company for the previous periods have been restated with effect from April 1, 2018, being the earliest period presented. Further, the impact of merger of Bio-1 on the Financial Statements of the Company as on March 31, 2020 is immaterial.

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profits for FY 2019-20 in the Retained Earnings.

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 the date of the Balance Sheet.

Performance Review & State of Company's Affairs

Standalone:

The Standalone revenue from Continuing Operations was ₹ 2,920.29 crore for FY 2019-20 as against ₹ 3,121.25 crore for FY 2018-19, down by 6%. Earnings before interest, tax, depreciation and amortisation ('EBITDA') from Continuing Operations increased from ₹ 686.64 crore in FY 2018-19 to ₹ 718.04 crore in FY 2019-20, an increase of 5%. Profit before tax from Continuing Operations decreased from ₹ 860.48 crore in FY 2018-19 to ₹ 834.32 crore in FY 2019-20, decrease of 3%. Profit after tax from Continuing Operations increased from ₹ 630.81 crore in FY 2018-19 to ₹ 671.82 crore in FY 2019-20, an increase of 7%. Profit for the year (Continuing Operations and Discontinued Operations) increased from ₹ 854.84 crore in FY 2018-19 to ₹ 6,840.22 crore in FY 2019-20 (includes exceptional post-tax gain of ₹ 6,168.40 crore relating to Discontinued Operations).

Consolidated:

The Consolidated revenue from Continuing Operations was ₹10,356.75 crore for FY 2019-20 as against ₹10,336.72 crore for FY 2018-19, up by 0.2%. EBITDA from Continuing Operations increased from ₹1,780.46 crore in FY 2018-19 to ₹1,949.17 crore in FY 2019-20, an increase of 9%. Profit before tax from Continuing Operations decreased from ₹1,437.26 crore in FY 2018-19 to ₹1,248.06 crore in FY 2019-20, decrease of 13%. Profit after tax from Continuing Operations decreased from ₹1,162.82 crore in FY 2018-19 to ₹1,028.41 crore in FY 2019-20, decrease of 12%. Profit for the year (Continuing Operations and Discontinued Operations) increased from ₹1,386.85 crore in FY 2018-19 to ₹7,228.15 crore in FY 2019-20 (includes exceptional post-tax gain of ₹6,168.40 crore relating to Discontinued Operations). Profit for the year attributable to equity shareholders of the Company increased from ₹1,155.91 crore in FY 2018-19 to ₹7,006.33 crore in FY 2019-20 (includes exceptional post-tax gain of ₹6,168.40 crore relating to Discontinued Operations).

Business Segments

In view of the demerger of CPB, the Company now has two business segments: (i) Basic Chemistry Products and (ii) Specialty Products.

1. Basic Chemistry Products

1.1 India Operations

For FY 2019-20, revenues from the Basic Chemistry Products business dropped by 7.65% to ₹ 2,836.91 crore as against ₹ 3,071.92 crore in the previous year. Profit before tax (PBT) for FY 2019-20 was ₹ 819.20 crore as against ₹ 762.48 crore in the previous year, which is higher by 7.44%.

In FY 2019-20, despite economic headwinds, Indian Chemicals operations achieved noteworthy performance. The economic slowdown which had begun at the beginning of the year exacerbated with the unfortunate outbreak of the Covid-19 pandemic in India and around the globe. However, the demand for salt and its volumes were not affected and continued its growth journey. The extended monsoon and consequent flooding in FY 2019-20 affected the salt production and kept the detergent demand muted. Increase in volume from domestic and imports amidst slowing demand from end segments led to a little overhang in the market and put pressure on prices. Profitability was maintained as lower realisation on sales was supported by savings in fuel costs, specific raw material consumption and relentless focus on cost and operational excellence.

The Company achieved record production volume for salt and sodium bicarbonate. Domestic sales of soda ash were under pressure due to the muted demand scenario which resulted in a marginal drop in sales volume compared to the previous year. Cement production and sales were affected due to market demand and maintenance issues of the cement mill motor.

1.1.1 Soda Ash

In FY 2019-20, the domestic soda ash market remained almost flat compared to the previous year's growth of about 3%. The soda ash market was largely oversupplied with increased imports and higher availability coming from domestic manufacturers. Higher production through most of the year and lower demand from key consuming industries led to increase in the pipeline inventories. The production volume of soda ash at Mithapur was marginally lower by 3% and the sales volume declined by 9% over the previous year to 6.34 lakh Metric Tonne (MT). During the year, the Company increased the availability of the product to customers through imports from its subsidiaries viz. Tata Chemicals North America Inc. and Tata Chemicals Magadi Limited to fulfill the requirements of the domestic market.

1.1.2 Sodium Bicarbonate

Sodium bicarbonate volumes maintained a robust growth of 7% in FY 2019-20 over the previous year. The demand was adequately supported with improved availability in domestic supplies. Overall demand and supplies were balanced during the year. The Company maintained its volumes and value growth of sodium bicarbonate in line with the strategy of continuously increasing value proposition through differentiation and focus on bicarb brands that are customised and targeted towards consuming sectors. Sodium bicarbonate production and sales registered levels of 1.13 lakh MT and 1.09 lakh MT respectively.

The sales of sodium bicarbonate brands registered a record 23% volume growth. With the growth in food and feed segments, the Company's 'Sodakarb' and 'Alkakarb' brands gained further traction and are well established and 'Medikarb', the pharma-grade sodium bicarbonate brand has increased its penetration during the year.

1.1.3 Salt

During the year under review, the Company entered into a Long Term Supply Agreement ('LTSA') with TCPL for supply of vacuum evaporated edible salt as a take or pay arrangement for an initial period of 25 years, with an option to extend further on mutual agreement. The LTSA provides a Minimum Offtake volume, which factors the expected salt business volumes. In case of shortfall in offtake, TCPL shall suitably compensate the Company and in case of shortfall in supply, the Company shall suitably compensate TCPL. TCPL is now one of the Company's key strategic customers. The Company recorded the highest production of salt at 10.78 lakh MT during the year compared to the previous year high of 10.68 lakh MT.

1.1.4 Caustic Soda and Marine Chemicals

The caustic soda production and sales were low during FY 2019-20 as compared to the previous year. Caustic soda market witnessed strong competition and lower prices due to oversupply. Bromine production was impacted due to extended monsoons and the resultant dilution of bittern, the key raw material used in the manufacturing of bromine. It was lower by 13% at 2,120 MT during FY 2019-20. Though this resulted in lower sales at 2,095 MT, the profitability was maintained due to better market prices and improved realisation.

1.1.5 Cement

During FY 2019-20, the sales of cement and clinker were marginally lower by 2% at 3.95 lakh MT, while the production volumes were lower by 11% at 3.62 lakh MT, in comparison with the previous year. Higher acceptability and deeper penetration of the newly launched Ordinary Portland Cement ('OPC'), with an additional value proposition of high one-day strength along with volume stabilisation of the newly launched Portland Pozzolana Cement ('PPC') improved the realisation from the cement business. Though the Gujarat cement market saw an overall decline of 9% in demand, the improvement in the prices kept the revenues intact.

1.2 Overseas Operations

1.2.1 Tata Chemicals North America Inc.

During the year under review, Valley Holdings Inc., a step-down wholly-owned subsidiary of the Company, has acquired the remaining 25% partnership interest in Tata Chemicals (Soda Ash) Partners Holdings from The Andover Group, Inc., a subsidiary of Owens-Illinois Inc. for US$ 195 million. With this acquisition, the Company, through its subsidiaries in the United States, has increased its ownership in Tata Chemicals (Soda Ash) Partners, the soda ash producing entity, to 100%.

The production volumes at Tata Chemicals North America Inc. ('TCNA') were higher by 3.4% as compared to the previous year, mainly on account of improved efficiency in the plant resulting from significant investment in maintenance projects. There is a short-term oversupply of soda ash worldwide that has reduced current demand, in addition to the impact of the Covid-19 pandemic, which has resulted in a reduction of production volumes in the latter part of the financial year to largely match sales demand. Production volumes in FY 2020-21 will again need to be scaled to match sales demand which is expected to decline by 5% to 10% in comparison with FY 2019-20, consistent with projected GDP regression in the primary markets.

During FY 2019-20, sales volumes were essentially flat as compared to the previous year (up by 0.60%). Inspite of increased production levels, a temporary over-supply of soda ash worldwide, compounded by the Covid-19 pandemic, resulted in the unusual position of not being able to sell the entire product produced during this period. Due to the slightly higher sales volume, TCNA posted revenue of US$ 480.00 million (₹ 3,402.14 crore) for the year ended March 31, 2020 as compared to US$ 481.60 million (₹ 3,366.19 crore) in the previous year, inspite of slightly lower American Natural Soda Ash Corporation (ANSAC) pricing and a market mix reflecting an increased supply to lower priced export markets relative to the US.

For FY 2019-20, EBITDA at TCNA was US$ 104.80 million (₹ 742.80 crore) against US$ 97.90 million (₹ 684.28 crore) in the previous year due to improved production, reduced selling, general & administration (SG&A) costs resulting from realising nearly a full year's benefit of relocating the corporate offices from New Jersey to Utah and a new US GAAP accounting standard that changed the accounting for operating leases, treating those costs as depreciation as against operating expenses in prior years. These favourable impacts more than offset increased spending on plant costs, particularly in maintenance and labour.

Profit before tax and profit after tax and non-controlling interest for FY 2019-20 were at US$ 64.15 million (₹ 454.68 crore) and US$ 35.96 million (₹ 251.35 crore) respectively against US$ 82.30 million (₹ 575.24 crore) and US$ 54.60 million (₹ 381.63 crore) respectively in the previous year, which included a one-time unusual gain of US$ 16.43 million (₹ 114.86 crore) from writing back, upon dismissal by a court, a liability acquired with the purchase of the company in 2008.

1.2.2 TCE Group Limited and British Salt Limited

TCE Group Limited's business consists of Soda Ash, Sodium Bicarbonate and Energy units and British Salt Limited manufactures and sells food grade and industrial salt. Together, they are referred as UK Operations of the Company.

The turnover of the UK Operations for FY 2019-20 was £148.5 million (₹ 1,338.43 crore) against £157.9 million (₹ 1,448.79 crore) in the previous year. The reduction was mainly due to the planned reduction in sales of low margin, imported soda ash and a reduction in the price of electricity sold to the national grid.

Sodium bicardonate sales were strong throughout the year, especially from the Winnington plant. While demand in the home market of UK increased, the company also witnessed a strong demand from the exports markets, especially from Europe.

The combined heat and power facility at Winnington performed well throughout the year, helped by the reinstatement of capacity market payments which had been unexpectedly withdrawn part way through FY 2018-19.

In the Salt business, sales volumes were steady through the year, but with a better mix towards higher margin products.

EBITDA for FY 2019-20 for the UK Operations was £21.2 million (₹ 191.08 crore) as against £14.5 million (₹ 133.02 crore) for FY 2018-19. The profit after tax for FY 2019-20 was £1.1 million (₹9.91 crore) as against loss after tax of £4.2 million (₹ 38.53 crore) for FY 2018-19.

1.2.3 Tata Chemicals Magadi Limited

During the year under review, the production volumes at Tata Chemicals Magadi Limited ('TCML') were lower by 9% and sales volumes were lower by 12% against the previous year.

TCML achieved total sales of US$ 67.89 million (₹ 481.19 crore) for FY 2019-20 as against the sales of US$ 73.79 million (₹ 515.76 crore) in the previous year, a decrease of 8%.

For FY 2019-20, TCML registered an EBIDTA of US$ 8.34 million (₹ 59.11 crore) as against the EBIDTA of US$ 9.87 million (₹ 68.99 crore) in the previous year, lower by 16%. Decline in EBIDTA was on account of lower sales volume and higher rail haulage charges. Fixed cost was lower than previous year.

TCML made a net loss of US$ 0.13 million (₹ 0.92 crore) as against the net profit of US$ 2.66 million (₹ 18.59 crore) in the previous year due to higher finance costs (rising LIBOR), foreign exchange loss due to weakening of Kenya Shilling to US Dollar, fuel hedge swaps loss and other costs.

The county government had issued a demand during FY 2018-19 for an arbitrary increase in land rates which was subsequently struck down by the Hon'ble High Court. The Hon'ble High Court had suggested for a mediation which TCML had duly submitted to. Nevertheless, TCML has filed an appeal for reconsideration of the other issues raised in the petition before the Hon'ble High Court while the appeal is pending. TCML is still open to work with the appropriate national authorities and the county government to arrive at a fair, transparent and appropriate resolution through legal means.

1.2.4 Tata Chemicals International Pte. Limited

The primary activities of Tata Chemicals International Pte. Limited ('TCIPL'), a wholly owned subsidiary of the Company, constitutes trading, procurement and holding investments in overseas subsidiaries. TCIPL engages in trading of soda ash in South East Asia, Middle East and India, trading of agro chemicals, and also manages procurement of some key raw materials. TCIPL is also exploring opportunities in allied products in these markets.

For FY 2019-20, TCIPL's revenue was US$ 165.74 million (₹ 1,174.73 crore) as against US$ 118.07 million (₹ 825.26 crore) and the other income representing dividend from its wholly owned subsidiaries was US$ 21.90 million (₹ 155.22 crore) as against US$ 18.40 million (₹ 128.61 crore) for the previous year. For FY 2019-20, the profit after tax was US$ 13.91 million (₹ 98.59 crore) as against US$ 1.24 million (₹ 8.67 crore) for FY 2018-19.

2. Specialty Products

2.1 Agri Sciences (Rallis India Limited)

During the year under review, Rallis India Limited, listed subsidiary of the Company ('Rallis'), achieved a consolidated revenue from operations of ₹ 2,251.82 crore compared to ₹ 1,983.96 crore in the previous year, an increase of 13.5%. Net profit after tax of ₹ 183.69 crore, higher by 18.7% as against a net profit after tax of ₹ 154.78 crore in the previous year.

During the year under review, the Domestic business of Rallis achieved a revenue of ₹ 1,167 crore as against ₹ 998 crore during FY 2018-19, an increase of 17%. The Indian crop protection market for insecticides was projected to witness a growth of approximately 8% during FY 2019-20. Insecticides remain the most used crop protection chemical with around 55% share followed by fungicides and herbicides contributing 20% and 18% share, respectively, of the crop protection market in India. Increase in new pests like fall army worm is driving the need for adoption of insecticides in niche crops like maize. This, coupled with the increased emphasis on food safety, is creating a shift towards the adoption of safer and more expensive crop protection chemicals. With good climatic conditions prevailing throughout the major crop seasons in the country, the usage level of insecticides has been low to moderate. Crops such as paddy, cotton, pulses, maize, chilly and vegetables are key contributors for insecticides market in the country. Rallis introduced two new products Zygant (Paddy-Stemborer) and Cameo (Paddy-BPH) during the year. The key products like Zygant, Cameo, Summit, Takumi, Rilon, Tafgor, etc. were the main contributors towards the growth of Rallis in this category. The driver of growth has segments like Stem Borer, BPH, Thrips and lepidopteran insects.

In the Fungicides category, Rallis registered 9% top line revenue growth and major contributors included brands like Ayaan, Sarthak, Contaf Plus, Taqat and Master. The segments where Fungicide portfolio registered good growth were grain shine segment of Paddy, Blight and Anthracnose of Chilli and Downey Mildew and Powdery Mildew of Grapes. Rallis introduced two new products - Ayaan (Paddy-Sheathblight/Grain shine) and Sarthak (Chilli and vegetables).

Rallis introduced two new herbicides namely Trimbo in maize and Impeder in wheat crop to strengthen its herbicide portfolio. With a strong presence in pre-emergent segment and crops like sugarcane and paddy, the herbicide portfolio registered a growth at 7% over the previous year.

During the year, the International business of Rallis achieved a revenue growth of 11% over the previous year at ₹ 721 crore as against ₹ 650 crore during FY 2018-19. Significant growth was recorded in North America, Latin America particularly in Brazil and USA. The business also gained 6 new registrations in strategic overseas markets. Partnership models with strategic customers that were adopted during the year helped Rallis in its growth journey through leveraging each others' strengths. It continues its focus on developmental activities in key geographies in Latin America, South East Asia, Europe and African markets.

During the year, Metahelix Life Sciences Limited ('Metahelix'), a step-down subsidiary of the Company, merged with Rallis. Accordingly, Metahelix ceased to be a subsidiary of Rallis with effect from February 1, 2020 and has been classified as the Seeds division of Rallis. Consequent to the strategy of consolidating all seeds sales through Metahelix since the beginning of the FY 2019-20, the Seeds business was carried out only by Metahelix. During the year under review, the Seeds division of Rallis achieved a revenue of ₹ 364 crore as against ₹ 336 crore during FY 2018-19, an increase of 8.3%. Rallis continued to focus on its cotton business. The scale up of new launches in millet allowed it to regain its position from the setback experienced in the last two years. Vegetable business was restructured as a separate line of business with a dedicated sales and marketing team and Rallis is focussed on driving business growth in future. Additionally, it also progressed well in its genetically modified traits development activity in targeted crops.

2.2 Nutritional Sciences

Tata NQ

The nutritional science division of the Company, under the brand Tata NQ, offers nature-inspired and science-backed ingredient and formulation solutions catering to human and animal health. The flagship product lines of Tata NQ – FOSSENCE® and GOSSENCE® are Prebiotic dietary fibres that promote the growth of gut microbiome and improve digestive & immune health.

FY 2019-20 has been a phenomenal year for the nutritional science business, wherein the state-of-the-art greenfield Nellore plant in Andhra Pradesh was made operational. This has substantially increased the production capacity, thereby significantly increasing the Company's capacity to serve customers across the globe. There has been a wide acceptance of the product quality from the new plant, and as a result the revenues grew to ₹ 65.15 crore, while the customer base grew to more than 250 customers.

The business had earlier established global distribution network and initiated customer engagement in South East Asia, China and USA. This engagement also started bearing fruits, with supplies made across South East Asia, after product qualification from the new facility. There has been a considerable progress in the qualification process by global major consumers of FOS and the feedback has been encouraging. The qualification is in progress and is expected to be favourably concluded soon.

Due to Covid-19 pandemic, many of the customers are likely to put on hold the new product introduction, particularly the Food & Beverage customers, while additional sales opportunities are expected from Nutraceuticals companies, particularly in the area of immunity and gut health. The Company is constantly re-calibrating plans as the situation evolves.

2.3 Material Sciences

Silica

During FY 2018-19, the Company had successfully completed the acquisition of a precipitated silica plant at Cuddalore, Tamilnadu marking its entry into the Silica business. FY 2019-20 turned out to be a critical milestone in the growth journey of this new business. Several key initiatives related to upgradation of the Cuddalore plant's infrastructure and systems were completed. These initiatives have helped demonstrate the plant's ability to produce at its rated capacity; multiple grades of silica (including HDS for high performance green tyre applications) meeting customer quality expectations while upholding required safety and environmental compliance standards.

During FY 2019-20, the Company enhanced its product portfolio in Silica by launching several new grades to cater to the needs of different application segments and customers. The Company also expanded its TAVERSIL range of products for non-rubber applications by launching new variants to meet the unique needs of customers manufacturing salt and toothpaste. The Company also customised its TYSIL portfolio of conventional silica products to meet the varying needs of tyres and non-tyre rubber goods manufacturers. The Company expanded its market reach by strengthening its channel partner and distributor network across India to serve customers, in both the rubber and non-rubber segments.

On the HDS front, the TREADSIL products received customer approval from tyre customers that the Company has been working with in the past. The Company has also significantly deepened its techno-commercial engagement with leading tyre companies to ensure ramp-up of commercial supplies of existing products in FY 2020-21 and co-development of next-gen HDS portfolio to meet the evolving needs of the tyre industry. Additionally, the Company launched TAFOSIL, its new brand of functionalised silica for high-performance non-tyre rubber applications.

Nano Zinc Oxide

Under the Specialty Products portfolio, the Company has also entered into the production of Nano Zinc Oxide ('nZnO'), which was developed at the Innovation Centre in Pune and finds multiple applications for its anti-microbial, anti-fungus and UV blocking properties. The Company collaborated with a customer to harness the anti-microbial and anti-viral properties of nZnO amidst the pandemic. Currently, it is finding use in face masks as an added layer of protection against Covid-19. The Company is presently working with Paints, Coatings & Adhesives, Plastics & Polymers and Personal Care & Cosmetics industries to build the portfolio. The Company would be focussing around nano-materials linked to nano-adhesives and nano formulations aimed at anti-viral and anti-microbial application.

2.4 Energy Sciences

In line with the Company's strategy to grow its Specialty Products Business, the Company is exploring entry into the Lithium-ion battery sector with cell chemistries optimised to meet Indian applications. The Government of India has been promoting the use of Electric Vehicles ('EV') in the country through incentives, policy changes and own consumption with a view to achieve a major shift to EVs by 2030.

As initial steps in this direction, the Company intends to set up pilot plants for Li-ion Batteries, Cathode Actives and Li-Recycling, primarily for the EV transformation in India. Through established collaborations with Central Electro Chemical Research Institute ('CECRI'), Indian Space Research Organisation ('ISRO') and Centre for Materials for Electronics Technology ('CMET'), the Company has made its own indigenous active materials, cylindrical cells and recycled material from spent Lithium-ion batteries. It has invested in a site measuring 127 acres at Dholera, Gujarat, to house its future manufacturing facilities. The Company has also started its engineering centre at Pune, focussed on e-mobility and stationary applications for the Indian market. It is exploring tie ups with global majors for state-of-the-art cell manufacturing technologies and also with leading technology startups to co-develop next chemistries suited for India.

Finance

During the year, the Company continued to pay close attention to the security and liquidity of its cash surplus investments. Earnings from the cash surplus investments during the year amounted to ₹ 162.20 crore (FY 2018-19: ₹ 254.41 crore) amid a softening interest rate scenario and the partial utilisation of the available cash pool. The working capital management was given focus throughout the year.

In July 2019, 10% Unsecured Non-Convertible Debentures of ₹ 250 crore were redeemed and repaid in full along with accrued interest on the due date. During October 2019, the Company repaid, upon maturity, the final instalment of US$ 63.46 million for the US$ 190 million external commercial borrowings raised during FY 2013-14.

The gross outstanding balance of subsidy receivables from the Government of India pertaining to the erstwhile fertilisers business of the Company, as on March 31, 2020 was ₹ 120.09 crore (March 31, 2019: ₹ 282.45 crore).

During the year under review, Valley Holdings, Inc., the US based subsidiary of the Company, raised an external bridge loan of US$ 175 million to partly fund the acquisition of the remaining 25% partnership interest in Tata Chemicals (Soda Ash) Partners Holdings.

Dividends from subsidiaries/joint ventures

During FY 2019-20, Rallis India Limited, a subsidiary of the Company and IMACID, a joint venture, paid dividends of ₹ 24.34 crore (FY 2018-19: ₹ 24.34 crore) and ₹ 72.24 crore (FY 2018-19: ₹ 58.43 crore) respectively to the Company. Tata Chemicals North America Inc., a step-down overseas subsidiary of the Company, paid a dividend of US$ 30.14 million (FY 2018-19: US$ 20 million), which was used towards the operational requirements and external finance costs at Tata Chemicals International Pte. Ltd, Singapore and other group companies.

Another step-down overseas subsidiary of the Company, Tata Chemicals South Africa (Proprietary) Limited paid a dividend equivalent to US$ 1.28 million (FY 2018-19: US$ 1.42 million) during the year.

Credit Ratings

Upon redemption of Non-Convertible Debentures of ₹ 250 crore, the related credit rating is not required by the Company. There being no other change in the credit ratings, the Company as on March 31, 2020 had the following credit ratings:

- Long Term Corporate Family Rating 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
- Commercial Paper of ₹ 600 crore is rated at CRISIL A1+ by CRISIL Ratings

As on March 31, 2020, the credit ratings of Tata Chemicals North America, Inc. were as under:

- A Corporate Family Rating and rating on proposed US$ 380 million senior secured term loan & US$ 25 million senior secured revolving credit facility: Ba3/Stable from Moody's Investors Service
- Issuer Credit Ratings of B+/Stable and issue-level rating of 'BB' on proposed US$ 380 million term loan B & US$ 25 million revolving credit facility from S&P Global

Management Discussion and Analysis

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report. As required under the provisions of the Listing Regulations, the Audit Committee of the Company has reviewed the Management Discussion and Analysis report of the Company for the year ended March 31, 2020.

Business Responsibility Report

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report initiatives taken from an environmental, social and governance perspective in the prescribed format is available as a separate section of this Annual Report.

Related Party Transactions

The Company has formulated a Policy on Related Party Transactions and manner of dealing with related party transactions which is available on the Company's website at the link: https://www.tatachemicals.com/RPTPolicy.htm.

All related party transactions entered into during FY 2019-20 were on an arm's length basis and in the ordinary course of business. No material related party transactions were entered into during the financial year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2019-20.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior 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. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the internal audit team. Thereafter, 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 details of the transactions with related parties are provided in the accompanying Financial Statements.

Risk Management Policy

The Risk Management Policy of the Company provides the framework of Enterprise Risk Management 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. Analysis of the risks identified is carried out by way of focussed discussion at the meetings of the empowered Risk Management Group (Senior Leadership Team), respective Business level/Subsidiary level Committee and Risk Management Committee ('RMC') of the Board.

The robust governance structure has also helped in the integration of the Enterprise Risk Management process 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. The risk management process has been implemented across geographies and businesses.

The Company has a RMC of the Board in place to oversee the risk management process in the Company. The RMC meets quarterly to review key strategic and operational risks and assess the status of mitigation measures. RMC assists the Audit Committee and the Board of Directors in overseeing the Company's risk management processes and controls.

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

Corporate Social Responsibility

The Corporate Social Responsibility ('CSR') activities of the Company are governed by the Corporate Social Responsibility Committee (erstwhile CSR, Safety and Sustainability Committee) of the Board. The Corporate Social Responsibility Policy ('CSR Policy') approved by the Board guides in designing CSR activities for improving quality of life of society and conserving the environment and bio-diversity in a sustainable manner.

The Company has adopted a participatory approach in designing need based CSR programmes which are implemented through Tata Chemicals Society for Rural Development ('TCSRD'), Okhai Centre for Empowerment, Uday Foundation, Ncourage Social Enterprise Foundation and in partnership with various government and non-government institutions. The Company carried out its CSR activities in Gujarat, Uttar Pradesh, West Bengal, Tamil Nadu, Andhra Pradesh, Maharashtra, Madhya Pradesh, North Eastern states, etc.

The Company has an integrated approach to community development which helps in touching all aspects of society such as livelihood, education, health, environment and empowerment of the weaker section of the society especially women, scheduled caste and scheduled tribes. The Company's programme framework linked to UN SDGs (Sustainability Development Goals) 1, 2, 3, 4, 5, 6, 7, 10, 13, 14, 15 & 17 has the following elements viz. building economic capital, ensuring environmental integrity, enablers for social, economic and environmental development and building social capital.

To further our efforts and reach to a larger community, the Company has created two centres of excellence – Centre for Sustainable Agriculture & Farm Excellence (C-SAFE) through its subsidiary Rallis and Centre for Sustainable Conservation Action for Protection of Ecosystems of the Seas (C-SCAPES), which focus on scientific research, piloting models, advocacy, capacity building and field implementation through multi stakeholder engagement.

To create self-sustaining models of development, the Company has set up social enterprises, Okhai and Ncourage Social Enterprise Foundation to help in creating livelihood options for the communities.

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

Farm based livelihoods: The Company focusses on promoting livelihood opportunities and enhancing the quality of life of the rural households dependent on agriculture and allied activities. The programme has been designed to improve the land and introduce improved agriculture development initiatives and livestock management systems. The key initiatives include Unnati and Kasturi programmes. The Kasturi initiative helps in developing women farmers in self-leadership, family management and ability to serve as community catalyst in Agripreneurship.

Non-Farm based livelihoods: The Company encourages and helps build functional education and skills necessary for sustainable socio-economic development of individuals. The Company also runs skill development programmes in different locations to train unemployed youths to facilitate in their employment or entrepreneurial development. The Company has set up Technical Training Institute at Mithapur and also supports the Tata Strive Centre in running the skill development centre at Aligarh and the Industrial Training Institute ('ITI') at Dwarka.

Okhai & cluster development programme focusses on promoting livelihood of the rural artisans by enhancing their skills and establishing market linkage to the handicraft and other products produced locally in the rural areas. The programme started from Mithapur, Gujarat and has been scaled up in other states of India like Uttar Pradesh, Maharashtra, Kerala, etc. Okhai is the flagship programme which at present is working with more than 2,360 artisans across India. The Company works with more than 240 women self-help groups and facilitate women participation in different economic activities.

Ensuring Environmental Integrity: The Company's main focus is on Natural Resource Management & Environmental Conservation. Key programmes include land and water management activities, waste management, preservation of biodiversity and mitigation of climate change impacts. During FY 2019-20, under the Swachh Bharat Abhiyan, the Company set up a dry waste processing plant at Mithapur. The Company also initiated activities through the Centre for Sustainable Conservation Action for Protection of Ecosystems of the Seas (C-SCAPES), which was established in the 150th year of the Tata Group.

Enablers for social, economic and environmental development: The enablers for social, economic and environmental development are good health and well-being, education, safe water and sanitation. 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 camps that also promote herbal kitchen garden for overall wellness.

The education programme focusses on students starting from primary to the post-graduation level. Education support is provided for 100% enrolment of children and improving quality of education through e-library, Learning Enhancement Programme (LEP), teacher training, scholarships, SNDT (Shreemati Nathibai Damodar Thackersey Women's University) Centre, etc.

An important intervention is the Company's effort to promote clean and safe drinking water and good sanitation. The Company helps to provide clean water through roof rainwater harvesting structures, repair of hand pumps, supporting households with water purifier systems through Samridhhi and Swachh 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 (though Affirmative Action), partnerships for achieving goals and setting up sustainable social enterprise models (Okhai and Ncourage) are key methods for achieving the same. 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.

The international presence of the Company also helps raise funds for charities that support health care, education and biodiversity conservation.

The Company also responds to disasters that hit any part of India.

CSR initiatives in the wake of Covid-19

Towards the end of the financial year, the Company took various initiatives towards financial, medical and community support in the fight against Covid-19 pandemic. This included financial support towards the relief funds of state governments, providing sodium hydrochloride, hand sanitizers, medical infrastructure, supply of dry ration, driver kit, hygiene kit, distribution of masks, awareness drives, etc. In addition to this, voluntary contributions by the Company as well as its employees were also made to the Tata Community Initiatives Trust for contribution towards the said purpose.

The Annual Report on CSR activities is annexed as **Annexure 2** to this Report.

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 its Stakeholders to report their concerns about 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 Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. No personnel of the Company has been denied access to the Audit Committee. The Whistleblower Policy also facilitates all employees of the Company to report any instance of leak of Unpublished Price Sensitive Information.

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

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 Internal Complaints Committee ('ICC') for its workplaces to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a policy for prevention of Sexual Harassment, which ensures a free and fair enquiry process with clear timelines for resolution.

This year, one concern was reported which was investigated and appropriate action was taken.

To build awareness in this area, the Company has been conducting awareness sessions during induction, periodically through classroom sessions and online modules. It includes regular employees, third-party employees, and contract workmen. A special awareness programme was organised for the recently re-constituted ICC members and POSH champions in March 2020.

Particulars of Loans, Guarantees and Investments

The Company has not given any loans during the year under review. The Company has not made any investments during the year. During the year, the Company has provided additional corporate guarantee of US$ 57.60 million to Tata Chemicals Magadi Limited, a wholly owned subsidiary 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.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiaries for FY 2019-20 are prepared in compliance with the applicable provisions of the Act and as stipulated under Regulation 33 of the 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 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.

Subsidiary Companies and Joint Ventures

As on March 31, 2020, the Company had 35 (direct and indirect) subsidiaries (4 in India and 31 overseas) and 5 joint ventures.

With a view to reduce the number of subsidiaries and rationalising the Tata Chemicals group structure, there were following changes pertaining to subsidiaries during the year:

- During the year, the Company through its wholly-owned subsidiary, Valley Holdings Inc., acquired the remaining 25% partnership interest in Tata Chemicals (Soda Ash) Partners Holdings in the United States. With this acquisition, the Company has increased its ownership to 100% on December 19, 2019.

- The NCLT, Mumbai Bench, and NCLT, Bengaluru Bench vide their Orders dated December 20, 2019 and November 11, 2019 respectively, sanctioned the Scheme of Merger by absorption of Metahelix with Rallis and their respective shareholders. The certified copies of the Orders were filed with the jurisdictional Registrar of Companies and accordingly, Metahelix, a step-down subsidiary of the Company, has merged with Rallis India Limited and ceased to be a subsidiary of the Company effective February 1, 2020.

- The NCLT Mumbai Bench, on April 23, 2020, sanctioned the Scheme of Merger by Absorption between the Company and Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio-1'), a wholly owned subsidiary of the Company ('Scheme'), with an Appointed Date of April 1, 2019. The Scheme is subject to the approval of the regulatory authorities at Mauritius.

- NCLT Mumbai, vide its Order dated February 20, 2020, sanctioned the Scheme of Amalgamation of Zero Waste Agro Organics Limited with Rallis ('Scheme'). The certified copy of the Order of NCLT sanctioning the Scheme is awaited. The Scheme will be made effective upon filing of the certified copy of the Order with the Registrar of Companies, Maharashtra.
- Rallis Chemistry Exports Limited, wholly owned subsidiary of Rallis, had made an application to the Registrar of Companies for removal of its name from the register of companies, for which approval 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 AOC-1 attached to the Financial Statements.

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 Company's operations in future.

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 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 auditors 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 Report, which forms part of this Annual Report.

Governance and Compliance

The Secretarial and Legal functions of the Company ensure maintenance of good governance within the organisation. They assist the business in functioning smoothly by being compliant at all times and providing strategic business partnership in the areas including legislative expertise, corporate restructuring, regulatory changes and governance.

The Company has in place an online compliance management system for monitoring the compliances across its various plants and offices which gets reviewed at the Audit Committee once in a year.

Directors and Key Managerial Personnel

Directors

Appointment

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors appointed Dr. C. V. Natraj and Mr. K. B. S. Anand as Additional Directors of the Company with effect from August 8, 2019 and October 15, 2019 respectively, in accordance with Article 133 of the Company's Articles of Association and Section 161(1) of the Act. They hold office upto the date of the forthcoming AGM and a Notice under Section 160(1) of the Act has been received from a Member signifying the intention to propose their appointment as Directors. Further, based on the recommendations of NRC, the Board also appointed Dr. C. V. Natraj and Mr. K. B. S. Anand as Independent Directors of the Company for a period of five consecutive years w.e.f. August 8, 2019 and October 15, 2019 respectively subject to approval of the Members at the ensuing AGM.

The Board recommends the appointment of Dr. C. V. Natraj and Mr. K. B. S. Anand as Independent Directors of the Company by way of an Ordinary Resolution.

Cessation

During the year under review, Mr. Nasser Munjee and Dr. Y. S. P. Thorat, Independent Directors of the Company, who were appointed at the 75th Annual General Meeting of the Company held on August 21, 2014 for a period of 5 years, completed their tenure as Independent Directors of the Company on August 20, 2019. The Board places on record its appreciation for their invaluable contribution and guidance during their tenure as Independent Directors.

Re-appointment

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

During the year under review, the Members re-appointed Ms. Vibha Paul Rishi as an Independent Director of the Company for a second term of five years from September 1, 2019 to August 31, 2024, by passing a Special Resolution.

Independent Directors

In terms of Section 149 of the Act, Ms. Vibha Paul Rishi, Ms. Padmini Khare Kaicker, Dr. C. V. Natraj and Mr. K. B. S. Anand 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 Listing Regulations and are independent from the management. The Independent Directors of the Company hold office for a term of five years or until completion of 75 years, whichever is earlier. 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, human resources, strategy, auditing, tax and risk advisory services, financial services, corporate governance, etc. and that they hold highest standards of integrity.

The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

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

Key Managerial Personnel ('KMP')

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. John Mulhall, Chief Financial Officer
- Mr. Rajiv Chandan, General Counsel & Company Secretary

Governance Guidelines

The Company has adopted the Governance Guidelines on Board Effectiveness to fulfill its corporate governance responsibility towards its stakeholders. The Governance Guidelines cover aspects relating to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director's remuneration, subsidiary oversight, code of conduct, review of Board effectiveness and mandates of Committees of the Board.

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.

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 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.

During FY 2018-19, the Board had also identified 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 and those actually 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.

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 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 corporate governance requirements prescribed under the Listing Regulations.

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 was based on the Guidance Note issued by SEBI on Board Evaluation which 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 of the Committees was 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.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They also evaluated the performance of the Chairman (as elected by the Board for each meeting of the Board of Directors) 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 Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

Significant highlights, learning and action points with respect to the evaluation were discussed by the Board. Appropriate actions are taken on the suggestions made by the Board during the Annual Evaluation process and presented to the Board.

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 Listing Regulations which is set out in **Annexure 4** forming part of this Report.

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 2019-20.

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, 2020:

(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.

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** to this Report.

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** to 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.

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 consecutive years.

Further, the report of the Statutory Auditors along with notes to Schedules is a part of the 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 2020-21 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, have been appointed as Secretarial Auditors of the Company to carry out the secretarial audit for FY 2020-21. The report of the Secretarial Auditors for FY 2019-20 is enclosed as **Annexure 7** to this Report.

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

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.

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

During the year under review, the Audit Committee comprised four (4) Members out of which three (3) were Independent Directors and one (1) was a Non-Executive Director. During the year, ten (10) 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, Safety and Sustainability Committee

A Meeting of CSR Safety and Sustainability Committee was held once during FY 2019-20 on June 4, 2019. Thereafter, the Board of Directors decided to split the said committee into two viz. CSR Committee and Safety, Health, Environment and Sustainability Committee with effect from August 8, 2019. Each of the two committees comprises four (4) Members out of which one (1) is an Independent Director. In addition to one meeting of CSR Safety and Sustainability Committee, two separate meetings of CSR Committee and Safety, Health, Environment and Sustainability Committee were held during the year under review, details of which are provided in the Corporate Governance Report.

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 that such systems were adequate and operating effectively.

Extract of Annual Return

Pursuant to Section 92(3) of the Act read with the applicable Rules, the extract of Annual Return in Form MGT-9 is attached as **Annexure 8** to this Report.

Further, the extract to the Annual Return of the Company can also be accessed on the Company's website at https://www.tatachemicals.com/Investors/AGM-documents.

Acknowledgements

The Directors wish to place on record their appreciation for the continued support and co-operation by Financial Institutions, Banks, Government Authorities and other stakeholders. Your Directors also acknowledge the support extended by the Company's Unions and all the employees for their dedicated service.

On behalf of the Board of Directors

Bhaskar Bhat	**R. Mukundan**
Director	**Managing Director & CEO**
Bengaluru, May 15, 2020	Mumbai, May 15, 2020

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

Bhaskar Bhat **Director**	**R. Mukundan** **Managing Director & CEO**
Bengaluru, May 15, 2020	Mumbai, May 15, 2020

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]

A. CSR Report

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes	Tata Chemicals Limited ('the Company') is committed to upholding the highest standards of CSR. The Company endorses the Tata Group 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 our programmes and empowerment of our communities. The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website and the web-link for the same is https://www.tatachemicals.com/CSRPolicy.htm
2.	The Composition of the CSR Committee	1. Mr. S. Padmanabhan (Chairman) 2. Ms. Vibha Paul Rishi 3. Mr. R. Mukundan 4. Mr. Zarir Langrana
3.	Average net profit of the Company for last three financial years	₹ 1,069.65 crore (as per Section 198 of the Act)
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 21.39 crore
5.	Details of CSR spent for the financial year:	
	a. Total amount spent for the financial year	₹ 37.81 crore
	b. Amount unspent, if any	Nil
	c. Manner in which the amount spent during the financial year	The manner in which the amount spent is detailed in Part B to the Annexure
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report	NA
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company	The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company

B. CSR Expenditure for FY 2019-20:

Sr. No.	CSR Project / Activity Identified	Sector in which the project is covered	Location of projects or programmes: Local Area/ District & State	Amount Outlay and Budget (₹ in lakh)	Amount spent on projects or programmes (₹ in lakh): Direct on project /overheads	Cumulative Expenditure up to reporting period (as on March 31, 2020) (₹ in lakh)	Amount spent direct by Organisation / Implementing agency
1.	Building Economic Capital: Okhai & Cluster Development Project	Promotion and development of traditional handicrafts	Mithapur: Devbhoomi Dwarka, Gujarat Babrala: Uttar Pradesh Mumbai: Maharashtra	300	245.7	245.7	**Amount spent through the following channels:** **Direct:** - Tata Chemicals Limited **Implementation Agencies Internal:** - Tata Chemicals Society for Rural Development - Ncourage Social Enterprise Foundation - OKHAI- Centre for Empowerment - UDAY Foundation - Tata Chemicals Golden Jubilee Trust - Employee volunteers **Implementation Agencies External:** - Government agencies - Local Panchayats - NGOs Community based organisations - Skill development agencies - Environment Conservation Groups - Other Resource agencies (Also refer the names listed below)
2.	Building Economic Capital: Farm Based: Agriculture Development, Livestock Management, CSAFE	Poverty alleviation, livelihood enhancement and infrastructure support	Mithapur: Devbhoomi Dwarka, Gujarat Haldia: Midnapur, West Bengal Mumbai: Maharashtra Farukabad: Uttar Pradesh	200	223.18	223.18	
3.	Building Economic Capital: Non-Farm Based: Skill Development and Education	Education and vocational skill development	Mithapur: Devbhoomi Dwarka, Gujarat 6 districts, Gujarat Aligarh: Uttar Pradesh Haldia: West Bengal Cuddalore & Sriperumbudur: Tamil Nadu Nellore & Mambattu: Andhra Pradesh Mumbai, Maharashtra	281	333.07	333.07	
	Building Economic Capital: Non-Farm Based: Ncourage Social enterprise, Infrastructure project	Ncourage Social Enterprise	Mumbai – Maharashtra (All Location) Mithapur: Devbhoomi Dwarka Mithapur: Devbhoomi Dwarka, Surat, Porbandar, Gujarat	400	566.2	566.2	
		Non-Farm Based Programme		5	1.22	1.22	
		Infrastructure programme		69	124.45	124.45	
4.	Ensuring Environmental Integrity: Environment, Climate Change & Bio-diversity Conservation: Centre of Excellence for Coastal & Marine Bio-diversity conservation, Eco clubs, CSAFE, Land & Water management, Waste management, Greening and plantation	Natural resource management, Environmental Sustainability	Mithapur: Devbhoomi Dwarka & Porbandar, Gujarat Haldia: West Bengal Mumbai: Maharashtra	450	1,814.21	1,814.21	
5.	Enablers for social, economic and environmental development Health: General Health Care, nutrition, sanitation and safe drinking water	Health care, nutrition, sanitation and safe drinking water	Mithapur: Devbhoomi Dwarka, Gujarat Mumbai & Amravati: Maharashtra, Barawani: Madhya Pradesh Cuddalore & Sriperumbudur: Tamil Nadu	103	135.67	135.67	
6.	Enablers for social, economic and environmental development: Scholarship, Quality Education	Education and vocational skill development	Mithapur: Devbhoomi Dwarka, Gujarat Haldia: Midnapur, West Bengal, Cuddalore: Tamil Nadu, Mambattu: Andhra Pradesh	162	116.7	116.7	
7.	Building Social capital facilitating community based organisations: Self Help Groups , Clusters, community based organisations Affirmative Action facilitation	Inclusive Growth & empowerment	Mithapur: Devbhoomi Dwarka, Gujarat Babrala: Uttar Pradesh	25	20.07	20.07	
8.	Administration & miscellaneous	-	-	145	123.42	123.42	
9.	Disaster relief/rehab/Covid-19	-	-	75	77.28	77.28	
	Total			**2,215**	**3,781.17**	**3,781.17**	

Names of Implementing Agencies:

- District Rural Development Agency
- Water and Sanitation Management Organisation
- Gujarat Green Revolution Corporation
- Government of Gujarat Irrigation Department
- Gram Panchayat
- Taluka Panchayat
- Krishi Vikas Kendra
- Sarva Shiksha Abhiyan
- Gujarat Agriculture University
- Gujarat Forest Department
- District Animal Husbandry Department
- District Education Department
- Coastal Salinity Prevention Cell
- Ambuja Cement Foundation
- American India Foundation
- Wildlife Trust of India
- Tagore Society for Rural Development
- Tata Trusts/Tata Strive
- Covenant Centre for Development

On behalf of the Board of Directors

S. Padmanabhan
Chairperson – CSR Committee

R. Mukundan
Managing Director & CEO

Mumbai, May 15, 2020

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 preceeding 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

Bhaskar Bhat	**R. Mukundan**
Director	**Managing Director & CEO**
Bengaluru, May 15, 2020	Mumbai, May 15, 2020

[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

Bhaskar Bhat	**R. Mukundan**
Director	**Managing Director & CEO**
Bengaluru, May 15, 2020	Mumbai, May 15, 2020

[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 2019-20:

- Reduction of Okhamadhi Solar Salt Calcium & Magnesium Impurities to reduce chemical consumption in brine purification and cold effluent generation
- Energy optimisation at Cement Plant
- Replacement of Ammonia still preheater no. 5 and 3 to reduce efficiency loss
- Replacement of Rotary Drum Filter no. 1 at Soda Ash Plant to reduce moisture content
- Replacement of Stack cooler for Ammonia still no. 4 to improve stack cooler efficiency
- Replacement of Make-Up Water ('MUW')-1 plant Body 1 evaporator to improve steam economy, throughput
- Converted double effect evaporation to triple effect evaporation in MUW 4 plant phase 2 and 3
- Optimise operation of evaporator in MUW-1 plant by draw automation
- MUW-1 dryer condensate flash vapour re-utilisation done at MUW-3 plant
- MUW-4 Evaporator body dilution and wash of frequency reduced by optimising anti-scalent dosing

◆ **Reduce specific Energy Consumption in cement plant**

- Replacement of two numbers of 7-bar compressors with modular design & energy efficient machines
- Cooler fan 5 replaced with high efficiency
- Trial of combustion catalyst for reduction in specific fuel consumption
- Converted Direct Current drive of cement mill separator to Alternating Current Variable Frequency Drive to reduce power consumption
- Replacement of air lift blowers, coal conveying blowers and aeration blowers to improve efficiency
- Installed and commissioned plastic feeding system in Calciner to reduce fuel consumption
- Installed and commissioned waste oil firing system to reduce fuel consumption

◆ **Power plant energy efficiency projects**

- Combustion Engineering High Pressure ('CEHP') -1 Economiser replacement
- CEHP-1 Sonic soot blower installation
- Installation of High Pressure Boiler-3 and 4 boiler automatic blowdown
- Low Pressure Turbine ('LPT')-6 turbine major overhauling completed

◆ New capital projects being done with energy efficient motors, energy efficient lighting, high efficiency distribution transformers and Intelligent Motor Control Centres

- Replacement conventional lamps /tubes with 1,800 efficient LED
- Building Management system installed to control the power consumption by Heating, Ventilation and Air conditioning
- Motion sensors installed on Lighting
- When steam consumption not more than 50% boiler will be kept under warm-up mode
- Steam and process condensate water recycled to boiler feed water
- Saving of 10 Horsepower power by Modifying the System and eliminating one of the Sugar charging pump. In that Energy saving of 1860 KW per month
- Ten numbers of Solar pole light installed in New Multiple Effective Evaporation area (saving of 3.2 KW/day)
- Steam Savings by changing Double Mechanical Seal to Single dry Seal in15 KL Fermentor. In that Savings of 31 kg/hr of steam

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

- At Mithapur, the Company installed solar lighting (1 Roof top 5.5. KW Solar system installed at New Power Plant substation roof)
- At Mambattu, Rice husk or Bio Briquette are used in place of Fossil fuel & 15% Power consumed from Solar energy
- At Sriperumbudur, the Company installed 10 Solar Pole light in New Multiple Effective Evaporation area

(iii) Capital Investment on Energy Conservation Equipments:

₹ in crore

Sr. No.	Project description	Capex cost
1.	MUW-1 Body 1 Evaporator replacement	7.44
2.	Converted double effect evaporation to triple effect evaporation in MUW-4 plant	110.66
3.	Ammonia still no. 4 Stack cooler replacement	1.36
4.	Rotary Drum Filter No.1 replacement	0.92
5.	Ammonia still preheater 3 & 5 replacement	2.67
6.	Carbonation Tower Internet of Things ('IIoT') based Decision Support System	2.19
7.	Building Management System	1.10
8.	Motion sensor lighting/smart lighting	0.20
9.	Process and steam condensate recycle to Boiler Feed Water/Water Treatment Plant	1.01
10.	Mechanical installation of pipe rack and additional cable work	0.70
11.	Cost of Solar pole Lights system for Multiple Effect Evaporator area	0.02
	Total	**128.27**

B. Technology Absorption

(i) The efforts made towards Technology Absorption

- Nano sea water technology for brine purification in soda ash plant - project under executions
- Solar salt washery project is under execution
- Implementation of IoT-based Decision support system for Soda ash Carbonating tower 4, 5 & 6 Efficiency improvements
- Upgradation of Chloro Caustic Group plant electrolyser technology under commissioning
- Sequential Simulated Moving Bed ('SSMB') and Multi stage spray dryer at Mambattu

(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 minimization / recycling & reuse, related value added products, reduction in carbon footprints and environmental improvement
- Spray dryer yield improved product & 15% energy reduction compared to tall form dryer
- SSMB yield on high purity product with less time

(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	Palletiser for IVSD 50 kg bags at Peripheral Yard	SSMB for purification of FOS and Spray Dryer for converting liquid into powder
(b)	The year of import	2017-18	2019-20
(c)	Whether the technology been fully absorbed	Yes	No
(d)	If not fully absorbed, areas where absorption has not taken place and the reasons thereof	NA	Vendor patented the technology for SSMB

(iv) The expenditure incurred on Research & Development

₹ in crore

	2019-20	2018-19
Capital expenditure	2.13	5.69
Revenue expenditure	28.37	31.96
Total R&D expenditure	**30.50**	**37.65**
Total R&D expenditure as a percentage of net sales	**1.04%**	**0.80%**

C. Foreign Exchange Earnings and Outgo

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

	2019-20	2018-19
Foreign Exchange Earned	115.80	82.10
Outgo of Foreign Exchange	360.23	976.46

On behalf of the Board of Directors

Bhaskar Bhat
Director
Bengaluru, May 15, 2020

R. Mukundan
Managing Director & CEO
Mumbai, May 15, 2020

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 2019-20 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. Bhaskar Bhat*	5.46:1	N.A.*
Ms. Vibha Paul Rishi	8.23:1	2.84
Mr. S. Padmanabhan**	1.19:1	1.39
Ms. Padmini Khare Kaicker	8.27:1	0.59
Dr. C. V. Natraj	5.54:1	N.A.#
Mr. K. B. S. Anand	1.90:1	N.A.#
Executive Directors		
Mr. R. Mukundan, Managing Director & CEO	108.76:1	1.63
Mr. Zarir Langrana	52.40:1	5.08
Key Managerial Personnel		
Mr. John Mulhall, CFO	-	(6.42)
Mr. Rajiv Chandan, General Counsel & Company Secretary	-	6.12

Note: Commission relates to FY ended March 31, 2020, which will be paid during FY 2020-21.

* In line with the internal guidelines, no commission was paid to Mr. Bhaskar Bhat, Non-Executive Director of the Company, for FY 2018-19 who was in full-time employment with other Tata company. However, Mr. Bhat is eligible to receive commission from the Company for FY 2019-20 in view of his superannuation from Titan Company Limited as the Managing Director and CEO effective September 30, 2019. Hence, the percentage increase in remuneration over the previous year is not applicable.

** 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.

Dr. C. V. Natraj and Mr. K. B. S. Anand were appointed as Independent Directors on the Board of the Company during the year and hence the percentage increase in remuneration over the previous year is not applicable.

B. Percentage increase in the median remuneration of employees in FY 2019-20: 14.72%

C. Number of permanent employees on the rolls of the Company as on March 31, 2020: 1,820

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

Particular	% change in remuneration
Average increase in salary of employees (other than managerial personnel)	4.40%
Average increase in remuneration of managerial personnel	2.73%

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

Bhaskar Bhat
Director
Bengaluru, May 15, 2020

R. Mukundan
Managing Director & CEO
Mumbai, May 15, 2020

Annexure 7 to Board's Report

Form No. MR-3

Secretarial Audit Report for the financial year ended March 31, 2020

[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, 2020, 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, 2020 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;

  (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, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

1. The Board of Directors of the Company at their meeting held on May 15, 2019 approved 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 ('CPB') of the Company to TCPL. The Members of the Company approved the Scheme on October 30, 2019 by a requisite majority. The National Company Law Tribunal ('NCLT'), Mumbai and NCLT Kolkata, sanctioned the Scheme on January 10, 2020 and January 8, 2020 respectively. 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. The Appointed Date under the Scheme is April 1, 2019.

2. The Board of Directors of the Company at their meeting held on March 22, 2019 approved the Scheme of Merger by Absorption of Bio Energy Venture-1 (Mauritius) Pvt. Ltd., a wholly owned subsidiary of the Company, by the Company ('Scheme'). The NCLT Mumbai Bench, on April 23, 2020, sanctioned the Scheme, with an Appointed Date of April 1, 2019. The Scheme is subject to the approval of the regulatory authorities at Mauritius and will be made effective upon filing of the certified copy of the NCLT Order with the Registrar of Companies, Maharashtra.

3. During the year, the Company has redeemed its Unsecured Non-Convertible Debentures (NCDs) of ₹ 250 crore (Face Value ₹ 10 lakhs per Debenture) with coupon rate of 10.00% p.a. by making full and timely payment of the Principal amount along with its interest on July 2, 2019. Accordingly, the Company has ceased to be listed on the Debt segment of the Stock Exchanges and complied with the requirements in this regard.

For Parikh & Associates
Company Secretaries

P. N. Parikh
Partner
FCS No: 327 CP No: 1228

Mumbai, May 15, 2020
UDIN: F000327B000243955

This Report is to be read with our 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
UDIN: F000327B000243955

Mumbai, May 15, 2020

Annexure 8 to Board's Report

Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.	**Registration and Other Details**		
	i)	CIN	L24239MH1939PLC002893
	ii)	Registration Date	January 23, 1939
	iii)	Name of the Company	TATA CHEMICALS LIMITED
	iv)	Category / Sub-Category of the Company	Public Company / Limited by shares
	v)	Address of the Registered Office and contact details	Bombay House 24, Homi Mody Street, Fort, Mumbai – 400 001 Telephone: + 91 22 6665 8282 Email: investors@tatachemicals.com Website: www.tatachemicals.com
	vi)	Whether listed company	Yes
	vii)	Name, Address and Contact details of Registrar & Share Transfer Agents (RTA)	TSR Darashaw Consultants Private Limited Unit: Tata Chemicals Limited 6, Haji Moosa Patrawala Industrial Estate, 20 Dr. E Moses Road, Near Famous Studio, Mahalaxmi, Mumbai – 400 011 Telephone: +91 22 6656 8484, Fax: +91 22 6656 8494 Email: csg-unit@tsrdarashaw.com Website: www.tsrdarashaw.com
II.	**Principal Business Activities of the Company**		
	All the business activities contributing 10% or more of the total turnover of the company shall be stated		As per Annexure A
III.	**Particulars of Holding, Subsidiary and Associate Companies**		As per Annexure B
IV.	**Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)**		
	i)	Category-wise Shareholding	As per Annexure C
	ii)	Shareholding of Promoters	
	iii)	Change in Promoters' Shareholding (please specify, if there is no change)	
	iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	
	v)	Shareholding of Directors and Key Managerial Personnel	
V.	**Indebtedness**		
	Indebtedness of the Company including interest outstanding/ accrued but not due for payment		As per Annexure D
VI.	**Remuneration of Directors and Key Managerial Personnel**		
	A.	Remuneration to Managing Director, Whole-Time Directors and/or Manager	As per Annexure E
	B.	Remuneration to other Directors	
	C.	Remuneration to Key Managerial Personnel other than Managing Director/ Manager/ Whole-Time Director	
VII.	**Penalties / Punishment/ Compounding of Offences**		As per Annexure F

Annexure A

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products /services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Soda Ash	20119	50.86%
2.	Salt	08932	27.95%

Annexure B

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Rallis India Limited 23rd Floor, Lodha Excelus, New Cuffe Parade, Off Eastern Freeway, Wadala, Mumbai 400 037	L36992MH1948PLC014083	Subsidiary	50.06%	2(87)(ii)
2.	Ncourage Social Enterprise Foundation Ground Floor, East Wing Leela Business Park, Andheri-Kurla Road, Andheri East, Mumbai 400 059	U74999MH2017NPL302618	Subsidiary	100%	2(87)(ii)
3.	Bio Energy Venture -1 (Mauritius) Pvt. Ltd.≠ IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius	Not applicable	Subsidiary	100%	2(87)(ii)
4.	Homefield Pvt. UK Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
5.	Tata Chemicals Africa Holdings Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
6.	Tata Chemicals South Africa (Pty) Limited 140 Johnstone Road, Maydon Wharf Durban 4001, South Africa	Not applicable	Subsidiary	100%	2(87)(ii)
7.	Tata Chemicals Magadi Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
8.	Magadi Railway Company Limited PO Box 1, Magadi, Lake Magadi, Kenya	Not applicable	Subsidiary	100%	2(87)(ii)
9.	TCE Group Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
10.	Natrium Holdings Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
11.	Cheshire Salt Holdings Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
12.	Cheshire Salt Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
13.	British Salt Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
14.	Brinefield Storage Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
15.	Cheshire Cavity Storage 2 Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
16.	Cheshire Compressor Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
17.	Irish Feeds Limited Sinclair Wharf, Stormont Road, Belfast, BT3 9AA	Not applicable	Subsidiary	100%	2(87)(ii)
18.	New Cheshire Salt Works Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
19.	Brunner Mond Group Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
20.	Tata Chemicals Europe Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
21.	Winnington CHP Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
22.	Northwich Resource Management Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
23.	Gusiute Holdings (UK) Limited Natrium House, Winnington, Cheshire CW8 4GW	Not applicable	Subsidiary	100%	2(87)(ii)
24.	Valley Holdings Inc. 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Subsidiary	100%	2(87)(ii)
25.	Tata Chemicals North America Inc. 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Subsidiary	100%	2(87)(ii)
26.	TCNA (UK) Limited 21, Holborn, Viaduct London EC1A 2DY	Not applicable	Subsidiary	100%	2(87)(ii)
27.	General Chemical International Inc. 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Subsidiary	100%	2(87)(ii)
28.	NHO Canada Holdings Inc. 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Subsidiary	100%	2(87)(ii)
29.	TCSAP Holdings* 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Subsidiary	100% ^	2(87)(ii)
30.	TCSAP LLC 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Subsidiary	100% ^	2(87)(ii)
31.	Tata Chemicals (Soda Ash) partners (TCSAP)* 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Subsidiary	100% ^	2(87)(ii)
32.	Tata Chemicals International Pte. Ltd 78 Shenton Way # 17-01/02 Singapore 079 120	Not applicable	Subsidiary	100%	2(87)(ii)
33.	Rallis Chemistry Exports Ltd.[@] 156/157, 15th Floor, Nariman Bhavan 227, Nariman Point, Mumbai 400 021	U74990MH2009PLC193869	Subsidiary	100%	2(87)(ii)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
34.	PT Metahelix Lifesciences Indonesia[#] Jl. Batu Tulis Raya, No 17 PAV Kel. Kebon Kelapa, Kec. Gambir Jakarta Pusat	Not applicable	Subsidiary	65.77%	2(87)(ii)
35.	Zero Waste Agro Organics Limited[∞] Kapil Towers, First Floor, S. No. 40-1/B Near Sagam Bridge, Dr. Ambedkar Road, Pune 411 001	U01400PN2011PLC141307	Subsidiary	100%	2(87)(ii)
36.	Alcad^^ 111 East Sego Lily Drive, Suite 200 Sandy UT 84070 USA	Not applicable	Joint Venture	50%	2(6)
37.	Indo Maroc Phosphore S.A. Immeuble OCP -1, Rue Alabtal Erraha, Casablanca, Maroc	Not applicable	Joint Venture	33.33%	2(6)
38.	JOil (S) Pte. Ltd.[%] 1 Research Link, Singapore 117 604	Not applicable	Joint Venture	33.78%	2(6)
39.	The Block Salt Company Limited[&] Fourth Floor Abbots House, Abbey Street, Reading, Berkshire, RG1 3BD	Not applicable	Joint Venture	50%	2(6)
40.	Tata Industries Limited Bombay House 24, Homi Mody Street, Fort Mumbai 400 001	U44003MH1945PLC004403	Joint Venture	9.13%	2(6)

Note:

≠ The NCLT, Mumbai Bench on April 23, 2020 sanctioned the Scheme of Merger by Absorption between the Company and Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio-1'), a wholly owned subsidiary of the Company, with an Appointed Date of April 1, 2019. The Scheme is subject to the approval of the regulatory authorities at Mauritius

* A general partnership formed under the laws of the State of Delaware (USA)

^ The Company through its wholly-owned subsidiary, Valley Holdings, Inc., has acquired the remaining 25% partnership interest in Tata Chemicals (Soda Ash) Partners Holdings. With this acquisition, the Company has increased its ownership in the said company from 75% to 100 % w.e.f. December 19, 2019

@ Rallis India Limited is holding 100% in Rallis Chemistry Exports Limited ('Rallis Chemistry'). Rallis Chemistry has made an application to the Registrar of Companies for removal of its name from the Register of Companies for which the approval is awaited

\# PT Metahelix Lifesciences Indonesia ('PT Metahelix') was a subsidiary of Metahelix Life Sciences Limited ('Metahelix'). Metahelix has now merged into Rallis India Limited ('Rallis') w.e.f. February 1, 2020 and hence PT Metahelix is now a direct subsidiary of Rallis. Rallis is holding 65.77% in PT Metahelix

∞ Rallis India Limited is holding 100% in Zero Waste Organics Limited. During the year, the NCLT, Mumbai Bench sanctioned the merger of Zero Waste Agro Organics Limited with Rallis. The certified copy of Order of NCLT is awaited

^^ A general partnership formed under the laws of the State of Delaware (USA) wherein TCSAP is holding 50%

& New Cheshire Salt Works Limited is holding 50%

% TCIPL is holding 33.78%

Annexure C

IV. Shareholding Pattern (Equity Share Capital breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category code (I)	Category of Shareholders (II)	Number of shares held at the beginning of the year April 1, 2019				Number of shares held at the end of the year March 31, 2020				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Promoters**									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	7,80,27,743	200	7,80,27,943	30.63	8,81,14,481	50	8,81,14,531	34.59	3.96
(e)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	- Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (1)	**7,80,27,743**	**200**	**7,80,27,943**	**30.63**	**8,81,14,481**	**50**	**8,81,14,531**	**34.59**	**3.96**
(2)	Foreign									
(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investors	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**7,80,27,743**	**200**	**7,80,27,943**	**30.63**	**8,81,14,481**	**50**	**8,81,14,531**	**34.59**	**3.96**
(B)	**Public Shareholding**									
(1)	Institutions									
(a)	Mutual Funds/UTI	5,70,44,457	19,309	5,70,63,766	22.40	4,76,08,073	16,954	4,76,25,027	18.69	(3.71)
(b)	Banks / Financial Institutions	11,13,427	35,075	11,48,502	0.45	1,26,743	34,975	1,61,718	0.06	(0.39)
(c)	Cental Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Government(s)	350	71,598	71,948	0.03	350	71,598	71,948	0.03	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	3,82,08,310	162	3,82,08,472	15.00	3,91,09,905	162	3,91,10,067	15.35	0.35
(g)	Foreign Institutional Investors / FPIs Corp	2,57,08,772	1,840	2,57,10,612	10.09	2,36,80,248	1,840	2,36,82,088	9.30	(0.79)
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other									
	- Alternative Investment Fund	11,000	0	11,000	0.00	1,60,000	0	1,60,000	0.06	0.06
	Sub-Total (B) (1)	**12,20,86,316**	**1,27,984**	**12,22,14,300**	**47.97**	**11,06,85,319**	**1,25,529**	**11,08,10,848**	**43.50**	**(4.48)**

Category code (I)	Category of Shareholders (II)	Number of shares held at the beginning of the year April 1, 2019				Number of shares held at the end of the year March 31, 2020				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2)	Non-Institutions									
(a)	Bodies Corporate									
	i Indian	28,97,884	61,446	29,59,330	1.16	26,89,901	57,379	27,47,280	1.08	(0.08)
	ii Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals									
	i Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,48,51,308	47,40,523	3,95,91,831	15.54	3,55,24,086	41,82,599	3,97,06,685	15.59	0.05
	ii Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	49,39,756	1,82,177	51,21,933	2.01	54,68,111	1,82,177	56,50,288	2.22	0.21
(c)	Any Other									
	- Bodies Corporate NBFC	11,883	0	11,883	0.00	7,370	0	7,370	0.00	0.00
	- Clearing Members	9,81,125	0	9,81,125	0.39	15,53,515	0	15,53,515	0.61	0.22
	- Director or Director's Relatives	4,166	0	4,166	0.00	4,375	0	4,375	0.00	0.00
	- Foreign Nationals	906	0	906	0.00	906	0	906	0.00	0.00
	- Foreign Nationals - DR	0	0	0	0.00	0	0	0	0.00	0.00
	- Foreign Portfolio Investors	77	0	77	0.00	77	0	77	0.00	0.00
	- HUF	13,24,981	205	13,25,186	0.52	14,63,131	80	14,63,211	0.57	0.05
	- IEPF	10,99,221	0	10,99,221	0.43	11,98,540	0	11,98,540	0.47	0.04
	- LLP	1,71,877	0	1,71,877	0.07	11,88,966	0	11,88,966	0.47	0.40
	- Non-Resident Indians	17,80,906	1,07,532	18,88,438	0.74	20,13,290	96,772	21,10,062	0.83	0.09
	- Trusts	13,57,919	143	13,58,062	0.53	1,73,300	127	1,73,427	0.07	(0.47)
	Others - Insurance Company Registered with IRDA	0	0	0	0.00	26,197	0	26,197	0.01	0.01
	Sub-Total (B) (2)		**50,92,026**	**5,45,14,035**	**21.40**	**5,13,11,765**	**45,19,134**	**5,58,30,899**	**21.92**	**0.52**
	Total Public Shareholding (B) = (B)(1)+(B)(2)		**52,20,010**	**17,67,28,335**	**69.37**	**16,19,97,084**	**46,44,663**	**16,66,41,747**	**65.41**	**(3.96)**
	TOTAL (A)+(B)		**52,20,210**	**25,47,56,278**	**100.00**	**25,01,11,565**	**46,44,713**	**25,47,56,278**	**100.00**	**0.00**
(C)	**Shares held by Custodians for GDRs & ADRs**	0	0	0	0.00	0	0	0	0.00	0.00
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)		**24,95,36,068**	**52,20,210**	**25,47,56,278**	**100.00**	**25,01,11,565**	**46,44,713**	**25,47,56,278**	**100.00**	**0.00**

ii) Shareholding of Promoters (Including Promoter Group)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year April 1, 2019			Shareholding at the end of the year March 31, 2020			% change during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	
Promoter:								
1.	Tata Sons Private Limited	5,97,86,423	23.47	0.00	7,26,25,673	28.51	0.00	5.04
Promoter Group:								
2.	Tata Investment Corporation Limited	1,52,00,001	5.97	0.00	1,52,00,001	5.97	0.00	0.00
3.	Voltas Limited	2,00,440	0.08	0.00	2,00,440	0.08	0.00	0.00
4.	Tata Industries Limited	77,647	0.03	0.00	77,647	0.03	0.00	0.00
5.	Tata Motors Finance Limited	10,060	0.00	0.00	10,060	0.00	0.00	0.00
6.	Titan Company Limited	560	0.00	0.00	560	0.00	0.00	0.00
7.	Tata Coffee Limited	1,60,000	0.06	0.00	150	0.00	0.00	(0.06)
8.	Tata Consumer Products Limited (erstwhile Tata Global Beverages Limited)	7,05,522	0.28	0.00	0	0.00	0.00	(0.28)
9.	Ewart Investments Limited	13,69,290	0.54	0.00	0	0.00	0.00	(0.54)
10.	Simto Investment Company Limited	5,18,000	0.20	0.00	0	0.00	0.00	(0.20)
11.	Tata Motors Limited	0	0.00	0.00	0	0.00	0.00	0.00
12.	Sir Dorabji Tata Trust	0	0.00	0.00	0	0.00	0.00	0.00
13.	Sir Ratan Tata Trust	0	0.00	0.00	0	0.00	0.00	0.00
14.	J R D Tata Trust	0	0.00	0.00	0	0.00	0.00	0.00
	Total	**7,80,27,943**	**30.63**	**0.00**	**8,81,14,531**	**34.59**	**0.00**	**3.96**

iii) Change in Promoters (Including Promoter Group) Shareholding

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on April 1, 2019)		Date	Reason	Increase/(decrease) in shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Promoter:									
1.	Tata Sons Private Limited ('TSPL')	5,97,86,423	23.47	December 23, 2019	Bought from the market	4,73,073	0.18	6,02,59,496	23.65
				December 24, 2019	Bought from the market	6,72,566	0.27	6,09,32,062	23.92
				February 6, 2020	Bought from the market	60,003	0.02	6,09,92,065	23.94
				February 7, 2020	Bought from the market	6,03,431	0.24	6,15,95,496	24.18
				February 18, 2020	Bought from TCPL, Ewart, Simto and Tata Coffee, Promoter group companies (inter-se transfer)	27,52,662	1.08	6,43,48,158	25.26
				February 25, 2020	Bought from the market	21,02,935	0.82	6,64,51,093	26.08
				February 26, 2020	Bought from the market	15,99,107	0.63	6,80,50,200	26.71
				February 27, 2020	Bought from the market	11,35,418	0.45	6,91,85,618	27.16
				February 28, 2020	Bought from the market	88,38,31	0.34	7,00,69,449	27.50
				March 2, 2020	Bought from the market	11,65,483	0.46	7,12,34,932	27.96
				March 3, 2020	Bought from the market	9,07,111	0.36	7,21,42,043	28.32
				March 13, 2020	Bought from the market	4,83,630	0.19	7,26,25,673	28.51
Promoter Group:									
2.	Tata Investment Corporation Limited	1,52,00,001	5.97	-	-	-	-	1,52,00,001	5.97
3.	Tata Consumer Products Limited ('TCPL') (erstwhile Tata Global Beverages Limited)	7,05,522	0.28	February 18, 2020	Sale of Shares to TSPL, Promoter	7,05,522	0.28	0	0.00
4.	Ewart Investments Limited ('Ewart')	13,69,290	0.54	February 18, 2020	Sale of Shares to TSPL, Promoter	13,69,290	0.54	0	0.00
5.	Simto Investment Company Limited ('Simto')	5,18,000	0.20	February 18, 2020	Sale of Shares to TSPL, Promoter	5,18,000	0.20	0	0.00
6.	Voltas Limited	2,00,440	0.08	-	-	-	-	2,00,440	0.08
7.	Tata Coffee Limited ('Tata Coffee')	1,60,000	0.06	February 18, 2020	Sale of Shares to TSPL, Promoter	1,59,850	0.06	150	0.00
8.	Tata Industries Limited	77,647	0.03	-	-	-	-	77,647	0.03
9.	Tata Motors Finance Limited	10,060	0.00	-	-	-	-	10,060	0.00
10.	Titan Company Limited	560	0.00	-	-	-	-	560	0.00
11.	Sir Dorabji Tata Trust	0	0.00	-	-	-	-	0	0.00
12.	Tata Motors Limited	0	0.00	-	-	-	-	0	0.00
13.	Sir Ratan Tata Trust	0	0.00	-	-	-	-	0	0.00
14.	J R D Tata Trust	0	0.00	-	-	-	-	0	0.00

iv) Shareholding Pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**Life Insurance Corporation of India**				
	At the beginning of the year	1,55,71,496	6.11	1,55,71,496	6.11
	Bought during the year	1,82,46,576	7.16	3,38,18,072	13.27
	Sold during the year	1,69,34,036	6.64	1,68,84,036	6.64
	At the end of the year	1,68,84,036	6.63	1,68,84,036	6.63
2.	**ICICI Prudential Mutual Fund**				
	At the beginning of the year	84,30,295	3.31	84,30,295	3.31
	Bought during the year	2,75,18,617	10.80	3,59,48,912	14.11
	Sold during the year	1,98,69,271	7.80	1,60,79,641	6.31
	At the end of the year	1,60,79,641	6.31	1,60,79,641	6.31
3.	**HDFC Trustee Company Limited**				
	At the beginning of the year	2,26,13,010	8.88	2,26,13,010	8.88
	Bought during the year	1,21,79,410	4.78	3,47,92,420	13.66
	Sold during the year	2,37,74,260	9.34	1,10,18,160	4.32
	At the end of the year	1,10,18,160	4.32	1,10,18,160	4.32
4.	**Mirae Asset Mutual Fund**				
	At the beginning of the year	24,18,252	0.95	24,18,252	0.95
	Bought during the year	1,15,03,933	4.51	1,39,22,185	5.46
	Sold during the year	73,18,902	2.87	66,03,283	2.59
	At the end of the year	66,03,283	2.59	66,03,283	2.59
5.	**ICICI Prudential Life Insurance Company Limited**				
	At the beginning of the year	73,50,149	2.89	73,50,149	2.89
	Bought during the year	60,51,186	2.37	1,34,01,335	5.26
	Sold during the year	79,32,366	3.11	54,68,969	2.15
	At the end of the year	54,68,969	2.15	54,68,969	2.15
6.	**Templeton India Equity Income Fund**				
	At the beginning of the year	32,16,098	1.26	32,16,098	1.26
	Bought during the year	1,10,37,898	4.34	1,42,53,996	5.60
	Sold during the year	95,41,839	3.75	47,12,157	1.85
	At the end of the year	47,12,157	1.85	47,12,157	1.85
7.	**Franklin Templeton Investment Funds**				
	At the beginning of the year	40,67,639	1.60	40,67,639	1.60
	Bought during the year	38,48,839	1.51	79,16,478	3.11
	Sold during the year	40,69,739	1.60	38,46,739	1.51
	At the end of the year	38,46,739	1.51	38,46,739	1.51
8.	**United India Insurance Company Limited**				
	At the beginning of the year	21,78,414	0.86	21,78,414	0.86
	Bought during the year	41,37,638	1.62	63,16,052	2.48
	Sold during the year	31,58,026	1.24	31,58,026	1.24
	At the end of the year	31,58,026	1.24	31,58,026	1.24
9.	**Bajaj Allianz Life Insurance Company Limited**				
	At the beginning of the year	-	0.00	-	0.00
	Bought during the year	59,28,310	2.33	59,28,310	2.33
	Sold during the year	30,55,114	1.20	28,73,196	1.13
	At the end of the year	28,73,196	1.13	28,73,196	1.13

Sr. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10.	**General Insurance Corporation of India**				
	At the beginning of the year	32,00,005	1.26	32,00,005	1.26
	Bought during the year	28,00,000	1.10	60,00,005	2.36
	Sold during the year	32,00,000	1.26	28,00,005	1.10
	At the end of the year	28,00,005	1.10	28,00,005	1.10
11.	**Aditya Birla Sun Life Trustee Private Limited**				
	At the beginning of the year	75,38,019	2.96	75,38,019	2.96
	Bought during the year	35,13,571	1.38	1,10,51,590	4.34
	Sold during the year	82,85,719	3.25	27,65,871	1.09
	At the end of the year	27,65,871	1.09	27,65,871	1.09
12.	**The New India Assurance Company Limited**				
	At the beginning of the year	27,29,671	1.07	27,29,671	1.07
	Bought during the year	29,13,698	1.15	56,43,369	2.22
	Sold during the year	29,20,024	1.15	27,23,345	1.07
	At the end of the year	27,23,345	1.07	27,23,345	1.07
13.	**Baron Emerging Markets Fund**				
	At the beginning of the year	37,96,340	1.49	37,96,340	1.49
	Bought during the year	-	0.00	37,96,340	1.49
	Sold during the year	37,96,340	1.49	-	0.00
	At the end of the year	-	0.00	-	0.00

Note:

1. *The above information is based on the weekly beneficiary position received from the depositories*
2. *The date-wise increase/decrease in shareholding of the top 10 shareholders is available on the website of the Company https://www.tatachemicals.com/Investors/AGM-documents*

v) Shareholding of Directors and Key Management Personnel (KMP)

Sr. No.	Name of Directors/KMP	Shareholding		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**Dr. C. V. Natraj (Independent, Non-Executive Director)**				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	209	0.00	209	0.00
2.	**Mr. R. Mukundan (Managing Director & CEO)**				
	At the beginning of the year	500	0.00	500	0.00
	At the end of the year	500	0.00	500	0.00
3.	**Mr. Zarir Langrana (Executive Director)**				
	At the beginning of the year	3,666	0.00	3,666	0.00
	At the end of the year	3,666	0.00	3,666	0.00

Note:

1. Mr. Bhaskar Bhat, Ms. Vibha Paul Rishi, Ms. Padmini Khare Kaicker, Mr. S. Padmanabhan and Mr. K. B. S. Anand do not hold any shares of the Company.
2. Mr. John Mulhall, Chief Financial Officer and Mr. Rajiv Chandan, General Counsel & Company Secretary, Key Managerial Personnel, do not hold any shares of the Company.

Annexure D

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

₹ in crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	19.83	688.09	-	707.92
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	27.74	-	27.74
Total (i+ii+iii)	**19.83**	**715.83**	**-**	**735.66**
Change in Indebtedness during the financial year*				
• Addition	-	-	-	-
• Reduction	5.07	715.83	-	720.90
Net Change	**(5.07)**	**(715.83)**	**-**	**(720.90)**
Indebtedness at the end of the financial year				
i) Principal Amount	14.76	-	-	14.76
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**14.76**	**-**	**-**	**14.76**

* Includes interest accrued but not due

Annexure E

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹)

Sr. No.	Particulars of Remuneration	Mr. R. Mukundan Managing Director & CEO	Mr. Zarir Langrana Executive Director
1.	Gross Salary	2,99,91,072	1,62,03,435
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	52,812	26,898
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2.	Stock Options	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit		
	- others, specify...Performance-based	3,55,00,000*	1,42,50,000*
5.	Others (Contribution to PF and SAF, as applicable)	14,32,080	17,86,050
	Total	**6,69,75,964**	**3,22,66,383**
Ceiling as per the Act (@10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		86.49 crore	

* Commission relates to FY 2019-20, which will be paid during FY 2020-21

B. Remuneration to other Directors:

(₹)

Sr. No.	Particulars	Fee for attending Board/ Committee Meetings	Commission	Others, please specify	Total Amount
I.	**Independent Directors**				
1.	Mr. Nasser Munjee#	2,10,000	16,00,000	-	18,10,000
2.	Dr. Y. S. P. Thorat#	3,10,000	24,00,000	-	27,10,000
3.	Ms. Vibha Paul Rishi	5,70,000	45,00,000	-	50,70,000
4.	Ms. Padmini Khare Kaicker	5,90,000	45,00,000	-	50,90,000
5.	Dr. C. V. Natraj^	4,10,000	30,00,000	-	34,10,000
6.	Mr. K. B. S. Anand$	1,70,000	10,00,000	-	11,70,000
Total (1)		**22,60,000**	**1,70,00,000**	**-**	**1,92,60,000**
II.	**Other Non-Executive Directors**				
7.	Mr. Bhaskar Bhat	3,60,000	30,00,000*	-	33,60,000
8.	Mr. S. Padmanabhan	7,30,000	**	-	7,30,000
Total (2)		**10,90,000**	**30,00,000**	**-**	**40,90,000**
Total Managerial Remuneration (1+2)		**33,50,000**	**2,00,00,000**	**-**	**2,33,50,000**
Ceiling as per the Act (@ 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)					8.65 crore

*In line with the internal guidelines, no commission was paid to Mr. Bhaskar Bhat, Non-Executive Director of the Company, for FY 2018-19 who was in full-time employment with other Tata company. However, Mr. Bhat is eligible to receive commission from the Company for FY 2019-20 in view of his superannuation from Titan Company Limited as the Managing Director and CEO effective September 30, 2019

**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

Retired as Independent Director of the Company with effect from August 20, 2019 upon completion of tenure

^ Appointed as Non-Executive Independent Director with effect from August 8, 2019

$ Appointed as Non-Executive Independent Director with effect from October 15, 2019

Note: Ceiling limits are for FY 2019-20. Commission relates to FY 2019-20, which will be paid during FY 2020-21

C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole-Time Director:

(₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		John Mulhall	Rajiv Chandan
		Chief Financial Officer	General Counsel & Company Secretary
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,91,89,943	1,56,89,348
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	37,54,937	32,511
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2.	Stock Options	-	-
3.	Sweat Equity	-	-
4.	Commission	NA	NA
5.	Others (Contribution to PF and Superannuation), as applicable	6,35,904	10,43,928
	Total	**3,35,80,784**	**1,67,65,787**

Annexure F

VII. Penalties / Punishment / Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give Details)
A.	**COMPANY**				
	Penalty				
	Punishment		None		
	Compounding				
B.	**DIRECTORS**				
	Penalty				
	Punishment		None		
	Compounding				
C.	**OTHER OFFICERS IN DEFAULT**				
	Penalty				
	Punishment		None		
	Compounding				

On behalf of the Board of Directors

Bhaskar Bhat
Director
Bengaluru, May 15, 2020

R. Mukundan
Managing Director & CEO
Mumbai, May 15, 2020

Management Discussion and Analysis

Business Environment

Global Economic Outlook

The global slowdown of the Calendar Year ('CY') 2019, caused by the US-China trade war, Brexit concerns and region-specific crises in Asia and Africa, has been exacerbated by the novel coronavirus outbreak of early CY 2020. Protecting lives and allowing health care systems to cope with the Covid-19 pandemic has required isolation, lockdowns and widespread closures of non-essential services, including the manufacturing of most goods. As a result, the global economy is projected to contract sharply by around 3% in 2020, worse than it fared during the Financial Year ('FY') 2008-09 financial crisis, as per the World Economic Outlook ('WEO') of April 2020 released by the International Monetary Fund ('IMF').

The growth forecast is marked down by more than 6% relative to the October 2019 and January 2020 projections by IMF – an extraordinary revision over such a short period of time. However, global growth is expected to rebound to 5.8% in CY 2021, well above the trend, reflecting the normalisation of economic activity based on inherent strengths.

Growth in the Advanced Economies group, where several nations are experiencing widespread outbreaks and are deploying containment measures, is projected at (6.1)% in CY 2020. The Advanced Economies group is forecast to grow at 4.5% in CY 2021.

Growth in the United States ('US') is expected to drop from 2.3% in CY 2019 to (5.9)% in CY 2020, before recovering to 4.7% in CY 2021. In the first quarter of FY 2019-20, GDP growth could show a significant impact of Covid-19 due to a complete shutdown of economic activities from March 2020. The second and third quarter of FY 2019-20 are expected to reveal a large adverse impact from falling consumption, business investment and exports.

The United Kingdom ('UK') economic growth is expected to slow sharply in CY 2020 amid disruption caused by the coronavirus. Growth is expected to be (6.5)% in CY 2020 as against 1.4% in CY 2019. The figure is expected to rebound to 4% in CY 2021.

Most economies in the group are forecast to contract this year, including Japan (5.2%), Germany (7%), France (7.2%), Italy (9.1%) and Spain (8.0%).

Among Emerging Market and Developing Economies, all countries face a health crisis, severe external demand shock and a plunge in commodity prices, which will have a severe impact on economic activity, including commodity exports. Overall, the group of Emerging Market and Developing Economies is projected to contract from 3.7% in CY 2019 to (1.0)% in CY 2020 before picking up to 6.6% in CY 2021.

India and China are the only two countries in the world to maintain a positive growth rate in CY 2020, though at a low 1.9% and 1.2%, respectively. In CY 2021, China is expected to lead the global rebound with 9.2%, following by India with 7.4% and the Asean 5 (Indonesia, Malaysia, the Philippines, Singapore and Thailand) with a collective 7.8%.

In China, indicators such as industrial production, retail sales and fixed asset investment suggest that the contraction in economic activity in the first quarter could have been about 8% year-on-year ('YoY').

India's GDP decelerated to its lowest in over six years in the third quarter of FY 2019-20 as per KPMG April 2020 report on the 'Potential Impact of Covid-19 on the Indian Economy'.

Key considerations for the outlook:

- **Amplification channels:** Financial markets are sharply repricing due to an increase in uncertainty and the sudden materialisation of extensive disruptions to economic activity. The flight to safe assets and rush to liquidity have put significant upward pressure on borrowing costs and credit has become scarcer, aggravating financial strains.

- **Early indications of severe economic fallout:** The economic impact of Covid-19 is already visible in the countries most affected by the outbreak. For example, in China, industrial production, retail sales and fixed asset investment dropped dramatically in January 2020 and February 2020.

- **A sharp drop in commodity prices:** The fast deterioration of the global economic outlook following the pandemic and the breakdown of the OPEC+ (Organization of the Petroleum Exporting Countries including Russia and other non-OPEC oil exporters) agreement have weighed heavily on commodity prices. Base metal prices, natural gas prices and crude oil prices dropped drastically since mid-March 2020.

- **Tight financial conditions**: Equity markets have sold off dramatically; high-yield corporate and emerging market sovereign spreads have widened significantly; and portfolio flows to emerging market funds have reversed, particularly in the case of hard currency bonds and equities. Signs of dollar funding shortages have emerged amid the general rebalancing of portfolios towards cash and safe assets.

Risks

Even after the severe downgrade to global growth, downside risks to the outlook persist.

The key risks are:

1. The effects of the health crisis on economic activity and financial markets could turn out to be stronger and longer lasting than initially estimated, testing the limits of central banks to backstop the financial system and further raising the fiscal burden of the shock.
2. As of mid-May 2020, the path of the Covid-19 pandemic remains uncertain. Strong containment efforts to slow the spread of the virus may need to remain in force for longer than first half of CY 2020 if the pandemic proves to be more persistent than assumed in the WEO baseline.
3. For several reasons, the recovery of the global economy could be weaker than expected even after the pandemic recedes for now. These reasons include lingering uncertainty about the return of the contagion, confidence failing to improve, establishment closures, massive job losses and purchasing power erosion and structural shifts in business and household behaviour, leading to more supply chain disruptions and weak aggregate demand.
4. Related to the uncertainty around Covid-19, an extended risk-off episode in financial markets and tightening of financial conditions could cause deeper and longer-lasting downturns in a number of countries.

Nevertheless, governments could help stabilise the economies through the following interventions:

- Framing effective policies such as shared economic policy objectives across countries, substantial targeted fiscal, monetary and financial market measures to help affected households and businesses in advanced economies, emerging markets as well as developing economies.
- Provision of liquidity and credit guarantees, loan restructuring, broad-based fiscal stimulus where financing constraints permit (such as public infrastructure investment or across-the-board tax cuts). This may pre-empt a steeper decline in confidence in economies facing financial constraints, help lift aggregate demand, curb bankruptcies and avert an even deeper downturn.
- Restrictions in free trade or domestic policy measures, leading to import restrictions and providing an opportunity to boost domestic industry.

Source: IMF World Economic Outlook (WEO), April 2020 released on April 14, 2020; KPMG report on Potential Impact of Indian Economy-April 2020, OECD Interim Economic Assessment, March 2, 2020

Domestic Economic Outlook

The January 2020 growth forecast of FY 2020-21 for the Indian economy has slashed to 1.9% from 5.8%. This comes at a time when the global economy has hit the worst recession since the Great Depression as a result of the collapse in economic activity due to the coronavirus-induced lockdown.

In its latest World Economic Outlook report, the IMF projects a rebound in the growth of the Indian economy in CY 2021, at a rate of 7.4% and FY 2019-20 growth at 4.2%, down from 4.8% as estimated in January 2020. India has been placed among the fastest-growing emerging economies of the world.

India is among the handful of countries which is projected to cling on to a positive growth rate at 1.9% and this is the highest GDP growth rate among the G-20 economies, as estimated by the IMF.

GDP in India is expected to reach US$ 2,950 billion by the end of CY 2020, according to Trading Economics global macro models and analysts' expectations. In the long term, India's GDP is projected to trend around US$ 3,100 billion in CY 2021 and US$ 3,200 billion in CY 2022.

India's foreign exchange reserves slumped by US$11.98 billion during the week ended March 20 and stood at US$ 469.9 billion as the central bank sold to arrest the slide of the rupee, but it was still better compared to US$ 447.8 billion at end-March 2019.

India's Foreign Direct Investment (FDI) equity inflows reached US$ 436.47 billion between April 2000 and June 2019 with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.

Merchandise exports and imports (in US$ terms) declined by 1.9% and 8.1%, respectively, in April 2019-January 2020.

Oil imports declined by 9.2% and non-oil imports declined by 7.7% in April 2019-January 2020. During April 2019-January 2020, merchandise trade deficit was US$ 133.3 billion, lower as compared to US$ 163.3 billion in April 2018-January 2019.

The fixed investment rate (ratio of gross fixed capital formation to GDP) is estimated at 27.5% in FY 2019-20 against 29.0% in FY 2018-19. The growth in real fixed investment is estimated to decline at 0.6% in FY 2019-20 compared to 9.8% in FY 2018-19.

The Index of Industrial Production ('IIP') registered a growth of 0.5% in April-December 2019, as compared to 4.7% during April-December 2018. IIP of the manufacturing sector declined by 1.2% in December 2019, as compared to a growth of 2.9% in December 2018.

Growth of bank credit was 7.1% (YoY basis) as on January 31, 2020, as compared to 14.5% in the corresponding fortnight end of the previous year.

The Budget Estimates of the fiscal deficit as percentage of GDP for FY 2019-20 have been set at 3.3%, as compared to 3.4% in FY 2018-19 (Provisional Actual or PA).

The Rupee exchange rate (Re/US$) stood at 71.3138 at the end of January 2020, compared to 71.2328 at the end of December 2019.

India's current account deficit (CAD) was 0.9% of GDP (US$ 6.3 billion) in the second quarter of FY 2019-20 as compared to 2.9% GDP (US$ 19 billion) in the second quarter of FY 2018-19.

External debt stood at US$ 557.5 billion at end-September 2019, recording an increase of 0.5% over the level at end-June 2019. Long-term debt was US$ 448.4 billion at end-September 2019, while the remaining US$ 109.1 billion was short-term debt.

Sectoral Information

The Chemicals industry in India contributes 1.34% to the nation's Gross Value Added *(Source: National Investment Promotion & Facilitation Agency)* and is a highly diversified business, covering more than 80,000 commercial products broadly classified into Bulk Chemicals, Specialty Chemicals, Agrochemicals, Petrochemicals, Polymers and Fertilisers. India ranks 14th in export and 8th in import of chemicals (excluding pharmaceutical products) globally. The demand for chemical products is expected to grow at approximately 9% per annum over the next 5 years.

Specialty Chemicals constitute 22% of total chemicals/ petrochemicals market in India. As of FY 2017-18, the total market size was around US$ 35 billion. The demand for Specialty Chemicals is expected to grow at 12% CAGR during FY 2019-22.

Key sectors such as automobile faced a slowdown that rolled over from the previous year, as sales fell 13.83% YoY in January 2020.

Projects in the construction sector worth more than ₹ 59,000 billion are under development, but severely impacted by Covid-19. India's goal of becoming a US$ 5 trillion economy rests on the completion of critical infrastructure under the National Infrastructure Plan. Enhancing labour health, strengthening and prioritising project governance according to Covid-19 affected regions and leveraging business continuity planning are key to overcoming the situation.

Global Trend: Uncertainty for the world, possibilities for India (as per KPMG Report on Indian Chemicals Industry, February 2020)

- Several global oil and gas majors are turning their sights towards downstream chemical opportunities. This may increase the focus on petrochemicals in India and higher investment in the sector may ease feedstock challenges and boost self-sufficiency.
- The structure of China's chemical industry is changing due to stricter environmental norms, tighter financing and consolidation, which could present opportunities for India's chemical companies in certain value chains and segments, especially in the short term.
- Trade conflicts have erupted around the world, especially among China, the United States and Western Europe. Large chemical markets that remain accessible in this scenario could present opportunities for chemical companies in India.
- Industry-wide, there seems to be a move towards prioritisation of core businesses and consolidation on a greater scale, often through big-ticket mergers and acquisitions. For companies in India, scale will matter even more, as it could help them to fortify any other competitive advantage.
- Digital technology has established itself as a lever to enhance efficiency and productivity. Indian companies could tap into this opportunity to expand their profit margins.
- Chemical companies could prioritise environmental sustainability to protect long-term shareholder value, while continuing to comply with local regulations.

Agriculture

Gross Value Added (GVA) by agriculture, forestry and fishing is estimated at ₹ 18.55 lakh crore (US$ 265.51 billion) in FY 2018-19 as per the IBEF January 2020 report. According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted FDI equity inflow of about US$ 9.41 billion between April 2000 and June 2019.

The Union Agriculture Ministry has asked the states to plan for a total foodgrain production of 298 million tonnes (149.92 MT kharif plus 148.4 MT rabi) for the crop year FY 2020-21, increasing mainly the output of pulses and coarse cereals. There has also been an increase in targets for oilseeds and cotton to 36.64 million tonnes (against the production estimate of 34.19 million tonnes in

FY 2019-20) and 36 million bales (one bale is equivalent to 170 kg) as against 34.89 million bales in FY 2019-20.

Agriculture has done well and is likely to grow at 3%. Significantly, India, in FY 2018-19, exported crop protection chemicals worth ₹ 22,090.18 crore. The one big opportunity the Indian industry has is to undertake the manufacturing of active ingredients that are scheduled to lose patent protection in the next few years. The current crisis opens a synergetic window for the Indian seed sector to work in sync for the greater benefit of the nation and its farmers. Adequate low-interest working capital and soft loans for building infrastructure and investments in R&D can be upcoming areas of focus.

Other Infrastructure Indicators

As per the Central Electricity Authority, electricity generation grew by 2% in January 2020 (YoY basis). The total installed capacity for electricity generation was 3,68,690 MW at the end of January 2020, of which the share of thermal, hydro, renewable and nuclear sources was 62.4%, 12.3%, 23.4% and 1.8%, respectively.

WPI inflation increased to 3.1% in January 2020 as compared to 2.6% in December 2019. Consumer Price Index (CPI) – combined inflation was 4.5% in April-January 2019-20 as compared to 3.6% in April-January 2018-19. Growth of money supply (M3) (YoY basis) as on January 31, 2020, stood at 10.2%, as compared to a growth rate of 10.4% recorded in the corresponding fortnight end in the previous year.

Source: IMF WEO, April 2020 released April 14, 2020; IBEF-March 2020 update; https://economictimes.indiatimes.com; Government of India Ministry of Commerce & Industry Department of Commerce Economic Division (India's Foreign Trade: February 2020); Mckinsey Report on Indian Chemical Industry; https://www.investindia.gov.in/sector/chemicals

Company Overview and Sustainable, Profitable Growth Strategy

A part of the US$ 113 billion Tata Group, Tata Chemicals Limited ('the Company' or 'TCL') is a global company with interests in businesses that focus on Basic Chemistry Products and Specialty Products. The story of the Company is about harnessing the fruits of science for goals that go beyond business. While the Company's businesses are diverse and varied, they are underpinned by science-led differentiation with digitisation and innovation at the centre of every aspect of business. This year marks the 81st year for Tata Chemicals Limited.

The Company's story began in Mithapur, Gujarat, in western India in 1939, with the creation of a small plant that would raise a wealth of marine chemicals from the ocean. The Company today serves a diverse set of customers across five continents, with interests that focus on Basic Chemistry (soda ash, salt and sodium bicarbonate) and Specialty Chemistry (Agri Sciences, Nutritional Sciences, Materials Sciences and Energy Sciences). Through its Basic Chemistry business, the Company is the world's 3rd largest and most geographically diversified soda ash company, in addition to being the 6th largest Sodium Bicarbonate producer with manufacturing facilities in India, UK, Kenya and the US. The Company supplies to global detergent and glass brands in addition to food, power generation, animal feed, chemicals and pharma brands. It is also a leading manufacturer of edible salt in India. Under its Specialty Chemistry business, it houses the Agri Sciences business in its subsidiary, Rallis India Limited ('Rallis') having a reach of 13 million farmers across 80% of India's districts, with 5 Power Brands. The Companies Nutritional science business offers solutions for microbiome modulation with global scale capacities for scFOS & GOS (Short chain Fructo-oligosaccharide & Galacto-oligosaccharide. Its Material Sciences business has a novel patented technology for manufacturing Highly Dispersible Silica ('HDS') for tyres. Through Energy Sciences, TCL is focussed on energy storage opportunities in India.

In order to maintain sustained economic growth and build an innovative product pipeline, the Company has established world-class R&D facility in Pune, an Innovation Centre ('IC'), which is home to technical knowhow in Material Sciences, Nutritional Sciences and Energy Sciences and two R&D centres in Bengaluru – the Rallis Innovation Chemistry Hub (RICH), focussing on next-generation crop protection and nutrition products and Agri-Biotech R&D Facility for Seeds division of Rallis (erstwhile Metahelix Life Sciences Limited), developing new and functional seed traits. The three R&D centres continue their research for growing new businesses and providing value addition by creating a different approach to its existing businesses backed by science-led differentiation.

The Company's Basic Chemistry Products business has delivered a strong performance, despite a mixed business environment marked by good demand growth on one hand and significant increase in input energy costs and competitive pressures on the other. The Company continued to focus on throughput optimisation of all its key products within the prevailing operational constraints and maintained its leadership position.

The Specialty Products business is high-growth potential business segment comprising four major verticals namely Agri Sciences, Nutritional Sciences, Material Sciences and Energy Sciences. The Company is an established player in Agri Sciences business offering crop protection solutions, seeds, Plant Growth Nutrients (PGNs) and agri input solutions through its subsidiary Rallis. Rallis is amongst one of India's leading crop care companies and hold leadership in products like Acephate, Hexaconazole, Pendimethalin and Metribuzin. The business has a strong distribution network having 13 million farmer connects and over 4,000+ distributors.

The Company's Nutritional Sciences business offers nature-inspired and science-backed ingredient and formulation solutions catering to human and animal health under the brand Tata NQ. The flagship product lines of Tata NQ – FOSSENCE® and GOSSENCE® are prebiotic dietary fibres that promote the growth of gut microbiome and improve digestive & immune health. Nutritional Sciences business delivered outstanding performance where the revenue increased by approximately 59%.

Under Material Sciences, the Company launched new silica grades for diverse application segments/customers and strengthened channel partner and distribution network across India.

Energy Sciences is the newly seeded business in emerging areas where the Company intends to establish its niche with pioneering solutions.

TCL has invested in nurturing businesses that have emerged from its IC at Pune, such as HDS and Nano-Zinc Oxide products under the Material Sciences portfolio. TYSIL™ is its conventional silica brand for tyres and other rubber goods applications, while TAFOSIL™ specialises with functional modification of silica surface chemistry for rubber applications. TREADSIL™ is HDS for use in Ultra-High and High-Performance tyres. TAVERSIL™ is used for non-rubber applications like food, feed, detergents, oral care and Agri Chemicals. Under Energy Sciences, the Company focusses on building new-age energy materials for Li-ion cell manufacturing, battery recycling and battery active production.

RICH has invested in the development and commercialisation of three new formulations for the benefit of the farming community. Zygant is a granular insecticide formulation targeted at paddy crop protection. Ayaan is a novel fungicide combination formulation, introduced for the first time in India for disease management and yield improvement of paddy. Sarthak is a fungicidal combination formulation proven to be highly effective for vegetable crop protection. The Seeds R&D runs a breeding programme across multiple crops and has a well-established pipeline that includes nursery and trials of new seeds. It has set a 5-year evaluation plan, where the Company periodically monitors the performance of each stage in the pipeline for its commercial viability. The Biotech lab established under the Seeds division continues to support requirements of multiple internal departments such as breeding, seeds supply chains and seeds quality control. It assists in improving operational efficiency and explores new opportunities in the Seeds business. During FY 2019-20, under the biotechnology programme, Genetically Modified (GM) traits were developed for maize and cotton having insecticides and herbicides tolerance. Products are under regulatory trial and would be followed by field trials and lab data generation.

Sustainability as a practice is at the core of all of the Company's activities, including the Corporate Social Responsibility initiatives. The Company integrates environmental, social and ethical principles in all of its business functions.

Impact of Covid-19 pandemic on the Company's operations

The Company has a global presence with manufacturing operations in four continents. The immediate impact of the Covid-19 pandemic with respect to customer and governmental reactions to the crisis have been varied.

In India, the Company was affected by national lockdown in a number of ways but the recovery is fast underway due to the number of steps undertaken by the Company. The Company's largest site in Mithapur, Gujarat continued to produce Tata Salt with no disruptions and are operating at higher than normal volumes in order to supply the market with this essential product. Production of soda ash and sodium bicarbonate is recovering after a lull in the first phase of the lockdown as our customers' own operations come back onstream. Together these three products represent approximately 90% of the revenue from the site.

In India, the Company's two newer operations in Mambattu, Nellore (Andhra Pradesh) and Cuddalore (Tamilnadu) were shut down as per the Government directives and remained shut, except for essential safety and maintenance work. The sites started limited operation in May 2020 following the relaxation of local restrictions and are currently meeting customer demand in full. Given the scale of their current operations, this would not have a material impact on the financials of the Company.

Our service to farmers and the agriculture sector was largely unaffected barring early logistics issues which were quickly resolved.

UK operation has not suffered any disruption in production or sales with customer demand remaining strong. Export markets served by the US operation have witnessed a slowdown in part due to Covid-19 restrictions in the markets serviced. In Kenya, while there was no disruption in production related to Covid-19, despatches to customers in India and SE Asian countries were delayed for a period of time on account of complete or partial lockdowns in these regions.

All safety protocols related to Covid-19 as advised by the Government are being implemented and observed at the Plants. The Company adopted a work from home policy for non-site based employees.

The Company operates within the business to business (B2B) sector with no direct to consumer sales (B2C). Many of the Company's products are classified as essential serving the food, hygiene, pharma and container glass sectors where demand has not suffered significantly due to the pandemic.

The Company continues to closely monitor national and international sourcing and supply positions to identify any potential material risks. The Company has so far not experienced any specific issue in its raw material sourcing.

The Company at present continues to fulfil its obligations with respect to all the existing contracts and agreements. The Company does not foresee any material impact on account of non-fulfilment of obligation by any party in existing contracts or agreements.

There has been no material change in the Company's liquidity position subsequent to the year ended March 31, 2020; with a very 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 a deferment of all but completely necessary capital expenditure to build up and conserve its already healthy cash position. Further, there is no impact on internal financial controls due to Covid-19.

Business Units

Basic Chemistry Products

Industry Structure and Developments

TCL serves customers across four 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 unique advantage of maintaining assured supply and efficient service at competitive prices.

With an annual capacity of around 4.3 million tonnes, the Company is currently the world's 3rd largest soda ash producer. More than two-thirds of this capacity is natural soda ash based and located at the Green River Basin, Wyoming, US, where the world's largest deposits of Trona occur and at Lake Magadi in Kenya. In addition to having lower manufacturing costs, natural soda ash has a lower energy and environmental footprint. Synthetic soda ash and sodium bicarbonate are manufactured at Mithapur, India and Northwich, UK, primarily to cater to their respective domestic markets. This process uses raw salt/brine (saltwater) and limestone as key raw materials.

Soda Ash

The global Soda Ash demand is estimated to have grown by 4% in FY 2019-20 to reach approximately 62.5 million tonnes. With Turkish capacity getting fully operationalised and resurgence in domestic demand in China, approximately 2.5 million tonnes of additional volumes were consumed during the year. Turkey registered a 23% increase in exports compared to FY 2018-19, translating into 7 million tonnes additional material availability. Having overcome environmental inspections and hurdles, production in China started to normalise. Yearly domestic demand bounced by 8%, despite the early onslaught of Covid-19 and associated disruptions. China's exports at 14.4 lakh tonnes also returned to growth.

World soda ash markets were oversupplied despite no new significant capacity addition during the year. Higher operating rates of new capacity addition in India, Turkey and China created the surplus. Weaker economic sentiments and slowing demand led to higher stocks and softening of international soda ash prices. By the end of the year, price attrition was almost US$35-40/tonne as per internal tracking of price data from IHS Markit report. Natural soda ash supplies from Turkey with cost advantage increased penetration in Europe (EU), Indian Sub-Continent (ISC) and South-East Asia (SEA) replacing the US and Chinese dominance of past years. Ciech's plant in Romania with a capacity of 5.40 lakh tonnes was idled in September 2019 without any impact on supplies, even in EU.

In the US, domestic demand was lower by 2.4% but exports were higher by 0.8%. While exports to North-East Asia (NEA), Africa and the Middle East, South America and Western Europe were lower, this was offset by an increase in exports to SEA, North America and the ISC. Demand in Latin America, mainly driven by uses in lithium carbonate production, saw a drop, with prices of lithium reducing.

The Indian soda ash market remained largely oversupplied through the latter part of the year. Availability was higher due to the operationalisation of domestic capacity additions and an increase in imports. India experienced an extended monsoon, which affected the demand. GDP growth weakened in sequential quarters, leading to weaker market sentiment and muted demand growth. Oversupplies, with slowing consumption, led to inventory accumulation at supplier and consumer ends. The softening of international and domestic prices resulted in lower unit price realisation. Among the end segments, the float glass sector experienced problems due to cheaper imports and lower demand from both the realty and automotive sectors. The detergent segment was marginally impacted due to extended monsoons and lower consumer demand. Ceramic and Silicate clusters in Gujarat faced a downturn due to stringent environmental norms and lower exports on account of trade measures announced by the Kingdom of Saudi Arabia, one of the key export markets. Finally, in March 2020, the spread of Covid-19 and the consequent lockdown brought the market to almost a standstill. In FY 2019-20, soda ash volume was almost flat.

Sodium Bicarbonate

Sodium bicarbonate ('Bicarb') is a versatile product with a wide range of applications, including 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, Bicarb is expected to sustain volume growth rates above the GDP levels, along with offering significant value addition potential in the future. The Company is the

6th largest producer of Bicarb globally, with a total annual capacity of 2.3 lakh tonnes in India and the UK.

The Indian Bicarb market grew by approximately 7% in FY 2019-20. The demand for Bicarb was largely balanced throughout the year. Imports remained in line with previous year levels. An increase in supplies was met through higher throughput from capacity expansions of domestic producers. Adequate supplies and easing of international prices also led to price softening. Prices saw a decline of 8% during the year and the Company achieved sales of 1.09 lakh tonnes.

Key drivers of Bicarb growth continue to be food, feed and pharma segments. The emerging flue gas treatment segment appears to be another promising sector for Bicarb consumption. Mid-capacity power plants in India hold key to this demand. The Company won the first tender for this trial order from Government-owned power plants. However, lower plant load factors curtailed immediate continuity of this demand. The Company's Bicarb brands, 'Sodakarb', 'Alkakarb' and 'Medikarb', scaled higher volumes, registering double digit growth. Medikarb is now an established product for the haemodialysis segment and is increasing its reach and penetration. The Company has introduced 'Speckarb', a new brand with low chlorides to meet specific customer requirements of specialised Bicarb. The Company continues to explore new opportunities to retain its volume and value leadership in the Bicarb market. The various developments in Bicarb undertaken by the Company are an expansion of the Bicarb capacity at its UK plant, the Carbon Capture expansion project, etc.

Salt

Being a food ingredient, salt did not experience demand challenges, even when Covid-19 affected demand for most of the sectors. The demand continued to be strong and the increased salt production helped the Company to capitalise on the demand growth. The Company's Long-Term Supply Agreement ('LTSA') with Tata Consumer Products Limited (erstwhile Tata Global Beverages Limited) ['TCPL'], will support the Company's growth and investment plans for capacity-building. The LTSA provides for supply of vacuum-evaporated edible salt as a take or pay arrangement for an initial period of 25 years, with the option of extending this on mutual agreement. TCL recorded the highest production of salt at 10.78 lakh tonnes compared to the previous year high of 10.68 lakh tonnes. The Company plans to increase the Salt production capacity in order to meet growing demand of Indian market.

As part of its strategy of value addition and portfolio expansion, the Company is exploring various ideas for new value-added salt variants. The Company's Innovation Centre and the marketing teams are working on the development of new products in this category to offer new and value-added products that could address the needs of different segments, reaching them directly or through TCPL, depending on the nature of the consuming sector.

Cement

In addition to soda ash, salt and sodium bicarbonate, the Company also manufactures cement as part of its integrated operations at the Mithapur site. The operation of the cement plant demonstrates the Company's commitment to the environment; it utilises fly ash and other solid waste generated at the site. With a special focus on quality and key customer requirements, the Company's cement portfolio offers high-quality Cement with a strong customer service infrastructure in the targeted markets. In May 2019, the Company relaunched its Ordinary Portland Cement (OPC) with "Superior 1-day strength" to meet specific customer needs of early high strength cement. Also in sync with market demand, Portland Pozzolana Cement (PPC) was introduced to expand the product offerings.

The Company now offers three products, including Masonry cement. In FY 2019-20, the Gujarat Cement market experienced a demand contraction by 9% due to a combination of factors like weak economy and extended monsoons. However, better market prices supported profitability. Combined Cement and Clinker sales volumes at 3.95 lakh tonnes were lower by 2% compared to the previous year's performance.

Business Performance

TCL's Indian Basic Chemistry Products business unit maintained the performance of the past years, amidst sequential drops in quarterly GDP growth and slowing consumer demand. Profitability was supported by reduction in input costs on account of fuel and as a result of cost control programmes. During the year under review, the Company executed its operational excellence initiatives with rigour, leading to reasonable cost optimisation across all functions.

The Company targets a Zero Harm - Zero Harm to People, Asset and Environment. While the Company is continuously striving to improve its safety performance, the Mithapur site witnessed one unfortunate fatality in January 2020. All the incidents that take place are investigated and corrective measures are taken to prevent the recurrence of the incidents. It has led the Company to introspect and now the Company is working on evaluating innovative solutions to monitor the health and safety of its employees and contract employees working at critical areas or remote locations. During the year, the Company also increased its focus on process safety at the site.

When it comes to sustainability, the Company continues to aim beyond compliance requirements and sets the industry agenda with initiatives related to the environment and local community engagement. Zero groundwater withdrawal for plant operations, 100% fly ash utilisation, solid waste filtration, usage of soda ash solids to minimise solid waste and focussed biodiversity preservation programmes indicate the Company's commitment to the environment. As part of its local community engagement, TCL continues to offer a multitude of skill development and self-employment generation programmes.

During the year, the Company continued to focus on throughput optimisation of all key products within the prevailing operational constraints and achieved strict cost control across all functions. Despite weak demand and pressure on realisation, financial performance improved due to the mix of volume increase in salt, value-added products in Bicarb, savings in raw materials and fuel costs and improved operational efficiencies. The Company delivered the highest production and sale of Salt and Bicarb. The Company's new offering in Specialty Pharma grade bicarbonate, 'Medikarb' has received encouraging market response. With consistency in sales and volume, the product has established its presence in its niche segment. Besides 'Detmate' coloured soda ash speckles for detergents is on stream with consistent volume delivery. The Company also initiated sales of 'Speckarb', the specialty grade Bicarb for customers with low chloride requirements, during the year. 'ChemConnect', the Company's online customer portal and app, has recorded above 98% customer engagement. The Company's channel partners have access to quick and easy online access of channel finance through designated banks. This arrangement has been facilitated by the Company between banks and our channel partners.

The production volumes at Tata Chemicals North America Inc. ('TCNA') were higher by 3.4% during the year, principally due to improved efficiency at the plant, resulting from significant investment in maintenance projects. Due to the pandemic, production in FY 2020-21 will likely be scaled back to match sales demand, expected to decline by 5-10% from the FY 2019-20 level, consistent with projected GDP regression in the Company's primary markets. During FY 2019-20, sales volumes were essentially flat as compared to the previous year (up by 0.6%). In spite of increased production levels, a temporary oversupply of soda ash worldwide, compounded by the pandemic, resulted in an unusual position of not being able to sell all of the products manufactured during this period. Due to the slightly higher sales volume, TCNA posted gross revenue of US$ 480.00 million for the year ended March 31, 2020, as against US$ 475.82 million in the previous year, in spite of slightly lower American Natural Soda Ash Corporation ('ANSAC') pricing and a market mix reflecting an increased supply to lower priced export markets relative to the US.

Tata Chemicals Europe Limited ('TCE') catered to 50% of the UK market demand of soda ash from its manufacturing operations at Lostock, with only very small amounts of imported material during the year. Energy prices and raw material costs generally softened as the year progressed. Plant operation was affected by major infrastructure work during the summer of 2019, as part of the Energy-from-Waste Plant investment on the site, but this was in line with expectations in the second half of the year. The associated energy business had a robust year, generating good income and contributing strongly to the soda ash/Energy business unit performance. The UK salt market volumes were largely flat in the year. Production was steady throughout, matching expectations.

The sodium bicarbonate market continues to grow and while retaining the core UK market share, the major success in this product has been continued strong export growth across the globe, helping the business to grow strongly again through the year. During the year, the modified sodium bicarbonate at Winnington performed very well, yielding another record production level.

For Tata Chemicals Magadi Limited ('TCML'), soda ash is the most prominent product in the total portfolio, the main destination being the container glass and silicate sectors. The remainder of the portfolio includes Salt, Crushed Refined Soda ('CRS') and other by-products. The Magadi operation has stabilised the Standard Ash Magadi ('SAM') plant performance, which continues to be the lifeline for TCML turnaround. Going forward, TCML will focus on ensuring consistent quality and efficient operations of the SAM facility to deliver higher volumes at a lower cost.

BCP - Soda Ash Production Volumes ('000 tonnes)

BCP - Sodium Bicarbonate Production Volumes ('000 tonnes)

IVSD Salt-Production-India Chemical Operations ('000 tonnes)

Outlook for Business

Covid-19 has put the biggest question mark on the economic recovery of India and the world, even as nations began to phase out their lockdowns by the second half of May 2020. There were fears on several fronts viz. (i) of the infection rate soaring as people came out of self-isolation; (ii) of the virus mutating to a more virulent strain; and (iii) of a vaccine not being found soon enough. Despite the challenges of a global recession, currency risks and liquidity concerns, long-term prospects for the Company's business remain positive. It is committed to executing its growth strategy to further strengthen and leverage its leadership position.

The soda ash market is expected to experience degrowth of about 5-6% in FY 2020-21, with a demand loss of approximately 2.5 lakh tonnes. Imports are expected to come down by about 20% over FY 2019-20 due to current challenges related to global logistics, shutting down of Ciech's Romanian plant and the adverse exchange rate for imports. The soda ash and bicarb export that gained some momentum during the previous year is expected to continue. Soda ash availability is expected to be good despite lower imports due to increased domestic production. Prices are expected to be stable through the initial period and might improve in the later part of the year as demand starts to pick up.

The global soda ash market is expected to remain oversupplied, despite no significant announced capacity additions. Demand in Europe and Asia should be adequately supplied by Turkish volumes. International prices, in some markets, might witness a negative bias with slowing trade and excess supplies after Covid-19 impact. Lower production rates in some countries due to lockdown and global logistical challenges may bring the demand and supply to a more balanced level. With lower energy and raw material prices, manufacturers will gain from the cost compression factors. To stop dumping and protect markets, countries may seek trade remedies under the existing World Trade Organization (WTO) provisions.

In the medium term, the outlook for TCNA remains positive with soda ash being sold out in most years. The pandemic, combined with some oversupply in the worldwide market, is likely to have an impact on production and revenue in FY 2020-21. Beyond next year, strong growth in exports is expected to be a price-growth driver for US producers. TCNA will continue with efforts to stabilise its cost base and improve upon soda ash production to meet the market demand. These efforts will also look at the future raw material (Trona ore) requirements and process improvements at the plant.

TCE heads into FY 2020-21 with some momentum on the back of excellent Sodium Bicarbonate performance and increasing Soda Ash output. The focus is to drive sales even further from the sodium bicarbonate plants at Winnington, while Lostock will target stable soda ash performance, including a major investment in plant assets during the year.

The year will see the commissioning of the ground-breaking Carbon Capture and Usage (CCU) plant, as part of the TCL group's push to enhance its industry-leading low-carbon credentials and supporting growth in the Sodium Bicarbonate business. Salt is set for a decent year as increasing levels of investment over several years continue to bear fruits. This includes a major boiler replacement in the summer of 2020, which will significantly improve efficiency and carbon emissions and complement investments in packing/logistics and launching investment in significant growth of the value added salt portfolio.

For TCML, soda ash competitiveness will be defined by price and quality, which means that strategic market mixes will determine gains for TCML. Its focus will be on markets with best returns.

CRS growth shall be driven by animal feed, silicate and mining sectors. Product development continues since CRS has demonstrated potential for growth in diverse areas, such as lead processing, tobacco, silicate, disinfection, compost treatment, jigger treatment and flue gas treatment.

Risks and Opportunities

TCL's growth strategy encompasses addressing risks and capitalising on opportunities. With increasing demand, defending the Company's market leadership is a prime focus area. The Company will pursue the execution of its capacity addition plans at Mithapur for all product lines, especially, salt, soda ash and bicarb, under 'Project Pragati'. Additionally, it has planned to increase the production volumes of its subsidiaries for maintaining their market share.

The Company's value-driven growth opportunity in the Bicarb space with brands in food, feed, pharma and specialty segments will entail scale and consolidation. Customisation of new bicarb applications with a focus on flue gas treatment, aqua farms, etc. is a growth driver. Strategic partnerships around themes of innovation and sustainability will continue to offer better customer value.

In cement, the Company's rebranded high-strength OPC, addressing specific requirements of customers, is gaining acceptability with a pickup in volumes. PPC volumes are also expected to increase during the year.

Leveraging technology with increased focus on digitisation, automation, cloud solutions and data analytics to make processes smoother for customers and for internal efficiencies will be crucial. Multiple projects around plant and supply chain automation, customer engagement and digital imaging are being implemented.

The Indian Basic Chemistry Products business unit is taking measures to address key risks. The availability of increased volumes of soda ash will impact price realisations, especially with Covid-19 and the global slowdown. Apart from this, the 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 to help mitigate the adverse impact of these risks. Market mix change would be another lever to counter this risk. Adherence to more stringent environmental norms and improving the safety performance in a sustainable manner are other key issues for the India Basic Chemistry Products business.

At TCNA, beyond managing the short-term impacts of Covid-19, the focus will be on ensuring the continued safety of employees, while increasing reliability and stabilisation of production through debottlenecking. Improvement in maintenance programmes as well as capital spending will be other focus areas. Favourable global market demand for soda ash bodes well for increased prices when contracts are renewed.

As experienced in the previous years, there continues to be significant pressures on maintenance, material, labour and medical benefit costs, offset in part by programmes to eliminate costs. There is also an increased emphasis on environmental compliance dealing with regulations related to sulphur, carbon dioxide, dust and other emissions. TCNA will be investing a significant amount of capital expenditure as well as expense to address environmental compliance. It continues to investigate natural gas as an alternative energy source to coal to reduce emission and energy costs.

At TCE, there is a significant investment pipeline of projects across Salt, Sodium Bicarbonate, Soda Ash and Energy units. This is combined with a continued drive towards continuous improvement in cost competitiveness and product offering for our customers, both product-wise and service-wise. Developing sales opportunities overseas for Sodium Bicarbonate and Salt will continue to be a focus. Major threats are likely to be from any economic downturn or problems associated with Covid-19 or Brexit.

Two specific items related to the UK leaving the European Union are: a) A smooth transition in December 2020 to a new trading arrangement with the EU; b) Defined terms and rules relating to a replacement emissions trading scheme for the UK in CY 2021 and its alignment with the European Union Emissions Trading System ('EU-ETS') Phase IV proposals.

At TCML, the focus is largely on quality and capacity utilisation. In addition to SAM, opportunities exist in 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 to its raw material (Trona) quality, affected by increased siltation in the northern part of Lake Magadi.

Specialty Products

Agri Sciences (Rallis India Limited)

Rallis India Limited ('Rallis'), a listed subsidiary of the Company, is one of India's leading crop care companies, serving Indian farmers since decades and is a pioneer in the agricultural inputs industry. The Company has created a distinct identity for itself with its extensive research & development ('R&D') capabilities, delivering innovative products, positively impacting the livelihood of millions of farmers in India.

India is a large market with high growth potential for the crop protection industry on the back of its diverse agro-climatic conditions and impetus to agricultural productivity. India's capability in low-cost manufacturing, availability of technically trained resources, seasonal domestic demand, overcapacity, better price realisation and a strong presence in generic pesticide manufacturing are the major factors boosting the crop care chemicals growth.

During FY 2019-20, Indian agriculture experienced erratic, delayed and extended monsoon, which resulted in modification of the crop calendar. Overall, purchasing power of farmers depicted an upward trend, buoyed by higher Minimum Support Price ('MSP') in rice, wheat, spices, pulses and sugarcane. The demand for agri-inputs is set to rise due to less penetration, rising labour cost, increased irrigation facility, credit availability and higher farmer income.

Rallis has cautiously expanded from being a pesticide manufacturing company to a more diversified player with presence across the agricultural value chain. It has widened its product portfolio and today, caters to all critical agricultural needs such as Soil Conditioners, Quality Hybrid Seeds, Plant Growth Nutrients, Specialty Nutrients and Plant Protection Chemicals. It has established four state-of-the-art manufacturing facilities in the states of Gujarat and Maharashtra.

The commodity prices of key crops such as rice, maize and soybean exhibited a rising trend in CY 2019, improving farmers' purchasing capacity. Farmers' higher purchasing power coupled with the Rallis' new product introductions, commercial excellence, trade policy revision and enhanced channel reach led to superior growth in the segment during the year.

Crop Care

The Crop Protection business of Rallis registered a growth of 16% in FY 2019-20 with both domestic and international business delivering encouraging results. Under the Crop Protection business, Insecticides business performed well at 21% revenue growth during the year, primarily driven by the good performance of new products, Zygant and Cameo, along with the scale-up of existing products such as Rilon, Takumi and Summit. The Fungicides business revenue grew by 9% during the year owing to good traction in the new launches, Ayaan and Sarthak as well as the scale-up in existing products, Master, Taqat, Contaf Plus and Ergon. The Herbicides business registered a growth of 16%, exhibiting a mixed performance. There was lower offtake in sugarcane, soybean and wheat on account of the flood-like situation and untimely rainfall. The buoyant Rabi season boosted sales of paddy herbicides in South India.

The International business continued to perform positively amid certain headwinds and grew by 11% in FY 2019-20. It witnessed price erosion and margin pressure in key products such as Metribuzin and Pendimethalin on account of increased competition and higher input prices. For greater geographical diversification in South-East Asian countries and Africa, dossier submission efforts have been taken up.

Rallis' Crop Nutrition division delivered a satisfactory performance in FY 2019-20 with both GeoGreen and Plant Growth Nutrition (PGN) segments exhibiting strong revenue and profit growth during the year. The Company's Soil Conditioner business outperformed the industry growth in FY 2019-20 with revenue growth of 13%, which was primarily led by 10% volume growth. Rallis' PGN segment exhibited strong performance on the back of new product launches, good market presence and channel and sales-team incentivisation.

Rallis is also planning to launch Foliar Nutrition and Fertigation products in Kharif 2020. The Foliar Nutrition portfolio includes products catering to vegetables, onion, potato and apple, whereas the Fertigation portfolio consists of products primarily catering to grape production.

Seeds

During the year, Metahelix Life Sciences Limited (wholly-owned subsidiary of Rallis) merged with Rallis and was classified as Seeds division of Rallis. Inherent strengths of Metahelix, such as product portfolio breadth, emerging and popular Dhaanya seed brand, established supply chain and demand-generating abilities will enable Rallis to strengthen its Seeds business.

The Seeds division delivered a satisfactory growth of 8.3% in FY 2019-20, backed by strong volume growth witnessed in bajra (pearl millet) and superior price realisation for paddy and millets. During the year, Rallis witnessed a significant jump in its seed procurement prices due to increased MSP for rice and increased commodity prices of maize, millet and cotton. Despite the price increases, Rallis was able to maintain its gross margins. It continues to undertake product development initiatives to further diversify into Rabi season products such as fruits and vegetables. Besides, it is leveraging strong R&D capabilities to develop and launch innovative products.

Pandemic Impact on Agri Sciences Business

The Covid-19 outbreak had a disrupting impact on the supply chain, resulting in delays and cancellations in key raw material supply. The Indian agro-chemical production depends heavily on the import of key intermediates, particularly from China. The uncertain supply, expensive raw material prices, inventory overhang and extended lockdown impacted Rallis' manufacturing, production, processing and logistics operations and exerted pressures on the margins.

Nutritional Sciences

The Nutritional Sciences business of TCL, under the brand Tata NQ, offers solutions for human and animal health. The flagship products are FOSSENCE® and GOSSENCE®, prebiotic dietary fibres for better gut health, digestion and immunity.

The Company's partnership with Indian and global academic institutions and research bodies, in order to further understand the gut microbiota and their health effects, is helping TCL build a leadership position in this space. It is gathering deep insights by using bio-informatics in gut microbiota, with development of accurate Proprietary Predictive (Patent applied) models of microbiome response to interventions. The Company's expertise in fermentation technology, enabling production using whole cell route, is also opening up opportunities in other human nutrition segments, using the biosynthesis route. Strong application support, which enables close co-ordination with the customer on new product development projects, provides a deep understanding of a customer's requirements.

The Company commenced operations at its state-of-the-art greenfield facility in Nellore, marking an increase of 17 times in production capacity, significantly enhancing its ability to serve customers across the globe. There was wide acceptance of the product quality from the new plant and as a result, revenue grew by 59% to ₹ 65.15 crore over the past year, while the customer base grew to more than 250 customers.

The business had earlier established a global distribution network and initiated customer engagement in South-East Asia, China and the US. This engagement started to bear fruits, with supplies across South-East Asia after product qualification from the new facility. There has also been considerable progress in the qualification process by major global consumers of FOS (fructo-oligosaccharide) and the feedback has been encouraging. The qualification is in progress and is expected to be favourably concluded soon.

Due to Covid-19, many TCL customers are likely to defer new product introduction, particularly the Food & Beverage customers, while additional sales opportunities are expected from Nutraceuticals companies, particularly in the area of immunity and gut health. The Company is re-calibrating its plans as the situation evolves.

Material Sciences

Silica & Highly Dispersible Silica ('HDS')

Precipitated silica is a highly versatile product that finds application in a wide range of industries, including tyres, non-tyre rubber goods for industrial (e.g. conveyor belts and hoses), consumer applications (e.g. footwear) and several non-rubber essential products like packaged food, feed, oral care, agro-chemicals, detergents, etc.

TCL's wide range of conventional silica and HDS products allows it to participate in this large domestic and global market poised for significant growth. While FY 2019-20 witnessed some short-term challenges in select application segments, the overall market demand growth remained healthy in line with GDP growth. The Company believes that long-term trends, like tightening automotive emission standards, would drive demand for high-performance and fuel-efficient green tyres, which need superior materials like HDS. The Company has seen a similar demand growth for high-performance silica products in other application segments, like non-tyre rubber goods and non-rubber segments, many of which are supported by a robust demand base of essential products.

In this business, FY 2019-20 marked the start of commercial production and subsequent ramp-up of sales volumes, driven by the launch of several new product grades and expansion of customer base and distribution network. TCL expects to accelerate this growth momentum in FY 2020-21 despite significant market headwinds related to Covid-19. It plans to do so by broadening and deepening its customer base and delivering on its unique value proposition: a cutting-edge portfolio leveraging its HDS platform technology; consistent product quality enabled by strict process and quality control; post-sales application support out of its R&D lab, with deep materials knowhow; and a quick and reliable order fulfilment, leveraging the larger SCM and customer service capabilities of TCL.

The Company is evaluating significant expansion of its existing silica capacity with a focus on next-gen HDS products and on exploring product and market growth adjacencies to build a larger Material Sciences portfolio.

Nano Zinc Oxide

Under the Specialty Products portfolio, the Company has entered into the production of Nano Zinc Oxide, which was developed at the Innovation Centre in Pune and has multiple applications for its anti-microbial, anti-fungus and UV-blocking properties. The Company collaborated with a customer to harness the anti-microbial and anti-viral properties of nZnO amidst the pandemic. Currently, it is finding use in face masks as an added layer of protection against Covid-19. The Company is at present working with Paints, Coatings & Adhesives, Plastics & Polymers and Personal Care & Cosmetics industries to build the portfolio. It would be focussing on nano-materials linked to nano-adhesives and nano-formulations aimed at anti-viral and antimicrobial application.

Energy Sciences

Lithium-ion cells are one of the most critical components in an Electric Vehicle, which is seen as the preferred mode of transport for a less polluted future. With its inherent strengths in chemistry, TCL is creating a platform to become a world-class provider of cutting-edge and disruptive electro-chemistry solutions for Energy Storage. It has a unique opportunity to build a truly circular economy around Lithium-ion technology, starting from active materials to cell and battery manufacturing and finally to recycling critical materials from used batteries.

The Company is partnering with leading battery makers around the world for contemporary commercial cells, global R&D labs for next-generation technologies and Indian R&D centres (like ISRO and Council of Scientific and Industrial Research - Central Electro Chemical Research Institute [CSIR-CECRI]) for indigenous development of actives, cells and recycling. TCL also has interests in some of the newer chemistries that are under development in the labs and it is working actively with some of the leading global players in the segment.

For manufacturing, it has invested in a plant site of over 127 acres of land in Dholera, Gujarat. This site can house the manufacturing of actives, cells and batteries up to 10 GWh per annum, as well as recycling operations. The lithium-ion cells and battery packs with Lithium Iron Phosphate (LFP) and Lithium Nickel Manganese Cobalt Oxide (NMC) chemistry in cylindrical and pouch forms will find application in the automotive sector, as well as stationary energy storage.

TCL has established a Battery Pack Engineering Centre in Pune, in collaboration with Tata Technologies. Its scientists at the Innovation Centre in Pune are working on the cell and active manufacturing technologies. Making use of its capabilities, TCL has also launched battery recycling operations.

Analysis of Financial Performance

Standalone performance for the year ended March 31, 2020

Statement of Profit and Loss – Continuing operations

1. Revenue from operations (net): ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Revenue from operations	2,920	3,121	(201)	(6)

Basic chemistry products:

Lower volumes of soda ash was compensated by higher realisation of soda ash and revenue from sale of new cement variant.

Specialty products:

Increase in revenue from operations is due to increase in volume related to Nutritional Science products.

2. Other Income: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Other Income	309	400	(91)	(23)

Other income has decreased mainly on account of lower income towards (a) gain on redemption of current investments and (b) interest on fixed deposits.

3. Cost of materials consumed: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Cost of materials consumed	542	567	(25)	(4)

Cost of materials is lower due to decreased input costs of raw materials comprising coke, limestone and anthracite.

4. Purchases of stock-in-trade: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Purchases of stock-in-trade	94	102	(8)	(7)

Purchases of stock-in-trade decreased mainly on account of reduced supply of chemistry products business due to lower demand.

5. Power and fuel: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Power and fuel	555	574	(19)	(3)

The decrease in power and fuel cost is mainly on account of decrease in mixed usage / consumption of pet coke and coal.

6. Freight and forwarding expenses: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Freight and forwarding expenses	390	476	(86)	(18)

Freight and forwarding charges have decreased sharply due to lower sales volumes of soda ash and salt.

7. Finance costs: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Finance costs	43	86	(43)	(50)

Finance costs decreased significantly on account of repayment of External Commercial Borrowings (ECB) and Non-Convertible Debentures (NCD).

Balance Sheet Analysis

Standalone Statement of Balance Sheet

1. Investments: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Investments in equity instruments of subsidiaries	3,606	3,606	-	-
Investment in joint venture	336	336	-	-
Investment in preference shares of subsidiaries	815	815	-	-
Investment in other companies	1,904	2,462	(558)	(23)
Investment in mutual funds	1,301	2,146	(845)	(39)
Total Investment	**7,962**	**9,365**	**(1,403)**	**(15)**

Decrease in the value of investments in other companies is mainly due to changes in fair value of investments and lower investments in mutual funds as compared to the previous year.

2. Inventories: ₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Continuing operations	701	474	227	48
Discontinued operations	-	154	(154)	(100)
Total Inventories	**701**	**628**	**73**	**12**

Inventories increased mainly due to timing and receipt of raw materials.

3. Trade receivables:

₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Continuing operations	140	103	37	36
Discontinued operations	-	81	(81)	(100)
Total Trade receivables	**140**	**184**	**(44)**	**(24)**

Trade receivables increased mainly due to the lower collection from debtors in Basic Chemistry Products business.

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

₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Loans	1	2	(1)	(50)
Other financial assets	138	335	(197)	(59)
Advance tax assets (net)	589	521	68	13
Other assets	392	281	111	40
Discontinued operations	-	22	(22)	(100)
Total	**1,120**	**1,161**	**(41)**	**(4)**

Decrease in other financial assets is mainly due to realisation of subsidy receivable and lower exposure in derivatives. Increase in Other assets is mainly due to higher statutory receivables.

5. Cash flow:

Net cash flow from operating activities: The net cash from operating activities is ₹ 427 crore during FY 2019-20 as compared to ₹ 812 crore during FY 2018-19. The cash operating profit before working capital changes and direct taxes during FY 2019-20 is ₹ 763 crore as compared to ₹ 1,042 crore during FY 2018-19. The change in working capital, during the financial year, is mainly due to change in trade receivables and other assets.

Net cash flow from investing activities: The net cash outflow from investing activities amounted to ₹ 293 crore in FY 2019-20 as against an outflow of ₹ 1,504 crore in FY 2018-19. The outflow in 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 current investments for FY 2018-19.

Net cash flow from financing activities: The net cash outflow from financing activities is ₹ 1,101 crore during FY 2019-20 compared to an outflow of ₹ 1,568 crore during FY 2018-19. The outflow is mainly due to repayment of current borrowings and payment of dividend.

6. Net borrowings:

₹ in crore

Particulars	FY 2019-20	FY 2018-19	Change	% Change
Non-current borrowings	10	13	(3)	(23)
Current borrowings	-	1	(1)	(100)
Current maturities of non-current borrowings and finance lease obligations	4	686	(682)	(99)
Discontinued operations	-	7	(7)	(100)
Total borrowings	**14**	**707**	**(693)**	**(98)**
Less: Cash and cash equivalent (including bank balances)	880	1,106	(226)	(20)
Net borrowings	**(866)**	**(399)**	**(467)**	**117**

The net borrowings decreased mainly due to repayment of borrowings (ECB & NCD).

Details of significant changes in key financial ratios:

1. **Debt equity ratio** of the Company has improved to 0.001 times (FY 2018-19: 0.06 times) due to repayment of borrowings (NCD / ECB).

2. **Interest coverage ratio** of the Company has improved to 20.24 times (FY 2018-19: 10.99 times) due to lower finance cost on account of repayment of borrowings during the year.

Consolidated performance for the year ended March 31, 2020

Statement of Profit and Loss – Continuing operations

1. Revenue from operations:

₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
Tata Chemicals Limited - ('TCL')	2,920	3,121	(201)	(6)
Homefield Pvt. UK Limited - Group ('HFUK')	1,978	2,110	(132)	(6)
Tata Chemicals North America Inc. ('TCNA')	3,403	3,382	21	1
Rallis India Limited ('Rallis')	2,248	1,984	264	13
Others and Eliminations	(192)	(260)	68	(26)
Revenue from operations	**10,357**	**10,337**	**20**	**0**

a. In TCL, revenues were lower on account of lower volumes of soda ash.

b. In HFUK, the revenues were lower on account of decrease in sales volumes.

c. Rallis witnessed higher volumes during the year.

2. Cost of materials consumed: ₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
TCL	542	567	(25)	(4)
HFUK	174	147	27	18
Rallis	1,217	1,121	96	9
Others and Eliminations	(89)	(61)	(28)	46
Total	**1,844**	**1,774**	**70**	**4**

Cost of materials consumed increased primarily at Rallis and HFUK due to higher volumes and price mix.

3. Purchases of stock-in-trade: ₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
TCL	94	102	(8)	(8)
HFUK	144	221	(77)	(35)
TCNA	20	24	(4)	(17)
Rallis	141	116	25	22
Others and Eliminations	(147)	(219)	72	(33)
Total	**252**	**244**	**8**	**3**

Purchases of stock-in-trade decreased primarily in the UK due to lower PFR sales of soda ash.

4. Power and fuel: ₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
TCL	555	574	(19)	(3)
HFUK	513	531	(18)	(3)
TCNA	325	314	11	4
Rallis	57	61	(4)	(7)
Total	**1,450**	**1,480**	**(30)**	**(2)**

Power and fuel increased primarily in India, HFUK and TCNA on account of higher input fuel cost and depreciating GBP exchange rates against INR.

5. Freight and forwarding charges: ₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
TCL	390	476	(86)	(18)
HFUK	226	244	(18)	(7)
TCNA	855	817	38	5
Rallis	78	72	6	8
Others	2	1	1	100
Total	**1,551**	**1,610**	**(59)**	**(4)**

Freight and forwarding charges decreased primarily due to lower volume and price mix.

6. Finance costs: ₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
TCL	43	86	(43)	(50)
HFUK	129	124	5	4
TCNA	131	110	21	19
Rallis	6	5	1	20
Others and Eliminations	33	29	4	14
Total	**342**	**354**	**(12)**	**(3)**

Lower interest cost in TCL is due to repayment of borrowing. Increase in interest cost in TCNA due to increase in borrowing during the year under review.

7. Other expenses: ₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
TCL	447	414	33	8
HFUK	457	498	(41)	(8)
TCNA	809	890	(81)	(9)
Rallis	330	332	(2)	(1)
Others and Eliminations	20	12	8	67
Total	**2,063**	**2,146**	**(83)**	**(4)**

Other expenses represent the following: ₹ in crore

Entity	FY 2019-20	FY 2018-19	Change	% Change
Stores and spares consumed	258	266	(8)	(3)
Packing materials consumed	196	218	(22)	(10)
Repairs	445	401	44	11
Rent	59	150	(91)	(61)
Royalty, rates and taxes	340	340	-	-
Sales promotion expenses and Distributors service charges	91	93	(2)	(2)
Others(*)	674	678	(4)	(1)
Total	**2,063**	**2,146**	**(83)**	**(4)**

(*) – Others include insurance charges, distributors' 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.

Changes in other expenses is primarily due to:

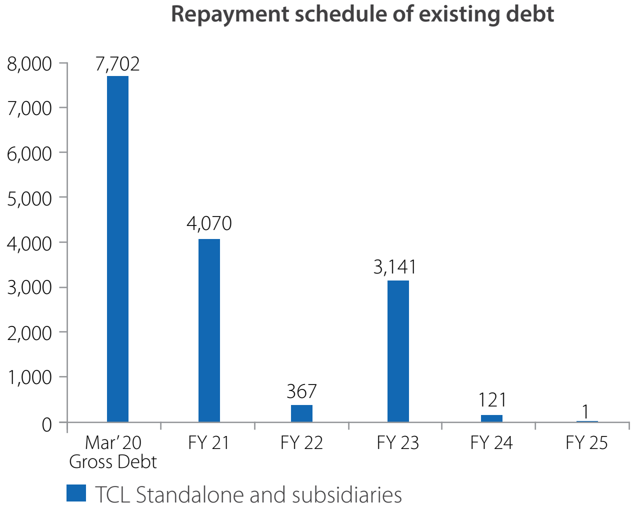
a. Packing materials consumed lower at TCL and Rallis.

b. Repair expenses higher at TCNA.

c. Rent is lower due to new lease accounting standard impact.

Total Debt and Amortisation Schedule

₹ in crores



Note:

1. *Gross debt of ₹ 7,702 crore includes ₹ 589 crore of working capital loans and ₹ 1,324 crore of bridge loan.*
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.*

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 TCL's businesses by providing a customer-centric scientific problem-solving approach for sustainable differentiation. The Centre works with all the business units, including Material Sciences, Nutritional Solutions, Basic Chemistry and new businesses such as Energy. It uses a multi-disciplinary scientific approach to develop products and services.

At present, the Company has a total of 123 active patent families, out of which 35 have been granted. In FY 2019-20, IC filed 4 new patent applications in India and 2 applications in the US and published 4 research papers in international peer-reviewed journals.

Tech-talk and iNNCOTECH are the two key initiatives and platforms for knowledge-sharing and learning new technology trends and practices at IC. During the year under review, iNNCOTECH was conducted with the inclusion of all the R&D centres, including that of Rallis. The conference was inaugurated by Padma Shri Dr. Mashelkar and attended by global scientists including Padma Shri Dr. M. M. Sharma. During the year, IC also developed significant competencies in the area of Gut Microbiome, Energy Sciences, Data Analytics and Advanced Materials.

The Centre has explored the application of FOS (fructo-oligosaccharides) for skin microbiome and immunity application to develop next-generation applications in Nutraceuticals. It has developed customised vitamin and mineral solutions for the industry for fortification of staple foods. IC has built significant expertise in fermentation technology and has developed numerous Fossence-based product concepts and prototypes for NQ Innovation, aimed at serving society through science.

IC is currently building competency in lithium cell technology chemistry. It includes the synthesis of cathode active material and cell assembly to make lithium battery cells. IC has internalised lithium cell technology, transferred from ISRO and has built strategic relationships with Indian National Laboratories to leverage the science available in the country.

The IC materials division has continued its journey in building the HDS business for the Company. The team has recently developed a new functionalised silica grade for stretchable elastomer used in garment applications that significantly improves end-product performance. An abrasive grade silica was also developed for oral care (toothpaste application) for effective removal of pellicle film from the surface of teeth.

Digitalisation & Information Technology

TCL is in an exciting era of Industry 4.0 where businesses are increasingly adopting digital technologies. The Company has embarked on a journey to standardise and streamline processes and empower people with technologies. This will help it to make informed decisions and drive profitable growth. It has taken definitive steps towards this by 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.

During the year under review, the existing supplier collaboration and sourcing platform was extended to all across the subsidiary companies. TCL conducted an external study on Data Maturity Assessment, to provide an insight into the use of digitisation in the Company, unlocking the power of data. It also undertook a Digital Roadmapping exercise, aided by an external expert agency, to prioritise future steps in the strategic planning of digital programme. Work was initiated on a modern Laboratory Information Management system (for R&D labs), Transportation Management System, Dealer Connect System (at Rallis) and Human Resource Management System. TCL is strengthening its internal capability in digital and data analytics to make analytics one of its strongest IT capabilities. The Company has begun to simplify and rationalise the various systems and processes across TCL entities, aiming to create synergistic platforms and services.

Industrial Internet of Things (IIoT) has been piloted for several discrete production processes at the Mithapur plant and it will be replicated across other equipment and processes. This is being developed under a lighthouse project initiative. The new Nutrition business at the Nellore plant was designed with state-of-the-art digital systems that meet global quality standards. The plant is now a digital factory.

Cyber-security is a critical function and TCL continually strengthens it through the implementation of relevant solutions, processes and by training employees. The Company is focussing on strengthening its core infotech for availability, reliability, security and optimising cost in the current macro-economic situation. It is enhancing analytics for plant automation, safety improvement and efficiencies. Smart Lab with automation and analytics for faster and cheaper R&D is an example of a priority project, along with developing an end-to-end workflow automation of business process.

The Company is driving transformational change with technology to have smarter factories, smarter labs, smarter offices, along with a KPI-driven digital and insight mindset. This will create a digital and analytics-led intelligent enterprise and help drive productivity.

Human Resources

FY 2019-20 saw a wide range of activities on multiple fronts as TCL went about its transformation journey. Some of the major events that had implications for employees and people-related processes were: the demerger of the Consumer Products Business; Mithapur expansion plans; stabilisation of the operations in the Nutrition business and Silica plants; putting the basic building blocks in new segments of Energy Storage and Lithium recycling; Aeroponics; and the merger of Metahelix with Rallis.

These internal changes were accompanied by fairly significant external changes that have far-reaching effects on business and people. Businesses are adopting new technologies in manufacturing processes, servicing customers, logistics and reducing turnaround times. TCL has a complete response plan for these challenges.

It believes that everything is made possible by its people – the Company's biggest strength. Its workforce and people processes give TCL the edge to manage complexities, embrace change proactively, stay contemporary and create the energy and passion to surge ahead.

The Company is committed to building a customer-focussed, agile and lean organisation. While the restructuring of the Basic Chemistry Products business is underway, synergies are being established in the common functions and practices across all TCL entities to leverage mutual strengths, diversity and better service to internal customers. To foster collaboration, speed and customer-centricity in the workforce, the Company has initiated a pilot of setting up self-managed teams at the Mambattu plant.

The IC, Pune, has also been restructured during the year and is now focussed on driving greater synergy with Rallis' R&D.

TCL has been recruiting fresh Graduate Engineer Trainees ('GET'), Diploma Engineer Trainees ('DET') and Technician Trainees and is also actively building an internal talent pipeline in its businesses. Diversity and Inclusion ('D&I') has been integrated into its people strategy through a formal policy that states the Company's intent and direction very clearly.

Steps are taken for reskilling and upskilling TCL's talent pool with future-ready and future-engaged competencies. This includes functional capability, behavioural or managerial capability and leadership capability.

The year saw TCL collaborating with premier research organisations like ISRO, CSIR-CECRI and other institutions that gave its scientists exposure to and knowledge about emerging technologies.

For the incoming 2019 batch of GETs, the Campus to Corporate induction programme, re-branded as 'Aarambh', was launched. The on-boarding process is enhanced through engaging with them before joining itself, using digital technology. Access to a mobile-based learning platform was enabled, giving the new joinees not only an overview of the organisation, its values and an insight into the training period, but also kickstarting the learning journey to build 10 foundational leadership competencies.

TCL partnered with Group HR to launch the first batch of 'Coachworks', which provides a platform for coaching-led intervention for personal growth and development by nominating four of its senior leaders. A two-day workshop on Felt Leadership was conducted for the senior leadership team for further improving the overall safety culture and awareness across the organisation. A workshop on D&I was also conducted for the senior leadership. edX, the digital platform, witnessed increased participation this year, empowering TCL people to attend any course, anytime, anywhere. Besides this, the Company mandated online courses on Ethics, Prevention, Prohibition and Redressal of Sexual Harassment (POSH) and Governance policies for specified role-holders in order to reinforce the importance of ethics and compliance at work.

Apart from classroom and digitised training programmes, employee capabilities were sharpened by on-the-job exposure through a combination of stretch, challenging assignments and doing a variety of roles. Towards this end, TCL provided a number of opportunities in new businesses to its existing employees and hired laterally only for new skill sets. This also provided career growth paths for many employees.

Besides career growth, the Company worked on other drivers of employee engagement. One of the key initiatives was to deploy a cross-functional team of employees under the 'Refresh 2020' programme to study each driver in detail and recommend action plans. This not only enhanced involvement and participation of employees but also incorporated their views and concerns. TCL helped line managers in interpreting their Xpress Score card (an employee engagement survey) with specific sessions.

The diverse workforce needs cohort-specific actions to address their needs and TCL's actions are designed for this. For instance, after inducting the first set of female trainees at Cuddalore, the Company organised a plant visit and interactive session with their parents to reassure them about the safety of their wards and share the pride of association with TCL.

A special session on 'Scripting Your Success' by the Chief Human Resources Officer with freshly hired GETs was greatly appreciated. Likewise, the Company organised 'Spandan', a workshop for DETs. A new platform for rewards and recognition, 'Kudos', was launched, letting both employees and managers to appreciate and recognise their peers and team members.

HR Helpdesk was launched as a one-stop solution to answer employee queries on HR policies, processes and system addressed. Work is in progress to launch the HR Chatbot that will enable quick response to employee queries. The Health Insurance Scheme has been renewed with enhanced employee-friendly features.

The senior leadership team has visited all major sites/offices multiple times over the past year and has engaged with employees across levels and cadres to share information and also to understand their views and concerns. There has been a whole series of formal and informal modes of communication with all relevant stakeholders.

TCL signed a Long-Term Settlement with unionised workers at Mithapur during the year, continuing to strengthen harmonious relationship.

The Leadership in Business Ethics (LBE) Assurance Survey score showed significant improvement for workmen and business partners segment, indicating that ethical behaviour has become a way of life for TCL. It has completed the groundwork for migrating to the new Human Resources Management System and will take it up next year. Apart from digitisation, developing a learning and development framework, launching a redesigned Management Development Programme, reviewing people policies, relooking at work processes are some of the other exciting projects that are underway at TCL and will be soon ready for rollout.

Employee Headcount as on March 31, 2020

Entities	No. of Employees
Tata Chemcials Limited, India	1,820
Rallis India Limited	1,610
Ncourage Social Enterprise Foundation	19
Tata Chemicals Europe	407
Tata Chemicals North America Inc.	573
Tata Chemicals Magadi Limited	221
Tata Chemicals International Pte. Ltd.	4
Tata Chemicals South Africa (Pty.) Limited	24
Total	**4,678**

Safety and Health

Driven by 'Target Zero Harm' – Zero Harm to People, Zero Harm to Asset and Zero Harm to Environment – health and safety form one of the core values at TCL. 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. For an exclusive focus on safety and sustainability, the Company has a Board level Safety, Health, Environment and Sustainability ('SHES') Committee, chaired by an Independent 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 SHES Committee also monitors and reviews reports quarterly on SHE performance, including policy and legal compliances.

The Chief Safety & Engineering Officer has direct access to the Chairman of the SHES Committee. The Board-level Risk Management Committee also monitors the progress on mitigation plans associated with key safety risks. The senior leadership at the Company plays a definite and defining role in affirming positive attitudes towards safety and creating an enabling environment.

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. The health and safety of people is of utmost importance to the Company and it is keen to address any risk that could pose a threat to a safe and healthy work environment. To ensure steady improvement in the SHE performance, the Company is adopting voluntary standards such as Process Safety and Risk Management, ISO 45001, Responsible Care and the British Safety Council guidelines. The Company's approach to safety is cohesive and integrates individual and group values, attitudes, competencies and patterns of behaviour.

As an organisation, 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 Company demands excellence and safety accountability from every individual. The workforce is actively involved in promoting safety and a conscious effort is made to keep them engaged. Cross-functional teams and joint management-workmen committees with active participation by senior management are formed at the site level. These teams work with a focussed agenda across occupational health and safety areas, best safety practices, risk control, etc. A stronger individual commitment to safety is also built by linking variable pay/incentive to the safety record of the business for the year.

All locations of the Company assess high hazard areas and activities with the intent to minimise risk to the lowest extent possible. 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. Unfortunately, one fatal incident occurred at the Mithapur site in FY 2019-20. Detailed investigations were carried out and critical gaps were identified for the incidents. Necessary actions have been taken to prevent their recurrence. These incidents led the Company to introspect and now the Company is working on evaluating innovative solutions to monitor the health and safety of its employees and contract employees working at critical areas.

In order to ensure safety at sites, specific new programmes were initiated and many other programmes were continued e.g. Process Safety & Risk Management at Mithapur was declared operational and further improvisation is in progress under phase-2 and TCNA identified and introduced Safety One Plan to achieve injury-free workplace. The focus will be on (a) everyone is involved and engaged, (b) re-think risk in everything and increase training and development, (c) improvement in safety review mechanism at Magadi, (d) contract management through hazard awareness improvements initiatives based on risk perceptions, as part of updating Construction (Design & Management) procedures in the UK, (e) training on Golden Safety Rules at Mambattu, Cuddalore and Sriperumbudur, (f) re-launch of e-learning module related to defensive driving for the Company's Indian employees, (g) improvements in the training programme, including training programmes for the contract employees in India and introduction of certification programme at various locations of the Company as well as global operations.

In FY 2019-20, a global 'Safety Head' meeting was held in Mumbai. All Safety Heads from across the geographies came together to share their best practices. In addition, to assist individual units, the Company is working on digitisation and data analytics to forecast key vulnerable areas. Over the past 9 years, the Company has reduced its Recordable Injury Frequency rate by 51%. In supply chain safety, the Company's safety requirements are communicated to the 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.

Rallis is also a Responsible Care member company. The leadership team at Rallis is fully committed to building an organisation that creates new benchmarks in health and safety. Rallis is increasingly focussing on the production of environment-friendly formulations through safer chemistry and processes that ensure safety for all stakeholders handling these products. At Rallis, a culture of safety is encouraged across hierarchies by promoting behavioural safety, process safety and road safety as key focus areas among its workforce. To enhance process safety, gap assessment of existing PSRM is carried out with the help of external experts. 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. It has started a daily Behaviour Safety observation rounds with 100% coverage of the Company and associate employees. Rallis has regularly organised awareness workshops and campaigns to sensitise the farmer community. During FY 2019-20, under the 'You Are Safe' campaign, Rallis conducted safety awareness contact programmes in 293 villages across 7 districts, covering 19,530 farmers and 5,972 students.

Sustainability

At TCL, sustainability is aligned with the UN Sustainable Development Goals. The Company 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 on a regular basis include the internally developed tools Responsible Manufacturing Index ('RMI') and the Sustainability Assessment Framework ('SAF').

Efficient energy and waste management, emphasis on recycling of water, recyclable packaging, commitment towards EPR, reuse/recycling of solid waste, watershed, natural capital, waste composting, biodiversity conservation measures, drinking water for community, self-help groups, etc. are some of the continuous efforts that the Company undertakes for inclusive growth of all its stakeholders.

TCL uses frameworks such as ISO 14001, OHSAS 18001, Global Reporting Initiative ('GRI'), Carbon Disclosure, International Integrated Reporting Council ('IIRC'), United Nations Global Compact ('UNGC'), Science Based Targets Initiative ('SBTi') etc. to share its performance with stakeholders. This gives the Company an opportunity 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 Carbon Disclosure Project ('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 2019-20 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.

Business Responsibility Report

In line with the Regulation 34 (2) (f) of the SEBI Listing Regulations, the Company reports on its business responsibility. The Business Responsibility Report is available as a separate section in the prescribed format. It details all actions taken by the Company on the 9 business responsibility principles i.e. Business Ethics, Product Responsibility, Wellbeing of Employees, Stakeholder Engagement, Human Rights, Environment, Public Policy, CSR and Customer Relations. It is also hosted on the Company's website at www.tatachemicals.com.

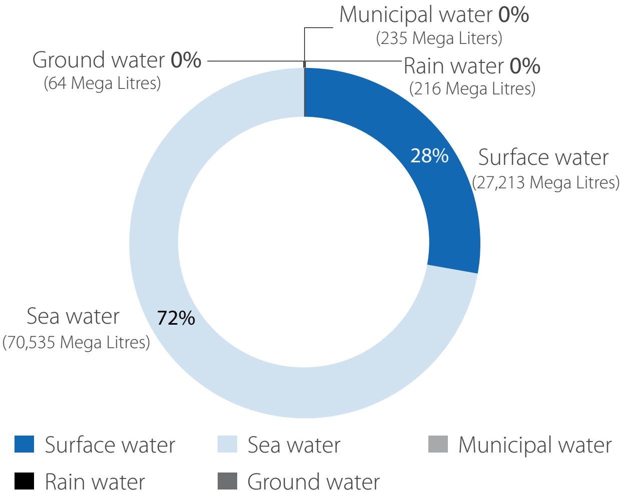
United Nations Global Compact

The UNGC is a non-binding United Nations pact to encourage businesses worldwide to adopt sustainable and socially responsible policies and to report on their implementation. The Company is a signatory to UNGC that promotes 10 principles in the areas of human rights, labour standards, environment and anti-bribery. The Company has been preparing and uploading the Communication on Progress ('COP') since 2005. The Company has uploaded a comprehensive communication on progress since last year and has included all the entities across the enterprise for the same. It will continue to do so going forward. The Company continues its commitment to UNGC and will submit its COP on the 10 UNGC principles for FY 2019-20. The details of UNGC can be viewed on www.unglobalcompact.org and on the Company's website www.tatachemicals.com.

Carbon Disclosure Project

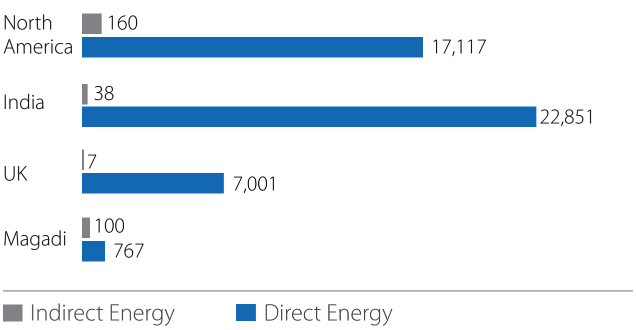
CDP is a not-for-profit organisation that facilitates the global disclosure system for investors, companies, cities, states and regions on taking urgent action to build a truly sustainable economy by measuring and understanding their environmental impact. It has developed a system that leads an engagement on environmental issues across the world. The Company has been reporting on CDP climate change, CDP water and CDP supply chain since 2007. They provide guidance for climate change reporting and help companies evaluate their sustainability performance. TCL aims to perform better on YoY scores to achieve the desired goal.

Water withdrawal pattern



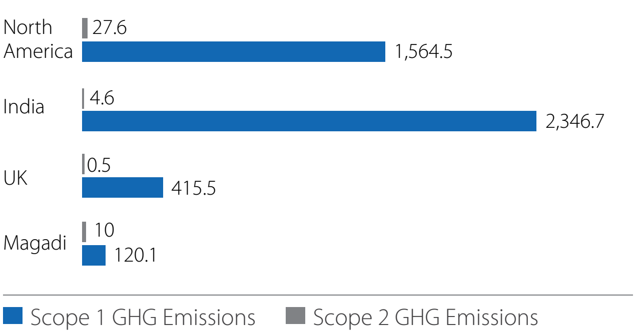
Energy consumption pattern

[Terajoule (TJ)]



Carbon footprint

(Metric KiloTon)



Science Based Targets Initiative

The SBTi is a partnership between CDP, UNGC, WRI and World Wide Fund ('WWF'), which helps companies determine how much and how quickly they need to reduce greenhouse gas (GHG) emissions in line with climate science to future-proof growth. TCL has signed up for SBTi and is working towards setting a target for itself and identifying levers for GHG emission reductions across the enterprise while still pursuing a growth strategy.

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 & 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 TCL to strengthen the culture of excellence and progress towards becoming a world-class organisation.

Internal Controls

The Company has an independent Internal Audit function with well-established risk management processes both at the business and corporate levels. The scope and authority of the Internal Audit function is derived from the Internal Audit Charter approved by the Audit Committee. The Company has engaged a reputable external firm to support the Internal Auditor for carrying out the Internal Audit reviews.

Reviews are conducted on an on-going basis, based on a comprehensive risk based audit plan, which is approved by the Audit Committee at the beginning of each year.

The Audit Committee meets on a quarterly basis to review and discuss the various Internal Audit reports and follow up action plans of past significant audit issues and compliance to 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.

Risk Management Framework

The following section discusses various dimensions of the Company's Enterprise Risk Management ('ERM') system. The risk-related information outlined in this section is not exhaustive and is for information purposes only. The discussion may contain statements which 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

Risk Management is an integral part of Company's strategy and planning process. Based on proactive identification of risks, action plans are devised to mitigate the risks that could materially impact the Company's long-term sustainability. Mitigation plans with identified owners are set against target dates and progress of mitigation actions are monitored and reviewed. ERM in the Company seeks to minimise adverse impact on business objectives and to enhance stakeholder value.

Over the years, the ERM process has evolved into a robust exercise entailing a balanced 'bottom-up' and 'top-down' approach covering all units, functions and departments of the Company and its subsidiaries.

As a process, the Company follows a well-defined 4-step ERM process to address the risks associated with its business. The ERM process framework has evolved and matured over the years and is based on international standards including ISO 31000 and the Committee of Sponsoring Organizations of the Treadway Commission, with inputs drawn from the best practices of leading companies across industries but tailored to suit TCL's business needs. Risk Management and Internal Audit functions complement each other at TCL.

Risk Management: Governance Structure

The Company has constituted a robust governance structure consisting of 5 levels thereby ensuring both bottom-up and top-down approach.

It constituted the Risk Management Committee ('RMC') to oversee the risk management efforts in the Company. The Committee currently consists of Mr. S. Padmanabhan, Ms. Padmini Khare Kaicker, Mr. R. Mukundan, Mr. Zarir Langrana and Mr. John Mulhall as Members. The RMC meets quarterly to review key risks and assess the status of mitigation measures. The TCL 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 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 annually and exercising oversight of various risks including Strategic Risk, Operational Risk, Market Risk, Cyber Security, 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 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. RMG at Business Unit 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 risk mitigation plan
Providing periodic updates to RMC on risks with mitigation plan

Risk Categories

The following broad categories of risks have been considered in the Risk Management Framework:

- **Strategic Risk** 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 Risk** includes 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 which are associated with operational uncertainties including failure in critical equipment, attrition, etc.

- **Regulatory and Compliance Risk** are risks on account of inadequate compliance of regulations, contractual obligations and intellectual property violations leading to litigation and loss of reputation.

- **Financial Risk** 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

> *We do not claim to be more unselfish, more generous or more philanthropic than other people. But we think we started on sound and straightforward business principles, considering the interests of the shareholders our own, and the health and welfare of the employees, the sure foundation of our success.*
>
> **- Jamsetji Tata**

1. Company's Philosophy on the Code of Governance

The Company has over the years followed best practices of Corporate Governance. 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 our 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 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. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

The Company has adopted a Code of Conduct for its employees including the Managing Director & CEO and the Executive Director 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 has also adopted the Guidelines on Board Effectiveness to fulfill its responsibilities towards its stakeholders.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as applicable [including relaxations granted by SEBI in the wake of Covid-19], with regard to Corporate Governance and the same has been disclosed in this Report. The Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

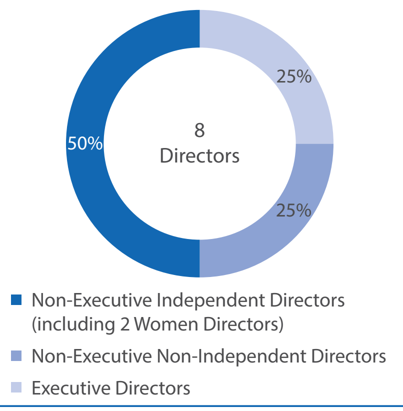
2. Board of Directors

Composition of the Board

The Board of Directors of the Company is the highest governance authority within the management structure of the Company. Further, the Board is totally committed to the best practices for effective Corporate Governance. The Board regularly reviews and updates Corporate Governance practices to accommodate developments within the market place in general and the business in particular.

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 Nomination and Remuneration Committee of the Board ensures the right composition of the Board. As on March 31, 2020, the composition of the Board of Directors was as under:

Board Composition as on March 31, 2020



The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Act.

Detailed profile of the Directors is available on the Company's website at https://www.tatachemicals.com/DirectorsProfile.htm.

Board of Directors

The composition and category of Directors, the number of Directorships and Committee Chairpersonships/Memberships held by them and Directorships held by them in other listed entities as on March 31, 2020 are as follows:

Sr. No.	Name of the Director	Number of directorships in other public limited companies*		Number of committee positions held in other public limited companies**		Other listed entities (including debt listed) where Directors of the Company held directorships	
		Chairperson	Member	Chairperson	Member	Name of the Listed Entity	Category of Directorship
Non-Executive Non-Independent Directors							
1.	Mr. Bhaskar Bhat (DIN: 00148778)	2	3	-	5	Titan Company Limited	NE-NID
						Rallis India Limited	NE-NIC
						Trent Limited	NE-NID
						Bosch Limited	ID
2.	Mr. S. Padmanabhan (DIN: 00306299)	-	3	-	-	-	-
Non-Executive Independent Directors							
3.	Mr. Nasser Munjee# (DIN: 00010180)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Dr. Y. S. P. Thorat# (DIN: 00135258)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5.	Ms. Vibha Paul Rishi (DIN: 05180796)	-	7	1	6	Asian Paints Limited	ID
						The Indian Hotels Company Limited	ID
						Escorts Limited	ID
						ICICI Prudential Life Insurance Company Limited	ID
6.	Ms. Padmini Khare Kaicker (DIN: 00296388)	-	4	3	1	Tata Cleantech Capital Limited	ID
						Rallis India Limited	ID
						Kotak Mahindra Investments Limited	ID
7.	Dr. C. V. Natraj^ (DIN: 07132764)	-	1	-	1	Rallis India Limited	ID
8.	Mr. K. B. S. Anand^ (DIN: 03518282)	-	2	-	1	Asian Paints Limited &	MD & CEO
Executive Directors							
9.	Mr. R. Mukundan – MD & CEO (DIN: 00778253)	-	2	-	2	Rallis India Limited	NE-NID
						Tata International Limited	NE-NID
10.	Mr. Zarir Langrana – ED (DIN: 06362438)	-	-	-	-	-	-

MD & CEO – Managing Director & Chief Executive Officer; ED – Executive Director; NE-NIC – Non-Executive Non-Independent Chairperson; NE-NID – Non-Executive Non-Independent Director; ID – Independent Director

* *Excludes directorships in associations, 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 Listing Regulations*

\# *Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure*

^ *Dr. C. V. Natraj and Mr. K. B. S. Anand were appointed as Independent Directors of the Company w.e.f. August 8, 2019 and October 15, 2019 respectively*

& *Retired as the MD & CEO of Asian Paints Limited w.e.f. March 31, 2020. Further, Mr. Anand has been appointed as an Independent Director on the Board of Marico Limited w.e.f. April 1, 2020*

The Eightieth (80th) Annual General Meeting ('AGM') of the Company for the Financial Year ('FY') 2018-19 was held on July 8, 2019. All the Directors of the Company as on the date of the AGM except Ms. Vibha Paul Rishi, Independent Director were present at the 80th AGM.

None of the Directors on the Board is a Director in more than 7 listed entities. None of the Non-Executive Directors is an Independent Director in more than 7 listed companies as required under the Listing Regulations. Further, the Managing Director & CEO and the Executive Director do not serve as Independent Directors in any listed company. None of the Directors held directorship in more than 20 Indian companies, with not more than 10 public limited companies. 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 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 of the Company is related to each other and there are no inter-se relationships between the Directors. As on March 31, 2020, Dr. Natraj, Mr. Mukundan and Mr. Langrana held 209, 500 and 3,666 equity shares of the Company respectively. Apart from them, no other Director holds any shares in the Company. The Company has not issued any convertible instruments.

Skills/expertise/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, nationality and geography.

The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills/expertise/competencies of Directors 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:

1 Mr. Bhaskar Bhat
2 Ms. Vibha Paul Rishi
3 Mr. S. Padmanabhan
4 Ms. Padmini Khare Kaicker
5 Dr. C. V. Natraj
6 Mr. K. B. S. Anand
7 Mr. R. Mukundan
8 Mr. Zarir Langrana

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, major accounting provisions and write-offs/write-backs, 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 Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events and approvals obtained, if necessary.

All the Board and Committee Meetings conducted are paperless with documents securely uploaded on the Board Application and accessed through an iPad. This has resulted in saving paper, reducing the cycle time to make documents available to the Board/Committee Members and increasing confidentiality.

Video conferencing facility is also used to facilitate Directors travelling/residing abroad or at other locations to participate in the Meetings. In compliance with the relaxations granted by the Ministry of Corporate Affairs due to outbreak of Covid-19, the Company has also conducted its Board and Committee Meetings through video conferencing, without physical presence of Directors and attendees, to adhere to the social distancing norms.

Board Meetings Held

The Board met nine (9) times during FY 2019-20.

The gap between two Meetings did not exceed one hundred and twenty days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

Attendance at the Board Meetings held during the year

Name of the Director	Category	Meetings held on									No. of Meetings attended
		May 3, 2019	May 15, 2019	August 8, 2019	October 30, 2019	December 11 & 12, 2019	December 31, 2019	February 3, 2020	February 14, 2020	March 26, 2020	
Mr. Bhaskar Bhat	NED	👤	👤	👤	👤	👤	👤	👤	👤	👤	9
Mr. Nasser Munjee#	ID	👤	LOA	👤	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	2
Dr. Y.S.P. Thorat#	ID	👤	👤	👤	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	3
Ms. Vibha Paul Rishi	ID	👤	👤	👤	👤	👤	👤	👤	LOA	👤	8
Mr. S. Padmanabhan	NED	👤	👤	👤	👤	👤	👤	👤	LOA&	👤	8
Ms. Padmini Khare Kaicker	ID	👤	👤	👤	👤	👤	LOA	👤	👤	👤	8
Dr. C. V. Natraj*	ID	N.A.	N.A.	N.A.	👤	👤	👤	👤	👤	👤	6
Mr. K. B. S. Anand^	ID	N.A.	N.A.	N.A.	LOA	👤	👤	👤	👤	👤	5
Mr. R. Mukundan	MD & CEO	👤	👤	👤	👤	👤	👤	👤	👤	👤	9
Mr. Zarir Langrana	ED	👤	👤	👤	👤	👤	👤	👤	👤	👤	9

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director; LOA – Leave of Absence; N.A. – Not Applicable

\# *Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure*

* *Appointed as an Additional and Independent Director w.e.f. August 8, 2019*

^ *Appointed as an Additional and Independent Director w.e.f. October 15, 2019*

& *Mr. S. Padmanabhan joined the Meeting through audio call*

During the year under review, the Board elected Mr. Bhaskar Bhat as Chairperson for each of the above Meetings of the Board.

Independent Directors

The Company currently has 4 Non-Executive Independent Directors which comprise 50% of the total strength of the Board of Directors.

Mr. Nasser Munjee and Dr. Y. S. P. Thorat ceased to be Independent Directors of the Company with effect from August 20, 2019 upon completion of their tenure.

During the year, the Board of Directors based on the recommendations made by the Nomination & Remuneration Committee appointed Dr. C. V. Natraj and Mr. K. B. S. Anand as Non-Executive Independent Directors with effect from August 8, 2019 and October 15, 2019 respectively, subject to approval of the shareholders.

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 Listing Regulations. In terms of Regulation 25(8) of the 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 fulfill the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

Further, the Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Meeting of Independent Directors

During the year under review, one meeting of the Independent Directors of the Company was held on March 26, 2020 as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, Chairperson (as elected by the Board for each meeting of the Board of Directors) 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 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 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 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, Corporate Social Responsibility, Data Analytics, Cyber Security, Tax, Digital and Litigation updates. Besides the above, presentation on Risk Management, HR processes and people strategy, Safety and Sustainability initiatives of the Company are made at their respective Committees where some of the Independent Directors are also members. The Directors are also kept continuously updated by regularly sharing various useful articles relating to the Company's performance, operations, its market and competition on the Board Application.

The Board of Directors and Senior Management of the Company as well as its key operating subsidiaries jointly participated in a strategy workshop held on December 11 & 12, 2019 to review the Company's strategy across its businesses, future growth, performance of its key operating subsidiaries and updates on the Tata Business Excellence Model ('TBEM').

During the year, as part of the induction programme, Dr. C. V. Natraj and Mr. K. B. S. Anand, Independent Directors visited the Company's plant at Mithapur and met the leadership teams there. The Directors spent entire day at the respective plants to get a deeper insight on the Company's operations.

Pursuant to Regulation 46 of the Listing Regulations, the details of such familiarisation programme during the year FY 2019-20 are available on the website of the Company at https://www.tatachemicals.com/FamiliarisationProgramme.htm.

Appointment/Re-appointment of Directors

As required under Regulation 26(4) and Regulation 36(3) of the Listing Regulations and Secretarial Standards - 2 on General Meetings issued by 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 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 of the Act ('Code for Independent Directors') and Regulation 17(5) of the Listing Regulations and the same is available on the website of the Company at https://www.tatachemicals.com/TCOCNED.htm.

As on March 31, 2020, 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 has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries.

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 fulfill 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 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;
- Review of the Company's accounting policies, internal accounting controls, financial and such other matters;
- 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/quarterly Financial Statements before submission to the Board;
- 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;
- Scrutinise inter-corporate loans and investments, and review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary;
- Reviewing the adequacy of internal control system, internal audit function and risk management function;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Tata Code of Conduct for Prevention of Insider Trading. Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, atleast once in a financial year and verifying that the systems for Internal Controls are adequate and are operating effectively;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 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 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 2019-20, ten (10) Meetings of the Audit Committee were held on the following dates:

- April 12, 2019
- May 3, 2019
- May 15, 2019
- August 1, 2019
- August 8, 2019
- October 11, 2019
- October 30, 2019
- December 31, 2019
- January 24, 2020
- February 3, 2020

The gap between two Meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings attended
Mr. Nasser Munjee (Chairperson)*	ID	4
Dr. Y. S. P. Thorat**	ID	5
Ms. Padmini Khare Kaicker (Chairperson)#	ID	9
Ms. Vibha Paul Rishi@	ID	5
Mr. S. Padmanabhan	NED	9
Dr. C. V. Natraj@	ID	5

ID - Independent Director; NED - Non-Executive Director

* *Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure and accordingly ceased as the Chairperson and Member of the Committee with effect from that date*

** *Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure and accordingly ceased as a Member of the Committee with effect from that date*

\# *Appointed as the Chairperson of the Committee w.e.f. August 21, 2019*

@ *Appointed as a Member of the Committee w.e.f. August 8, 2019*

Mr. Nasser Munjee, former Chairperson of the Audit Committee, is an eminent economist and leading banker. Ms. Padmini Khare Kaicker, Chairperson of the Audit Committee is a Chartered Accountant, Certified Public Accountant (USA) and the Managing Partner of B. K. Khare & Co., one of the leading and respected Indian Accounting Firms. All Members of the Audit Committee are financially literate.

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 Listing Regulations.

The Chairperson of the Audit Committee has one on one meetings both with the Internal Auditor and the Statutory Auditors to discuss key concerns on periodic basis.

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 of the 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. The Chairperson of the Audit Committee briefs the Board about the significant discussions at the Audit Committee Meetings. The minutes of each of the Audit Committee Meeting are placed in the next Meeting of the Board.

Mr. Nasser Munjee, former Chairperson of the Audit Committee, was present at the last AGM held on July 8, 2019. Ms. Padmini Khaire Kaicker, Chairperson of the Audit Committee, was also present at the last AGM held on July 8, 2019.

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. 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;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel ('KMP') and other employees;

- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;
- Formulate criteria for evaluation of Directors and the Board;
- Recommend to the Board, the appointment or removal of KMP and executive team members;
- 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;
- Recommend to the Board the appointment or re-appointment of Directors;
- Review matters related to remuneration and benefits payable upon retirement and severance to the Managing Director/Executive Director(s), KMP and executive team members;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Oversee familiarisation programmes for Directors;
- 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;
- Perform other activities related to the charter as requested by the Board from time to time.

Meetings Held

During FY 2019-20, three (3) Meetings of NRC were held on the following dates:

- May 3, 2019
- November 21, 2019
- March 26, 2020

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings attended
Dr. Y. S. P. Thorat (Chairperson)#	ID	1
Mr. Nasser Munjee##	ID	1
Dr. C. V. Natraj (Chairperson)$	ID	2
Mr. Bhaskar Bhat	NED	3
Ms. Padmini Khare Kaicker &	ID	2
Ms. Vibha Paul Rishi^	ID	N.A.

ID - Independent Director; NED - Non-Executive Director

\# *Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure and accordingly ceased as the Chairperson and Member of the Committee with effect from that date*

\## *Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure and accordingly ceased as a Member of the Committee with effect from that date*

$ *Appointed as a Member of the Committee w.e.f. August 8, 2019 and the Chairperson w.e.f. August 21, 2019*

& *Appointed as a Member of the Committee w.e.f. August 8, 2019*

^ *Appointed as a Member of the Committee w.e.f. March 26, 2020*

Dr. Y. S. P. Thorat, former Chairperson of the NRC, was present at the last AGM held on July 8, 2019.

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 Listing Regulations.

Board and Director Evaluation

In terms of the requirement of the Act and the 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 Chairperson of the NRC along with the Chairperson elected for each Meeting of the Board.

Criteria for Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, its committees and Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by the Listing Regulations. The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by SEBI.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process of the Board, its Committees and Directors. The criteria for Board Evaluation was based on the Guidance Note issued by SEBI which, *inter alia*, included questions on the following:

Board Evaluation	Evaluation of Individual Directors	Committee Evaluation
• Board Structure - qualifications, experience and competencies • Board Diversity • Meetings – regularity, frequency, agenda, discussion and recording of minutes • Functions – strategy, governance, compliances, evaluation of risks, stakeholder value and responsibility, conflict of interest, review of TBEM findings and monitoring action plans • Independence of management from the Board, access of Board and management to each other • Succession plan and professional development	• Professional qualifications and experience • Knowledge, skills and competencies • Fulfillment of functions, ability to function as a team • Attendance • Commitment, contribution, integrity and independence In addition to the above, the Chairperson of the Board Meetings is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer Meetings, impartiality and ability to keep shareholders' interests in mind.	• Mandate and composition • Effectiveness of the Committee • Structure of the Committee • Meetings – regularity, frequency, agenda, discussion and dissent, recording of minutes • Independence of the Committee from the Board and contribution to decisions of the Board

The Company has followed the practice of implementing each of the observations from the annual evaluation by calendarising its implementation through the Action Taken Report which is reviewed by the Board of Directors from time to time.

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, 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 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. 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

(₹)

Name of the Director	Salary	Perquisites and Allowance	Commission*	Total Remuneration
Mr. R. Mukundan – Managing Director & CEO	1,19,34,000	1,95,41,964	3,55,00,000	6,69,75,964
Mr. Zarir Langrana – Executive Director	66,15,000	1,14,01,383	1,42,50,000	3,22,66,383

** Commission relates to FY 2019-20, which will be paid during FY 2020-21*

Non-Executive Directors

During FY 2019-20, 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; Meetings 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% 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 commission and sitting fees paid/payable to the Non Whole-time Directors for the Financial Year ended March 31, 2020 is given below:

(₹)

Name of the Director	Sitting Fees	Commission (for FY 2019-20 payable in FY 2020-21)	Commission (for FY 2018-19 paid in FY 2019-20)
Mr. Bhaskar Bhat	3,60,000	30,00,000*	*
Mr. Nasser Munjee#	2,10,000	16,00,000	1,10,00,000
Dr. Y. S. P. Thorat#	3,10,000	24,00,000	1,10,00,000
Ms. Vibha Paul Rishi	5,70,000	45,00,000	45,00,000
Mr. S. Padmanabhan	7,30,000	**	**
Ms. Padmini Khare Kaicker	5,90,000	45,00,000	45,00,000
Dr. C. V. Natraj^	4,10,000	30,00,000	N.A.
Mr. K. B. S. Anand$	1,70,000	10,00,000	N.A.
Total	**33,50,000**	**2,00,00,000**	**3,10,00,000**

* *In line with the internal guidelines, no commission was paid to Mr. Bhaskar Bhat, Non-Executive Director of the Company, for FY 2018-19 who was in full-time employment with other Tata company. However, Mr. Bhat is eligible to receive commission from the Company for FY 2019-20 in view of his superannuation from Titan Company Limited as the Managing Director and CEO effective September 30, 2019*

** *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*

\# *Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure*

^ *Appointed as Non-Executive Independent Director w.e.f. August 8, 2019*

$ *Appointed as Non-Executive Independent Director w.e.f. October 15, 2019*

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 upto November 25, 2023	5 years upto 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.

Terms of Reference

The terms of reference of the SRC are as under:

- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares / debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- 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;
- To approve issue of duplicate certificates.

Meetings Held

During FY 2019-20, three (3) Meetings of the SRC were held on the following dates:

- June 4, 2019
- October 7, 2019
- February 24, 2020

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings attended
Ms. Vibha Paul Rishi (Chairperson)	ID	3
Mr. S. Padmanabhan	NED	3
Mr. R. Mukundan	MD & CEO	3
Mr. Zarir Langrana#	ED	2

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

 # Appointed as a Member of the SRC w.e.f. August 8, 2019

Status of Investor Complaints

The status of Investor Complaints as on March 31, 2020 as reported under Regulation 13(3) of the Listing Regulations is as under:

Complaints as on April 1, 2019	1
Received during the year	28
Resolved during the year	27
Pending as on March 31, 2020	2*

** Out of the 2 unresolved complaints, 1 complaint has been closed by SEBI on April 6, 2020. For the other complaint, the Company has uploaded the Action Taken Report on SEBI SCORES portal.*

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

On the recommendations of the SRC, the Company has taken various investor friendly initiatives like sending reminders to the investors who have not claimed their dividends, assisting and encouraging dematerialisation of shares, etc.

Ms. Vibha Paul Rishi, Chairperson of the SRC had expressed her inability to attend the AGM and accordingly, the SRC had nominated Mr. S. Padmanabhan, Member of the SRC, to answer queries of the security holders at the last AGM held on July 8, 2019.

6. CSR, Safety and Sustainability Committee

The CSR, Safety and Sustainability ('CSS') Committee was entrusted with the specific responsibility of reviewing corporate social responsibility programmes, health 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. The scope of the CSS Committee also included approving the budget of CSR, reviewing the CSR programmes and monitoring the CSR spends.

The Board of Directors of the Company split the CSS Committee into two separate committees, with effect from August 8, 2019, as under -

(i) Corporate Social Responsibility Committee and

(ii) Safety, Health, Environment and Sustainability Committee

Meetings Held

During FY 2019-20, one (1) Meeting of the CSS Committee was held on June 4, 2019. The necessary quorum was present for the Meeting.

Composition and Attendance

Name of the Member	Category	No. of Meetings attended
Mr. S. Padmanabhan (Chairperson)	NED	1
Ms. Vibha Paul Rishi	ID	1
Mr. R. Mukundan	MD & CEO	1
Mr. Zarir Langrana	ED	1

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

Chief - Safety and Chief - CSR & Sustainability were invitees to the Meeting of the CSS Committee. The General Counsel & Company Secretary attended the meeting.

Mr. S. Padmanabhan, Chairperson of the CSS Committee, was present at the last AGM held on July 8, 2019.

7. Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee of the Board was constituted on August 8, 2019 upon splitting of the CSR, Safety and Sustainability Committee. 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, reviewing the CSR programmes 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, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act and have oversight over its implementation;
- Recommend the amount to be spent on CSR activities;
- Review and monitor the Company's CSR Policy periodically and activities of the Tata Chemicals Group on behalf of the Board to ensure that the Group 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;
- Review periodic reports on performance of corporate social responsibility.

The Board has adopted a charter for the CSR Committee for its smooth functioning. The Board has also adopted the CSR Policy as formulated and recommended by the CSR Committee. The same is displayed on the website of the Company at https://www.tatachemicals.com/CSRPolicy.htm.

A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms part of the Board's Report.

Meetings Held

During FY 2019-20, two (2) Meetings were held on the following dates:

- October 7, 2019
- February 24, 2020

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings attended
Mr. S. Padmanabhan (Chairperson)	NED	2
Ms. Vibha Paul Rishi	ID	2
Mr. R. Mukundan	MD & CEO	2
Mr. Zarir Langrana	ED	2

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

8. Safety, Health, Environment and Sustainability Committee

The Safety, Health, Environment and Sustainability ('SHES') Committee of the Company was constituted on August 8, 2019 upon splitting of CSR, Safety and Sustainability Committee. The 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:

- Provide guidance to the management to ensure that all long-term strategic proposals made to the Board include safety, health, environment and sustainability implications;
- Review and monitor the sustainability, environmental, safety and health policies and activities across the Tata Chemicals Group on behalf of the Board to ensure that the Group is in 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, health and safety policies are being adhered to and achieved;
- Review and recommend to the Board the annual budget for the SHES Audit plans and related improvement plans and report regularly to the Board on Committee findings, recommendations, and any other matters the Committee deems appropriate;
- 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 2019-20, two (2) Meetings were held on the following dates :

- October 7, 2019
- February 24, 2020

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings attended
Ms. Vibha Paul Rishi (Chairperson)	ID	2
Mr. S. Padmanabhan	NED	2
Mr. R. Mukundan	MD & CEO	2
Mr. Zarir Langrana	ED	2

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

9. Risk Management Committee

Regulation 21 of the Listing Regulations mandates top 500 listed entities based on 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. The Company had constituted a RMC of the Board 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. 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;
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;
- Review and analyse risk exposure related to specific issues and provide oversight of risk across organisation;

- Review compliance with risk policies, monitor breach /trigger trips of risk tolerance limits and direct action;
- Nurture a healthy and independent risk management function in the Company.

Meetings Held

During FY 2019-20, four (4) Meetings were held on the following dates :

- April 12, 2019
- August 1, 2019
- October 11, 2019
- January 24, 2020

The necessary quorum was present for all the Meetings of the Committee.

Composition and Attendance

Name of the Member	Category	No. of Meetings attended
Dr. Y. S. P. Thorat (Chairperson)#	ID	2
Mr. S. Padmanabhan$	NED	3
Ms. Padmini Khare Kaicker^	ID	N.A.
Mr. R. Mukundan	MD & CEO	3
Mr. Zarir Langrana	ED	4
Mr. John Mulhall	CFO	4

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director; CFO - Chief Financial Officer

\# *Retired from the Company w.e.f. August 20, 2019 and accordingly ceased to be the Chairperson and Member of the RMC*

$ *In the absence of a permanent Chairperson, post August 21, 2019, Mr. S. Padmanabhan was elected as the Chairperson from meeting to meeting*

^ *Appointed as a Member of the RMC w.e.f. March 26, 2020*

Dr. Y. S. P. Thorat, former Chairperson of the RMC, was present at the last AGM held on July 8, 2019.

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 Annual Report.

10. 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 Reserch & Development 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 Tata Chemicals Limited and Rallis India Limited with Research & Development, Science and Technology background and is chaired by Dr. C. V. Natraj, Independent Director of the Company. Dr. Natraj has more than 30 years of experience in research. He has headed the Research function as Director on the Board of Hindustan Lever Limited and later went on to lead the Corporate Research function for Unilever as Senior Vice President, responsible for global exploratory research. He is the Technical Advisor to the Indian Institute of Science and serves on the Board of Rallis India Limited as an Independent Director.

The terms of reference of the Scientific Advisory Board are as under:

- Alignment of the R&D Centres' priorities to the Business priorities;
- Recommending the right skills and competencies necessary for the teams;
- Ensuring Succession Planning;
- 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;
- Support in creating the right infrastructure availability;
- Creating the platform for exchange and harmonisation of R&D activities across the 3 centres;
- 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.

11. Subsidiary Companies

Regulation 16 of the 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 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. For more effective governance, Independent Directors have been appointed on the Board of unlisted material subsidiaries. The Independent Directors appointed in such subsidiaries brief the Board of Directors of the Company on a quarterly basis 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 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 Listing Regulations with regard to Corporate Governance requirements for subsidiary companies have been complied with.

12. General Body Meetings

Annual General Meetings held and Special Resolution(s) passed:

Day, date and time of AGMs held during the last 3 years and Special Resolutions passed are given as below:

Year	Day and Date	Time	Special Resolution(s)
2018-19	Monday, July 8, 2019	3.00 p.m.	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 upto August 31, 2024
2017-18	Wednesday, July 25, 2018	3.00 p.m.	There was no matter that required passing of Special Resolution
2016-17	Wednesday, August 9, 2017	3.00 p.m.	

The above Meetings were held at Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai - 400 020.

None of the businesses proposed to be transacted requires the passing of a Special Resolution by way of Postal Ballot. No Extraordinary General Meeting was held during the past 3 years. No Special Resolution(s) requiring a Postal Ballot, except as mentioned below for the National Company Law Tribunal Convened Meeting, was passed last year or is being proposed at the ensuing Annual General Meeting.

National Company Law Tribunal ('NCLT') Convened Meeting held during the last year and the Resolution passed therein:

As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble Tribunal') vide its Order dated September 11, 2019, a Meeting of the Ordinary Shareholders of the Company was convened. The details of this Meeting are given below:

Day, date and time	Venue	Resolution
Wednesday, October 30, 2019 at 3.00 p.m.	Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber Building, IMC Marg, Churchgate, Mumbai - 400 020.	Approval of the Scheme of Arrangement between Tata Chemicals Limited ('Demerged Company') and Tata Global Beverages Limited ('Resulting Company') [now renamed as Tata Consumer Products Limited] and their respective shareholders and creditors for the demerger of the Consumer Products Business of the Demerged Company to the Resulting Company ('the Scheme of Arrangement')

Postal Ballot:

During the year, pursuant to Sections 230-232 read with Section 110 of the Act and Companies (Management & Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company had provided the facility of remote e-Voting and Postal Ballot to its Members as well as facility of voting through electronic voting at the venue of the Meeting for obtaining the approval of the Members of the Company on the Scheme of Arrangement.

The Hon'ble Tribunal had appointed Mr. P. N. Parikh, Practicing Company Secretary (FCS: 327; CP: 1228), to act as Scrutinizer to scrutinise the votes cast at the Meeting, as also the votes cast by way of postal ballot and remote e-Voting, in an independent and fair manner. The Company had sent the Notice dated September 20, 2019 together with the Explanatory Statement, the postal ballot form and self-addressed envelope to the Members in the permitted mode. Voting rights were reckoned on the paid-up value of the shares registered in the names of the Ordinary Shareholders on the cut-off date i.e. September 20, 2019. The voting period for remote e-Voting as well as postal ballot commenced on Monday, September 30, 2019 at 9.00 a.m. (IST) and ended on Tuesday, October 29, 2019 at 5.00 p.m. (IST) and the e-Voting platform was disabled thereafter. The consolidated report on the result of the remote e-Voting/postal ballot forms and the voting conducted at the venue of the NCLT convened meeting in respect of the resolution for approving the Scheme of Arrangement was provided by the Scrutinizer on October 30, 2019.

The details of Voting on the above resolution passed by votes cast at the Meeting, votes cast by way of postal ballot and remote e-Voting are as under:

Resolution Type	Number and Percentage of Votes			
	Assent	**%**	**Dissent**	**%**
Resolution passed by majority of persons representing three-fourth in value as per the Act	18,52,65,348	99.99	7,854	0.01
	Number and Percentage of Members			
	1,430	96.43	53	3.57
Resolution passed by Public Shareholders as per clause (I)(A)(9)(b) of Annexure-I of the SEBI Circular dated March 10, 2017	**Number and Percentage of Votes**			
	10,72,37,605	99.99	7,854	0.01

13. Means of Communication

Stock Exchange Intimations

All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems.

Material events or information as detailed in Regulation 30 of the 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 Financial Express (English), The Indian Express (English), Business Standard (English), Business Line (English), The Free Press Journal (English), Loksatta (Marathi) and Navshakti (Marathi).

The quarterly/half-yearly/annual financial results 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.

Letters and Reminders to Shareholders for Unclaimed Shares/Dividends:

In addition to the statutory requirement, a voluntary reminder for unclaimed shares/dividends is also sent to the shareholders as per records every year.

Live Webcast of AGM

For the ease of those Members who were unable to attend the AGM held on July 8, 2019, the Company voluntarily provided live Webcast facility of the proceedings of the AGM which was extensively viewed by the Members.

Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of the Listing Regulations. It is a comprehensive reference of Tata Chemicals' 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 section on 'Media' includes all major press releases, awards and campaigns.

The Company has also uploaded the details of the unclaimed dividends by the Members on its website at https://www.tatachemicals.com/UnclaimedDividends.htm. The Members can log in and find out whether their dividends for any of the years is outstanding.

Transfer to Investor Education and Protection Fund:

(i) Transfer of unclaimed dividend

Members are hereby informed that under the Act that 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 ₹ 1,90,54,700, pertaining to FY 2011-12 which remained unpaid or unclaimed was transferred to the IEPF Authority on October 18, 2019.

Members are requested to note the following due date(s) for claiming the unpaid or unclaimed dividend declared by the Company for FY 2012-13 and thereafter –

Financial Year	Date of Declaration	Dividend per share (₹)	Last date for claiming unpaid dividend(s)
2012-13	August 26, 2013	10	September 25, 2020
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

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, Registrar and Transfer Agent, well in advance of the above due dates.

(ii) Transfer of shares

Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('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 1,00,572 Ordinary Shares of face value of ₹ 10 per share to the demat account of the IEPF Authority during FY 2019-20.

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 dividend/shares so transferred.

(iv) Details of unclaimed dividend on the website

As per the 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 8, 2019 (80th 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.

14. 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 Ministry of Corporate Affairs (MCA) is L24239MH1939PLC002893.

Date, time and venue of the AGM

Date and Time	:	Tuesday, July 7, 2020 at 3.00 p.m. (IST)
Venue	:	In accordance with the General Circular issued by the MCA on May 5, 2020, the AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') only
Financial Year	:	April 1 to March 31
Book Closure Date	:	Wednesday, June 24, 2020 to Tuesday, June 30, 2020 (both days inclusive for the purpose of AGM and Dividend)
Dividend payment date	:	On or after Thursday, July 9, 2020
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 AGM
Listing on Stock Exchanges	:	(a) 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
		(b) During the year, the Company has redeemed its 2500 - Unsecured Redeemable Non-Convertible Debentures (NCDs) of ₹ 250 crore (Face Value ₹ 10 lakh per Debenture) with coupon rate of 10.00% p.a. by making full and timely payment of the Principal amount along with its interest on July 2, 2019. Accordingly, the Company has ceased to be listed on the Debt segment of the National Stock Exchange of India Limited. The Company has paid the requisite Annual Listing fees to these Stock Exchanges in full
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)
		INE092A08055 (NCDs) [this ISIN has been extinguished on account of redemption of the NCDs]

Market Price Data

Market price data - monthly high/low, no. of shares traded, value 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	Value of shares traded (₹ in lakh)	No. of trades	High (₹)	Low (₹)	No. of Shares traded	Value of shares traded (₹ in lakh)	No. of trades
April 2019	618.00	565.00	8,84,665	5,240.38	19,954	619.40	564.35	1,21,29,069	72,298.87	2,45,239
May 2019	648.30	554.00	26,76,910	16,147.00	55,833	649.90	552.30	3,50,33,003	2,10,760.87	7,49,268
June 2019	644.90	597.95	6,00,559	3,754.52	17,617	645.00	597.60	1,20,29,247	75,051.47	4,11,221
July 2019	630.00	561.10	4,92,393	2,954.04	14,470	630.00	562.60	1,17,35,300	69,924.32	3,06,031
August 2019	600.95	543.60	8,17,155	4,623.86	22,636	602.00	543.00	1,71,77,384	97,009.55	3,68,819
September 2019	624.00	561.10	4,79,030	2,842.82	18,294	624.40	561.05	94,55,076	55,816.72	2,62,122
October 2019	638.80	569.50	4,58,408	2,785.64	15,096	636.70	568.10	1,07,78,687	65,348.43	2,49,134
November 2019	681.90	624.65	9,80,259	6,318.39	22,239	681.85	624.60	1,24,00,048	80,246.75	2,72,347
December 2019	688.35	636.00	5,82,060	3,884.23	19,667	692.00	635.85	1,67,46,330	1,11,613.73	2,95,470
January 2020	770.70	656.20	9,47,330	6,812.56	30,187	771.15	656.05	1,90,02,637	1,36,902.95	3,50,473
February 2020	779.30	701.35	49,00,101	37,074.50	31,093	779.80	701.10	2,29,61,747	1,71,543.54	3,77,037
March 2020	733.75	197.40*	23,98,536	7,678.65	64,748	733.00	197.00*	3,53,66,073	1,14,247.02	6,44,633

[Source: This information is compiled from the data available on the websites of BSE and NSE]

** Price discovery/adjustment as on the record date (March 5, 2020) pursuant to the demerger of the Consumer Products Business of the Company to Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited).*

Performance of the Company's average monthly share price data in comparison to broad-based indices like BSE Sensex and Nifty in FY 2019-20

Month	TCL Share Price - BSE	BSE Sensex	TCL Share Price - NSE	NSE NIFTY
April 2019	596.06	38,861.48	596.43	11,666.45
May 2019	604.70	38,574.60	604.83	11,592.02
June 2019	624.42	39,538.37	624.50	11,839.02
July 2019	598.98	38,649.97	598.80	11,523.11
August 2019	562.41	37,149.35	562.38	10,976.50
September 2019	588.59	37,545.06	588.75	11,124.29
October 2019	599.96	38,741.85	600.07	11,490.21
November 2019	645.34	40,513.09	645.36	11,964.13
December 2019	661.08	41,054.45	661.13	12,096.88
January 2020	718.92	41,360.95	719.15	12,183.07
February 2020	750.13	40,674.32	750.46	11,934.47
March 2020	294.22*	32,254.45	294.45*	9,426.31

[Source: This information is compiled from the data available on the websites of BSE and NSE]

** Price discovery/adjustment as on the record date (March 5, 2020) pursuant to the demerger of the Consumer Products Business of the Company to Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited).*

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
6, Haji Moosa Patrawala Industrial Estate,
20 Dr. E. Moses Road, Mahalaxmi,
Mumbai - 400 011

Tel.: + 91 22 6656 8484 /6617 8411/12/13/14
Fax: + 91 22 6656 8494
Email: csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

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/agencies of TSR Darashaw Consultants Private Limited:

1. **Bangalore**
TSR Darashaw Consultants Private Limited
503, Barton Centre, (5th Floor),
84, Mahatma Gandhi Road,
Bangalore - 560 001.
Tel.: + 91 80 2532 0321
Fax: + 91 80 2558 0019
Email: tsrdlbang@tsrdarashaw.com

2. **Kolkata**
TSR Darashaw Consultants Private Limited
Tata Centre, 1st Floor,
43, J. L. Nehru Road,
Kolkata - 700 071.
Tel.: + 91 33 2288 3087
Fax: + 91 33 2288 3062
Email: tsrdlcal@tsrdarashaw.com

3. **Ahmedabad**
Agent of TSR Darashaw Consultants Private Limited
Shah Consultancy Services Limited
3, Sumatinath Complex, 2nd Dhal,
Pritam Nagar, Ellisbridge,
Ahmedabad - 380 006.
Fax: + 91 79 2657 6038
Email: shahconsultancy8154@gmail.com

4. **New Delhi**
TSR Darashaw Consultants Private Limited
2/42, Ansari Road,
1st Floor, Daryaganj, Sant Vihar,
New Delhi - 110 002.
Tel.: + 91 11 2327 1805
Fax: + 91 11 2327 1802
Email: tsrdldel@tsrdarashaw.com

5. **Jamshedpur**
TSR Darashaw Consultants Private Limited
'E' Road,
Northern Town, Bistupur,
Jamshedpur - 831 001.
Tel.: + 91 657 242 6616
Fax: + 91 657 242 6937
Email: tsrdljsr@tsrdarashaw.com

Share Transfer Process

Effective April 1, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository.

This will, *inter alia*, bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will lead to ease, convenience and safety of transactions for investors.

The Company has stopped accepting any transfer requests for securities held in physical form with effect from the said date. During the year, the Company accepted those transfer requests pertaining to securities held in physical form which were lodged for transfer before April 1, 2019 and were returned due to discrepancies.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

In view of the aforesaid amendment and in order to eliminate the risks associated with physical holding of shares, Members who are holding shares in physical form are hereby requested to dematerialise their holdings.

Secretarial Audit

Pursuant to Regulation 40(9) of the 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 carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('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).

Mr. P. N. Parikh of M/s. Parikh & Associates, Practicing Company Secretaries, has conducted a Secretarial Audit of the Company for FY 2019-20. 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, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report.

Certificate from Practising Company Secretary

Mr. P. N. Parikh of M/s. Parikh & Associates, Practicing 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.

Distribution of Shareholding as on March 31, 2020

Range of Holdings	Number of Shares	Amount (₹)	% to Capital	Number of Shareholders	% of Shareholders
1 to 500	1,73,64,136	17,36,41,360	6.82	1,77,228	90.67
501 to 1,000	73,09,360	7,30,93,600	2.87	9,701	4.96
1,001 to 2,000	68,68,979	6,86,89,790	2.70	4,759	2.43
2,001 to 3,000	35,40,197	3,54,01,970	1.39	1,418	0.73
3,001 to 4,000	23,63,850	2,36,38,500	0.93	670	0.34
4,001 to 5,000	19,43,120	1,94,31,200	0.76	425	0.22
5,001 to 10,000	49,81,946	4,98,19,460	1.95	701	0.36
Above 10,000	21,03,84,690	2,10,38,46,900	82.58	559	0.29
Total	**25,47,56,278**	**2,54,75,62,780**	**100.00**	**1,95,461**	**100.00**

Category of Shareholding as on March 31, 2020

Category	Number of Shares	Percentage (%)
Promoter and Promoter Group	8,81,14,531	34.59
Resident Individuals	4,68,24,559	18.38
Foreign Holdings	2,57,93,133	10.12
Public Financial Institutions	3,91,25,527	15.36
Government/Government Companies	71,948	0.03
Other Companies, Mutual Funds	5,33,86,918	20.96
Nationalised Banks	73,752	0.03
Alternative Investment Fund	1,60,000	0.06
Bodies Corporate - Non Banking Financial Company	7,370	0.00
IEPF	11,98,540	0.47
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	2019-20	2018-19	2017-18
Physical form	1.82	2.05	2.43
Electronic form with NSDL	92.72	93.61	93.34
Electronic form with CDSL	5.46	4.34	4.23

The Company's Ordinary Shares are regularly traded on the 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

Not Applicable

Commodity price risk/foreign exchange risk and hedging activities

Commodity price risk and hedging activities - Tata Chemicals Limited, India 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 - Tata Chemicals Limited, India is exposed to foreign exchange risks on its imports of raw materials/trading goods/capital item purchases and payables denominated in foreign exchange. The foreign exchange borrowing (External Commercial Borrowing) which was hedged since its drawing was fully repaid on the due date, during the year. The Company has a robust internal policy, approved by its Audit Committee, to manage foreign exchange risks. Hedging is regularly carried out to mitigate the risks in line with the approved policy.

Manufacturing Plant Locations

Indian Locations:

Chemicals Division	Mithapur - 361 345, Okhamandal, Gujarat
Chennai Plant	317/2B, 317/2 C1, 317/2 C2, Vayalur Road, Kiloy Village, Sriperumbudur Taluk, Kancheepuram Dist. - 602 105
Nellore Plant	Tata Chemicals Limited, Block 3 & 3A, APIIC Industrial Park, Phase II, Tada Mandal, Mambattu Nellore Dist - 524 401, Andhra Pradesh
Cuddalore 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	Tata Chemicals Europe Limited: (i) Lostock (ii) Winnington (iii) Middlewich
Kenya - Soda Ash	Tata Chemicals Magadi Limited, Lake 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 a part of this Annual Report.

15. Other Disclosures

Related Party Transactions

All related party transactions that were entered into during FY 2019-20 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 Listing Regulations. There were no materially 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 and also provides for direct access to the Chairperson of the Audit Committee. No personnel of the Company has been denied access to 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:

Email: coc@ethicshelpline.in or
reportmyconcern@integritymatters.in

Address: Principal Ethics Counselor, 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 ('SEBI PIT Regulations'). 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 Enquiry in case of leak or suspected leak of 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, has been appointed as 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, Chief Financial Officer, has been designated as the 'Chief Investor Relations Officer' to ensure timely, adequate, uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information.

The Company has in place an online tool for ensuring compliance with the provisions of the SEBI PIT Regulations and the Tata Code of Conduct for Prevention of Insider Trading. Additionally, during the year, the Company has undertaken various training sessions for its employees to sensitise them on the laws pertaining to Insider Trading and handling of sensitive information.

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 Listing Regulations

Policy on Archival and Preservation of Documents as required under Regulation 9 of the 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 Listing Regulations is available on the website of the Company at https://www.tatachemicals.com/MaterialityPolicy.htm.

The Dividend Distribution Policy as adopted by the Company pursuant to Regulation 43A of the Listing Regulations has been uploaded on its website 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) to comply with the Accounting Standards 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 Listing Regulations pertaining to CEO/CFO certification for the year ended March 31, 2020.

Details of utilisation of funds raised through preferential allotment or qualified institutional placement

During FY 2010-11, the Company had issued Ordinary Shares to Tata Sons Private Limited (formerly Tata Sons Limited) amounting to ₹ 363.40 crore to fund various growth plans and projects. These funds have been utilised towards acquisition of the business of precipitated silica for production of Highly Dispersible Silica at Cuddalore, Tamil Nadu and construction of a 5,000 metric tonnes manufacturing plant of fructooligosaccharides at Nellore, Andhra Pradesh.

Acceptance of recommendations of Committees by the Board of Directors

In terms of the Listing Regulations, there have been no instances during the year 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 2019-20, a total fee of ₹ 10.38 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/network entity of which they are 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 Internal Complaints Committee at its locations to address complaints pertaining to sexual harassment in accordance with the POSH Act.

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.

During the year under review, the Company received one complaint which was investigated and appropriate action was taken. No complaint was pending as at the end of the financial year.

During the year, the Company was featured in the top 10 Safe workplaces for women in India as per the nationwide survey on Safe Places to work conducted by Rainmaker, an organisation providing POSH solutions.

Legal Compliance Management Tool

At Tata Chemicals Limited, compliance has always been an integral part of our functioning and continues to remain one of the top priorities. The Company's actions are reflected by its ideologies and doing business legally and ethically is a part of the Company's day-to-day working.

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 and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the Depository Participants ('DPs') and RTA. Shareholders 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. Shareholders 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 Listing Regulations relating to Corporate Governance.

Non-Mandatory Requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

- 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.
- The Company follows a robust process of communicating with the Shareholders which has been elaborated in the Report under the heading 'Means of Communication'.
- The Internal Auditor reports to the Audit Committee.

TO THE MEMBERS OF
TATA CHEMICALS LIMITED

DECLARATION BY THE MANAGING DIRECTOR & CEO

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 Listing Regulations for the year ended March 31, 2020.

For Tata Chemicals Limited

R. Mukundan
Managing Director & CEO

Mumbai, May 15, 2020

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, 2020, 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, 2020.

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: F000327B000244001

Mumbai, May 15, 2020

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; sustainability@tatachemicals.com
6. **Financial Year reported:** April 1, 2019 – March 31, 2020
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: United States of America, United Kingdom, Kenya and Singapore
   - Number of Key National Locations: Mithapur, Sriperumbudur, Mumbai, Ahmedabad, Pune, Cuddalore and Mambattu
10. **Markets served by the Company - Local/State/National/International:** All

Section B: Financial Details of the Company as on March 31, 2020

₹ in crore

Sr. No.	Particulars	Standalone	Consolidated
1.	Paid-up capital	254.82	254.82
2.	Total turnover (net of excise)	2,920.29	10,356.75
3(i).	Total profit after taxes, share of loss of associate and minority interest (Continuing operations)	671.82	806.59
3(ii).	Total profit after taxes, share of loss of associate and minority interest (Continuing and Discontinued operations)	6,840.22	7,006.33
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR is ₹ 37.81 crore which is 3.53% of the average profit after taxes in the previous three financial years.	

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 healthcare
   - 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, Scheduled Tribes, other backward castes, minorities and women
- Contributions 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 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 as on March 31, 2020 is 35.

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, Tata Chemicals Limited 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)	07478885
2.	Name	Ms. Alka Talwar
3.	Designation	Chief CSR and Sustainability Officer
4.	Telephone Number	022-66437530
5.	E-mail id	sustainability@tatachemicals.com; 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 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)	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 ?	Y	Y	-	-	Y	-	Y	-	Y
	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								
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									
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					NA				
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:**

  Within 3 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 Annual Report on annual basis. The Organisation has adopted IIRC framework and published first such annual report for FY 2015-16.

  This year, the Company produced Comprehensive Advanced level United Nations Global Compact Communication on Progress (UNGC – CoP) and Investor Carbon Disclosure Project (CDP) reports.

  The link to view this report is:
  http://sustainability.tatachemicals.com/SR.htm

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?**

   No

2. **Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

   a) Yes, Tata Code of Conduct defines the commitment on ethical behaviour by the Company. Tata Chemicals has structured systems and processes for management of business ethics. All employees and suppliers sign to abide the Tata Code of Conduct. 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 Tata Code of Conduct is sent to all suppliers with the contract, for their perusal in respect of relevant clauses. Awareness programmes are conducted on Tata Code of Conduct 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 33 ethics-related concerns were received from stakeholders. Of these, 31 were satisfactorily resolved by March 31, 2020. Balance concerns are 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 livening agent in food, feed manufacturing and several industrial applications. One segment where it is still in the early stage of use in India is as a sorbent in treating flue gases emitted from power plants which use coal as fuels. Flue gases are obnoxious in nature containing NOx and SOx which cause environmental degradation.

(ii) **Medikarb IP:** 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) **Water Purifier - Tata Swach:** Ncourage Social Enterprise Foundation, a wholly-owned subsidiary of the Company through its Tata Swach range of Water Purifiers have been addressing one of the basic human needs of making access to Safe Drinking Water accessible to marginalised communities. Tata Swach Tech Jal was an intervention in this direction - for providing affordable access to safe drinking water for communities. This year saw Tata Swach remodel this community purification system and made available a variant by integrating an ATM interface to Tata Swach Tech Jal. This new variant is targeted and deployed to create dual impact – (i) provide an opportunity for livelihood for an operator/attendant (ii) with ATM integration it can now be deployed at popular and high-density tourist locations to make available assured safe drinking water at an affordable price. Thus, actively encouraging reducing plastic waste through the reduction in the use of single-use plastic bottles.

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

Nil

(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Sodium Bicarbonate: 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.

Water Purifier: Tata Swach helps the consumer in saving the electrical energy at their end as it does not use electrical energy in purifying the water.

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 like SHE Policy, Legal Compliance, Adherence to Tata Code of Conduct, ISO Certification, etc. The Company has started carrying out a Sustainability Assessment of its Key Suppliers and communicates areas of further improvements and reinforce sustainability principles.

For sustainable transportation and to help reduce carbon footprint, the Company maximises Rail and Coastal mode despatches, full load based transportation, loose/bulker movements – deployment of German designed patented Lupa Bulker, etc.

Bulker helps in continuing journey towards pollution prevention, minimisation of waste, eliminating the efforts of packaging, loading and unloading. It has an approximate capacity of 25 tonnes and can replace 3 million plastic bags each year.

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 and provides 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 2019-20, the Company replaced 86.69% of virgin limestone with undersized limestone fines and effluent solids from Soda ash plant and Fly ash from Captive Power Plant (GRI-G4-EN2-Methodology).

Disposal of Hazardous and Plastic Waste through Gujarat Pollution Control Board ('GPCB') approved Recycler, Common Disposal Facility and Co-Processing in Cement Plants.

Principle 3: Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees:

1,820 employees in Tata Chemicals India operations as on March 31, 2020.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis:

3,036 in Tata Chemicals India operations as on March 31, 2020.

3. Please indicate the number of permanent women employees:

138 in Tata Chemicals India operations as on March 31, 2020.

4. Please indicate the number of permanent employees with disabilities:

8 (6 at Mithapur, 1 at Mumbai and 1 at Sriperumbudur)

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 30%

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	1	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) 83% of Company 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 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, 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 four areas. The Company's leadership drives the Affirmative Action agenda across the organisation with passion and commitment.

   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.

   All social initiatives conducted under these elements are 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 our neighbourhood regions aspire 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 'SHINE' is further enhanced to include referrals for candidates from the economically and socially backward communities. In the last year, 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. We have a formal policy on Diversity and Inclusion ('D&I') which articulates and defines our commitment to this cause. From this year onwards, we celebrate the month of February as Diversity and Inclusion month. During the month, sensitisation training was conducted for the senior leadership team and various activities were conducted across the Company like group discussions, playshops, quizzes, D&I room, communication through emailers, standees, placard, batches, etc. which helped sensitising employees on D&I, unconscious bias, inclusive behavior, 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. Its policies support, respect and protect the human rights of its direct as well as indirect employees. The Sustainability Policy and the Tata Code of Conduct addresses these aspects.

2. **How any 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 Government, NGOs on different projects for environmental protection.

   The Company's Policies - Safety, Health & 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 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 strategy, which includes identifying opportunities for carbon abatement, investing in low carbon growth and tapping into opportunities presented by the emerging low carbon technologies. It has identified abatement levers, low carbon growth opportunities and carbon offset opportunities towards that end. The carbon abatement measures are chosen on the basis of the techno-commercial feasibility of implementation, maturity and availability of technologies and the magnitude of emissions reduction. The Company has adopted shadow carbon pricing and has signed up for Science Based Target initiative and is working on establishing carbon reduction targets.

Biodiversity

- The Company conducted Environmental Impact Assessment studies to assess the impacts 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 and at East Coast for Aila affected region of Sundarban near Haldia.
- 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 Foot printing, Carbon Foot printing

- 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 and is consistently maintaining its position. 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. 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 impacts 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

   - Solar energy to produce solar salt and in turn Soda Ash at Mithapur
   - 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 Chemicals business to pilot the protocol developed by Natural Capital Coalition
   - Mangrove plantation and bio-diversity plantation

   Waste Management

   - Well integrated mechanism to maximise the waste utilisation within the operations
   - Emphasising to develop value-added product 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 Rule, 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 movements

   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 are 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 2019-20.

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 Show Cause Notices/Site Visits/Directions by the regulatory during FY 2019-20. The Company has taken adequate measures and submitted compliance reports to the regulatory authorities.

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 chemical industries. It is represented in Confederation of Indian Industry ('CII'), Bombay Chamber of Commerce and Industry ('BCCI') and CDP.

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

   Tata Code of Conduct 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, Centre of Excellence for Sustainable Agriculture & Farm Excellence ('C-SAFE')
   2. Non-Farm based livelihood - Skill Development initiatives, Promotion and development of traditional handicrafts - Okhai and Cluster Development, Uday Foundation - 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
3. Centre for Sustainable Conservation Action for Protection of Ecosystems of the Seas ('C-SCAPES')

Enablers for social, economic and environmental development:

1. Good Health & Well-being - Health Care camps, Eye camps, Awareness & Training Programmes, Immunisation and Counselling Drives, Malnourishment, Homestead Herbal 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 Swatch 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 scheduled caste & scheduled tribe population is done in all programmes. To create self-sustaining models, we have set up social enterprises, Okhai and Ncourage Social Enterprise Foundation.

Relief Programmes: Tata Chemicals continues its support to any disaster, which hits our country.

To further our efforts and reach to a larger community, we have created two centres of excellence – Centre of

Excellence for Sustainable Agriculture & Farm Excellence ('C-SAFE') and Centre for Sustainable Conservation Action for Protection of Ecosystems of the Seas ('C-SCAPES'), which focusses on scientific research, piloting models, advocacy, capacity building and field implementation through multi stakeholder engagement.

For further information on projects and achievement, please visit www.tcsrd.org; 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 Golden Jubilee Foundation, Uday 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, Tata Chemicals started a new organisation – 'Ncourage Social Enterprise Foundation' to promote enterprise development in the rural areas of India. We work with partners who respect and agree to our 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, Wildlife Trust of India, HP, Schneider and GRIMCO (Gujarat Rural Industries Marketing Corporation Ltd.).

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.

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	External
3.	External Assessment	Beneficiaries of the programme	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 2019-20, the amount spent for community development projects: ₹ 37.81 crore.

Our 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, exposure visits, field demonstration and supported with seeds and agri-equipment for enhancing the productivity. During the year, more than 9,800 farmers were directly benefited from various interventions. In Mithapur, the Company in partnership with Coastal Salinity Prevention Cell ('CSPC') is implementing the Okhamandal Samridh Gram Pariyojna ('OSGP') project with the objective to double the income of farmers in 4 years. 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 FMD vaccination, HS vaccination, deworming camps and animal health camps were undertaken. In FY 2019-20, approximately 56,000 cattle were covered under the cattle health and breed improvement initiatives.

The Kasturi initiative is helping develop women farmers in self-leadership, family management and ability to serve as community catalyst in Agripreneurship.

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, etc. 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'). 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 1,550 youths 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 2,366 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 year, 600 products were launched online. Okhai's sales has increased by 58%, impacting many more artisan groups and increase in their income. Okhai is now being recognised as a Sustainable & online Fashion Brand with over 1,90,000 online followers and 40,000 online customers. The first flagship store is under renovation in Mumbai and will be launched shortly.

Cluster Development programme strives to develop entrepreneurship qualities in rural women and guide them adeptly engage in productive enterprises. The Company organised training on entrepreneurship development for all the women members of Self Help Groups cluster, so that they are equipped with entrepreneur skills and can establish their respective production unit. At Mithapur, six clusters/group enterprises have been formed. They are Bandhani, Rexene & 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 like 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, 44 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 787. The Company is also working with the Eco Clubs in schools at Mithapur to raise awareness on environment conservation. The Company participated in UN Convention on Migratory Species-COP 13 at Mahatma Mandir in Gandhinagar.

Under the Greening programme, the Company planted 1.04 lakh mangroves in Dwarka, Gujarat and Sundarbans, West Bengal.

To further its effort, the Company has established C-SCAPES, through the Company as a dedicated knowledge, research and field implementation institution in Mithapur.

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 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. This year, 21,718 people were benefited through health awareness camps, counselling & treatment and nutrition programmes. In Sriperumbudur (Tamil Nadu) and Mambattu (Andhra Pradesh) herbal-based kitchen garden was promoted as a preventive health measure. Approximately, 3,000 people were supported with general health treatment services.

Tata Chemicals 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). Under the project, activities like screening of women for anaemia, identification of Severely Acute Malnourished ('SAM') & Moderately Acute Malnourished ('MAM') children and facilitating in treatment of anaemic women and malnourished children were taken up. During the year, more than 8,549 women and 9,975 children benefited 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 like E-Library, 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, Residential Summer Camp on Spoken English and Personality Development, project for primary school children with Sir Ratan Tata Trust were implemented, benefiting approximately 13,900 children.

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 6,900 children were benefited by the programme.

Clean Water and Sanitation:

The Company has partnered with WASMO for undertaking drinking water and sanitation activities under CADP project. The project aims to provide drinking water facilities to the rural households of Okhamandal with the help of village institutions. During the year, 1,060 households were provided tap connection for supply of water and supported with construction of toilets.

Under Samriddhi project, a joint project of Uday Foundation and Ncourage Social Enterprise Foundation, the Company focussed on ensuring safe drinking water for the rural households in different parts of India through generating awareness and supporting them with water purifiers. Approximately, 90,000 people were made aware and sensitised for using clean and safe drinking water. Another objective of this project is to generate employment & livelihood through entrepreneurship in rural areas. At present this programme supports around 30 district level entrepreneurs and more than 400 village level entrepreneurs.

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 in north eastern states and have supported 8,500 families with water purifiers.

Building social capital

The Company is reaching out to the socially backward population of the community, specially the women, scheduled caste and the scheduled tribe. 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 Social Enterprise Foundation.

Okhai Centre for Empowerment - Sustainable social business targeting artisans livelihood.

Ncourage Social Enterprise Foundation ('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 main stream commercial activity and help getting them equitable returns.

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 like infrastructure support to schools and construction of individual toilets were taken up. Employee volunteers play an important role in our community development initiatives. In FY 2019-20, about 20,000 volunteering hours were contributed by the volunteers and their family members.

Relief Programme

Tata Chemicals 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 is manufacturing and supplying disinfectant in the Mithapur factory. The Company has produced masks in Mithapur and Cuddalore through Self Help Groups 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 Maharashtra.

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 & 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 programs 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	Cases pending as on March 31, 2020 (%)
Chemicals	0
Nutraceuticals (Nx & NQ)	0
Silica	0

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. Round-the-clock information of the products is available on the Company's website and at the call centre, 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 like 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 2019-20 is given below:

SBU	Consumer Satisfaction (%)
Chemicals	85
Nutraceuticals	80
Silica	NA

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, 2020, 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, 2020, 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.

Emphasis of Matter

We draw attention to Note 34 of the Standalone Financial Statements in respect of a Scheme of Arrangement amongst Tata Chemicals Limited and Tata Consumer Products Limited (previously Tata Global Beverages Limited) and their respective shareholders and creditors (the 'Scheme') for demerger of Consumer Products Business of the Company. The Scheme has been given effect to from the Appointed Date of April 1, 2019 as approved by the National Company Law Tribunal and which is deemed to be the demerger date for the purpose of accounting and consequently financial information in the statement of profit and loss account for the year ended March 31, 2019 have been restated.

Our opinion is not modified in respect of this matter.

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 (KAM)	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). 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: • Focusing on 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 focused on controls around the timely and accurate recording of sales transactions; • Performing testing on selected statistical samples of revenue transactions recorded during the year. We verified contractual terms of invoices, acknowledged delivery receipts and tested the transit time to deliver the goods. Our tests of detail focused on cut-off samples to verify that only revenue pertaining to current year is recognised based on terms and conditions set out in sales contracts and delivery documents. • Assessing high risk manual journals posted to revenue to identify any unusual items.

Demerger of Consumer Products Business (refer note 34 to the Standalone Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The Company has demerged its Consumer Products Business (CPB) division to Tata Consumer Products Limited ("TCPL") ('the Demerger') pursuant to a Scheme of Arrangement ('the Scheme'). The Scheme was approved by the National Company Law Tribunal (NCLT) with an Appointed date of April 1, 2019. Refer note 34 to the Standalone Financial Statements for details of the Scheme. The demerger of the CPB division has significant measurement and disclosure impacts on the Company's Standalone Financial Statements. This involves identification of assets and liabilities to be transferred which is subject to the provisions of the Scheme and is accordingly considered a key audit matter.	Our audit procedures included: • Obtaining and evaluating the Scheme for identification of the assets and liabilities to be transferred; • Evaluating the accounting treatment of the Demerger for compliance with the applicable accounting standards and applicable tax and other statutes; • Assessing and testing the accounting entries recorded in the books by the Company in respect of the Demerger for compliance with the accounting treatment assessed above; • Assessing and testing the adequacy of the Company's disclosures in respect of the Demerger for compliance with applicable accounting standards.

Impairment evaluation of Investments in subsidiaries and joint ventures (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 and joint ventures (held at cost less impairment) represents 29% of the Company's total assets. The Company's investments in unlisted subsidiaries and joint ventures are carried at cost less any impairment. 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 and joint ventures. 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 and joint ventures 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 joint ventures and understanding Company's assessment of those indicators; • Assessing the valuation methods used for determining recoverable amount, financial position of the unlisted subsidiaries and joint ventures and assessing historical financial performance of those subsidiaries and joint ventures; • Understanding the basis and assumptions used for the financial forecasts; • Testing the assumptions used in the discounted cash flow forecast analysis based on our knowledge of the Company and the markets in which the unlisted subsidiaries and joint ventures operate. We challenged these assumptions with the assistance of our valuations team; • Comparing the carrying amount of investments with recoverable amount based on discounted cash flow analysis; • Considering the adequacy of disclosures, in respect of the investments in unlisted subsidiaries.

Litigations and claims (refer notes 2.3.4, 2.22, 19 and 45 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, 2020 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 internal legal counsel; • Evaluating judgements made by the Company 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 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

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 as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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, 2020 on its financial position in its Standalone Financial Statements - Refer Notes 19 and 45 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 ₹ 0.57 crores, wherein legal disputes with regard to ownership 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 Financial Statements since they do not pertain to the financial year ended March 31, 2020.

(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 : 20046476AAAABR1367

Mumbai
May 15, 2020

Annexure A to the Independent Auditors' Report – March 31, 2020

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, 2020, 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 crore, 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, Profession tax, 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, 2020 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 March 31, 2020, 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)
			0.35	1987-88, 1992-93, 2001-02, 2011-12, 2012-13	Appellate Authority upto Commissioner's level
2	Central Excise Act, 1944	Excise Duty	50.31	2005-06	High Court
			45.96	2008-09, 2014-15, 2015-16	Tribunal (CESTAT)
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, 2009-10, 2012-13, 2015-16	High Court
			3.81	2004-06, 2007-08, 2009-10, 2011-14, 2016-17	Tribunal (CESTAT)
			12.03	1997 to 2017	Appellate Authority upto Commissioner's level
4	The West Bengal tax on entry of Goods into Local Areas Act, 2012	Entry Tax	111.78	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	10.87	AY 2012-13	Commissioner of Income Tax (Appeals)
			8.22	AY 2014-15	Tribunal (ITAT)
			94.56	AY 2015-16	Tribunal (ITAT)
			15.55	AY 2016-17	Commissioner of Income Tax (Appeals)

* 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 and dues to debenture holders. The Company does not have any outstanding dues to financial institutions 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 : 20046476AAAABR1367

Mumbai
May 15, 2020

Annexure B to the Independent Auditors' report on the Standalone Financial Statements of Tata Chemicals Limited for the year ended March 31, 2020

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, 2020 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, 2020, 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 : 20046476AAAABR1367

Mumbai
May 15, 2020

Standalone Balance Sheet as at March 31, 2020

₹ in crore

	Note	As at March 31, 2020	As at March 31, 2019 (Restated)
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	2,156.39	1,518.14
(b) Capital work-in-progress		402.13	527.16
(c) Investment property	5	21.11	21.72
(d) Right of use assets	6	23.04	-
(e) Goodwill		45.53	48.00
(f) Other intangible assets	7	7.22	6.77
(g) Intangible assets under development		0.27	0.16
(h) Financial assets			
(i) Investments in subsidiaries and joint ventures	8(a)	4,758.06	4,758.06
(ii) Other investments	8(b)	1,904.23	2,461.55
(iii) Loans	9	0.92	1.13
(iv) Other financial assets	10	0.26	0.26
(i) Advance tax assets (net)	23	588.94	521.44
(j) Other non-current assets	11	184.23	167.21
Total non-current assets		**10,092.33**	**10,031.60**
(2) Current assets			
(a) Inventories	12	701.17	627.68
(b) Financial assets			
(i) Investments	8(c)	1,301.33	2,146.26
(ii) Trade receivables	13	139.84	184.84
(iii) Cash and cash equivalents	14	83.72	1,049.75
(iv) Bank balances other than (iii) above	14	795.86	56.46
(v) Loans	9	0.23	0.40
(vi) Other financial assets	10	137.31	334.32
(c) Other current assets	11	207.41	135.38
Total current assets		**3,366.87**	**4,535.09**
Total assets		**13,459.20**	**14,566.69**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	254.82	254.82
(b) Other equity	16	11,722.50	12,110.15
Total equity		**11,977.32**	**12,364.97**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	37	10.41	13.46
(ii) Other financial liabilities	18	0.17	0.24
(b) Provisions	19	163.37	103.11
(c) Deferred tax liabilities (net)	20	59.55	189.79
(d) Other non-current liabilities	21	10.50	10.50
Total non-current liabilities		**244.00**	**317.10**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	0.99
(ii) Trade payables	22		
- Outstanding dues of micro enterprises and small enterprises		3.83	18.04
- Outstanding dues of creditors other than above		571.16	550.57
(iii) Other financial liabilities	18	187.04	933.98
(b) Other current liabilities	21	110.19	53.84
(c) Provisions	19	199.64	203.08
(d) Current tax liabilities (net)	24	166.02	124.12
Total current liabilities		**1,237.88**	**1,884.62**
Total liabilities		**1,481.88**	**2,201.72**
Total equity and liabilities		**13,459.20**	**14,566.69**
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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker Director

R. Mukundan Managing Director and CEO

John Mulhall Chief Financial Officer

Rajiv Chandan General Counsel & Company Secretary

Standalone Statement of Profit and Loss for the year ended March 31, 2020

₹ in crore

		Note	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I.	Revenue from operations	25	2,920.29	3,121.25
II.	Other income	26	309.15	400.32
III.	**Total income (I+II)**		**3,229.44**	**3,521.57**
IV.	**Expenses**			
	a) Cost of materials consumed		541.90	566.77
	b) Purchases of stock-in-trade		94.41	101.97
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(76.41)	75.50
	d) Employee benefits expense	28	250.28	226.85
	e) Finance costs	29	43.37	86.14
	f) Depreciation and amortisation expense	30	149.50	140.34
	g) Other expenses	31	1,392.07	1,463.52
	Total expenses (a to g)		**2,395.12**	**2,661.09**
V.	**Profit before tax (III - IV)**		**834.32**	**860.48**
VI.	**Tax expense**			
	(a) Current tax	33	194.37	244.73
	(b) Deferred tax	33	(31.87)	(15.06)
	Total tax expense (VI (a) + VI (b))		**162.50**	**229.67**
VII.	**Profit for the year from continuing operations (V-VI)**		**671.82**	**630.81**
VIII.	Profit before tax from discontinued operations	34	-	293.18
IX.	Exceptional gain from discontinued operations (net)	34	6,128.08	-
X.	Tax expense of discontinued operations	34	(40.32)	69.15
XI.	**Profit for the year from discontinued operations (VIII+IX-X)**		**6,168.40**	**224.03**
XII.	**Profit for the year (VII+XI)**		**6,840.22**	**854.84**
XIII.	**Other comprehensive income (net of tax) ("OCI")**			
	(A) Items that will not be reclassified to the Standalone Statement of Profit and Loss			
	- Changes in fair value of investments in equities carried at fair value through OCI		(557.31)	268.59
	- Remeasurement of defined employee benefit plans (note 38)		(50.55)	(2.97)
	(B) Income tax relating to items that will not be reclassified to the Standalone Statement of Profit and Loss		(65.42)	32.63
	Total other comprehensive income (net of tax) (A-B)		**(542.44)**	**232.99**
XIV.	**Total comprehensive income for the year (XII + XIII)**		**6,297.78**	**1,087.83**
XV.	**Earnings per share for continuing operations (in ₹)**			
	- Basic and Diluted	35	26.37	24.76
XVI.	**Earnings per share for discontinued operations (in ₹)**			
	- Basic and Diluted	35	242.13	8.79
XVII.	**Earnings per share (for continuing and discontinued operations) (in ₹)**			
	- Basic and Diluted	35	268.50	33.56
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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker — Director

R. Mukundan — Managing Director and CEO

John Mulhall — Chief Financial Officer

Rajiv Chandan — General Counsel & Company Secretary

Standalone Statement of Changes in Equity for the year ended March 31, 2020

a Equity share capital (note 15)

	₹ in crore
Balance as at March 31, 2020	**254.82**
Balance as at March 31, 2019	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, 2018	**21.11**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**6,435.12**	**1,942.84**	**11,069.32**
Changes on account of merger (note 36)	1,501.63	-	-	-	-	(877.97)	-	623.66
Restated balance as at April 1, 2018	**1,522.74**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**5,557.15**	**1,942.84**	**11,692.98**
Profit for the year	-	-	-	-	-	854.84	-	854.84
Other comprehensive income (net of tax)	-	-	-	-	-	(1.93)	234.92	232.99
Total Comprehensive Income for the year	-	-	-	-	-	**852.91**	**234.92**	**1,087.83**
Dividends including tax on dividend	-	-	-	-	-	(670.66)	-	(670.66)
Transfer to retained earnings - sale of non-current investment	-	-	-	-	-	2.98	(2.98)	-
Balance as at March 31, 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 (note 37)	-	-	-	-	-	(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	**1,522.74**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**12,544.80**	**1,669.93**	**18,407.72**
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
Transferred from Debenture redemption reserve	-	-	-	(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**

* including remeasurement of defined employee benefit plans

Notes forming part of the Standalone Financial Statements - (note 1-46)

As per our report of even date attached
For B S R & Co. LLP
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Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker	Director
R. Mukundan	Managing Director and CEO
John Mulhall	Chief Financial Officer
Rajiv Chandan	General Counsel & Company Secretary

Standalone Statement of Cash Flows for the year ended March 31, 2020

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
A	**Cash flows from operating activities**		
	Profit before tax from continuing operations	834.32	860.48
	Profit before tax from discontinued operations	6,128.08	293.18
		6,962.40	**1,153.66**
	Adjustments for :		
	Depreciation and amortisation expense	149.50	143.23
	Finance costs	43.37	97.72
	Interest income	(40.99)	(67.45)
	Dividend income	(123.22)	(104.76)
	Gain on demerger of discontinued operation (net) (note 34)	(6,220.15)	-
	Net gain on sale of current investments	(121.27)	(187.15)
	Provision for employee benefits expense	28.39	(10.48)
	Provision for doubtful debts, advances and other receivables/bad debts written off (net)	9.40	7.65
	Provision for contingencies (net)	(5.33)	9.40
	Provision for exceptional items (note 34)	92.07	-
	Foreign exchange gain (net)	(2.74)	(2.82)
	(Profit)/ loss on assets sold or discarded (net)	(8.34)	2.68
	Operating profit before working capital changes	**763.09**	**1,041.68**
	Adjustments for :		
	Trade receivables, other financial assets and other assets	(129.52)	401.20
	Inventories	(73.49)	(325.31)
	Trade payables, other financial liabilities and other liabilities	85.56	107.11
	Cash generated from operations	**645.64**	**1,224.68**
	Taxes paid (net of refund)	(218.27)	(412.58)
	Net cash generated from operating activities	**427.37**	**812.10**
B	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment (including capital work-in-progress)	(698.29)	(588.35)
	Acquisition of intangible assets (including intangible asset under development)	(3.02)	(0.82)
	Proceeds from sale of property, plant and equipment	11.88	4.40
	Proceeds from sale of other non-current investments	-	3.48
	Proceeds from sale of current investments	8,330.19	15,094.45
	Purchase of current investments	(7,354.00)	(17,053.56)
	Investment in subsidiary	-	(2.50)
	Bank balances not considered as cash and cash equivalents	(737.41)	412.25
	Payment on acquisition of business	-	(116.82)
	(Payment on)/proceeds from sale of discontinued operations (net) (note 34)	(8.00)	565.08
	Interest received	42.79	73.45
	Dividend received		
	- From subsidiaries	25.93	25.92
	- From joint venture	72.24	58.43
	- From others	25.05	20.41
Net cash used in investing activities		**(292.64)**	**(1,504.18)**

Standalone Statement of Cash Flows for the year ended March 31, 2020

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
C	**Cash flows from financing activities**		
	Proceeds from borrowings	-	0.54
	Repayment of borrowings	(640.16)	(773.38)
	Repayment towards lease liabilities	(8.43)	(4.77)
	Finance costs paid	(73.48)	(119.76)
	Bank balances in dividend and restricted account	(1.99)	(3.08)
	Dividends paid including distribution tax	(377.26)	(667.58)
	Net cash used in financing activities	**(1,101.32)**	**(1,568.03)**
	Net decrease in cash and cash equivalents	**(966.59)**	**(2,260.11)**
	Cash and cash equivalents as at April 1	1,049.75	3,303.29
	Cash and cash equivalents on account of merger (note 36)	-	5.21
	Exchange difference on translation of foreign currency cash and cash equivalents	0.56	0.32
	Movement in cash and cash equivalents pertaining to discontinued operations (note 34)	-	1.04
	Cash and cash equivalents as at March 31 (note 14)	**83.72**	**1,049.75**

Footnote:

Reconciliation of borrowings and lease liabilities

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Lease liabilities (note 37)	10.41	13.46
Current borrowings (note 17)	-	0.99
Current maturities of non-current borrowings (note18)	-	688.09
Current maturities of lease liabilities (note 18 and 37)	4.35	5.38
Assets held to hedge non-current borrowings (net) (note 40(a))	-	(39.56)
	14.76	**668.36**
Proceeds from borrowings	-	0.54
Repayment of borrowings of continuing operations	(640.16)	(463.30)
Repayment of borrowings of discontinued operation	-	(310.08)
Repayment towards lease liabilities	(8.43)	(4.77)
Realised foreign exchange loss due to financing activities (net)	(48.92)	-
Transition impact of Ind AS 116 (note 37)	4.35	-
Fair value changes (net)	39.56	(26.68)
Unrealised foreign exchange gain/(loss) (net)	-	78.32
Movement of borrowings (net)	**(653.60)**	**(725.97)**

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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker Director

R. Mukundan Managing Director and CEO

John Mulhall Chief Financial Officer

Rajiv Chandan General Counsel & Company Secretary

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 year, the Company has demerged consumer products 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') 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.

Figures for the year ended 31 March, 2019 have been restated on account of demerger of consumer products business (note 34) and merger of Bio Energy Venture-1 (Mauritius) Pvt. Ltd. (note 36).

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 litigations. 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. Provisions for litigations 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 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 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. 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

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 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.

PPE, CWIP and intangible assets

The carrying values of assets / cash generating units ('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.

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. 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 / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.15 Leases

The Company has adopted Ind AS 116 effective from April 1, 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31, 2020. Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

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.

Refer note 2.15 Significant accounting policies – Leases in the Annual report of the Company for the year ended 31 March, 2019, for the policy as per Ind AS 17.

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 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.

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 Standalone 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.

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.

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, 2020.

3.2 Note on COVID-19

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations in many of the Company's locations (manufacturing, warehouses, offices, etc.) are scaled down or shut down in compliance with the directives/ orders issued by the local Panchayat/Municipal Corporation/State/Central Government authorities.

As per management's current assessment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and management will continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on 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, 2018	40.28	144.14	139.71	1,309.13	16.77	7.82	42.84	36.48	8.68	1,745.85
Additions/adjustments	2.85	32.16	5.23	216.95	5.88	0.07	1.79	13.70	0.44	279.07
Disposals	(0.46)	(0.15)	(0.61)	(7.30)	(0.41)	(0.85)	(0.81)	(0.01)	-	(10.60)
Balance as at March 31, 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/adjustments	-	(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 operation (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**
Accumulated Depreciation										
Balance as at April 1, 2018	-	18.08	17.81	270.47	5.00	3.45	29.55	12.68	2.06	359.10
Depreciation for the year	-	7.82	5.75	112.33	2.57	0.91	6.45	4.08	0.71	140.62
Disposals	-	(0.05)	(0.01)	(2.36)	(0.21)	(0.70)	(0.21)	-	-	(3.54)
Balance as at March 31, 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	-	(0.07)	(0.11)	(8.59)	(0.04)	(0.38)	(0.49)	-	-	(9.67)
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**	**611.17**
Net Block as at March 31, 2019	**42.67**	**150.30**	**120.78**	**1,138.34**	**14.88**	**3.38**	**8.03**	**33.41**	**6.35**	**1,518.14**
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**

* Land ₹ 15.05 crore (2019 : ₹ Nil) for which legal formalities relating to transfer of title are pending.

** Includes ₹ 0.32 crore preoperative depreciation capitalised

5. Investment property

₹ in crore

	Land	Building	Total
Gross Block			
Balance as at April 1, 2018	1.13	23.15	24.28
Additions/adjustments	-	-	-
Balance as at March 31, 2019	**1.13**	**23.15**	**24.28**
Additions/adjustments	-	-	-
Disposals	*	-	-
Balance as at March 31, 2020	**1.13**	**23.15**	**24.28**
Accumulated Depreciation			
Balance as at April 1, 2018	-	1.92	1.92
Depreciation for the year	-	0.64	0.64
Balance as at March 31, 2019	**-**	**2.56**	**2.56**
Depreciation for the year	-	0.61	0.61
Balance as at March 31, 2020	**-**	**3.17**	**3.17**
Net Block as at March 31, 2019	**1.13**	**20.59**	**21.72**
Net Block as at March 31, 2020	**1.13**	**19.98**	**21.11**

* 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, 2020 is ₹ 133.46 crore (2019: 49.45 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**
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**
Net Block as at March 31, 2020	**9.55**	**3.45**	**10.04**	**-**	**23.04**

7. Other intangible assets

₹ in crore

	Computer software	Others*	Total
Gross Block			
Balance as at April 1, 2018	5.33	6.78	12.11
Additions	0.73	-	0.73
Disposals/Adjustments	(0.02)	-	(0.02)
Balance as at March 31, 2019	**6.04**	**6.78**	**12.82**
Additions	1.09	1.82	2.91
Transferred to discontinued operation (note 34)	(0.48)	-	(0.48)
Balance as at March 31, 2020	**6.65**	**8.60**	**15.25**
Accumulated amortisation			
Balance as at April 1, 2018	1.80	2.28	4.08
Amortisation for the year	1.19	0.78	1.97
Balance as at March 31, 2019	**2.99**	**3.06**	**6.05**
Amortisation for the year	1.15	0.85	2.00
Transferred to discontinued operation (note 34)	(0.02)	-	(0.02)
Balance as at March 31, 2020	**4.12**	**3.91**	**8.03**
Net Block as at March 31, 2019	**3.05**	**3.72**	**6.77**
Net Block as at March 31, 2020	**2.53**	**4.69**	**7.22**

* 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, 2020		As at March 31, 2019 (Restated)	
	Holdings No of shares	Amount ₹ in crore	Holdings No of shares	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 (note 36)	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 (note 36)	1,61,00,000	750.16	1,61,00,000	750.16
Indirect Subsidiaries				
Non Cumulative Redeemable Preference Shares of Gusiute Holdings (UK) Limited (note 36)	1,00,00,000	65.18	1,00,00,000	65.18
Non Cumulative Redeemable Preference Shares of Homefield Pvt UK Limited (note 36)	1,78,50,000	116.34	1,78,50,000	116.34
Less: Impairment (note 36)#		(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 (i+ii+iii)		**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	80.17	1,06,89,348	165.58
Oriental Hotels Ltd.	25,23,000	4.35	25,23,000	11.62
Tata Investment Corporation Ltd.	4,41,015	29.25	4,41,015	36.75
Tata Steel Ltd.	28,90,693	77.93	28,90,693	150.61
Tata Steel Ltd. (partly paid)	1,99,358	0.59	1,99,358	1.28
Tata Motors Ltd.	19,66,294	13.97	19,66,294	34.26
Titan Company Ltd.	1,38,26,180	1,290.97	1,38,26,180	1,578.74

	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Holdings No of shares	Amount ₹ in crore	Holdings No of shares	Amount ₹ in crore
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	16.48	32,30,859	16.35
Tata International Ltd.	48,000	108.48	48,000	140.64
Tata Projects Ltd.	1,93,500	222.85	1,93,500	266.53
Tata Services Ltd.	1,260	0.13	1,260	0.13
Tata Sons Ltd.	10,237	56.86	10,237	56.86
Tata Teleservices Ltd. (footnote 'i') #	12,85,110	-	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
Total investments (b(i))		**1,904.23**		**2,461.55**
Aggregate amount of quoted investments		1,977.20		2,458.81
Aggregate market value of quoted investments		3,207.52		3,574.27
Aggregate carrying value of unquoted investments		4,685.09		4,760.80
# Aggregate amount of impairment in value of other unquoted Investments		117.85		117.85

Footnote:

(i) Shares can be transferred only with the prior approval of the Board of Directors of Tata Teleservices Ltd.

(ii) 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 31 March, 2020.

* value below ₹ 50,000/-

₹ in crore

	As at March 31, 2020	As at March 31, 2019
(c) Current investments (Fair value through profit and loss)		
Investment in mutual funds - unquoted	1,301.33	2,146.26
Total current investments	**1,301.33**	**2,146.26**

9. Loans

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Non-Current		
Unsecured, considered good		
(i) Loans to employees (footnote 'i')	0.92	1.13
	0.92	**1.13**
Current		
Unsecured, considered good		
(i) Loans to employees (footnote 'i')	0.23	0.40
(ii) Loans to related parties (note 36 and 43 (b))	700.03	639.81
Less : Impairment (note 36 and 43 (b))	(700.03)	(639.81)
	-	-
	0.23	**0.40**

Footnote:

(i) Loans to employees includes ₹ Nil (2019: ₹ *) due from officer of the Company. Maximum balance outstanding during the year is ₹ Nil (2019: ₹ *).

* value below ₹ 50,000

10. Other financial assets

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Non-Current		
(a) Fixed deposits with banks	0.26	0.26
	0.26	**0.26**
Current		
(a) Claim receivable - Related party (note 43 (b))	4.92	1.77
(b) Derivatives (note 40)	1.64	39.79
(c) Accrued interest income	2.22	4.02
(d) Advance recoverable - Related party (footnote 'i') (note 36 and 43 (b))	65.38	59.83
(e) Subsidy receivable (net) (footnote 'ii')	60.08	224.75
(f) Others	3.07	4.16
	137.31	**334.32**

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, 2020	As at March 31, 2019 (Restated)
Non-Current		
(a) Capital advances	115.52	105.23
(b) Deposit with public bodies and others	62.53	54.97
(c) Prepaid expenses	6.18	1.22
(d) Gratuity fund (note 38 (2))	-	5.79
	184.23	**167.21**
Current		
(a) Prepaid expenses	6.20	15.31
(b) Advance to suppliers	30.01	26.02
Less: Allowances for bad and doubtful advances	(0.08)	(0.09)
	29.93	**25.93**
(c) Statutory receivables	170.69	92.11
(d) Others	0.59	2.03
	207.41	**135.38**

12. Inventories

₹ in crore

	As at March 31, 2020	As at March 31, 2019
(a) Raw materials	502.67	390.82
(b) Work-in-progress	40.49	14.64
(c) Finished goods	86.99	89.84
(d) Stock in trade	12.43	51.85
(e) Stores, spare parts and packing materials (net)	58.59	80.53
	701.17	**627.68**
Footnotes:		
(i) Inventories includes goods in transit:		
- Raw materials	47.05	22.83
- Stock in trade	5.66	2.89
- Stores and spare parts and packing materials	0.62	-

(ii) The cost of inventories recognised as an expense includes ₹ 0.60 crore (2019: ₹ 2.96 crore) in respect of write-down of inventories to net realisable value, and has been reduced by ₹ Nil (2019: ₹ 0.10 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.

13. Trade receivables

₹ in crore

		As at March 31, 2020	As at March 31, 2019
Current			
(a)	Secured, considered good	3.99	40.79
(b)	Unsecured, considered good	135.85	144.05
(c)	Unsecured, which have significant increase in Credit Risk	-	3.24
(d)	Unsecured, credit impaired	56.81	65.12
	Less: Impairment loss allowance	(56.81)	(68.36)
		139.84	**184.84**

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, 2020	Year ended March 31, 2019
Balance at the beginning of the year	68.36	14.87
Credit impaired pertaining to discontinued operations (note 34)	(11.43)	48.28
Provision during the year	0.17	11.50
Reversal during the year	(0.29)	(6.29)
Balance at the end of the year	**56.81**	**68.36**

(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, 2020	As at March 31, 2019 (Restated)
Cash and cash equivalents:			
(a)	Balance with banks	83.70	49.75
(b)	Cash on hand	0.02	-
(c)	Deposits accounts (with original maturity less than 3 months)	-	1,000.00
Cash and cash equivalents as per Standalone Statement of Cash Flows		**83.72**	**1,049.75**
Other bank balances:			
(a)	Earmarked balances with banks	20.70	18.71
(b)	Deposit accounts (other than (c) above, with original maturity less than 12 months from the Balance Sheet date)	775.16	37.75
		795.86	**56.46**

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, 2020		As at March 31, 2019	
		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, 2020		Year ended March 31, 2019	
	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
Issued during the year	-	-	-	-
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
Issued during the year	-	-	-	-
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 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, 2020		As at March 31, 2019	
		No of shares	%	No of shares	%
Ordinary shares with voting rights					
(i)	Tata Sons Private Ltd.	7,26,25,673	28.51	5,97,86,423	23.47
(ii)	HDFC Trustee Company Limited	*	*	2,26,13,010	8.88
(iii)	Life Insurance Corporation Of India	1,68,84,036	6.63	1,55,71,496	6.11
(iv)	ICICI Prudential Mutual fund	1,60,79,641	6.31	*	*
(v)	Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,52,00,001	5.97

* Not holding more than 5% shares

16. Other equity

₹ in crore

		As at March 31, 2020	As at March 31, 2019 (Restated)
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	-	240.00
5	General reserve	1,411.94	1,171.94
6	Retained earnings	5,859.58	5,742.38
7	Equity instruments through other comprehensive income	1,669.93	2,174.78
Total other equity		**11,722.50**	**12,110.15**

The movement in other equity

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
16.1 Capital reserve and other reserves from amalgamation		
Balance at the beginning of the year	1,522.74	21.11
Changes on account of merger (note 36)	-	1,501.63
Balance at the end of the year	**1,522.74**	**1,522.74**
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	240.00
Transferred to General reseve	(240.00)	-
Balance at the end of the year	**-**	**240.00**
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 year.		
16.5 General reserve		
Balance at the beginning of the year	1,171.94	1,171.94
Transferred from Debenture redemption reserve	240.00	-
Balance at the end of the year	**1,411.94**	**1,171.94**
Footnote: The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
16.6 Retained earnings		
Balance at the beginning of the year	5,742.38	6,435.12
Changes on account of merger (note 36)	-	(877.97)
Transition impact of Ind AS 116 (note 37)	(0.21)	-
Restated balance	**5,742.17**	**5,557.15**
Profit for the year	6,840.22	854.84
Remeasurement of defined employee benefit plans (net of tax)	(37.59)	(1.93)
Dividend including tax on dividend	(378.90)	(670.66)
Deemed dividend on demerger (note 34)	(6,307.97)	-
Refund of tax on dividend	1.65	-
Transfer from Equity instruments through other comprehensive income	-	2.98
Balance at the end of the year (footnote 'ii')	**5,859.58**	**5,742.38**

Footnotes:

(i) The Board of Directors has recommended a final dividend of 110 % (2019: 125 %) for the financial year 2019-20 ₹ 11.00 per share (2019: ₹ 12.50 per share) which is subject to approval of the shareholders.

(ii) Includes balance of remeasurement of net defined benefit plans loss of ₹ 67.20 crore (2019: ₹ 29.61 crore).

16.7 Equity instruments through other comprehensive income

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Balance at the beginning of the year	2,174.78	1,942.84
Changes in fair value of equity instruments at FVTOCI (net of tax)	(504.85)	234.92
Transfer to retained earnings	-	(2.98)
Balance at the end of the year	**1,669.93**	**2,174.78**

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. Borrowings

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Current		
Loans repayable on demand		
Secured - from banks		
(a) Cash/packing credit (footnote 'i')	-	0.99
	-	**0.99**

Footnote:

(i) During the previous year loans from banks on Cash Credit carry an interest ranging from 8.70% p.a. to 9.10% p.a. and were secured by way of hypothecation of stocks of raw materials, finished products, stores and work-in-process as well as book debts.

18. Other financial liabilities

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Non-Current		
(a) Pension payable on employee separation scheme	0.17	0.24
	0.17	**0.24**
Current		
(a) Current maturities of non-current borrowings		
(i) Non-convertible debentures - Unsecured (footnote 'i')	-	250.00
(ii) From Banks - Unsecured (footnote 'ii')	-	438.85
Less: Unamortised cost of borrowings	-	0.76
	-	**688.09**
(b) Current maturities of lease liabilities (note 37)	4.35	5.38
(c) Interest accrued	-	27.74
(d) Creditors for capital goods	80.21	80.20
(e) Unclaimed dividend (footnote 'iii')	18.73	18.74
(f) Unclaimed debenture interest	0.01	0.01
(g) Derivatives (note 40)	-	1.67
(h) Security deposit from customers	22.86	27.71
(i) Contingent consideration	-	6.37
(j) Accrued expenses	52.59	72.75
(k) Others	8.29	5.32
	187.04	**933.98**

Footnotes:

(i) Unsecured redeemable Non-convertible debentures having face value of ₹ 10 lakhs each were redeemable at par on July 2, 2019 and bear interest rate of 10% per annum.

(ii) The External Commercial Borrowings ('ECB') were repaid in October 2019 ₹ 438.85 crore (USD 63.46 million) and were bearing interest of LIBOR plus spread of 1.95% semiannually.

(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 ₹ 0.57 crore (2019: ₹ 0.54 crore), wherein legal disputes with regards to ownership have remained unresolved.

19. Provisions

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Non-Current		
(a) Provision for employee benefits		
(i) Pension and other post retirement benefits (note 38)	158.84	98.47
(ii) Long service awards	2.42	2.59
	161.26	**101.06**
(b) Other provisions (footnote 'i')	2.11	2.05
	163.37	**103.11**
Current		
(a) Provision for employee benefits		
(i) Pension and other post retirement benefits (note 38)	5.66	5.09
(ii) Compensated absences and long service awards	46.57	45.19
	52.23	**50.28**
(b) Other provisions (footnote 'i')	**147.41**	**152.80**
	199.64	**203.08**

Footnote:

(i) Other provisions include:

₹ in crore

	Asset retirement obligation (1)	Provision for warranty (2)	Others (3)	Total
Balance as at March 31, 2018	**15.47**	**0.56**	**37.13**	**53.16**
Provisions pertaining to discontinued operation (refer note 34)	-	-	100.16	100.16
Provisions recognised during the year	0.96	-	6.99	7.95
Payments / utilisation during the year	(1.13)	-	(4.32)	(5.45)
Unused amount reversed during the year	-	(0.56)	(0.41)	(0.97)
Balance as at March 31, 2019	**15.30**	**-**	**139.55**	**154.85**
Provisions pertaining to discontinued operation (Phosphatic fertiliser business)	-	-	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**
Balance as at March 31, 2019				
Non-Current	2.05	-	-	2.05
Current	13.25	-	139.55	152.80
Total	**15.30**	**-**	**139.55**	**154.85**
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**

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 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 Balance Sheet.

3) Provision for 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, 2020	As at March 31, 2019 (Restated)
(a) Deferred tax assets	(151.88)	(72.89)
(b) Deferred tax liabilities	211.43	262.68
Deferred tax liabilities (net)	**59.55**	**189.79**

2019-20

₹ in crore

	As at April 1, 2019	Recognised in the Standalone Statement of Profit and Loss (continuing operations)	Recognised in the Standalone Statement of Profit and Loss (discontinued operations)	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
Property, plant and equipment and lease liabilities	-	(9.21)	-	-	(0.17)	(0.11)	(9.49)
Expenses allowed	(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
Property, plant and equipment and lease liabilities					(9.49)	-	(9.49)
Expenses allowed					(30.31)	-	(30.31)
	-			-	**(151.88)**	**211.43**	**59.55**

2018-19

₹ in crore

	As at April 1, 2018	Recognised in the Standalone Statement of Profit and Loss (continuing operations)	Recognised in the Standalone Statement of Profit and Loss (discontinued operations)	Recognised in other comprehensive income	Transferred to Discontinued operation	Transition impact of Ind AS 116 (note 37)	As at March 31, 2019
Deferred tax (assets)/liabilities in relation to:							
Allowance for doubtful debts and advances	(33.66)	(10.41)	-	-	-	-	(44.07)
Accrued expenses allowed in the year of payment and on fair value of investments	(74.01)	12.98	-	32.63	-	-	(28.40)
Mark to market gains on mutual funds and derivatives	-	19.94	-	-	-	-	19.94
Depreciation and amortisation	279.90	(37.16)	-	-	-	-	242.74
Property, plant and equipment and lease liabilities	0.41	(0.41)	-	-	-	-	-
Expenses allowed	(0.56)	-	0.14	-	-	-	(0.42)
	172.08	**(15.06)**	**0.14**	**32.63**	**-**	**-**	**189.79**
Deferred tax (assets)/liabilities in relation to:					**Assets**	**Liabilities**	**Net**
Allowance for doubtful debts and advances					(44.07)	-	(44.07)
Accrued expenses allowed in the year of payment and on fair value of investments					(28.40)	-	(28.40)
Mark to market gains on mutual funds and derivatives					-	19.94	19.94
Depreciation and amortisation					-	242.74	242.74
Expenses allowed					(0.42)	-	(0.42)
	-			-	**(72.89)**	**262.68**	**189.79**

21. Other liabilities

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-current		
(a) Deferred income	10.50	10.50
	10.50	**10.50**
Current		
(a) Statutory dues	105.35	48.78
(b) Advance received from customers	4.84	4.73
(c) Others	-	0.33
	110.19	**53.84**

22. Trade payables

₹ in crore

	As at March 31, 2020	As at March 31, 2019
(a) Trade payables (footnote 'i')	571.16	550.57
(b) Amount due to Micro Small and Medium Enterprises (footnote 'ii')	3.83	18.04
	574.99	**568.61**

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, 2020	As at March 31, 2019
1	(a)	Principal overdue amount remaining unpaid to any supplier	0.23	0.02
	(b)	Interest on 1(a) above	-	*
2	(a)	The amount of principal paid beyond the appointed date	23.40	8.81
	(b)	The amount of interest paid beyond the appointed date	0.01	-
3		Amount of interest due and payable on delayed payments	0.02	0.09
4		Amount of interest accrued and remaining unpaid as at year end	0.02	0.09
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, 2020	As at March 31, 2019
(a) Non-current - Advance tax assets (net)	588.94	521.44
	588.94	**521.44**

24. Tax liabilities

₹ in crore

	As at March 31, 2020	As at March 31, 2019
(a) Current tax liabilities (net)	166.02	124.12
	166.02	**124.12**

25. Revenue from operations

₹ in crore

			Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a)	Sales of products (footnote 'i' and 'ii')		2,894.02	3,108.86
(b)	Other operating revenues			
	(i)	Sale of scrap	17.29	12.35
	(ii)	Others	8.98	0.04
			26.27	**12.39**
			2,920.29	**3,121.25**
Footnotes:				
(i)	**Reconciliation of sales of products**			
	Revenue from contract with customer		2,994.29	3,173.62
	Adjustments made to contract price on account of			
	(a)	Discounts / rebates / incentives	(100.27)	(64.76)
			2,894.02	**3,108.86**

(ii) For operating segments revenue, geographical segments revenue, revenue from major products and revenue from major customers (note 39.1).

26. Other income

₹ in crore

			Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a)	**Dividend income from**			
	(i)	Current investments measured at FVTPL	-	0.17
	(ii)	Non-current investments in		
	-	Subsidiaries	25.93	25.92
	-	Joint venture	72.24	58.43
	-	Other non-current investments	25.05	20.24
			123.22	**104.76**
(b)	**Interest income from financial assets at amortised cost**			
	(i)	On bank deposits	40.92	67.27
	(ii)	On loans and advances	0.05	0.06
	(iii)	Other interest	0.02	0.12
			40.99	**67.45**
(c)	**Interest on refund of taxes**		0.33	16.23
(d)	**Others**			
	(i)	Corporate guarantee commission	1.98	3.11
	(ii)	Profit on sale of assets (net)	8.34	-
	(iii)	Gain on sale/redemption of investments (net)	121.27	187.15
	(iv)	Foreign exchange gain (net)	2.74	7.97
	(v)	Miscellaneous income (footnote 'i')	10.28	13.65
			144.61	**211.88**
			309.15	**400.32**

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, 2020	Year ended March 31, 2019 (Restated)
Opening stock		
Work-in-progress	14.64	28.94
Finished goods	89.84	77.10
Stock in trade	51.85	40.66
	156.33	**146.70**
Closing 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**
Less : Inventory on account of discontinued operations (note 34)	92.83	(85.13)
	(76.41)	**(75.50)**

28. Employee benefits expense

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a) Salaries, wages and bonus	191.33	186.76
(b) Contribution to provident and other funds	15.56	14.81
(c) Staff welfare expense	43.39	25.28
	250.28	**226.85**

29. Finance costs

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a) Interest costs		
(i) Interest on loans at amortised cost	33.73	85.96
(ii) Interest on obligations under leases	1.57	1.73
(b) Translation differences (footnote 'i')	0.51	(12.15)
(c) Discount and other charges	7.56	10.60
	43.37	**86.14**

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, 2020	Year ended March 31, 2019 (Restated)
(a) Depreciation of property, plant and equipment	142.27	139.27
(b) Depreciation of investment property	0.61	0.64
(c) Amortisation of Right to use assets	4.62	-
(d) Amortisation of intangible assets	2.00	0.43
	149.50	**140.34**

31. Other Expenses

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a)	Stores and spare parts consumed	70.02	58.13
(b)	Packing materials consumed	76.49	82.50
(c)	Power and fuel	555.18	573.83
(d)	Repairs - Buildings	6.77	7.67
	- Machinery	62.82	58.83
	- Others	0.72	1.02
(e)	Rent	5.94	6.48
(f)	Royalty, rates and taxes	29.51	5.99
(g)	Distributors' service charges	2.49	0.32
(h)	Sales promotion expenses	12.13	7.52
(i)	Insurance charges	6.04	4.31
(j)	Freight and forwarding charges	390.06	476.10
(k)	Loss on assets sold, discarded or written off (net)	-	1.63
(l)	Bad debts written off	4.11	0.93
(m)	Provision for doubtful debts, advances and other receivables (net)	5.29	0.16
(n)	Directors' fees and commission	7.44	8.77
(o)	Auditors' remuneration (footnote 'i')	2.48	2.86
(p)	Expenditure towards Corporate Social Responsibility (CSR) (footnote 'ii')	37.81	25.68
(q)	Donations and contributions (footnote 'iii')	5.23	21.70
(r)	Others	111.54	119.09
		1,392.07	**1,463.52**
Footnotes:			
(i)	**Auditors' remuneration**		
	Statutory Auditors		
	a) For services as auditor	1.97	1.97
	b) For other services (including certification)	0.31	0.83
	c) for reimbursement of expenses	0.11	0.09
	Cost Auditors		
	a) For services as auditor	0.09	0.08
		2.48	**2.97**
	Less: Pertaining to discontinued operation	-	0.11
		2.48	**2.86**

(ii) Amount required to be spent by the Company during the year on CSR is ₹ 21.39 crore (2019: ₹ 19.86 crore) whereas the Company has spent ₹ 37.81 crore (2019: ₹ 25.68 crore). The Company has spent the following amounts during the year on the activities other than construction/acquisition of any asset.

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019
1)	Health care, nutrition, sanitation and safe drinking water	7.02	6.01
2)	Environmental sustainability	20.39	5.87
3)	Poverty alleviation, livelihood enhancement and infrastructure support	1.24	0.79
4)	Education and vocational skill development	4.50	5.07
5)	Inclusive growth and empowerment	0.20	0.92
6)	Promotion and development of traditional arts and handicrafts	2.46	1.23
7)	Contribution to Prime Minister's National Relief fund/other relief funds	0.77	1.66
8)	Other approved activities	1.23	4.13
		37.81	**25.68**

(iii) Amount includes Contribution of ₹ Nil (2019: ₹ 10 crore) to Progressive Electoral Trust (The Objects of the Trust inter alia, include holding by the Trustees of "Distribution Funds" for distribution to political parties).

32. Expenditure incurred on Scientific Research and Development activities @

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019
(i)	**Revenue Expenditure (note 28 and 31 of Standalone Statement of Profit and Loss includes):**		
	(a) Innovation Centre, Pune	26.82	31.85
	(b) Mithapur, Okhalamandal	0.07	0.11
	(c) Nellore - Andhra Pradesh	1.48	-
(ii)	**Capital expenditure**		
	(a) Innovation Centre, Pune	1.26	5.69
	(b) Nellore - Andhra Pradesh	0.87	-

@ The above figure are based on the separate account for the reseach 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, 2020	Year ended March 31, 2019 (Restated)
(a)	**Tax expense**		
	Current tax		
	In respect of the current year	194.37	277.85
	Reversal pertaining to prior years	-	(33.12)
		194.37	**244.73**
	Deferred tax		
	In respect of the current year (note 20)	(31.87)	(15.06)
		(31.87)	**(15.06)**
	Total tax expense	**162.50**	**229.67**
(b)	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**834.32**	**860.48**
	Income tax expense calculated at 25.6256 % (2019 : 34.944%)	213.80	300.69
	Effect of income that is exempt from taxation	(12.65)	(15.58)
	Effect of expenses not deductible for tax computation	11.07	45.49
	Effect of other permanent differences (goodwill)	(2.19)	(4.19)
	Effect of prior period adjustments in deferred tax	-	(42.16)
	Effect of concessions (research and development and other allowances like 80IA and 32AC of Income Tax Act, 1961)	-	(10.58)
	Effect of different tax rates on distribution by joint venture operating in other jurisdictions.	(6.02)	(10.21)
	Effect of rate change adjustments in deferred tax (footnote 'i')	(39.20)	-
	Effect of provision for doubtful debts	(2.93)	-
	Others	0.62	(0.67)
		162.50	**262.79**
	Adjustments recognised in the current year in relation to the current tax of prior years on account of completed assessments	-	(33.12)
	Total income tax expense recognised for the year relating to continuing operations	**162.50**	**229.67**

Footnote:

(i) During the year, 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 current 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

(I) 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. Accordingly, the operations of CPB have been reclassified as discontinued operations for the year ended March 31, 2019 and comparative information in the Statement of Profit and loss account has been restated in accordance with Ind AS 105.

(II) Disposal of Phosphatic fertiliser business and Trading business of bulk and non-bulk fertilisers

On June 1, 2018, the Company consummated the sale and transfer of its Phosphatic fertiliser business located at Haldia and the Trading business comprising bulk and non-bulk fertilisers to IRC Agrochemicals Private Limited ("IRC") as per Business Transfer Agreement dated November 6, 2017.

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, 2020	Year ended March 31, 2019 (Restated)
Profit for the year from discontinued operations		
Revenue from operations (footnote 'i')	-	2,474.01
Expenses		
Depreciation and amortisation	-	2.89
Other expenses	-	2,177.94
Profit before exceptional items and tax	**-**	**293.18**
Exceptional gain / (loss)		
Gain on disposal of discontinued operation (note 34 (c))	6,220.15	-
Pertaining to Phosphatic fertiliser business and Trading business (footnote 'ii')	(26.71)	-
Pertaining to urea and customised fertiliser business (footnote 'ii')	(65.36)	-
	6,128.08	**-**
Profit before tax	**6,128.08**	**293.18**
Less : Current tax	(1.69)	69.01
Less : Deferred tax	(38.63)	0.14
Profit after tax	**6,168.40**	**224.03**

Footnotes:

(i) Revenue from operations includes subsidy income of ₹ Nil (2019: ₹ 24.40 crore)

(ii) Includes provisions made, relating to the erstwhile fertiliser businesses, as per revised notifications issued by the concerned department for change in rate of subsidy for previous years.

(b) Net cash flows attributable to the discontinued operations

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Net cash generated from operating activities	-	571.58
Net cash used in investing activities	-	(259.44)
Net cash used in financing activities	-	(313.75)
Net decrease in cash and cash equivalents	**-**	**(1.61)**

(c) Gain on disposal of discontinued operations:

₹ in crore

	Consumer products business	Phosphatic fertiliser business and Trading business
Cash consideration received (net of cost to sell)	-	565.08
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)	(565.08)
Gain on disposal	**6,220.15**	**-**

Footnote:

(i) Information of assets and liabilities transferred as per Scheme on the appointed date

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment and intangible assets (including CWIP)	4.13	75.00
Deferred tax assets (net)	5.79	-
Other non-current assets	0.95	0.01
Inventories	154.00	298.13
Trade receivables and other financial receivables	81.43	233.31
Other current assets	20.70	21.96
Total Assets (A)	**267.00**	**628.41**
Other non-current liabilities	2.39	10.37
Other current liabilities	187.22	52.96
Total Liabilities (B)	**189.61**	**63.33**
Net assets (A - B)	**77.39**	**565.08**

35. Earnings per share

	As at March 31, 2020	As at March 31, 2019 (Restated)
Basic and Diluted earnings per share (₹)		
From continuing operations (₹)	26.37	24.76
From discontinued operations (₹)	242.13	8.79
Total Basic and Diluted earnings per share (₹)	**268.50**	**33.56**

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	671.82	630.81
Profit for the year from discontinued operations	6,168.40	224.03
	6,840.22	**854.84**

(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

The Board of Directors of the Company has approved the Scheme of Merger by Absorption ('Scheme') under the provisions of Section 234 read with Sections 230 to 232 of the Companies Act, 2013 for the merger of Bio Energy Venture - 1 (Mauritius) Pvt. Ltd., a wholly owned subsidiary of the Company, with the Company.

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. In accordance with Ind AS 103, being a common control transaction, previous periods have been restated with effect from April 1, 2018, being earliest period presented. The impact of amalgamation on the Standalone Statement of Profit and Loss is immaterial.

Bio Energy Venture - 1 (Mauritius) Pvt. Ltd was an investment holding company which "interalia" held investments in step down subsidiaries. As per the Scheme, all assets, liabilities and reserves of Bio Energy Venture - 1 (Mauritius) Pvt. Ltd appearing as at April 1, 2018 are recognised in the books of the Company at their respective carrying values, as detailed below. On account of this merger, Tata Chemicals International Pte. Limited is now direct wholly owned subsidiary of the Company.

Pursuant to the Scheme coming into effect, the inter-company investments (including equity and preference shares) held between the Company and Bio shall stand cancelled. Further, the difference between the net assets transferred from Bio and the amount of such inter-company investments cancelled, has been transferred to capital reserve in accordance with the Scheme and Ind AS 103.

₹ in crore

	As at March 31, 2020	
Investments - Non-current		
(i) Equity shares of Tata Chemicals International Pte. Limited	3,123.75	
(ii) Preference shares of Tata Chemicals International Pte. Limited	750.16	
(iii) Preference shares of Gusiute Holdings (UK) Limited	65.18	
(iv) Preference shares of Homefield Pvt UK Limited	116.34	
Less: Impairment	(116.34)	3,939.09
Loans - Non-current	639.81	
Less: Impairment	(639.81)	-
Cash and cash equivalents		5.21
Current financial assets		55.44
Other current assets		0.02
Other current liabilities		(0.08)
Total Net Assets Aquired (A)		**3,999.68**
Retained earnings aquired (B)		(877.97)
Investments - Non-current (C)		
(i) Equity shares of Bio Energy Venture - 1 (Mauritius) Pvt. Ltd	2,398.39	
(ii) Preference shares of Bio Energy Venture - 1 (Mauritius) Pvt. Ltd	977.63	3,376.02
Capital Reserve (A-B-C)		**1,501.63**

37. Leases

Change in accounting policy

Except as specified below, the Company has consistently applied the accounting policies to all periods presented in this Standalone Financial Statements. The Company has applied Ind AS 116 - Leases with the date of initial application of April 1, 2019. As a result, the Company has changed its accounting policy for lease contracts as detailed below.

The Company has applied Ind AS 116 - Leases using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019.

₹ in crore

	Non-current	Current	Total
Lease commitments as at March 31, 2019 (erstwhile finance leases)	13.46	5.38	18.84
Adjustments on account of discontinued operation	(2.39)	(1.18)	(3.57)
Contracts reassessed as lease contracts	0.61	3.74	4.35
Lease liabilities as on April 1, 2019	**11.68**	**7.94**	**19.62**

The impact of change in accounting policy on account of adoption of Ind AS 116 is as follows : ₹ in crore

Increase in lease liability	4.35
Increase in right of use assets	(4.03)
Increase in deferred tax assets	(0.11)
Transition impact disclosed in retained earnings	**0.21**
Maturity analysis of lease liabilities	
Maturity analysis – contractual undiscounted cash flows	
Less than one year	5.49
One to five years	11.24
More than five years	0.56
Total undiscounted lease liabilities at March 31, 2020	**17.29**
Discounted Cash flows	
Current	4.35
Non-Current	10.41
Lease liabilities as at March 31, 2020	**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% p.a. to 9.50% p.a. 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 ₹ 10.00 crore (2019: ₹ 11.78 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 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, 2020. 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, 2020 for the Defined Benefit Plans.

1 Changes in the defined benefit obligation:

₹ in crore

	As at March 31, 2020				As at March 31, 2019			
	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	75.41	48.93	43.12	11.51	82.04	65.20	39.40	13.58
Current service cost	3.38	1.19	0.45	0.99	3.81	2.71	0.39	1.43
Past service cost	-	7.55	-	-	-	-	1.40	-
Interest cost	5.07	3.55	3.22	0.76	5.17	5.00	2.94	1.00
Remeasurement (gain)/loss								
Actuarial (gain) / loss arising from:								
- Change in financial assumptions	9.21	18.19	10.18	1.17	0.26	0.38	0.25	0.04
- Change in demographic assumptions	-	-	-	-	-	1.70	(0.71)	(0.62)
- Experience adjustments	3.14	2.63	0.42	(0.76)	2.28	(9.99)	3.00	(1.70)
Transfer out *	(3.77)	-	-	-	(8.75)	-	-	-
Benefits paid	(7.47)	(1.69)	(2.31)	(0.95)	(9.40)	(1.33)	(3.55)	(0.93)
	84.97	**80.35**	**55.08**	**12.72**	**75.41**	**63.67**	**43.12**	**12.8**
Extinguishment to discontinued operations	-	(2.08)	-	(1.06)	-	(14.74)	-	(1.29)
At the end of the year	**84.97**	**78.27**	**55.08**	**11.66**	**75.41**	**48.93**	**43.12**	**11.51**

* Pertaining to Consumer products business, Phosphatic fertiliser business and Trading business of bulk and non-bulk fertilisers.

2 Changes in the fair value of plan assets:

₹ in crore

	As at March 31, 2020				As at March 31, 2019			
	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	81.37	-	-	-	87.83	-	-	-
Interest on plan assets	5.81	-	-	-	5.75	-	-	-
Employer's contributions	(0.38)	-	-	-	5.29	-	-	-
Remeasurement gain/(loss)								
Annual return on plan assets less interest on plan assets	(0.14)	-	-	-	(1.00)	-	-	-
Benefits paid	(7.47)	-	-	-	(9.40)	-	-	-
Transfer out *	-	-	-	-	(7.10)	-	-	-
Value of plan assets at the end of the year	**79.19**	**-**	**-**	**-**	**81.37**	**-**	**-**	**-**
Impact of asset ceiling	-	-	-	-	(0.17)	-	-	-
(Asset)/liability (net)	**5.78**	**78.27**	**55.08**	**11.66**	**(5.79)**	**48.93**	**43.12**	**11.51**

* Pertaining to Consumer products business, Phosphatic fertiliser business and Trading business of bulk and non-bulk fertilisers.

3 Net employee benefit expense for the year:

₹ in crore

	Year ended March 31, 2020				Year ended March 31, 2019			
	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	3.38	1.19	0.45	0.99	3.81	2.71	0.39	1.43
Past service cost	-	7.55	-	-	-	-	1.40	-
Interest on defined benefit obligation (net)	(0.74)	3.55	3.22	0.76	(0.58)	5.00	2.94	1.00
Extinguishment to discontinued operations	-	(2.08)	-	(1.06)	-	(14.74)	-	(1.29)
Components of defined benefits costs recognised in the Standalone Statement of Profit and Loss	**2.64**	**10.21**	**3.67**	**0.69**	**3.23**	**(7.03)**	**4.73**	**1.14**
Remeasurement								
Actuarial (gain) / loss arising from:								
- Change in financial assumptions	9.21	18.19	10.18	1.17	0.26	0.38	0.25	0.04
- Change in demographic assumptions	-	-	-	-	-	1.70	(0.71)	(0.62)
- Experience changes	3.14	2.63	0.42	(0.76)	2.28	(9.99)	3.00	(1.70)
Impact of asset ceiling	(0.17)	-	-	-	(0.23)	-	-	-
Return on plan assets less interest on plan assets	0.14	-	-	-	1.00	-	-	-
Components of defined benefits costs recognised in other comprehensive income	**12.32**	**20.82**	**10.60**	**0.41**	**3.31**	**(7.91)**	**2.54**	**(2.28)**
Net employee benefit expense	**14.96**	**31.03**	**14.27**	**1.10**	**6.54**	**(14.94)**	**7.27**	**(1.14)**

4 Categories of the fair value of total plan assets :

₹ in crore

	As at March 31, 2020 Gratuity	As at March 31, 2019 Gratuity
Government of India Securities (Quoted)	7.10	7.55
Corporate Bonds (Quoted)	3.52	3.24
Fund Managed by Life Insurance Corporation of India (Unquoted)	68.55	68.21
Others	0.02	2.37
Total	**79.19**	**81.37**

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, 2020**	**6.05%**	**6.05%**	**6.05%**	**6.05%**
	As at March 31, 2019	7.70%	7.70%	7.70%	7.70%
Increase in Compensation cost	**As at March 31, 2020**	**7.50%**	**NA**	**7.50%**	**7.50%**
	As at March 31, 2019	7.50%	NA	7.50%	7.50%
Healthcare cost increase rate	**As at March 31, 2020**	**NA**	**10.00%**	**8.00%**	**NA**
	As at March 31, 2019	NA	10.00%	8.00%	NA
Pension increase rate	**As at March 31, 2020**	**NA**	**NA**	**6.00%**	**NA**
	As at March 31, 2019	NA	NA	6.00%	NA

(a) Discount rate is based on the prevailing market yields of Indian Government securities as at 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, 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)	-	-

₹ in crore

	As at March 31, 2019									
	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	(2.53)	2.70	(3.64)	4.10	(2.05)	2.26	(0.36)	0.40	(0.35)	0.38
Compensation rate										
0.50% change	2.68	(2.54)	-	-	-	-	-	-	-	-
Pension rate										
1% change	-	-	-	-	3.43	(3.01)	-	-	-	-
Healthcare costs										
1% change	-	-	8.45	(6.80)	-	-	0.83	(0.69)	-	-
Life expectancy										
Change by 1 year	-	-	3.02	(2.98)	1.37	(1.38)	0.22	(0.23)	-	-

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

	As at March 31, 2020				As at March 31, 2019			
	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)	12.15	1.90	2.58	1.18	11.72	1.39	2.56	1.13
Later than 1 year and not later than 5 years	36.60	9.57	10.87	4.51	34.62	7.13	10.39	4.81
Later than 5 year and not later than 9 years	24.78	13.37	11.33	3.93	24.36	10.24	11.03	4.21
10 years and above	73.16	277.34	129.08	9.69	79.94	248.72	127.29	11.37
Total expected payments	**146.68**	**302.18**	**153.86**	**19.30**	**150.64**	**267.48**	**151.27**	**21.52**
Weighted average duration to the payment of cash flows (in Year)	7.27	17.16	13.92	6.71	6.94	15.76	13.27	6.35

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, 2020	As at March 31, 2019
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, 2020	As at March 31, 2019
Plan assets at the end of the year	326.37	329.40
Present value of funded obligation	340.08	336.71
Amount recognised in the Standalone Balance Sheet	**(13.71)**	**(7.31)**
Assumptions used in determining present value of obligation of interest rate guarantee under a deterministic approach:		
Guaranteed rate of return	8.50%	8.65%
Discount rate for remaining term to maturity of investments	6.35%	7.75%
Discount rate	6.05%	7.70%
Expected rate of return on investments	7.86%	8.13%

39. Segment information

39.1 Continuing operations

(a) Information about operating segments

Reportable Segments approved by Board of Directors are as under:

- Basic chemistry products : soda ash, salt and other bulk chemicals other bulk chemicals
- Specialty products : nutrition solutions, agri solutions and advance materials

The corresponding information for the previous periods presented in Standalone Financial Statements have been restated (note 34 and 36).

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
1. Segment revenue (Revenue from operations)		
(i) Basic chemistry products	2,836.91	3,071.92
(ii) Speciality products	74.39	42.32
	2,911.30	**3,114.24**
Unallocated	8.99	7.01
	2,920.29	**3,121.25**
2. Segment result (Reconciliation with profit from continuing operations)		
(i) Basic chemistry products	819.20	762.48
(ii) Speciality products	(31.99)	(22.71)
Total segment results	**787.21**	**739.77**
Net unallocated income	90.48	206.85
Finance costs	(43.37)	(86.14)
Profit before tax	**834.32**	**860.48**
Tax expense	(162.50)	(229.67)
Profit for the year from continuing operations	**671.82**	**630.81**

3. Segment assets and segment liabilities

₹ in crore

	Segment assets		Segment liabilities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(i) Basic chemistry products	2,808.67	2,211.52	650.64	607.97
(ii) Speciality products	587.30	468.68	39.19	72.98
	3,395.97	**2,680.20**	**689.83**	**680.95**
Unallocated	10,063.23	11,649.91	792.05	1,348.47
	13,459.20	**14,330.11**	**1,481.88**	**2,029.42**

4. Other information

₹ in crore

	Addition to non-current assets *		Depreciation and amortisation		Other non-cash expenses	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
(i) Basic chemistry products	512.82	305.22	130.27	123.85	(5.44)	17.89
(ii) Speciality products	103.89	364.02	8.27	3.12	0.82	1.55
	616.71	**669.24**	**138.54**	**126.97**	**(4.62)**	**19.44**
Unallocated	75.13	8.79	10.96	13.37	34.34	(10.59)
	691.84	**678.03**	**149.50**	**140.34**	**29.72**	**8.85**

*Comprises additions to Property, plant and equipment, Capital work-in-progress, Goodwill, Right of use assets, Other intangible assets and Intangible assets under development.

(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, 2020 *	Year ended March 31, 2019 *
(i) Basic chemistry products		
- Soda Ash	1,485.34	1,645.31
- Salt	816.19	887.67
- Bicarb	248.73	244.15
- Others	286.65	294.79
(ii) Speciality products	74.39	42.32
(iii) Unallocated	8.99	7.01
	2,920.29	**3,121.25**

* Including operating revenues.

(d) Major Customer

The Company has one customer whose revenue represents 28% (Company has billed on behalf of the customer) (2019: Nil) of the Company's total revenue and trade receivable represents 27% (2019: Nil) 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, 2020	Year ended March 31, 2019 (Restated)
Revenue from operations*	-	2,471.83
Result :		
Segment result ** (note 34)	6,128.08	304.76
Finance costs	-	(11.58)
Profit before tax	**6,128.08**	**293.18**
Less : Tax expense	(40.32)	69.15
Profit from discontinued operations after tax	**6,168.40**	**224.03**

* includes ₹ 624.55 crore pertaining to Phosphatic fertiliser business and Trading business and ₹ 1,847.28 crore pertaining to consumer products business for the year ended March 31, 2019.

** includes loss of ₹ 9.13 crore pertaining to Phosphatic fertiliser business and Trading business and profit of ₹ 313.89 crore pertaining to consumer products business for the year ended March 31, 2019.

Other information :

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Segment assets	-	236.58
Segment liabilities	-	172.30

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Addition to non-current assets *	-	1.17
Depreciation and amortisation	-	2.89
Other non-cash (income)/expenses	-	(2.42)

*Comprises additions to Property, plant and equipment, Capital work-in-progress and Intangible assets.

(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 products business and fertiliser and other agri inputs.

(d) Major Customer

No single customer contributed 10% or more to the Company's revenue for the year ended March 31, 2020 and March 31, 2019.

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, 2020	Year ended March 31, 2019 (Restated)
Profit for the year from continuing operations (note 39.1 (a) (2))	671.82	630.81
Profit for the year from discontinued operations (note 39.2 (a))	6,168.40	224.03
Profit for the year as per Standalone Statement of Profit and Loss	**6,840.22**	**854.84**

(b) Reconciliation of total assets as per Standalone Balance Sheet

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Total assets as per continuing operations (note 39.1 (a) (3))	13,459.20	14,330.11
Total assets as per discontinued operations (note 39.2 (a))	-	236.58
Total assets as per Standalone Balance Sheet	**13,459.20**	**14,566.69**

(c) Reconciliation of total liabilities as per Standalone Balance Sheet

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Total liabilities as per continuing operations (note 39.1 (a) (3))	1,481.88	2,029.42
Total liabilities as per discontinued operations (note 39.2 (a))	-	172.30
Total liabilities as per Standalone Balance Sheet	**1,481.88**	**2,201.72**

40. Derivative financial instruments

(a) The details of the various outstanding derivative financial instruments are given below:

₹ in crore

	As at March 31, 2020		As at March 31, 2019	
	Assets	Liabilities	Assets	Liabilities
Current portion				
Derivatives not designated in a hedge relationship				
- Forward contracts	1.64	-	0.03	1.67
- Cross-currency interest rate swaps	-	-	39.56	-
- Option contracts	-	-	0.20	-
Total	**1.64**	**-**	**39.79**	**1.67**

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, 2020	As at March 31, 2019
Forward contracts	USD/INR	$ 1.8 million	$ 4.6 million
Forward contracts	EUR/INR	€ 6.3 million	€ 1.4 million
Forward contracts	JYP/INR	¥ 232.5 million	-
Forward contracts	CHF/INR	-	CHF 0.8 million
Option contracts	USD/INR	-	$ 1.5 million
Cross-currency interest rate swaps	USD/INR and floating to fixed	-	$ 63.5 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 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) Borrowings - current			-	-	-
(c) Trade payables			-	574.99	574.99
(d) Other financial liabilities - non-current			-	0.17	0.17
(e) Other financial liabilities - current			-	187.04	187.04
Total			**-**	**772.61**	**772.61**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31 2019.

₹ in crore

		Investments - FVTOCI	Investments - FVTPL	Derivatives - FVTPL	Amortised cost	Total carrying value
Financial assets						
(a)	Investments - non-current					
	Equity instrument at fair value	2,461.55	-	-	-	2,461.55
(b)	Investments - current					
	Investment in mutual funds	-	2,146.26	-	-	2,146.26
(c)	Trade receivables	-	-	-	184.84	184.84
(d)	Cash and cash equivalents	-	-	-	1,049.75	1,049.75
(e)	Other bank balances	-	-	-	56.46	56.46
(f)	Loans - non-current	-	-	-	1.13	1.13
(g)	Loans - current	-	-	-	0.40	0.40
(h)	Other financial assets - non-current	-	-	-	0.26	0.26
(i)	Other financial assets - current	-	-	39.79	294.53	334.32
Total		**2,461.55**	**2,146.26**	**39.79**	**1,587.37**	**6,234.97**
Financial liabilities						
(a)	Lease liabilities - non-current			-	13.46	13.46
(b)	Borrowings - current			-	0.99	0.99
(c)	Trade payables			-	568.61	568.61
(d)	Other financial liabilities - non-current			-	0.24	0.24
(e)	Other financial liabilities - current			1.67	932.31	933.98
Total				**1.67**	**1,515.61**	**1,517.28**

(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, 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.

₹ in crore

	As at March 31, 2019			
	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	39.56	-	39.56	-
Options	0.20	-	0.20	-
Foreign exchange forward contracts	0.03	-	0.03	-
FVTOCI financial investments				
Quoted equity instruments	1,978.84	1,978.84	-	-
Unquoted equity instruments	482.71	-	-	482.71
FVTPL financial investments				
Investment in mutual funds	2,146.26	-	2,146.26	-
Liabilities measured at fair value:				
Derivative financial liabilities				
Foreign exchange forward contracts	1.67	-	1.67	-
Liabilities for which fair values are disclosed				
Borrowings				
Unsecured Non convertible debentures	250.67	250.67	-	-

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 2018	**647.77**
Add / (less): fair value changes through Other comprehensive income	5.13
Investment transferred to Joint venture	(170.19)
Balance as at March 31, 2019	**482.71**
Add / (less): fair value changes through Other comprehensive income	(75.71)
Balance as at March 31, 2020	**407.00**

(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 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.

(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 insturments 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).

(vi) The fair values of the 10% unsecured redeemable non-convertible debenture (included in current maturities of non-current borrowings) are derived from quoted market prices. The Company has no other non-current borrowings with fixed-rate of interest.

(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, 2020	As at March 31, 2019
USD exposure		
Assets	87.86	68.39
Liabilities	(44.06)	(482.70)
Net	**43.80**	**(414.31)**
Derivatives to hedge USD exposure		
Forward contracts - (USD/ INR)	13.31	31.54
Option contracts- (USD/ INR)	-	10.37
Cross currency interest rate swaps - (USD/ INR)	-	438.85
	13.31	**480.76**
Net exposure	**57.11**	**66.45**

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, 2020	As at March 31, 2019
If INR had (strengthened) / weakened against USD by 5% (Decrease) / increase in profit for the year	2.86	3.32

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.

As at the end of reporting period, the Company had the following long term variable interest rate borrowings and derivatives to hedge the interest rate risk as follows:

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-current variable interest rate borrowings	-	438.85
Derivatives to hedge interest rate risk		
Cross currency interest rate swaps	-	438.85
Net exposure	**-**	**-**

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, 2020 and 2019 would increase / (decrease) by ₹ 74.86 crore and ₹ 98.94 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.

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, 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**
As at March 31, 2019					
Borrowings and future interest thereon	689.08	689.08	-	-	689.08
Lease liability	18.84	5.38	13.46	-	18.84
Trade and other payables	807.69	807.45	0.24	-	807.69
Total	**1,515.61**	**1,501.91**	**13.70**	**-**	**1,515.61**

The below table analyses the Company'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, 2020	As at March 31, 2019
Current portion	-	1.67
Non-current portion	-	-
Net	**-**	**1.67**

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.

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') (note 36)
3	Ncourage Social Enterprise Foundation
Indirect	
1	Rallis Chemistry Exports Limited, India
2	PT Metahelix Lifesciences Indonesia (PTLI), Indonesia
3	Valley Holdings Inc., United States of America
4	Tata Chemicals North America Inc., United States of America
5	General Chemical International Inc., United States of America
6	NHO Canada Holdings Inc., United States of America
7	Tata Chemicals (Soda Ash) Partners (TCSAP), United States of America **
8	Tata Chemicals (Soda Ash) Partners Holdings(TCSAPH), United States of America **
9	TCSAP LLC,United States of America
10	Homefield Pvt UK Limited, United Kingdom
11	TCE Group Limited (formerly known as Homefield 2 UK Limited)
12	Tata Chemicals Africa Holdings Limited, United Kingdom
13	Natrium Holdings Limited (formerly known as Tata Chemicals Europe Holdings Limited)
14	Tata Chemicals Europe Limited, United Kingdom
15	Winnington CHP Limited,United Kingdom
16	Brunner Mond Group Limited, United Kingdom
17	Tata Chemicals Magadi Limited, United Kingdom
18	Northwich Resource Management Limited, United Kingdom
19	Gusiute Holdings (UK) Limited, United Kingdom
20	TCNA (UK) Limited, United Kingdom
21	British Salt Limited, United Kingdom
22	Cheshire Salt Holdings Limited, United Kingdom
23	Cheshire Salt Limited, United Kingdom
24	Brinefield Storage Limited, United Kingdom
25	Cheshire Cavity Storage 2 Limited, United Kingdom
26	Cheshire Compressor Limited, United Kingdom
27	Irish Feeds Limited,United Kingdom
28	New Cheshire Salt Works Limited, United Kingdom
29	Tata Chemicals (South Africa) Proprietary Limited, South Africa
30	Magadi Railway Company Limited, Kenya
31	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 New Cheshire Salt Works 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 Group	
1.	Tata Sons Private Ltd. India
List of subsidiaries and joint ventures of Tata Sons Private Ltd. @@	
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.	TASEC Limited (formely TAS-AGT Systems 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

@@ 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 and balances with Related parties (as defined under Ind AS 24).

₹ in crore

	Subsidiaries of Tata Chemicals Limited										Joint ventures of Tata Chemicals Limited		Promoter	Subsidiaries and Joint ventures of Tata Sons Private Limited				
	Rallis India Limited, India	Metahelix	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	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	2.50	-	-	-	-	-	-	-	-	-	-	-	(3.48)	-	-	(0.98)
Purchase of goods (includes stock in transit) - (net of returns)	-	-	-	-	78.04	-	480.52	-	-	0.10	-	-	-	-	-	-	-	558.66
	-	-	-	-	55.17	2.62	457.94	-	-	0.73	99.94	-	-	-	-	-	-	616.40
Sales (net)	11.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.11
	11.29	-	4.03	-	-	-	0.44	-	-	-	-	-	-	-	0.05	-	-	15.81
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	2.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.44
Other services - expenses & Reimbursement of Expenses	(0.96)	(0.04)	(1.14)	-	(1.91)	(1.44)	(0.05)	-	(2.44)	-	-	0.71	7.82	10.98	5.21	-	-	16.74
	-	-	-	-	(1.84)	(1.43)	(0.04)	-	(1.82)	-	(0.18)	-	12.50	8.80	5.16	-	-	21.15
Other services - Income	0.07	0.01	0.02	-	-	0.26	-	1.61	0.12	-	-	0.16	0.10	-	0.16	-	-	2.51
	*	0.01	*	-	-	1.43	-	1.78	0.12	-	-	0.01	0.19	-	0.17	-	-	3.71
Dividend received	24.34	-	-	1.59	-	-	-	-	-	-	72.24	-	10.24	-	1.48	-	-	109.89
	24.34	-	-	1.58	-	-	-	-	-	-	58.43	-	8.19	-	1.55	-	-	94.09
Miscellaneous purchases/ Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.22	-	-	5.22
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.51	-	-	2.51
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	0.10	74.73	-	21.36	-	-	96.19
	-	-	-	-	-	-	-	-	-	-	-	-	131.53	-	37.76	-	-	169.29
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10	-	-	0.10
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40	-	-	0.40
Grant paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	7.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.50
Redemption of Debentures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.00	-	-	4.00
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposit Received	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.04
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions to employee benefit trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37.91	-	37.91
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.37	-	32.37
Other employees' related expenses	0.61	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	-	-	0.69
	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
Compensation to key Managerial Person																		
Short-term employee benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.92	9.92
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.51	10.51
Post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.38	7.38
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.75	1.75
Balances due from /to related parties																		
Amount receivables/advances/balances/ Loans																		
As at March 31, 2020	0.27	-	-	2.27	0.32	-	62.07	700.03	-	-	-	0.03	-	-	0.42	1.04	-	766.45
As at March 31, 2019	0.78	-	-	2.07	-	0.01	56.73	639.81	-	-	-	-	-	-	0.45	6.82	-	706.67
Impairment of loans																		
As at March 31, 2020	-	-	-	-	-	-	-	(700.03)	-	-	-	-	-	-	-	-	-	(700.03)
As at March 31, 2019	-	-	-	-	-	-	-	(639.81)	-	-	-	-	-	-	-	-	-	(639.81)
Refundable Deposit																		
As at March 31, 2020	0.04	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	0.04
As at March 31, 2019	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount payables (in respect of goods purchased and other services)																		
As at March 31, 2020	0.01	-	-		-	-	236.29	-	-	0.05	-	0.28	7.30	1.18	2.36	2.23	-	249.70
As at March 31, 2019	-	*	-		20.75	-	270.88	-	-	0.31	-	-	12.05	0.58	0.75	2.14	-	307.46
Amount receivable on account of any management contracts																		
As at March 31, 2020	0.66	0.01	0.76		0.63	0.69	0.02	0.85	0.97	-	-	0.06	0.18	-	0.09	-	-	4.92
As at March 31, 2019	(0.42)	-	*		0.63	0.33	0.02	0.38	0.33	-	0.07	0.04	0.16	-	0.23	-	-	1.77

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 2020 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. * value below ₹ 50,000

The figures in light print are for previous year

44. Commitments

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	289.57	269.94
Commitment towards partly paid investment	9.19	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, 2020	As at March 31, 2019
(i)	Excise, Customs and Service Tax	86.41	41.31
(ii)	Sales Tax	43.89	37.34
(iii)	Demand for utility charges	-	16.26
(iv)	Labour and other claims against the Company not acknowledged as debt	24.60	25.40
(v)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal)	551.39	434.04
(vi)	Income Tax (decided in Company's favor by Appellate authorities and Department is in further appeal)	15.54	16.05
(vii)	Contractual obligation upto	34.75	100.11

Item (i) to (vii)) above includes ₹ 34.75 crore (2019: ₹ 100.11 crore) relating to discontinued operations.

(b) Guarantees provided by the Company to third parties on behalf of subsidiaries aggregates USD 111.60 million & GBP 2.76 million (₹ 870.19 crore) (2019: USD 54 million & GBP 2.76 million (₹ 398.39 crore)).

45.2 Contingent assets

₹ in crore

		As at March 31, 2020	As at March 31, 2019
(i)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal)	78.40	78.40

46. Approval of Standalone Financial Statements

The Standalone Financial Statements were approved for issue by the board of directors on May 15, 2020.

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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker Director

R. Mukundan Managing Director and CEO

John Mulhall Chief Financial Officer

Rajiv Chandan General Counsel & Company Secretary

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, 2020, 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, 2020, 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.

We draw attention to Note 36 of the Consolidated Financial Statements in respect of a Scheme of Arrangement amongst Tata Chemicals Limited and Tata Consumer Products Limited (previously Tata Global Beverages Limited) and their respective shareholders and creditors (the 'Scheme') for demerger of Consumer Products Business of the Company. The Scheme has been given effect to from the Appointed Date of April 1, 2019 as approved by the National Company Law Tribunal and which is deemed to be the demerger date for the purpose of accounting and consequently financial information in the Consolidated Statement of Profit and Loss for the year ended March 31, 2019 has been restated.

Our opinion is not modified in respect of this matter.

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 (KAM)	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 focused on controls around the timely and accurate recording of sales transactions. For auditing assumptions of discounts and estimates of sales returns, we focused 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. We verified contractual terms of the invoice, acknowledged delivery receipts and tested the transit time to deliver the goods. Our tests of detail focused on cut-off samples to verify only revenue pertaining to current year is recognised based on terms and conditions set out in sales contracts and delivery documents; • 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 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 31 March 2020 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 judgements made by the Group 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 36% 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 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.

Demerger of Consumer Products Business (refer note 36 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The Group has demerged its Consumer Products Business (CPB) division to Tata Consumer Products Limited ("TCPL") ('the demerger') pursuant to a Scheme of Arrangement ('the scheme'). The Scheme of arrangement was approved by the National Company Law Tribunal (NCLT) with an Appointed date of April 1, 2019. The demerger of the CPB division has significant measurement and disclosure impacts on the Group's Consolidated Financial Statements. This involves identification of assets and liabilities to be transferred which is subject to provisions of the Scheme and is accordingly considered a key audit matter.	Our audit procedures included: • Obtaining and evaluating the Scheme for identification of the assets and liabilities to be transferred; • Evaluating the accounting treatment of the Demerger in line with the applicable accounting standards and applicable tax and other statutes; • Assessing and testing the accounting entries recorded in the books by the Group in respect of the Demerger for compliance with the accounting treatment assessed above; • Assessing and testing the adequacy of the Group's disclosures in respect of the Demerger for compliance with applicable accounting standards.

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 term 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 Statement of 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 of 30 subsidiaries, whose Financial Statements reflect total assets of ₹ 15,788.10 crore as at March 31, 2020, total revenues of ₹ 5,197.92 crore and net cash flows amounting to ₹ 309.72 crore 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 ₹ 5.45 crore for the year ended March 31, 2020, in respect of 2 joint ventures, whose Financial Statements have not been audited by us. These Financial Statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's 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 Financial Statements of 2 subsidiaries, whose Financial Statements reflect total assets of ₹ 89.02 crore as at March 31, 2020, total revenues of ₹ 164.97 crore and net cash flows amounting to ₹ 4.16 crore for the year ended on that date, as considered in the Consolidated Financial Statements, have not been audited either by us or by other auditors. The Consolidated Financial Statements also include the Group's share of net loss (and other comprehensive income) of ₹ 44.16 crore for the year ended March 31, 2020, as considered in the Consolidated Financial Statements, in respect of 2 joint ventures, whose Financial Statements have not been audited by us or by other auditors. These unaudited Financial Statements have been furnished to us by the Holding Company's 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 such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these unaudited Financial Statements 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 certified by the Holding Company's 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, 2020 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, 2020 on the consolidated financial position of the Group and its joint ventures. Refer Notes 21 and 47 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 during the year ended March 31, 2020, except for ₹ 0.57 crores, wherein legal disputes with regard to ownership 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, 2020.

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 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 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 : 20046476AAAABS5857

Mumbai
May 15, 2020

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of Tata Chemicals Limited for the Year ended March 31 2020

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 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 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 as of March 31 2020 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 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 2020, 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 of the Holding Company and its subsidiary companies which are companies incorporated in India, 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 : 20046476AAAABS5857

Mumbai
May 15, 2020

Consolidated Balance Sheet as at March 31, 2020

₹ in crore

		Note	As at March 31, 2020	As at March 31, 2019
I.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Property, plant and equipment	4	5,121.45	4,293.41
	(b) Capital work-in-progress		787.80	735.84
	(c) Investment property	5	21.24	27.21
	(d) Right of use assets	6	260.68	-
	(e) Goodwill on consolidation	7	1,954.23	1,811.03
	(f) Goodwill		45.53	48.00
	(g) Other intangible assets	8	7,952.48	7,371.34
	(h) Intangible assets under development		47.22	37.99
	(i) Investments in joint ventures	9(a)	770.31	870.56
	(j) Financial assets			
	(i) Other investments	9(b)	1,913.47	2,492.37
	(ii) Loans	10	9.99	7.87
	(iii) Other financial assets	11	4.93	7.35
	(k) Deferred tax assets (net)	22	15.31	36.24
	(l) Advance tax assets (net)	25(a)	699.92	815.00
	(m) Other non-current assets	12	285.32	252.40
	Total non-current assets		**19,889.88**	**18,806.61**
(2)	**Current assets**			
	(a) Inventories	13	1,869.16	1,725.58
	(b) Financial assets			
	(i) Investments	9(c)	1,601.02	2,252.34
	(ii) Trade receivables	14	1,579.92	1,452.50
	(iii) Cash and cash equivalents	15	1,254.26	1,888.38
	(iv) Bank balances other than (iii) above	15	825.26	63.81
	(v) Loans	10	0.23	1.33
	(vi) Other financial assets	11	139.01	340.79
	(c) Current tax assets (net)	25(a)	137.00	3.51
	(d) Other current assets	12	452.19	370.07
			7,858.05	**8,098.31**
	Assets classified as held for sale	26	4.27	-
	Total current assets		**7,862.32**	**8,098.31**
	Total assets		**27,752.20**	**26,904.92**
II.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	16	254.82	254.82
	(b) Other equity	17	12,642.84	12,086.45
	Equity attributable to equity share holders		**12,897.66**	**12,341.27**
	Non-controlling interests	18	763.77	2,914.67
	Total equity		**13,661.43**	**15,255.94**
	Liabilities			
(1)	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	19	3,473.36	4,769.33
	(ii) Lease liabilities	39	188.00	13.58
	(iii) Other financial liabilities	20	151.53	48.08
	(b) Provisions	21	1,653.52	1,503.92
	(c) Deferred tax liabilities (net)	22	1,437.94	1,297.18
	(d) Other non-current liabilities	23	98.07	68.25
	Total non-current liabilities		**7,002.42**	**7,700.34**
(2)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	19	1,912.94	352.46
	(ii) Trade payables			
	- Outstanding dues of micro enterprises and small enterprises	24	7.52	20.93
	- Outstanding dues of creditors other than above	24	1,623.40	1,454.40
	(iii) Other financial liabilities	20	2,687.23	1,454.55
	(b) Other current liabilities	23	384.42	249.79
	(c) Provisions	21	276.90	280.33
	(d) Current tax liabilities (net)	25(b)	195.94	136.18
	Total current liabilities		**7,088.35**	**3,948.64**
	Total liabilities		**14,090.77**	**11,648.98**
	Total equity and liabilities		**27,752.20**	**26,904.92**
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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker Director

R. Mukundan Managing Director and CEO

John Mulhall Chief Financial Officer

Rajiv Chandan General Counsel & Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

₹ in crore

		Note	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
I.	Revenue from operations	27	10,356.75	10,336.72
II.	Other income	28	311.12	409.46
III.	**Total income (I+II)**		**10,667.87**	**10,746.18**
IV.	**Expenses**			
	a) Cost of materials consumed		1,844.23	1,773.73
	b) Purchases of stock-in-trade		252.44	244.39
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(128.27)	(16.13)
	d) Employee benefits expense	30	1,375.37	1,318.49
	e) Finance costs	31	341.91	353.70
	f) Depreciation and amortisation expense	32	666.47	568.50
	g) Other expenses	33	5,063.81	5,235.78
	Total expenses (a to g)		**9,415.96**	**9,478.46**
V.	**Profit before exceptional items, share of profit of joint ventures and tax (III-IV)**		**1,251.91**	**1,267.72**
VI.	Exceptional gain (net)	34	-	70.33
VII.	**Profit after exceptional items, before share of profit of joint ventures and tax (V+VI)**		**1,251.91**	**1,338.05**
VIII.	Share of (loss)/profit of joint ventures (net of tax)	9(a)	(3.85)	99.21
IX.	**Profit before tax (VII+VIII)**		**1,248.06**	**1,437.26**
X.	**Tax expense**			
	(a) Current tax	35	266.33	308.61
	(b) Deferred tax	35	(46.68)	(34.17)
	Total tax expense (a+b)		**219.65**	**274.44**
XI.	**Profit for the year from continuing operations (IX-X)**		**1,028.41**	**1,162.82**
XII.	Profit before tax from discontinued operations	36	-	293.18
XIII.	Exceptional gain from discontinued operations (net)	36	6,128.08	-
XIV.	Share of profit of joint ventures (net of tax)	9(a), 36	31.34	-
XV.	Tax expense of discontinued operations	36	(40.32)	69.15
XVI.	**Profit for the year from discontinued operations (XII+XIII+XIV-XV)**		**6,199.74**	**224.03**
XVII.	**Profit for the year (XI+XVI)**		**7,228.15**	**1,386.85**
XVIII.	**Other comprehensive income (net of tax) ('OCI')**			
	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		(579.88)	267.18
	- Remeasurement of defined employee benefit plans (note 40)		(68.58)	88.53
	(ii) Income tax relating to items that will not be reclassified to the Consolidated Statement of Profit and Loss		(95.79)	35.72
	(iii) Share of other comprehensive income in joint ventures (net of tax)		(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		(230.77)	(68.54)
	- Changes in foreign currency translation reserve		439.14	336.39
	(ii) Income tax relating to items that will be reclassified to the Consolidated Statement of Profit and Loss		(4.20)	1.71
	(iii) Share of other comprehensive income in joint ventures (net of tax)		10.19	-
	Total other comprehensive income (net of tax) (A (i-ii+iii) +B (i-ii+iii))		**(406.30)**	**586.13**
XIX.	**Total comprehensive income for the year (XVII+XVIII)**		**6,821.85**	**1,972.98**
XX.	**Profit for the year from continuing operations (XI)**			
	Attributable to:			
	(i) Equity shareholders of the Company		806.59	931.88
	(ii) Non-controlling interests		221.82	230.94
			1,028.41	**1,162.82**
XXI.	**Profit for the year from discontinued operations (XVI)**			
	Attributable to:			
	(i) Equity shareholders of the Company		6,199.74	224.03
	(ii) Non-controlling interests		-	-
			6,199.74	**224.03**
XXII.	**Profit for the year (XVII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		7,006.33	1,155.91
	(ii) Non-controlling interests		221.82	230.94
			7,228.15	**1,386.85**
XXIII.	**Other comprehensive income (net of tax) (XVIII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		(456.88)	453.40
	(ii) Non-controlling interests		50.58	132.73
			(406.30)	**586.13**
XXIV.	**Total comprehensive income for the year (XIX)**			
	Attributable to:			
	(i) Equity shareholders of the Company		6,549.45	1,609.31
	(ii) Non-controlling interests		272.40	363.67
			6,821.85	**1,972.98**
XXV.	**Earnings per share for continuing operations (in ₹)**			
	- Basic and Diluted	37	31.66	36.59
XXVI.	**Earnings per share for discontinued operations (in ₹)**			
	- Basic and Diluted	37	243.36	8.79
XXVII.	**Earnings per share for continuing and discontinued operations (in ₹)**			
	- Basic and Diluted	37	275.02	45.38
	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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker Director

R. Mukundan Managing Director and CEO

John Mulhall Chief Financial Officer

Rajiv Chandan General Counsel & Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

a. Equity share capital (note 16)

	₹ in crore
Balance as at March 31, 2020	**254.82**
Balance as at March 31, 2019	254.82

b. Other equity (note 17) and non-controlling interests (note 18)

₹ in crore

	Other Equity									Total attributable to the equity shareholders of the parent	Non-controlling interests
	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	Effective portion of cash flow hedges	Foreign currency translation reserve		
Balance as at April 1, 2018	**20.73**	**1,258.89**	**0.10**	**240.00**	**1,282.47**	**4,626.08**	**1,941.85**	**19.31**	**1,457.46**	**10,846.89**	**2,717.16**
Profit for the year	-	-	-	-	-	1,155.91	-	-	-	1,155.91	230.94
Other comprehensive income (net of tax)	-	-	-	-	-	82.14	234.22	(73.77)	210.81	453.40	132.73
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,238.05**	**234.22**	**(73.77)**	**210.81**	**1,609.31**	**363.67**
Transferred to Retained earnings - sale of non-current investments	-	-	-	-	-	4.39	(4.39)	-	-	-	-
Dividends including tax on dividend	-	-	-	-	-	(675.66)	-	-	-	(675.66)	(167.50)
Changes in ownership interests in Joint ventures											
Joint venture accounting (note 9(a) and 38)	305.91	-	-	-	-	-	-	-	-	305.91	-
Changes in ownership interests in subsidiaries											
Additional contribution by NCI	-	-	-	-	-	-	-	-	-	-	1.34
Balance as at March 31, 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**	**2,914.67**
Transition impact of Ind AS 116 (note 39)	-	-	-	-	-	(14.95)	-	-	-	(14.95)	(2.19)
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**

* including remeasurement of defined employee benefit plans

Notes forming part of the Consolidated Financial Statements - (note 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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker — Director

R. Mukundan — Managing Director and CEO

John Mulhall — Chief Financial Officer

Rajiv Chandan — General Counsel & Company Secretary

Consolidated Statement of Cash Flows for the year ended March 31, 2020

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
A	**Cash flows from operating activities**		
	Profit before tax from continuing operations	1,248.06	1,437.26
	Profit before tax from discontinued operations	6,159.42	293.18
		7,407.48	**1,730.44**
	Adjustments for :		
	Depreciation and amortisation expense	666.47	571.39
	Provision for exceptional items (note 36)	92.07	-
	Finance costs	341.91	365.28
	Interest income	(59.81)	(85.31)
	Dividend income	(27.31)	(24.09)
	Gain on demerger of discontinued operation (net) (note 36)	(6,220.15)	-
	Share of profit of joint ventures	(27.49)	(99.21)
	Net gain on sale of current investments	(128.70)	(187.40)
	Provision for employee benefits expense	32.92	53.87
	Provision for doubtful debts, advances and other receivables/bad debts written off (net)	21.24	17.36
	Provision for contingencies (net)	154.25	43.63
	Liabilities no longer required written back	(18.18)	(125.54)
	Foreign exchange loss (net)	22.25	1.01
	(Profit)/loss on assets sold or discarded (net)	(15.06)	19.14
	Operating profit before working capital changes	**2,241.89**	**2,280.57**
	Adjustments for :		
	Trade receivables, loans, other financial assets and other assets	(190.96)	322.57
	Inventories	(275.01)	(411.61)
	Trade payables, other financial liabilities and other liabilities	151.96	(125.33)
	Cash generated from operations	**1,927.88**	**2,066.20**
	Taxes paid (net of refund)	(147.79)	(484.91)
	Net cash generated from operating activities	**1,780.09**	**1,581.29**
B	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment (including capital work- in-progress, intangible assets and intangible assets under development)	(1,199.42)	(1,082.30)
	Proceeds from sale of property, plant and equipment	29.93	2.78
	Proceeds from sale of other non-current investments	-	3.69
	Payment on acquisition of business	-	(116.82)
	Proceeds from sale of current investments	8,875.68	15,232.91
	Purchase of non-current investments	-	(1.47)
	Purchase of current investments	(8,085.67)	(17,206.24)
	Purchase of investments in joint ventures	-	(0.35)
	Bank balances not considered as cash and cash equivalents	(759.59)	476.46
	(Payment on)/ proceeds from sale of discontinued operations (net) (note 36)	(8.00)	565.08
	Acquisition of non-controlling interests by the group	(1,382.12)	-
	Interest received	60.13	85.55
	Dividend received	100.83	82.52
	Net cash used in investing activities	**(2,368.23)**	**(1,958.19)**

Consolidated Statement of Cash Flows for the year ended March 31, 2020

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
C	**Cash flows from financing activities**		
	Proceeds from borrowings	2,951.73	962.06
	Repayment of borrowings	(2,129.23)	(1,533.46)
	Repayment towards lease liabilities	(87.39)	(4.75)
	Finance costs paid	(308.96)	(293.85)
	Contribution from non-controlling interests	-	1.34
	Payment of Dividend to non-controlling interests	(171.18)	(167.50)
	Bank balances in dividend and restricted account	(1.86)	(3.16)
	Dividends paid including distribution tax	(382.37)	(672.51)
	Net cash used in financing activities	**(129.26)**	**(1,711.83)**
	Net decrease in cash and cash equivalents	**(717.40)**	**(2,088.73)**
	Cash and cash equivalents as at April 1	1,888.38	3,945.93
	Movement in cash and cash equivalents pertaining to discontinued operations (note 36)	-	1.04
	Exchange difference on translation of foreign currency cash and cash equivalents	83.28	30.14
	Cash and cash equivalents as at March 31 (note 15)	**1,254.26**	**1,888.38**

Footnote:

Reconciliation of borrowings and lease liabilities

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Non-current borrowings (note 19)	3,473.36	4,769.33
Non-current lease liabilities (note 39)	188.00	13.58
Current borrowings (note 19)	1,912.94	352.46
Current maturities of non-current borrowings (note 20)	2,040.65	1,002.58
Current maturities of lease liabilities (note 20 and 39)	87.42	5.48
Liabilities/(assets) held to hedge non-current borrowings (net) (note 42)	96.84	(20.37)
	7,799.21	**6,123.06**
Proceeds from borrowings	2,951.73	962.06
Repayment of borrowings of continuing operations	(2,129.23)	(1,223.38)
Repayment of borrowings of discontinued operation	-	(310.08)
Repayment towards lease liabilities	(87.39)	(4.75)
Transition impact of Ind AS 116 (note 39)	298.31	-
Addition to lease liabilities pertaining to right of use assets	32.27	-
Realised foreign exchange loss due to financing activities (net)	(48.92)	-
Unrealised foreign exchange gain/(loss) (net)	522.74	279.05
Fair value changes (net)	117.21	1.34
Unamortised finance cost	19.43	22.28
Movement of borrowings (net)	**1,676.15**	**(273.48)**

Notes forming part of the Consolidated Financial Statements - (note 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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker Director

R. Mukundan Managing Director and CEO

John Mulhall Chief Financial Officer

Rajiv Chandan General Counsel & Company Secretary

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 year, the Company has demerged consumer products 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') 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.

Figures for the year ended March 31, 2019 have been restated on account of demerger of consumer products business (note 36).

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 and 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 litigations. 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. Provisions for litigations 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 Standalone 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 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 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 Consolidated Statement of Profit and 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 Consolidated Statement of Profit and 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 Consolidated Statement of Profit and 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 2% (previous year 3%) 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 operations 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 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.

PPE, CWIP and intangible assets

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. 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 / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.19 Leases

The Group has adopted Ind AS 116 effective from April 1, 2019 using modified retrospective approach. For the purpose of preparation of consolidated Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31, 2020. Accordingly, the Group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

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 rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. 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.

Refer note 2.19 – Significant accounting policies – Leases in the Annual report of the Group for the year ended March 31, 2019, for the policy as per Ind AS 17.

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 Consolidated 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 Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance Sheet 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.

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.

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 Consolidated 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, 2020.

3.2 Note on COVID-19

In view of the lockdown across the country due to the outbreak of COVID pandemic, operations in many of the Group's locations (manufacturing, warehouses, offices, etc.) are scaled down or shut down in compliance with the directives/ orders issued by the local Panchayat/Municipal Corporation/State/Central Government authorities.

International businesses are operating under local guidelines for social distancing and high hygiene standards. The duration of this disruption is uncertain at this point in time and resumption of full-fledged operations will depend upon directives issued by the respective Government authorities.

As per management's current assessment, no significant impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets is expected, and management will continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these Consolidated 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 and Railway Sidings	Mines and Quarries#	Total
Gross Block											
Balance as at April 1, 2018	273.86	8.85	653.62	186.57	3,681.59	121.38	28.20	37.35	20.83	153.47	5,165.72
Additions/adjustments	2.85	-	55.30	5.98	614.44	13.11	0.50	13.70	4.07	19.85	729.80
Disposals	(0.46)	-	(0.32)	(0.61)	(39.96)	(1.68)	(2.94)	(0.01)	-	(0.14)	(46.12)
Reclassified from assets held for sale (note 26)	-	13.91	-	-	-	-	-	-	-	-	13.91
Exchange fluctuations	(2.16)	-	11.44	0.71	54.83	2.77	1.24	(0.01)	0.69	9.16	78.67
Balance as at March 31, 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 operation (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**
Accumulated Depreciation											
Balance as at April 1, 2018	-	1.56	117.10	25.31	933.90	55.61	10.62	13.47	8.78	12.18	1,178.53
Depreciation for the year	-	0.36	41.27	8.57	380.50	18.22	5.83	4.10	2.33	13.78	474.96
Disposals / adjustments	-	-	(0.22)	(0.01)	(20.64)	(0.88)	(2.67)	-	-	(0.14)	(24.56)
Reclassified from assets held for sale (note 26)	-	1.26	-	-	-	-	-	-	-	-	1.26
Exchange fluctuations	-	-	2.72	0.21	13.19	0.88	0.40	(0.01)	0.39	0.60	18.38
Balance as at March 31, 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 operation (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**
Net Block as at March 31, 2019	**274.09**	**19.58**	**559.17**	**158.57**	**3,003.95**	**61.75**	**12.82**	**33.47**	**14.09**	**155.92**	**4,293.41**
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**

* Freehold land ₹ 15.05 crore (2019 : ₹ Nil) and other building ₹ 0.01 crore (2019: ₹ 0.01 crore) for which legal formalities relating to transfer of title are pending.

** Includes ₹ 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, 2018	3.58	26.52	30.10
Additions	-	-	-
Balance as at March 31, 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**
Accumulated Depreciation			
Balance as at April 1, 2018	-	2.16	2.16
Depreciation for the year	-	0.73	0.73
Balance as at March 31, 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**
Net Block as at March 31, 2019	**3.58**	**23.63**	**27.21**
Net Block as at March 31, 2020	**1.13**	**20.11**	**21.24**

* 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, 2020 is ₹ 139.00 crore (2019: ₹ 363.01 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 (note 39)	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**
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**
Net Block as at March 31, 2020	**10.99**	**107.30**	**35.09**	**95.17**	**9.78**	**2.35**	**260.68**

7. Goodwill on consolidation

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Carrying value as at April 1	1,811.03	1,731.85
Exchange fluctuations	143.20	79.18
Carrying value as at March 31	**1,954.23**	**1,811.03**

Goodwill of ₹ 1,583.41 crore (2019: ₹ 1,447.18 crore) and ₹ 218.89 crore (2019: ₹ 211.92 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 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 (2019: ₹ 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, 2018	17.47	15.36	22.19	7,290.07	7,345.09
Additions	1.52	5.53	1.43	-	8.48
Disposals	(0.02)	-	(0.55)	-	(0.57)
Exchange fluctuations	0.62	-	-	434.00	434.62
Balance as at March 31, 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 operation (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**
Accumulated amortisation					
Balance as at April 1, 2018	10.31	9.78	15.79	269.49	305.37
Amortisation for the year	2.10	4.47	1.41	87.72	95.70
Disposals	-	-	(0.21)	-	(0.21)
Exchange fluctuations	0.44	-	-	14.98	15.42
Balance as at March 31, 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 operation (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**
Net Block as at March 31, 2019	**6.74**	**6.64**	**6.08**	**7,351.88**	**7,371.34**
Net Block as at March 31, 2020	**7.20**	**5.11**	**8.49**	**7,931.68**	**7,952.48**

* 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:		**Percentage of ownership Interest**	
	Country of incorporation	**As at March 31, 2020**	**As at March 31, 2019**
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, 2020 and 2019. The joint ventures have no other contingent liabilities or capital commitments as at March 31, 2020 and 2019.

Carrying amount of investment in joint ventures

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Indo Maroc Phosphore S.A.	336.07	391.73
JOil (S) Pte. Ltd.*	-	-
The Block Salt Company Ltd.	2.27	2.73
Tata Industries Ltd. (w.e.f. 27 March, 2019) (note 38)	431.97	476.10
Total	**770.31**	**870.56**

*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, 2020	Year ended March 31, 2019
Opening carrying value as at April 1	A	870.56	352.72
Add/(Less):			
Additional Investment	B	-	0.35
Ind-AS 116 Impact - Lease	C	(0.27)	-
Joint venture Reserve movement	D	0.30	-
Transfer from other investment (fair valued)	E	-	476.10
Add: Share of profit of joint ventures			
Group's share of profit for the year (net of tax)			
- from continuing operation		(3.85)	97.98
- from discontinued operation**		31.34	-
Margin elimination on stock		-	1.23
	F	**27.49**	**99.21**
Other comprehensive income (net of tax)	G	(66.20)	-
Dividend received during the year	H	(73.52)	(58.43)
Exchange fluctuations	I	11.95	0.61
Closing carrying value as at March 31	**A to I**	**770.31**	**870.56**

** 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, 2020		As at March 31, 2019	
	Holdings No of shares	Amount ₹ in crore	Holdings No of shares	Amount ₹ in crore
(a) Investments in equity instruments (Fair value through other comprehensive income)				
(I) Quoted				
Crystal Peak Minerals Inc.	2,90,55,612	5.45	2,90,55,612	27.03
The Indian Hotels Co. Ltd.	1,06,89,348	80.17	1,06,89,348	165.58
Oriental Hotels Ltd.	25,23,000	4.35	25,23,000	11.62
Tata Investment Corporation Ltd.	4,41,015	29.25	4,41,015	36.75
Tata Steel Ltd.	28,90,693	77.93	28,90,693	150.61
Tata Steel Ltd. (partly paid)	1,99,358	0.59	1,99,358	1.28
Tata Motors Ltd.	19,66,294	13.97	19,66,294	34.26
Titan Company Ltd.	1,38,26,180	1,290.97	1,38,26,180	1,578.74
Spartek Ceramics India Ltd.	7,226	-	7,226	-
Nagarjuna Finance Ltd.	400	-	400	-
Pharmaceuticals Products of India Limited	10,000	-	10,000	-

9. (b) Other investments (Cont...)

		As at March 31, 2020		As at March 31, 2019	
		Holdings No of shares	Amount ₹ in crore	Holdings No of shares	Amount ₹ in crore
	Balasore Alloys Ltd.	504	*	504	*
	J.K.Cement Ltd.	44	*	44	*
	Total quoted investment (i)		**1,502.68**		**2,005.87**
(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	16.48	32,30,859	16.35
	Tata International Ltd.	48,000	108.48	48,000	140.64
	Tata Projects Ltd.	1,93,500	222.85	1,93,500	266.53
	Tata Services Ltd.	1,260	0.13	1,260	0.13
	Tata Sons Ltd.	10,237	56.86	10,237	56.86
	Tata Teleservices Ltd. (footnote 'i')#	12,85,110	-	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.	54,000	0.01	54,000	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	3.38	5,68,414	3.38
	Caps Rallis (Private) Ltd.	21,00,000	-	21,00,000	-
	Total unquoted investment (ii)		**410.79**		**486.50**
	Total investments (i + ii)		**1,913.47**		**2,492.37**
	Aggregate amount of quoted investments (i)		1,502.68		2,005.87
	Aggregate market value of quoted investments (i)		1,502.68		2,005.87
	Aggregate carrying value of unquoted investments (ii)		410.79		486.50
	#Aggregate amount of impairment in value of other unquated Investments		1.51		1.51

Footnote:

(i) Shares can be transferred only with the prior approval of the Board of Directors of Tata Teleservices Ltd.

* value below ₹ 50,000/-

9. (c) Current investments (Fair value through profit and loss)

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Investment in mutual funds - unquoted	1,601.02	2,252.34
Total current investments	**1,601.02**	**2,252.34**

10. Loans

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-Current		
Unsecured, considered good		
(i) Loans to employees (footnote 'i')	0.92	1.13
(ii) Security Deposit	9.07	6.74
	9.99	**7.87**
Current		
Unsecured, considered good		
(i) Loans to employees (footnote 'i')	0.23	0.40
(ii) Security Deposit	-	0.93
	0.23	**1.33**

Footnote:

(i) Loans to employees includes ₹ Nil (2019: ₹ *) due from officer of the Group. Maximum balance outstanding during the year is ₹ Nil (2019 : ₹ *).

* value below ₹ 50,000"

11. Other financial assets

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-Current		
(a) Fixed deposits with banks	1.03	0.69
(b) Deposit with others	2.94	4.77
(c) Derivatives (note 42)	0.96	1.89
	4.93	**7.35**
Current		
(a) Claim receivable - Related party (note 45)	0.33	0.50
(b) Derivatives (note 42)	12.38	54.65
(c) Accrued income	58.56	53.39
(d) Advance recoverable - Related party (note 45)	1.03	1.03
(e) Subsidy Receivable (net) (footnote 'i')	60.08	224.75
(f) Others	6.63	6.47
	139.01	**340.79**

Footnote:

(i) Subsidy receivable from the Government relates to Phosphatic fertiliser business and Trading business.

12. Other assets

₹ in crore

		As at March 31, 2020	As at March 31, 2019
Non-Current			
(a)	Capital advances	131.11	107.94
(b)	Claim receivable	5.48	5.50
(c)	Deposit with public bodies and others	64.86	56.16
(d)	Prepaid expenses	28.41	24.54
(e)	Net defined benefit assets (note 40)	45.00	48.37
(f)	Others	10.46	9.89
		285.32	**252.40**
Current			
(a)	Prepaid expenses	43.28	59.98
(b)	Advance to suppliers	55.50	50.32
(c)	Statutory receivables	285.03	202.37
(d)	Others	68.38	57.40
		452.19	**370.07**

13. Inventories

₹ in crore

		As at March 31, 2020	As at March 31, 2019
(a)	Raw materials (footnote 'i')	740.59	619.80
(b)	Work-in-progress	129.41	112.43
(c)	Finished goods	664.10	594.62
(d)	Stock-in-trade (footnote 'i')	87.25	125.34
(e)	Stores, spare parts and packing materials (footnote 'i')	247.81	273.39
		1,869.16	**1,725.58**

Footnotes:

(i) Inventories includes goods in transit:

(ii) The cost of inventories recognised as an expense includes ₹ 9.37 crore (2019: ₹ 8.64 crore) in respect of write-down of inventories to net realisable value, and has been reduced by ₹ 3.66 crore (2019: ₹ 2.73 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, 2020	As at March 31, 2019
Current		
(a) Secured, considered good	93.52	70.79
(b) Unsecured, considered good	1,486.40	1,381.71
(c) Unsecured, which have significant increase in Credit Risk	-	3.24
(d) Unsecured, credit impaired	87.36	88.19
Less: Impairment loss allowance	(87.36)	(91.43)
	1,579.92	**1,452.50**

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, 2020	Year ended March 31, 2019
Balance at the beginning of the year	91.43	34.34
Credit impaired pertaining to discontinued operations (note 36)	(11.43)	48.28
Provision during the year	11.24	16.85
Reversal during the year	(4.29)	(8.12)
Exchange fluctuation	0.41	0.08
Balance at the end of the year	**87.36**	**91.43**

(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, 2020	As at March 31, 2019
Cash and cash equivalents:		
(a) Balance with banks	489.65	241.18
(b) Cash on hand	0.10	0.14
(c) Deposits accounts (with original maturity less than 3 months)	764.51	1,647.06
Cash and cash equivalents as per Consolidated Statement of Cash Flow	**1,254.26**	**1,888.38**
Other bank balances:		
(a) Earmarked balances with banks	22.32	20.46
(b) Deposit accounts (other than (c) above, with original maturity less than 12 months from the Balance Sheet date)	802.94	43.35
	825.26	**63.81**

Footnote:

(i) Non cash transactions

The Company has not entered into any non cash investing and financing activities.

16. Equity share capital

		As at March 31, 2020		As at March 31, 2019	
		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, 2020		Year ended March 31, 2019	
	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 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, 2020		As at March 31, 2019	
		No of shares	%	No of shares	%
Ordinary shares with voting rights					
(i)	Tata Sons Private Ltd.	7,26,25,673	28.51	5,97,86,423	23.47
(ii)	HDFC Trustee Company Limited	*	*	2,26,13,010	8.88
(iii)	Life Insurance Corporation Of India	1,68,84,036	6.63	1,55,71,496	6.11
(iv)	ICICI Prudential Mutual fund	1,60,79,641	6.31	*	*
(v)	Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,52,00,001	5.97

* Not holding more than 5% shares

17. Other equity

₹ in crore

		As at March 31, 2020	As at March 31, 2019
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	-	240.00
5	General reserve	1,522.47	1,282.47
6	Foreign currency translation reserve	2,062.55	1,668.27
7	Retained earnings	6,185.80	5,192.86
8	Equity instruments through other comprehensive income	1,568.02	2,171.68
9	Effective portion of cash flow hedges	(281.63)	(54.46)
Total other equity		**12,642.84**	**12,086.45**

The movement in other equity

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
17.1 Capital reserve and other reserves from amalgamation		
Balance at the beginning of the year	326.64	20.73
Changes during the year (note 9(a) and 38)	-	305.91
Balance at the end of the year	**326.64**	**326.64**
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	240.00
Transferred to General reseve	(240.00)	-
Balance at the end of the year	**-**	**240.00**
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 year.		
17.5 General reserve		
Balance at the beginning of the year	1,282.47	1,282.47
Transferred from Debenture redemption reserve	240.00	-
Balance at the end of the year	**1,522.47**	**1,282.47**
Footnote: The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
17.6 Foreign currency translation reserve		
Balance at the beginning of the year	1,668.27	1,457.46
Changes during the year	394.28	210.81
Balance at the end of the year	**2,062.55**	**1,668.27**

Footnotes:

The Foreign currency translation reserve represents all exchange differences arising from translation of Financial Statements of foreign operations.

17.7 Retained earnings

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	5,192.86	4,626.08
Profit for the year	7,006.33	1,155.91
Remeasurement of defined employee benefit plans (net of tax)	(26.97)	82.14
Dividends including tax on dividend	(383.89)	(675.66)
Deemed dividend on demerger (note 36)	(6,307.97)	-
Refund of tax on dividend	1.65	-
Transition impact of Ind AS 116 (note 39)	(14.95)	-
Impact on Merger of Zero Waste to Rallis	0.14	-
Joint venture Reserve movement	0.30	-
Acquisition of non-controlling interests (note 38)	718.30	-
Transfer from Equity instruments through other comprehensive income	-	4.39
Balance at the end of the year (footnote 'ii')	**6,185.80**	**5,192.86**

Footnote:

(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 110 % (2019: 125%) for the financial year 2019-20 ₹ 11.00 per share (2019: ₹ 12.50 per share) which is subject to the approval of the shareholders.

(ii) Includes balance of remeasurement of net defined benefit plans loss of ₹ 734.09 crore (2019: ₹ 707.12 crore).

17.8 Equity instruments through other comprehensive income

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	2,171.68	1,941.85
Changes in fair value of equity instruments at FVTOCI (net of tax)	(603.66)	234.22
Transfer to Retained earnings	-	(4.39)
Balance at the end of the year	**1,568.02**	**2,171.68**

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.

17.9 Effective portion of cash flow hedges (note 42(c))

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	(54.46)	19.31
Acquisition of non-controlling interests	(6.64)	-
Changes during the year	(220.53)	(73.77)
Balance at the end of the year	**(281.63)**	**(54.46)**

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, 2020	As at March 31, 2019
Rallis India Limited ("Rallis")	India	49.94%	49.94%
Tata Chemicals (Soda Ash) Partners Holdings** (note 38)	United States of America	^^	25.00%
Tata Chemicals (Soda Ash) Partners ** (note 38)	United States of America	^^	25.00%
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, 2020	Year ended March 31, 2019
Opening as at April 1	2,914.67	2,717.16
Add/(Less):		
Profit for the year	221.82	230.94
Other comprehensive income for the year	50.58	132.73
Dividends including tax on dividend	(171.18)	(167.50)
Impact due to Ind-AS 116 Implementation	(2.19)	-
Impact on Merger of Zero Waste to Rallis	0.14	-
Additional infusion by NCI	-	1.34
Acquisition of non-controlling interests by Group	(2,250.07)	-
Closing as at March 31	**763.77**	**2,914.67**

19. Borrowings

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-current		
Secured - at amortised cost		
(a) Term loans - bank (footnote 'a')	1,402.54	2,898.32
(b) Term loans - others (footnote 'b')	0.27	0.47
Unsecured - at amortised cost		
(a) Term loans - bank (footnote 'd')	2,098.59	1,921.14
(b) Term loans - others (footnote 'e')	0.42	0.17
(c) Other loans (footnote 'f')	5.23	5.55
	3,507.05	**4,825.65**
Less: Unamortised finance cost	33.69	56.32
	3,473.36	**4,769.33**
Current		
Loans repayable on demand		
Secured - from banks		
(a) Cash/packing credits/Bank o/d (footnote 'g')	24.12	36.95
(b) Working capital demand loan (footnote 'h')	42.88	30.83
Unsecured - from banks		
(a) Term loans - bank (footnote 'i')	1,324.14	-
(b) Working capital demand loan (footnote 'j')	378.33	117.56
(c) Suppliers' credit (footnote 'k')	143.47	167.12
	1,912.94	**352.46**

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 a £ 80 million term loan ('Term loan') and a £ 20 million revolving credit facility ('RCF'). As at March 31, 2020, the debt outstanding under the term loan amounts to ₹ 748.02 crore (2019: ₹ 724.19 crore) (£ 80 million 2019: £ 80 million).

A maximum of £ 20 million can be drawn down under the RCF, of which ₹187.01 crore (2019: ₹162.95 crore) (2020: £ 20 million and 2019: £ 18 million) had been drawn down as at March 31, 2020.

Interest on this facility is payable at LIBOR plus 1.15% per annum (2019: 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, 2020, the debt outstanding under the term loan amounts to ₹ 467.51 crore (2019: ₹ 452.62) (£ 50 million 2019: £ 50 million). The RCF is unutilised as at March 31, 2020.

Interest on these facility is payable at LIBOR plus 1.35% 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 2021 and ending in March 2023.

(iii) Secured term loans owed by Tata Chemicals North America ('TCNA') Group:

Secured term loans of TCNA comprise of a USD 315 million term loan ('Term loan') and a USD 25 million revolving line of credit ('Revolver').

The term loans are 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, 2020, the debt outstanding under this agreement is ₹1,704.73 crore (USD 225.30 million) (this has been disclosed in note 20 within the heading current maturity of non-current borrowings under other financial liabilities (current)) and 2019: ₹1,558.06 crore (USD 225.30 million). The Term loan and Revolver are repayable in full on August 9, 2020.

The borrowing under this facility bears interest at either LIBOR plus applicable margin or an alternate base rate based upon the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% and (c) the Adjusted LIBOR for a one month Interest Period on such day plus 1%. The applicable margin on the Term loan and Revolver is 2.75% per annum on LIBOR borrowings and 1.75% per annum on alternate base rate loans.

(iv) Secured term loans owed by Rallis India Limited ('Rallis'):

The other term loan is secured by a first charge on entire movable fixed assets and agricultural property funded by the bank. The balance outstanding as at March 31, 2020 is ₹ Nil (2019: ₹ 1.00 crore) (of which ₹ Nil (2019: ₹ 0.50 crore) has been disclosed in note 20 within the heading current maturity of non-current borrowings under other financial liabilities (current)). The rate of interest on this loan is 7.50% per annum.

(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, 2020 is ₹ 0.27 crore (2019: ₹ 0.72 crore) of which ₹ Nil (2019: ₹ 0.25 crore) 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) Unsecured redeemable Non-convertible debentures having face value of ₹ 10 lakhs each amounting to ₹ Nil (2019: ₹ 250.00 crore) were redeemable at par on July 2, 2019 and bears interest rate of 10% per annum. ₹ Nil (2019: ₹ 250.00 crore) has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current).

(d) (i) The External Commercial Borrowings ('ECB') ₹ Nil (2019: ₹ 438.85 crore) (USD Nil (2019: USD 63.46 million) were due for repayment during October 2019 and bear interest of LIBOR plus spread of 1.95% semi-annually. Current portion due for repayment within one year ₹ Nil (2019: ₹ 438.85 crore). This amount has been disclosed in note 20 within the heading current maturities of non current borrowings under other financial liabilities (current).

(ii) Debt owed by Homefield Pvt UK Limited:

Term Loan USD 45 Million: The amounts outstanding were ₹ 340.49 crore (2019: ₹ 311.20 crore). The loan is repayable on or after March 2020 but not later than October 2020 and 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 1.50% per annum.

(iii) Debt owed by Homefield Pvt UK Limited:

Term Loan USD 28.50 Million: The amount outstanding is ₹ 215.65 crore for the year ended March 31, 2020 (2019: ₹ 197.09 crore). 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.

(iv) 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, 2020 is ₹ 9.45 crore (2019: ₹ 12.00 crore) of which ₹ 3.00 crore (2019: ₹ 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.

(v) Debt owed by Tata Chemicals Magadi Limited ('TCML'):

The outstanding loan as at the year end is ₹ 363.19 crore (USD 48 million) (2019: ₹ 331.94 crore (USD 48 million)). 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.

(vi) Debt owed by Tata Chemicals International Pte. Limited ('TCIPL'):

The outstanding loan as at 31st March, 2020 is ₹ 1,513.30 crore (2019: ₹ 1,383.11 crore) (USD 200 million (2019: USD 200 million)). The loan bear an effective interest rate of 3.91% (2019: 3.81%). The loan is repayable in full on December 12, 2022.

(e) **Debt owed by Rallis:**

Term loan from Council of Scientific and Industrial Research: The balance payable as on March 31, 2020 is ₹ 0.42 crore (2019: ₹ 0.26 crore) of which an amount of ₹ Nil (2019: ₹ 0.09 crore) 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.

(f) **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, 2020 is ₹ 5.55 crore (2019: ₹ 5.70 crore), out of which ₹ 0.31 crore (2019: ₹ 0.15 crore) has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current).

(g) (i) Debt owed by TCL:

Loans from banks on Cash Credit ₹ Nil (2019: ₹ 0.99 crore) carry an interest ranging from 8.70% per annum to 9.10% p.a. and are secured by way of hypothecation of stocks of raw materials, finished products, stores and work-in-process as well as book debts.

(ii) Debt owed by Rallis:

Bank overdrafts and cash credit facility ₹ 24.12 (2019: ₹ 35.96 crore) are secured by first pari passu charge on inventories (including raw material, finished goods and work-in-progress) and book debts.

(h) (i) Debt owed by TCML:

Outstanding loan of ₹ 17.38 crore (2019: ₹ 13.83 crore)(2020: USD 2.3 million and 2019: USD 2 million). It is a secured overdraft facility against dues receivable from Kenyan Revenue Authority. The rate of interest for this borrowing is 8.08% (2019: 9%) per annum.

(ii) Debt owed by Rallis:

Loan of ₹ 25.50 crore (2019: ₹ 17.00 crore) is secured by first paripassu charge on stock (including raw material, finished goods and work-in-progress) and book debts and carries a weighted average interest of 8.56% per annum.

(i) **Term loan of VHI, comprised of a ₹ 1324.14 crore (2019: ₹ Nil) (USD 175 million (2019: USD Nil) term loan ('Bridge loan')**

The Bridge loan is unsecured and is repayable in full on June 19, 2020. The effective interest rate for the year ended March 31, 2020 is ranging from 2.94 % to 3.19 %.

(j) **Debt owed by TCIPL:**

₹ 378.33 crore (2019: ₹ 117.56 crore)(2020: USD 50 million and 2019: USD 17 million) is towards unsecured working capital facility and is repayable within 90 days (2019: 90 days) . Interest is charged at 1.39% to 3.99% (2019: 2.60% to 3.99%) per annum over US$ LIBOR.

(k) **Suppliers' credit:**

As at March 31, 2020: Unsecured Supplier's credit repayable on demand bears interest ranging from 1.91 % to 3.14 % per annum. As at March 31, 2019: Unsecured Supplier's credit repayable on demand bears interest ranging from 2.69% to 3.12% per annum.

20. Other financial liabilities

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-current		
(a) Derivatives (note 42)	127.90	28.66
(b) Deposit payable	6.45	6.41
(c) Others	17.18	13.01
	151.53	**48.08**
Current		
(a) Current maturities of non-current borrowings (note 19)		
(i) Non-convertible debentures (note 19 - footnote 'c')	-	250.00
(ii) From Banks - Secured (note 19 - footnote 'a', 'b' and 'e')	1,704.73	0.84
(iii) From Banks - Unsecured (note 19 - footnote 'd')	343.49	753.05
(iv) From Others - Unsecured (note 19 - footnote 'f')	0.31	0.15
	2,048.53	**1,004.04**
Less: Unamortised cost of borrowings	7.88	1.46
	2,040.65	**1,002.58**
(b) Current maturities of lease liabilities (note 39)	87.42	5.48
(c) Interest accrued	10.42	37.75
(d) Creditors for capital goods	175.14	123.43
(e) Unclaimed dividend	20.36	20.49
(f) Unclaimed debenture interest	0.01	0.01
(g) Derivatives (note 42)	166.68	39.23
(h) Security deposits from customers	38.32	42.49
(i) Contingent consideration	-	6.37
(j) Others	148.23	176.72
	2,687.23	**1,454.55**

21. Provisions

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-Current		
(a) Provision for employee benefits		
(i) Pension and other post retirement benefits (note 40)	1,466.54	1,319.18
(ii) Compensated absences and long service awards	4.05	4.24
	1,470.59	**1,323.42**
(b) Other provisions (footnote 'i')	182.93	180.50
	1,653.52	**1,503.92**
Current		
(a) Provision for employee benefits		
(i) Pension and other post retirement benefits (note 40)	25.72	25.20
(ii) Compensated absences and long service awards	99.00	90.89
	124.72	**116.09**
(b) Other provisions (footnote 'i')	152.18	164.24
	276.90	**280.33**

Footnote:

(i) Other provisions include:

₹ in crore

	Asset retirement obligation (1)	Provision for emission allowance (2)	Provision for warranty (3)	Provision for restructuring expenses (4)	Others (5)	Total
Balance as at April 1, 2018	**168.00**	**15.86**	**0.56**	**13.49**	**147.02**	**344.93**
Provision pertaining to discontinued operation	-	-	-	-	100.16	100.16
Provisions recognised during the year	8.95	27.21	0.39	-	7.08	43.63
Payments/utilisations/surrenders during the year	(4.09)	(34.69)	(0.56)	(1.63)	(119.60)	(160.57)
Exchange fluctuations	9.26	(0.20)	-	(0.23)	7.76	16.59
Balance as at March 31, 2019	**182.12**	**8.18**	**0.39**	**11.63**	**142.42**	**344.74**
Provisions pertaining to discontinued operation (Phosphatic fertiliser 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**
Balance as at March 31, 2019						
Non-Current	168.87	-	-	11.63	-	180.50
Current	13.25	8.18	0.39	-	142.42	164.24
Total	**182.12**	**8.18**	**0.39**	**11.63**	**142.42**	**344.74**
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**

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.

(3) Provision for warranty relates 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 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, 2020	As at March 31, 2019
(a)	Deferred tax assets (net) (footnote 'i')	**15.31**	**36.24**
(b)	Deferred tax liabilities (net) (footnote 'ii')	**(1,437.94)**	**(1,297.18)**

Footnotes:

(i) Deferred tax assets (net)

₹ in crore

	As at April 1, 2019	Recognised in Consolidated Statement of Profit and Loss (continuing operations)	Recognised in Consolidated Statement of Profit and 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**

₹ in crore

	As at April 1, 2018	Recognised in Consolidated Statement of Profit and Loss (continuing operations)	Recognised in Consolidated Statement of Profit and Loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others	Exchange fluctuations	As at March 31, 2019
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments and intangible asset	(11.66)	12.96	-	-	-	-	(0.20)	1.10
Allowance for doubtful debts and advances	3.50	0.85	-	-	-	-	-	4.35
Defined benefit obligation	0.62	0.03	-	-	-	-	-	0.65
Others	0.03	0.01	-	-	-	-	-	0.04
	(7.51)	**13.85**	**-**	**-**	**-**	**-**	**(0.20)**	**6.14**
Tax losses	7.72	(5.62)	-	-	-	-	-	2.10
Unused Credits	20.60	7.40	-	-	-	-	-	28.00
	20.81	**15.63**	**-**	**-**	**-**	**-**	**(0.20)**	**36.24**

(ii) Deferred tax liabilities (net)

₹ in crore

	As at April 1, 2019	Recognised in Consolidated Statement of Profit and Loss (continuing operations)	Recognised in Consolidated Statement of Profit and Loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact (note 39)	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	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)
Lease Liabilities	-	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	(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)**

₹ in crore

	As at April 1, 2018	Recognised in Consolidated Statement of Profit and Loss (continuing operations)	Recognised in Consolidated Statement of Profit and Loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others**	Exchange fluctuations	As at March 31, 2019
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments and intangible asset	(1,384.17)	57.46	-	-	-	-	(63.51)	(1,390.22)
Allowance for doubtful debts and Advances	40.92	10.62	-	-	-	-	-	51.54
Accrued expenses allowed in the year of payment	74.02	(12.98)	-	(32.63)	-	-	-	28.41
Mark to market gains on mutual funds and derivatives	-	(19.94)	-	-	-	-	-	(19.94)
Lease Liabilities	(0.41)	0.41	-	-	-	-	-	-
Financial assets at FVTOCI	5.53	-	-	-	-	-	-	5.53
Partnership tax basis differences for USA Subsidiaries	(37.77)	(1.53)	-	3.46	-	-	(2.33)	(38.17)
Defined benefit obligation	34.89	0.23	-	(6.32)	-	-	2.06	30.86
Alternative Minumum Tax ('AMT') Credit (note 35)	92.80	(6.71)	-	-	-	(27.74)	5.74	64.09
Others	(17.36)	(9.02)	(0.14)	(1.94)	-	-	(0.82)	(29.28)
	(1,191.55)	**18.54**	**(0.14)**	**(37.43)**	**-**	**(27.74)**	**(58.86)**	**(1,297.18)**

** 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, 2020		As at March 31, 2019	
	Gross amount	Tax effect	Gross amount	Tax effect
Deductible temporary differences	1,237.11	261.23	1,304.95	248.66
Unused tax losses	962.25	229.87	784.51	166.81
	2,199.36	**491.10**	**2,089.46**	**415.47**

The tax losses amounting to ₹ 6.04 crore (2019: ₹ 257.29 crore) for which no deferred tax asset was recognised expires between FY 2020 - 2028. The deductible temporary differences and othes unused tax losses do not expire under current tax legislation.

23. Other liabilities

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Non-current		
(a) Pension payable on employee seperation	0.17	0.24
(b) Deferred income (including government grants)	56.41	27.76
(c) Others	41.49	40.25
	98.07	**68.25**
Current		
(a) Statutory dues	195.24	134.94
(b) Advance received from customers	114.64	92.66
(c) Deferred income (including government grants and emission trading allowance)	60.14	10.34
(d) Others	14.40	11.85
	384.42	**249.79**

24. Trade payables

₹ in crore

		As at March 31, 2020	As at March 31, 2019
(a)	Trade payables	1,623.40	1,454.40
(b)	Amount due to Micro Small and Medium Enterprises	7.52	20.93
		1,630.92	**1,475.33**

25. Tax assets and liabilities

₹ in crore

		As at March 31, 2020	As at March 31, 2019
(a)	**Tax assets**		
	Non-current		
	(i) Advance tax assets (net)	**699.92**	**815.00**
		699.92	**815.00**
	Current		
	(i) Current tax assets (net)	**137.00**	**3.51**
		137.00	**3.51**
(b)	**Current tax liabilities (net)**	**195.94**	**136.18**
		195.94	**136.18**

26. Assets classified as held for sale

₹ in crore

Particulars		As at March 31, 2020	As at March 31, 2019
(a)	Assets classified as held for sale		
	(i) Assets held for sale (footnote 'i')	4.27	-
		4.27	**-**

Footnotes:

(i) The Group intends to dispose of leasehold land which will no longer utilised 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 Company expects 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, 2020	Year ended March 31, 2019 (Restated)
(a)	Sales of products (footnote 'ii' and 'iii')	10,252.37	10,259.92
(b)	Other operating revenues		
	(i) Sale of scrap	56.86	47.18
	(ii) Miscellaneous income (footnote 'i')	47.52	29.62
		10,356.75	**10,336.72**
Footnotes:			
(i)	Miscellaneous income primarily includes income from supply agreement and terminalling Income.		
(ii)	**Reconciliation of sales of products**		
	Revenue from contract with customer	10,993.90	10,966.97
	Adjustments made to contract price on account of		
	(a) Discounts / rebates / incentives	(244.17)	(189.58)
	(b) Sales returns /credits / reversals - agri business	(497.36)	(517.47)
		10,252.37	**10,259.92**

(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, 2020	Year ended March 31, 2019 (Restated)
(a)	**Dividend income from**		
	(i) Current investments measured at FVTPL	-	0.17
	(ii) Non-current investments measured at FVTOCI	27.31	23.92
		27.31	**24.09**
(b)	**Interest income from financial assets at amortised cost**		
	(i) On bank deposits	43.37	70.37
	(ii) Other interest	16.44	14.94
		59.81	**85.31**
(c)	**Interest on refund of taxes**	0.72	16.23
(d)	**Others**		
	(i) Rental and Town income	16.07	15.16
	(ii) Gain on sale/redemption of investments (net)	128.70	187.40
	(iii) Profit on sale of assets (net)	15.06	-
	(iv) Insurance claim received	20.75	45.33
	(v) Miscellaneous income (footnote 'i')	42.70	35.94
		223.28	**283.83**
		311.12	**409.46**

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, 2020	Year ended March 31, 2019 (Restated)
Opening stock		
Work-in-progress	112.43	102.54
Finished goods	594.62	499.81
Stock-in-trade	125.34	129.30
	832.39	**731.65**
Closing stock		
Work-in-progress	129.41	112.43
Finished goods	664.10	594.62
Stock-in-trade	87.25	125.34
	880.76	**832.39**
Less: Inventory on account of discontinued operations (note 36)	92.83	(85.13)
Add: Exchange fluctuations	12.93	(0.52)
Total inventory change	**(128.27)**	**(16.13)**

30. Employee benefits expense

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a)	Salaries, wages and bonus	1,107.12	1,055.11
(b)	Contribution to provident and other funds	79.47	95.58
(c)	Staff welfare expense	188.78	167.80
		1,375.37	**1,318.49**

31. Finance costs

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a)	Interest costs		
	(i) Interest on loans at amortised cost	264.63	299.91
	(ii) Interest on obligations under leases	11.34	1.73
(b)	Translation differences (footnote 'i')	0.41	(17.05)
(c)	Discount and other charges	65.53	69.11
		341.91	**353.70**

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, 2020	Year ended March 31, 2019 (Restated)
(a)	Depreciation of property, plant and equipment	472.58	473.61
(b)	Depreciation of Investment property	0.66	0.73
(c)	Amortisation of right of use assets	87.30	-
(d)	Amortisation of intangible assets	105.93	94.16
		666.47	**568.50**

33. Other Expenses

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a)	Stores and spare parts consumed	258.39	266.24
(b)	Packing materials consumed	196.06	217.99
(c)	Power and fuel	1,449.90	1,480.14
(d)	Repairs - Buildings	18.52	10.21
	- Machinery	417.65	383.50
	- Others	8.81	7.45
(e)	Rent	58.92	149.95
(f)	Royalty, rates and taxes	339.77	339.55
(g)	Distributors' service charges	6.04	5.65
(h)	Sales promotion expenses	84.69	87.13
(i)	Insurance charges	45.42	35.03
(j)	Freight and forwarding charges	1,551.42	1,609.62
(k)	Loss on assets sold, discarded or written off (net)	-	18.09
(l)	Bad debts written off	6.92	1.30
(m)	Provision for doubtful debts, advances and other receivables (net)	14.32	9.50
(n)	Foreign exchange loss (net)	22.25	6.16
(o)	Directors' fees and commission	11.12	9.68
(p)	Others	573.61	598.59
		5,063.81	**5,235.78**

34. Exceptional gain (net)

For the year ended March 31, 2019

(a) A charge of ₹ 5.69 crore represent increase in pension liability for the Group's UK entities, following the UK High court ruling with respect to Guaranteed Minimum Pension (GMP) equalization.

(b) Consequent to the advanced Brexit-related timetable for surrendering European Emission Allowances under the EU Emissions Trading Scheme, TCE Group, UK had to incur an expenditure of ₹ 38.84 crore.

(c) The superior court of Justice, Canada, issued an order in the matter of bankruptcy of General Chemicals Canada Limited ("GCCL"), (an erstwhile subsidiary of General Chemicals which was assigned with bankruptcy under Canada's Bankruptcy and harmony Act in Nov 2005), discharging the Trustee and thereby concluding the bankruptcy proceedings. Accordingly TCNA has written back the negative carrying value associated with GCCL amounting to ₹ 114.86 crore.

35. Income tax expense relating to continuing operations

₹ in crore

		Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(a)	**Tax expense**		
	Current tax		
	In respect of the current year	266.33	341.73
	In respect of earlier years	-	(33.12)
		266.33	**308.61**
	Deferred tax		
	In respect of the current year (note 22)	(46.68)	(34.17)
		(46.68)	**(34.17)**
	Total tax expense	**219.65**	**274.44**
(b)	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**1,248.06**	**1,437.26**
	Income tax expense calculated at 25.6256 % (2019: 34.944%) (Company's domestic tax rate)	319.82	502.24
	Differences in tax rates in foreign jurisdictions	(13.08)	(77.68)
	Share of profit of equity accounted investees	0.85	(34.77)
	Effect of income that is exempt from taxation	(17.97)	(16.57)
	Effect of not deductible expenses for tax computation	21.07	22.07
	Effect of concessions (research and development and other allowances)	(52.14)	(51.76)
	Effect of prior period adjustments in deferred tax	-	(42.16)
	Effect of rate change (footnote 'i')	(39.20)	-
	Others	4.72	27.06
		224.07	**328.43**
	Adjustments recognised in the current year in relation to the current tax of prior years on account of completed assessments	(3.57)	(32.18)
	Alternative Minimum Tax - differential	2.01	(12.68)
	Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(2.86)	(9.13)
	Total income tax expense recognised for the year relating to continuing operations	**219.65**	**274.44**

Footnote:

(i) During the year, 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 current 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.

Rallis India Limited, the subsidiary of the Company, has decided to exercise the option permitted under Section 1158AA of the income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2020-21. Accordingly, there is no impact on the provision for income tax for the year ended March 31, 2020. Rallis expects to utilise the deferred tax balances partly in the current financial year and partly in subsequent periods. Accordingly, the deferred tax balances have been re-measured using the tax rate expected to be prevalent in the period in which the deferred tax balances are expected to reverse, and the resultant impact has been recognised in the current period Consolidated Statement of Profit and Loss at the effective tax rate.

36. Discontinued operations

(I) 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 Group 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. Accordingly, the operations of CPB have been reclassified as discontinued operations for the year ended March 31, 2019 and comparative information in the Consolidated Statement of Profit and Loss has been restated in accordance with Ind AS 105.

(II) Disposal of Phosphatic fertiliser business and Trading business of bulk and non-bulk fertilisers

On June 1, 2018, the Company consummated the sale and transfer of its Phosphatic fertiliser business located at Haldia and the Trading business comprising bulk and non-bulk fertilisers to IRC Agrochemicals Private Limited ("IRC") as per Business Transfer Agreement dated November 6, 2017.

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, 2020	Year ended March 31, 2019 (Restated)
Profit for the year from discontinued operations		
Revenue from operations (footnote 'i')	-	2,474.01
Expenses		
Depreciation	-	2.89
Other expenses	-	2,177.94
Profit before exceptional items, share of profit of joint ventures and tax	**-**	**293.18**
Exceptional gain/(loss) (net)		
Gain on disposal of discontinued operation (note 36 (c))	6,220.15	-
Pertaining to Phosphatic fertiliser business and Trading business (footnote 'ii')	(26.71)	-
Pertaining to urea and customised fertiliser business (footnote 'ii')	(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**	**293.18**
Less : Current tax	(1.69)	69.01
Less : Deferred tax	(38.63)	0.14
Profit after tax	**6,199.74**	**224.03**

Footnotes:

(i) Revenue from operations includes subsidy income of ₹ Nil (2019: ₹ 24.40 crore)

(ii) Includes provisions made, relating to the erstwhile fertiliser businesses, as per revised notifications issued by the concerned department for change in rate of subsidy for previous years.

(b) Net cash flows attributable to the discontinued operations

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Net cash generated from operating activities	-	571.58
Net cash used in investing activities	-	(259.44)
Net cash used in financing activities	-	(313.75)
Net decrease in cash and cash equivalents	**-**	**(1.61)**

(c) Gain on disposal of discontinued operations:

₹ in crore

	Consumer products business	Phosphatic fertiliser business and Trading business
Cash consideration received (net of cost to sell)	-	565.08
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)	(565.08)
Gain on disposal	**6,220.15**	**-**

Footnote:

(i) Information of assets and liabilities transferred as per Scheme on the appointed date

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment and intangible assets (including CWIP)	4.13	-
Deferred tax assets (net)	5.79	75.00
Other non-current assets	0.95	0.01
Inventories	154.00	298.13
Trade receivables and other financial receivables	81.43	233.31
Other current assets	20.70	21.96
Total Assets (A)	**267.00**	**628.41**
Other non-current liabilities	2.39	10.37
Other current liabilities	187.22	52.96
Total Liabilities (B)	**189.61**	**63.33**
Net assets (A - B)	**77.39**	**565.08**

37. Earnings per share

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Basic and Diluted earnings per share (₹)		
From continuing operations (₹)	31.66	36.59
From discontinued operations (₹)	243.36	8.79
Total Basic and Diluted earnings per share (₹)	**275.02**	**45.38**

Footnotes:

The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows.

₹ in crore

(a) Earnings used in the calculation of basic and diluted earnings per share:	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Profit for the year from continuing operations attributable to equity shareholders	806.59	931.88
Profit for the year from discontinued operations attributable to equity shareholders	6,199.74	224.03
	7,006.33	**1,155.91**

(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, 2020	As at March 31, 2019
Subsidiaries				
Direct				
Rallis India Limited ('Rallis')	India	Manufacturing	50.06%	50.06%
Bio Energy Venture - 1 (Mauritius) Pvt. Ltd	Mauritius	Investment	(footnote 'vii')	(footnote 'vii')
Tata Chemicals International Pte. Limited ('TCIPL') (footnote 'vii')	Singapore	Trading, Investment	100.00%	100.00%
Ncourage Social Enterprise Foundation (footnote 'iii')	India	CSR Activity	100.00%	100.00%
Indirect				
Rallis Chemistry Exports Limited (footnote 'iv')	India	Manufacturing	100.00%	100.00%
Metahelix Life Sciences Limited	India	Manufacturing	(footnote 'v')	(footnote 'v')
Zero Waste Agro Organics Limited('ZWAOL') (footnote 'vi')	India	Manufacturing	(footnote 'vi')	(footnote 'vi')
PT Metahelix Lifesciences Indonesia ('PTLI')	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%	75.00%
Tata Chemicals (Soda Ash) Partners Holdings ('TCSAPH') (footnote 'I' and 'ii')	United States of America	Investment	100.00%	75.00%
TCSAP LLC (footnote 'ii')	United States of America	Investment	100.00%	75.00%
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%

Name of the Company	Country of Incorporation	Nature of Business	% Equity Interest	
			As at March 31, 2020	As at March 31, 2019
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 Kingdom	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. (footnote 'viii')	India	Diversified	9.13%	9.13%
Indirect				
The Block Salt Company Limited (Holding by New Cheshire Salt Works 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 Group				
Tata Sons Private Limited	India			

Footnotes:

(i) A general partnership formed under the laws of the State of Delaware (USA).

(ii) During the year, the Group has 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 Group has increased its ownership in Tata Chemicals (Soda Ash) Partners, the soda ash producing operating entity, 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) Ncourage Social Enterprise Foundation is incorporated as a wholly owned direct subsidiary under Section 8 of the Companies Act, 2013.

(iv) During the year ended March 31, 2019, Rallis Chemistry Exports Ltd., a wholly owned subsidiary of Rallis, has made an application to the Registrar of Companies for removal of its name from the register of companies for which the approval is awaited.

(v) During the year, the Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench and the NCLT, Mumbai Bench have approved the Scheme of Merger ('the Scheme') of Metahelix Life Sciences Limited (wholly owned subsidiary of Rallis India Limited ("Rallis")) into Rallis on November 11, 2019 and December 20, 2019 respectively. The certified copies of the Orders of NCLT Mumbai Bench and

NCLT Bengaluru Bench have been filed with the respective Registrar of Companies and accordingly, the Scheme is effective from February 1, 2020 with an Appointed Date of April 1, 2019. There is no impact of merger in the Consolidated Financial Statements.

(vi) During the year, the NCLT, Mumbai Bench has approved the Scheme of Merger by Absorption of Zero Waste Agro Organics Limited its (wholly-owned subsidiary of Rallis) into Rallis ('the Scheme') on February 22, 2020 from the appointed date of April 1, 2017. The certified copy of the Orders is yet to be filed with the Registrar of Companies; however, there is no impact of merger in the Consolidated Financial Statements.

(vii) 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. There is no impact of merger in the Consolidated Financial Statements. Post merger TCIPL has become the wholly owned subsidiary of the Company.

(viii) Consequent to Tata Industries Limited ('TIL') obtaining approval of its shareholders at the General Meeting held on March 27, 2019, the Company along with Tata Sons Private Limited will exercise joint control over the key activities of TIL. Accordingly, the investment in TIL has been reclassified as a Joint Venture. The difference between fair value and carrying value of investment of ₹ 305.91 crore has been accounted for as capital reserve in the Consolidated Financial Statements.

39. Leases

Change in accounting policy

Except as specified below, the Group has consistently applied the accounting policies to all periods presented in these Consolidated Financial Statements. The Group has applied Ind AS 116 - Leases with the date of initial application of April 1, 2019. As a result, the Group has changed its accounting policy for lease contracts as detailed below.

The Group has applied Ind AS 116 - Leases using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019.

₹ in crore

	Non-current	Current	Total
Lease commitments as at March 31, 2019 (erstwhile finance leases)	13.58	5.48	19.06
Adjustments on account of discontinued operation	(2.39)	(1.18)	(3.57)
Contracts reassessed as lease contracts	196.93	101.38	298.31
Lease liabilities as on April 1, 2019	**208.12**	**105.68**	**313.80**

The impact of change in accounting policy on account of adoption of Ind AS 116 is as follows :

₹ in crore

Increase in lease liability	298.31
Increase in right of use assets	(279.60)
Increase in deferred tax assets	(1.84)
Impact on non controlling interest	(2.19)
Lease Impact in Investment in Joint Venture	0.27
Transition impact disclosed in retained earnings	**14.95**
Maturity analysis of lease liabilities	
Maturity analysis – contractual undiscounted cash flows	
Less than one year	110.06
One to five years	184.71
More than five years	53.41
Total undiscounted lease liabilities at March 31, 2020	**348.18**
Discounted Cash flows	
Current	87.42
Non-Current	188.00
Lease liabilities as at March 31, 2020	**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 1.90% p.a. to 13.00% p.a 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 ₹ 14.78 crore (2019: ₹ 16.20 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 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, 2020. 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 ₹ 13.84 crore (2019: ₹ 13.90 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 January 31, 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 ₹ 5.84 crore (2019: ₹ 5.56 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 commingled 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, 2020 and March 31, 2019 for the Defined benefits plans:**

i Changes in the defined benefit obligation:

₹ in crore

	Year ended March 31, 2020		Year ended March 31, 2019	
	Funded	Unfunded	Funded	Unfunded
At the beginning of the year	4,923.80	253.12	4,909.65	270.50
Current service cost	42.33	4.72	41.36	13.36
Interest cost	151.41	12.83	158.46	13.83
Remeasurements (gain)/loss				
Actuarial (gain) / loss arising from:				
- Changes in financial assumptions	(40.98)	37.48	160.10	0.86
- Changes in demographic assumptions	(14.65)	(0.08)	(108.06)	(7.18)
- Experience adjustments	(3.40)	(8.29)	(60.64)	(20.00)
Benefits paid	(227.33)	(17.53)	(200.88)	(14.33)
Transfer out*	(3.77)	-	(8.75)	0.34
Past service cost	1.20	(25.00)	5.69	1.40
Effect of curtailment	-	-	(18.20)	0.30
Exchange fluctuations	268.21	8.53	45.07	8.77
Retiree drug subsidy reimbursement	-	-	-	1.30
	5,096.82	**265.78**	**4,923.80**	**269.15**
Extinguishment due to discontinued operations	**-**	**(3.14)**	**-**	**(16.03)**
At the end of the year	**5,096.82**	**262.64**	**4,923.80**	**253.12**

ii Changes in the fair value of plan assets:

₹ in crore

	Year ended March 31, 2020		Year ended March 31, 2019	
	Funded	Unfunded	Funded	Unfunded
At the beginning of the year	3,881.08	-	3,788.69	-
Interest on plan assets	119.89	-	123.35	-
Administrative expenses	(12.81)	-	(11.25)	-
Remeasurement (gain)/loss				
Annual return on plan assets less interest on plan assets	(92.27)	-	60.69	-
Contributions	59.78	-	95.56	-
Benefits paid	(227.33)	-	(200.88)	-
Transfer out*	-	-	(7.10)	-
Exchange fluctuations	197.57	-	32.02	-
Value of plan assets at the end of the year	**3,925.91**	**-**	**3,881.08**	**-**
Impact of assets ceiling	-	-	(0.17)	-
Liability (net)	**1,170.91**	**262.64**	**1,042.89**	**253.12**

* Pertaining to Consumer products business, Phosphatic fertiliser business and Trading business of bulk and non-bulk fertilisers.

iii Net employee benefit expense for the year:

₹ in crore

	Year ended March 31, 2020		Year ended March 31, 2019	
	Funded	Unfunded	Funded	Unfunded
Current service cost	42.33	4.72	41.36	13.36
Past service cost	1.20	(25.00)	5.69	1.40
Administrative expenses	12.81	-	11.25	-
Interest on defined benefit obligation (net)	31.52	12.83	35.14	13.83
Effect of curtailment	-	-	(18.20)	0.30
Extinguishment due to discontinued operations	-	(3.14)	-	(16.03)
Components of defined benefits costs recognised in Consolidated Statement of Profit and Loss	**87.86**	**(10.59)**	**75.24**	**12.86**
Remeasurements of the net defined benefit liability/(asset)				
Actuarial (gain) / loss arising from:				
- Changes in financial assumptions	(40.98)	37.48	160.10	0.86
- Changes in demographic assumptions	(14.65)	(0.08)	(108.06)	(7.18)
- Experience adjustments	(3.40)	(8.29)	(60.64)	(20.00)
Impact of assets ceiling	(0.17)	-	(0.23)	-
Return on plan assets less interest on plan assets	92.27	-	(60.69)	-
Components of defined benefits costs recognised in other comprehensive income	**33.07**	**29.11**	**(69.52)**	**(26.32)**
Net employee benefit expense	**120.93**	**18.52**	**5.72**	**(13.46)**

iv Categories of the fair value of total plan assets :

₹ in crore

	As at March 31, 2020 Gratuity	As at March 31, 2019 Gratuity
Government Securities/Corporate Bonds (Quoted)	2,024.17	2,234.36
Government Securities/Corporate Bonds (Unquoted)	534.97	501.04
Equity Instruments (Quoted)	253.31	267.14
Equity Instruments (Unquoted)	635.75	634.58
Insurer Managed/Hedged Funds	96.66	75.96
Others (Quoted)	327.09	98.65
Others (Unquoted)	53.96	69.35
Total	**3,925.91**	**3,881.08**

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 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, 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.**
	As at March 31, 2019	7.00% to 7.70% p.a.	7.00% to 7.70% p.a.	4.09% p.a.	4.00% p.a.	2.40% p.a.
Increase in compensation cost	**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**
	As at March 31, 2019	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, 2020**	**NA**	**8.00%- 10.00% p.a.**	**NA**	**6.75% p.a.**	**NA**
	As at March 31, 2019	NA	8.00%- 10.00% p.a.	NA	7.00% p.a.	NA
Pension increase rate	**As at March 31, 2020**	**NA**	**6.00% p.a.**	**NA**	**NA**	**2.50% p.a.**
	As at March 31, 2019	NA	6.00% p.a.	NA	NA	3.00% 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	UK	USA	India	UK	USA
	As at March 31, 2020	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019	As at March 31, 2019	As at March 31, 2019
Males	5 to 22 years	21 to 25 years	23 to 24 years	8 to 22 years	22 to 23 years	23 to 24 years
Females	5 to 25 years	24 to 27 years	25 to 26 years	8 to 25 years	25 to 26 years	25 to 26 years

vii Sensitivity Analysis

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)	-	-

Impact on Defined benefit obligation due to change in assumptions as at March 31, 2019

₹ in crore

	As at March 31, 2019							
	TCL		Rallis		USA		UK	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate								
0.25% change	-	-	-	-	-	-	(116.57)	123.94
0.5% change	(8.93)	9.84	-	-	(119.98)	140.10	-	-
1% change	-	-	(3.02)	3.54	-	-	-	-
Compensation rate								
0.5% change	2.68	(2.54)	-	-	28.17	(32.11)	-	-
1% change	-	-	2.50	(2.13)	-	-	-	-
Pension rate								
1% change	3.43	(3.01)	-	-	-	-	-	-
Healthcare costs								
1% change	9.28	(7.49)	-	-	0.20	(0.19)	-	-

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, 2020 is as follows:

₹ in crore

	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

Maturity profile of the defined benefit obligation as at March 31, 2019 is as follows:

₹ in crore

	As at March 31, 2019		
	India	US	UK
Within the next 12 months (next annual reporting period)	21.02	95.02	105.66
Later than 1 year and not later than 5 years	72.05	415.21	448.03
6 years and above	537.41	569.98	621.82
Weighted average duration of the payments (in no. of years)	6-16 years	14-15 years	15-16 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 subbsidiaries 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, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Plan assets at the end of the year	326.37	329.40	91.99	81.43
Present value of funded obligation	340.08	336.71	89.26	77.72
Amount recognised in the Consolidated Balance Sheet	**(13.71)**	**(7.31)**	**-**	**-**

Assumptions used in determining present value of obligation of interest rate guarantee under a deterministic approach:

	As at March 31, 2020	As at March 31, 2019
Guaranteed rate of return	8.50%	8.65%
Discount rate for remaining term to maturity of investments	6.35% - 6.83%	7.75% - 7.78%
Discount rate	6.05%	7.70%
Expected rate of return on investments	7.69% - 7.86%	7.99% - 8.13%

41. Segment information

41.1 Continuing operations

(a) Information about operating segments

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

The corresponding information for the previous periods presented in Consolidated Financial Statements has been restated (note 36).

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
1. Segment revenue (Revenue from operations)		
(i) Basic chemistry products	8,013.74	8,309.05
(ii) Speciality products	2,328.85	2,026.29
	10,342.59	**10,335.34**
Inter segment revenue	(10.06)	(15.75)
	10,332.53	**10,319.59**
Unallocated	24.22	17.13
	10,356.75	**10,336.72**
2. Segment result (Reconciliation with profit from continuing operations)		
(i) Basic chemistry products	1,355.51	1,303.61
(ii) Speciality products	166.90	172.13
Total segment results	**1,522.41**	**1,475.74**
Net unallocated income/(expenditure)	71.41	216.01
Finance costs	(341.91)	(353.70)
Profit before share of profit/loss from investment in joint ventures and tax	**1,251.91**	**1,338.05**
Share of (loss)\profit of joint ventures (net of tax)	(3.85)	99.21
Tax expense	(219.65)	(274.44)
Profit for the year from continuing operations	**1,028.41**	**1,162.82**

3. Segment assets and segment liabilities*

₹ in crore

	Segment assets		Segment liabilities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(i) Basic chemistry products	17,150.00	15,142.21	2,893.42	2,636.93
(ii) Speciality products	2,804.05	2,486.94	930.13	852.52
	19,954.05	**17,629.15**	**3,823.55**	**3,489.45**
Unallocated	7,798.15	9,039.19	10,267.22	7,987.23
	27,752.20	**26,668.34**	**14,090.77**	**11,476.68**

* 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, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
(i) Basic chemistry products	1,252.05	728.51	584.39	504.35	178.90	126.75
(ii) Speciality products	208.50	409.21	70.86	50.20	17.42	13.22
	1,460.55	**1,137.72**	**655.25**	**554.55**	**196.32**	**139.97**
Unallocated	75.13	10.33	11.22	13.95	34.34	(2.54)
	1,535.68	**1,148.05**	**666.47**	**568.50**	**230.66**	**137.43**

*Comprises additions to Property, plant and equipment, Capital work-in-progress, Goodwill, Right of use assets, Other intangible assets and Intangible assets under development.

(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, 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**

₹ in crore

		Year ended March 31, 2019			
		Basic chemistry products	Specialty products	Unallocated	Total
(i)	India	2,950.52	1,374.54	17.13	4,342.19
(ii)	Asia (other than India)	548.11	374.53	-	922.64
(iii)	Europe	1,401.45	0.35	-	1,401.80
(iv)	Africa	280.73	30.44	-	311.17
(v)	America	3,101.59	235.56	-	3,337.15
(vi)	Others	10.91	10.86	-	21.77
		8,293.31	**2,026.28**	**17.13**	**10,336.72**

* Including operating revenues and net off inter segment revenue

2. Non-current assets*

₹ in crore

	As at March 31, 2020	As at March 31, 2019
(i) India	4,333.80	3,631.53
(ii) Asia (other than India)	1.17	0.03
(iii) Europe	1,513.89	1,321.28
(iv) Africa	149.22	115.87
(v) America	11,132.79	10,275.14
	17,130.87	**15,343.85**

*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, 2020 *	Year ended March 31, 2019 *
(i)	Basic chemistry products		
-	Soda Ash	5,843.86	5,990.22
-	Salt	1,167.62	1,257.18
-	Bicarb	437.43	429.32
-	Others	554.77	616.58
(ii)	Speciality products		
-	Crop Protection (includes Fungicides, Herbicides and Insecticides)	1,723.45	1,481.48
-	Seeds	364.27	311.19
-	Others	241.13	233.62
(iii)	Unallocated	24.22	17.13
		10,356.75	**10,336.72**

* 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, 2020 and March 31, 2019.

(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, 2020	Year ended March 31, 2019 (Restated)
Revenue from operations*	-	2,471.83
Result :		
Segment result** (note 36)	6,128.08	304.76
Finance costs	-	(11.58)
Share of profit of joint ventures (net of tax)	31.34	-
Profit before tax	**6,159.42**	**293.18**
Less: Tax expense	(40.32)	69.15
Profit from discontinued operations after tax	**6,199.74**	**224.03**

* includes ₹ 624.55 crore pertaining to Phosphatic fertiliser business and Trading business and ₹ 1,847.28 crore pertaining to consumer products business for the year ended March 31, 2019.

** includes loss of ₹ 9.13 crore pertaining to Phosphatic fertiliser business and Trading business and profit of ₹ 313.89 crore pertaining to consumer products business for the year ended March 31, 2019.

Other information :

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Segment assets	-	236.58
Segment liabilities	-	172.30

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Addition to non-current assets *	-	1.17
Depreciation and amortisation	-	2.89
Other non-cash (income)/expenses	-	(2.42)

*Comprises additions to Property, plant and equipment, Capital work-in-progress and Intangible assets.

(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 products business and fertiliser and other agri inputs.

(d) Major Customer

No single customer contributed 10% or more to the revenue from discontinued operations of the Group for the year ended March 31, 2020 and March 31, 2019.

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, 2020	Year ended March 31, 2019 (Restated)
Profit for the year from continuing operations (note 41.1 (a) (2))	1,028.41	1,162.82
Profit for the year from discontinued operations (note 41.2 (a))	6,199.74	224.03
Profit for the year as per Consolidated Statement of Profit and Loss	**7,228.15**	**1,386.85**

(b) Reconciliation of total assets as per Consolidated Balance Sheet

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Total assets as per continuing operations (note 41.1 (a) (3))	27,752.20	26,668.34
Total assets as per discontinued operations (note 41.2 (a))	-	236.58
Total assets as per Consolidated Balance Sheet	**27,752.20**	**26,904.92**

(c) Reconciliation of total liabilities as per Consolidated Balance Sheet

₹ in crore

	As at March 31, 2020	As at March 31, 2019 (Restated)
Total liabilities as per continuing operations (note 41.1 (a) (3))	14,090.77	11,476.68
Total liabilities as per discontinued operations (note 41.2 (a))	-	172.30
Total liabilities as per Consolidated Balance Sheet	**14,090.77**	**11,648.98**

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, 2020		As at March 31, 2019	
	Assets	Liabilities	Assets	Liabilities
Current portion				
Derivatives designated in cash flow hedges				
- Forward contracts	0.14	4.03	3.94	0.36
- Interest rate swaps	-	37.02	3.85	4.95
- Commodity swaps	1.17	125.60	5.93	28.84
Total designated derivatives	**1.31**	**166.65**	**13.72**	**34.15**
Derivatives not designated in a hedge relationship				
- Forward contracts	11.07	0.03	1.17	5.08
- Option contracts	-	-	0.20	-
- Cross currency interest rate swaps	-	-	39.56	-
Total un-designated derivatives	**11.07**	**0.03**	**40.93**	**5.08**
Total current portion	**12.38**	**166.68**	**54.65**	**39.23**
Non-current portion				
Derivatives designated in cash flow hedges				
- Forward contracts	0.23	-	0.45	0.63
- Interest rate swaps	-	59.82	0.05	18.14
- Commodity swaps	0.73	68.08	1.39	9.89
Total designated derivatives	**0.96**	**127.90**	**1.89**	**28.66**
Total non-current portion	**0.96**	**127.90**	**1.89**	**28.66**
Total	**13.34**	**294.58**	**56.54**	**67.89**

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, 2020	As at March 31, 2019
Forward contracts	USD/INR	$ million	1.8	9.7
Forward contracts	EUR/INR	€ million	6.3	1.4
Forward contracts	CHF/INR	CHF million	-	0.8
Forward contracts	EUR/GBP	€ million	9.9	14.7
Forward contracts	USD/GBP	$ million	10.8	8.4
Forward contracts	USD/ZAR	$ million	0.5	2.7
Forward contracts	JPY/INR	¥ million	300.2	67.9
Forward contracts	INR/USD	₹ crore	197.0	82.3
Option contracts	USD/INR	$ million	-	1.5
Cross currency interest rate swaps	USD/INR and Floating to fixed	$ million	-	63.5
Commodity swaps	Heavy fuel oil	MT	6,600.0	3,200.0
Commodity swaps	Natural Gas (US)	million MMBTU	9.2	6.5
Commodity swaps	Natural Gas (UK)	million therms	116.4	69.8
Interest rate swaps	Floating to fixed	$ million	252.0	320.0

(c) The following table analyses the movement in the effective portion of Cash Flow Hedge Reserve ('CFHR') for the year ended March 31, 2020 and 2019

₹ in crore

	Forward contracts	Interest rate swaps	Commodity swaps	Total
Balance as at April 1, 2018	**(2.45)**	**12.47**	**9.29**	**19.31**
Net (losses) / gains recognised in the CFHR	2.84	(25.89)	7.75	(15.30)
Amount re-classified from the CFHR and included in the Consolidated Statement of Profit and Loss (due to settlement of contracts) within:				
Power and Fuel cost	-	-	(52.73)	(52.73)
Other expenses	3.82	-	-	3.82
Finance costs	-	(7.85)	-	(7.85)
Deferred income tax	(1.06)	1.57	(2.22)	(1.71)
Balance as at March 31, 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)**

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, 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**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2019.

₹ 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	2,492.37	-	-	-	-	2,492.37
(b)	Investments - current						
	Investment in mutual funds	-	2,252.34	-	-	-	2,252.34
(c)	Trade receivables	-	-	-	-	1,452.50	1,452.50
(d)	Cash and cash equivalents	-	-	-	-	1,888.38	1,888.38
(e)	Other bank balances	-	-	-	-	63.81	63.81
(f)	Loans - non-current	-	-	-	-	7.87	7.87
(g)	Loans - current	-	-	-	-	1.33	1.33
(h)	Other financial assets - non-current	-	-	-	1.89	5.46	7.35
(i)	Other financial assets - current	-	-	40.93	13.72	286.14	340.79
Total		**2,492.37**	**2,252.34**	**40.93**	**15.61**	**3,705.49**	**8,506.74**
Financial liabilities							
(a)	Borrowings - non-current			-	-	4,769.33	4,769.33
(b)	Lease liabilities - non-current			-	-	13.58	13.58
(c)	Borrowings - current			-	-	352.46	352.46
(d)	Trade payables			-	-	1,475.33	1,475.33
(e)	Other financial liabilities - non-current			-	28.66	19.42	48.08
(f)	Other financial liabilities - current			5.08	34.15	1,415.32	1,454.55
Total				**5.08**	**62.81**	**8,045.44**	**8,113.33**

(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, 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	-
Interest rate swaps	-	-	-	-
Forward contracts	11.44	-	11.44	-
Option contracts	-	-	-	-
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	-

There have been no transfers between levels during the period.

₹ in crore

	As at March 31, 2019			
	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	39.56	-	39.56	-
Commodity swaps	7.32	-	7.32	-
Interest rate swaps	3.90	-	3.90	-
Forward contracts	5.56	-	5.56	-
Option contracts	0.20	-	0.20	-
FVTOCI financial investments				
Quoted equity instruments	2,005.87	2,005.87	-	-
Unquoted equity instruments	486.50	-	-	486.50
FVTPL financial investments				
Investment in mutual funds	2,252.34	-	2,252.34	-
Liabilities measured at fair value:				
Derivative financial liabilities				
Forward contracts	6.07	-	6.07	-
Interest rate swaps	23.09	-	23.09	-
Commodity swaps	38.73	-	38.73	-
Liabilities for which fair values are disclosed :				
Borrowings				
Unsecured non-convertible debentures	250.67	250.67	-	-

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, 2018	**651.56**
Investment transferred to investment in Joint venture (note 38)	(170.19)
Add / (less): Fair value changes through Other comprehensive income	5.13
Balance as at March 31, 2019	**486.50**
Add / (less): Fair value changes through Other comprehensive income	(75.71)
Balance as at March 31, 2020	**410.79**

(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 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.

(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).

(vi) The fair values of the 10% unsecured redeemable non-convertible debenture (included in current maturities of non-current borrowings) are derived from quoted market prices. The Group has no other non-current borrowings with fixed-rate of interest.

(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, 2020	As at March 31, 2019
USD exposure		
Assets	194.48	273.88
Liabilities	(255.97)	(715.91)
Net	**(61.49)**	**(442.03)**
Derivatives to hedge USD exposure		
Forward contracts - (USD/INR)	13.31	31.54
Option contracts - (USD/INR)	-	10.37
Cross currency interest rate swaps	-	438.85
	13.31	**480.76**
Net exposure	**(48.18)**	**38.73**

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, 2020	As at March 31, 2019
If INR had (strengthened) / weakened against USD by 5% (Decrease) / increase in profit for the year	(2.41)	1.94

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, 2020	As at March 31, 2019
Non-current variable interest rate borrowings	3,507.05	5,263.06
Derivatives to hedge interest rate risk		
Cross currency interest rate swaps (not designated in a hedge relationship)	-	438.85
Interest rate swaps (designated in Cash flow hedges)	1,602.58	1,904.53
	1,602.58	**2,343.38**
Net exposure	**1,904.47**	**2,919.68**

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, 2020	**+50/-50**	**(17.54)/17.54**	**8.01/(8.01)**
March 31, 2019	+50/-50	(26.05)/ 26.05	0.23/(0.23)

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, 2020 and 2019 would increase/(decrease) by ₹ 75.13 crore and ₹ 100.29 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, 2020	As at March 31, 2019
Increase / (decrease) in OCI for the year	Natural gas	46.89	38.92
Increase / (decrease) in OCI for the year	HFO	0.87	0.77

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.

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, 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**
As at March 31, 2019					
Borrowings and future interest thereon	6,124.37	1,555.71	5,111.38	1.80	6,668.89
Lease liabilities	19.06	6.96	14.96	-	21.92
Trade and other payables	1,902.01	1,882.59	19.42	-	1,902.01
Total	**8,045.44**	**3,445.26**	**5,145.76**	**1.80**	**8,592.82**

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, 2020	As at March 31, 2019
Current portion	166.68	39.23
Non-current portion (within one - three years)	127.90	28.66
Total	**294.58**	**67.89**

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 New Cheshire Salt Works 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 Group	
Tata Sons Private Limited, India	
Other Related Parties @	
TATA AIG General Insurance Company Limited	Tata Communications Collaboration Services Private Limited
Tata Autocomp Systems Limited	Tata Teleservices (Maharashtra) Limited
Tata International Limited	Tata Digital Ltd.
Tata Consultancy Services Limited	Tata International Singapore PTE Ltd
TATA AIA Life Insurance Company Limited	Tata Elxsi Limited
Tata Consulting Engineers Limited	Tata Chemicals Ltd Provident Fund
Infiniti Retail Limited	Tata Chemicals Ltd Emp Pension Fund
TASEC Limited (formely TAS-AGT Systems Limited)	Tata Chemicals Superannuation Fund
Tata Teleservices Limited	Tata Chemicals Employees Gratuity Trust
Ecofirst Services Limited	TCL Employees Gratuity Fund
Tata Realty and Infrastructure Limited	Rallis India Limited Management Staff Gratuity Fund
Tata Investment Corporation Limited	Carbon Disclosure Project India
Ewart Investments Limited	
Tata Autocomp Hendrickson Suspensions Private Limited	
Tata SmartFoodz Limited	
Tata SIA Airlines Limited	
Tata Communications 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 and balances with Related parties (as defined under Ind AS 24).

₹ 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.	Natronx Technologies LLC	The Block Salt Company Ltd.	Tata Industries Ltd.	Tata Sons Private Limited	Tata Consultancy Services Ltd.	Other Entities			
Investments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-	(3.48)	-	-	(3.48)
Purchase of goods (includes stock in transit) - net	**-**	**-**	**-**	**-**	**-**	**-**	**18.68**	**-**	**-**	**18.68**
	99.94	-	-	-	-	-	0.05	-	-	99.99
Sales (net)	**-**	**-**	**4.38**	**-**	**-**	**-**	**-**	**-**	**-**	**4.38**
	-	-	6.60	-	-	-	0.05	-	-	6.65
Other Services - expenses (net of reimbursements)	**-**	**-**	**-**	**0.71**	**16.93**	**15.11**	**6.21**	**-**	**-**	**38.96**
	(0.18)	0.35	-	-	20.75	10.60	5.61	-	-	37.13
Other Services - Income	**-**	**-**	**-**	**0.16**	**0.10**	**-**	**0.16**	**-**	**-**	**0.42**
	-	-	-	0.01	2.90	-	0.17	-	-	3.08
Dividend received	**72.24**	**-**	**-**	**-**	**10.24**	**-**	**1.48**	**-**	**-**	**83.96**
	58.43	-	-	-	8.19	-	1.57	-	-	68.19
Miscellaneous purchases	**-**	**-**	**-**	**-**	**-**	**-**	**5.22**	**-**	**-**	**5.22**
	-	-	-	-	-	-	2.51	-	-	2.51
Dividend paid	**-**	**-**	**-**	**0.10**	**74.73**	**-**	**21.38**	**-**	**-**	**96.21**
	-	-	-	-	131.53	-	37.76	-	-	169.29
Interest paid	**-**	**-**	**-**	**-**	**-**	**-**	**0.10**	**-**	**-**	**0.10**
	-	-	-	-	-	-	0.40	-	-	0.40
Redemption of Debentures	**-**	**-**	**-**	**-**	**-**	**-**	**4.00**	**-**	**-**	**4.00**
	-	-	-	-	-	-	-	-	-	-
Contributions to employee benefit trusts / Other Employees' Related Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**37.91**	**-**	**37.91**
	-	-	-	-	-	-	-	32.37	-	32.37
Compensation to KMPs										
Short-term employee benefits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9.92**	**9.92**
	-	-	-	-	-	-	-	-	10.51	10.51
Post-employment benefits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7.38**	**7.38**
	-	-	-	-	-	-	-	-	1.75	1.75
Amount receivables / advances /balances										
As at March 31, 2020	**-**	**-**	**2.61**	**0.03**	**-**	**-**	**0.42**	**1.04**	**-**	**4.10**
As at March 31, 2019	-	-	0.67	-	-	-	0.45	6.82	-	7.94
Amount payables (in respect of goods purchased and other services)										
As at March 31, 2020	**-**	**-**	**-**	**0.28**	**13.83**	**1.28**	**2.37**	**2.23**	**-**	**19.99**
As at March 31, 2019	-	-	-	-	18.16	0.75	0.76	2.14	-	21.81
Amount receivable on account of any management contracts										
As at March 31, 2020	**-**	**-**	**-**	**0.06**	**0.18**	**-**	**0.09**	**-**	**-**	**0.33**
As at March 31, 2019	0.07	-	-	0.04	0.16	-	0.23	-	-	0.50

Footnotes:

The figures in light print are for previous year.

1. For Investment in related parties as at March 31 2020 refer Note 9(a).
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.

46. Commitments

₹ in crore

	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	586.44	456.06
Commitment towards partly paid investments	9.19	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, 2020	As at March 31, 2019
(i)	Excise, Customs and Service Tax	88.65	48.51
(ii)	Sales Tax	53.37	50.48
(iii)	Demand for utility charges	-	16.26
(iv)	Labour and other claims against the Group not acknowledged as debt	31.32	31.21
(v)	Income Tax (pending before Appellate authorities in respect of which the Group is in appeal)	745.65	673.02
(vi)	Income Tax (decided in Group's favour by Appellate authorities and Department is in further appeal)	15.54	16.05
(vii)	Contractual obligation upto	34.75	100.11

Item (i) to (vii) above includes ₹ 34.75 crore (2019: ₹ 100.11 crore) relating to discontinued operations.

(b) Land rates Demand for ₹ 1,257.48 crore (KShs 17.45 Billion)

On May 3 , 2019, the 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 judgement quashed this demand. In its judgement, the court also ordered that both parties submit themselves to a consultation process to be led by the Cabinet Secretary and supervised by the Court in order to agree the acreage to which land rates should apply and the level of rates which should be levied. Following the lapse of the period for negotiations as directed by the high court, the company proceeded to the court of appeal to seek directions on the land rates. Due to the fact that the court is yet to give a hearing date for the Appeal, management is not able to currently reliably estimate the outcome of the court of appeal process.

(c) Various claims pending before Industrial Tribunals and Labour Courts of which amounts are indeterminate.

47.2 Contingent assets

₹ in crore

		As at March 31, 2020	As at March 31, 2019
(a)	Income Tax (pending before Appellate authorities in respect of which the Group is in appeal)	78.40	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	37.55	11,977.32	85.73	6,840.22	90.80	(542.44)	85.32	6,297.78
	Subsidiaries								
	Indian Subsidiaries								
1	Rallis India Limited	4.42	1,410.00	2.32	185.47	0.31	(1.84)	2.49	183.63
2	Rallis Chemistry Exports Limited	-	-	-	-	-	-	-	-
3	Ncourage Social Enterprise Foundation	**	0.05	(0.02)	(1.84)	0.01	(0.03)	(0.03)	(1.87)
	Foreign Subsidiaries								
1	Tata Chemicals International Pte. Limited	12.18	3,884.04	1.24	98.58	11.67	(69.69)	0.39	28.89
2	Homefield Pvt. UK Limited	(4.18)	(1,332.50)	(0.69)	(55.38)	0.29	(1.74)	(0.77)	(57.12)
3	TCE Group Limited (formerly known as Homefield 2 UK Limited)	0.20	64.41	(0.10)	(7.62)	-	-	(0.10)	(7.62)
4	Natrium Holdings Limited (formerly known as Tata Chemicals Europe Holdings Limited)	(1.61)	(514.36)	(0.16)	(13.16)	-	-	(0.18)	(13.16)
5	Brunner Mond Group Limited	2.40	766.70	0.16	12.65	-	-	0.17	12.65
6	Tata Chemicals Europe Limited	(2.31)	(736.02)	(0.64)	(51.19)	(25.64)	153.18	1.38	101.99
7	Tata Chemicals Magadi Limited	(0.68)	(216.72)	(0.01)	(0.94)	1.00	(5.95)	(0.09)	(6.89)
8	Tata Chemicals South Africa (Pty) Limited	0.10	31.21	0.04	3.58	-	-	0.05	3.58
9	Northwich Resource Management Limited	-	-	-	-	-	-	-	-
10	Tata Chemicals Africa Holdings Limited	0.07	23.75	0.13	10.72	-	-	0.15	10.72
11	Magadi Railway Company Limited	**	0.01	-	-	-	-	-	-
12	Winnington CHP Limited	(0.06)	(19.99)	0.86	68.38	21.61	(129.07)	(0.82)	(60.69)
13	Gusiute Holdings (UK) Limited	17.86	5,694.95	2.52	200.97	-	-	2.72	200.97
14	Valley Holdings Inc.	24.13	7,694.71	2.77	221.34	-	-	3.00	221.34
15	Tata Chemicals North America Inc.	3.93	1,252.51	(1.52)	(121.54)	-	-	(1.65)	(121.54)
16	Tata Chemicals North America (UK) Limited	-	-	**	(0.01)	-	-	**	(0.01)
17	General Chemical International Inc.	**	0.01	-	-	-	-	-	-
18	NHO Canada Holdings Inc.	-	-	-	-	-	-	-	-
19	Tata Chemicals (Soda Ash) Partners	5.28	1,685.54	5.40	431.09	-	-	5.84	431.09
20	TCSAP Holdings	**	1.49	**	(0.34)	-	-	**	(0.34)
21	TCSAP LLC	-	-	0.05	4.25	-	-	0.06	4.25
22	British Salt Limited	0.57	183.13	0.39	31.34	(0.03)	0.20	0.43	31.54
23	Cheshire Salt Holdings Limited	0.01	3.77	-	-	-	-	-	-
24	Cheshire Salt Limited	0.03	11.01	-	-	-	-	-	-
25	Brinefield Storage Limited	**	(0.06)	-	-	-	-	-	-
26	Cheshire Cavity Storage 2 Limited	-	*	-	-	-	-	-	-
27	Cheshire Compressor Limited	-	*	-	-	-	-	-	-
28	Irish Feeds Limited	-	*	-	-	-	-	-	-
29	New Cheshire Salt Works Limited	0.06	18.12	**	0.33	-	-	**	0.33
30	PT. Metahelix Lifesciences Indonesia	**	1.22	(0.03)	(2.26)	-	-	(0.03)	(2.26)
31	ALCAD	0.03	9.33	1.56	124.24	-	-	1.68	124.24
		100.00	**31,893.63**	**100.00**	**7,978.88**	**100.00**	**(597.38)**	**100.00**	**7,381.50**

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
a)	**Non-controlling Interests**								
	Indian Subsidiaries								
	Rallis India Limited		(763.08)		(91.11)		0.94		(90.17)
	Foreign Subsidiaries								
	TCSAP Holdings		-		(131.87)		(51.52)		(183.39)
	PT. Metahelix Lifesciences Indonesia		(0.69)		1.16		-		1.16
			(763.77)		**(221.82)**		**(50.58)**		**(272.40)**
b)	**Joint Ventures (Investment as per the Equity method)**								
	JOil (S) Pte. Ltd. and its subsidiaries		-		-		-		-
	The Block Salt Company Limited		2.27		(0.53)		-		(0.53)
	Indo Maroc Phosphore S.A.		336.07		5.97		-		5.97
	Tata Industries Ltd. (w.e.f. 27 March, 2019)		431.97		22.05		(66.20)		(44.15)
			770.31		**27.49**		**(66.20)**		**(38.71)**
c)	**Adjustments arising out of Consolidation**		**(19,002.51)**		**(778.22)**		**257.28**		**(520.94)**
	Consolidated		**12,897.66**		**7,006.33**		**(456.88)**		**6,549.45**

* value below ₹ 50,000/-

** percentage (%) below 0.005/(0.005)

49. Approval of Consolidated Financial Statements

These Consolidated Financial Statements were approved for issue by the Board of Directors on May 15, 2020.

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 15, 2020

For and on behalf of the Board

Padmini Khare Kaicker	Director
R. Mukundan	Managing Director and CEO
John Mulhall	Chief Financial Officer
Rajiv Chandan	General Counsel & Company Secretary

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

₹ 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	75.67	4,515.22	(631.18)	6,011.27	2,127.23	5,306.67	1,254.05	106.34	1.10	105.24	-	100.00
2	Homefield Pvt. UK Limited	November 01, 2005	USD	75.67	1,008.84	(2,341.34)	56.22	1,388.72	45.40	-	(59.12)	-	(59.12)	-	100.00
3	TCE Group Limited	December 14, 2010	GBP	93.50	242.33	(177.92)	501.50	437.09	501.50	-	(7.91)	-	(7.91)	-	100.00
4	Natrium Holdings Limited	December 07, 2010	GBP	93.50	242.33	(756.69)	948.69	1,463.05	46.75	-	(13.66)	-	(13.66)	-	100.00
5	Brunner Mond Group Limited	October 22, 2005	GBP	93.50	641.59	125.12	766.71	-	46.75	-	13.12	-	13.12	-	100.00
6	Tata Chemicals Europe Limited	October 22, 2005	GBP	93.50	206.07	(942.09)	833.37	1,569.39	-	874.73	(68.46)	(15.36)	(53.10)	-	100.00
7	Tata Chemicals Magadi Limited	February 28, 2005	USD	75.67	334.25	(550.97)	392.56	609.28	-	505.75	(1.00)	-	(1.00)	-	100.00
8	Tata Chemicals South Africa (Pty) Limited	April 09, 1996	ZAR	4.24	0.72	30.49	89.03	57.82	-	136.61	4.39	1.23	3.16	8.48	100.00
9	Northwich Resource Management Limited	October 22, 2005	GBP	93.50	*	-	*	-	-	-	-	-	-	-	100.00
10	Tata Chemicals Africa Holdings Limited	October 22, 2005	GBP	93.50	36.90	(13.15)	23.75	-	-	-	11.12	-	11.12	-	100.00
11	Magadi Railway Company Limited	February 28, 2005	KSH	0.72	0.01	-	0.01	-	-	-	-	-	-	-	100.00
12	Winnington CHP Limited	June 13, 2013	GBP	93.50	-	(19.99)	438.52	458.51	-	443.03	70.94	-	70.94	-	100.00
13	Gusiute Holdings (UK) Limited	December 04, 2007	USD	75.67	5,382.33	312.62	5,697.35	2.40	5,612.35	-	214.54	-	214.54	167.42	100.00
14	Valley Holdings Inc.	January 30, 2008	USD	75.67	*	7,694.71	9,170.56	1,475.85	7,664.59	-	244.66	8.37	236.29	228.08	100.00
15	Tata Chemicals North America Inc.	March 26, 2008	USD	75.67	*	1,252.51	3,196.14	1,943.63	1,929.91	45.00	(113.68)	16.07	(129.75)	227.00	100.00
16	Tata Chemicals North America (UK) Limited	August 22, 2014	USD	75.67	-	-	-	-	-	-	(0.01)	-	(0.01)	2.42	100.00
17	General Chemical International Inc.	March 26, 2008	USD	75.67	0.01	-	0.01	-	-	-	-	-	-	-	100.00
18	NHO Canada Holdings Inc.	March 26, 2008	USD	75.67	*	-	*	-	-	-	-	-	-	-	100.00
19	Tata Chemicals (Soda Ash) Partners $	March 26, 2008	USD	75.67	-	1,685.54	2,971.25	1,285.71	-	3,399.69	460.21	-	460.21	453.99	100.00
20	TCSAP Holdings $	March 26, 2008	USD	75.67	-	1.49	1.49	-	-	-	(0.37)	-	(0.37)	-	100.00
21	TCSAP LLC	March 26, 2008	USD	75.67	-	-	-	-	-	-	4.54	-	4.54	4.54	100.00
22	Rallis India Limited	January 18, 2012	INR	1.00	19.45	1,390.55	2,447.25	1,037.25	678.36	2,251.50	239.27	53.80	185.47	58.61	50.06
23	Rallis Chemistry Exports Limited	September 15, 2010	INR	1.00	0.25	(0.25)	-	-	-	-	-	-	-	-	100.00
24	PT. Metahelix Lifesciences Indonesia	May 19, 2016	Rupiah	0.00	6.83	(5.62)	1.23	0.02	-	0.32	(2.19)	*	(2.19)	-	65.77
25	British Salt Limited	January 18, 2011	GBP	93.50	*	183.13	754.87	571.74	7.17	356.77	32.51	-	32.51	-	100.00
26	Cheshire Salt Holdings Limited	January 18, 2011	GBP	93.50	1.31	2.46	3.77	-	3.74	-	*	-	*	-	100.00
27	Cheshire Salt Limited	January 18, 2011	GBP	93.50	*	11.01	11.04	0.03	3.74	-	*	-	*	-	100.00
28	Brinefield Storage Limited	January 18, 2011	GBP	93.50	0.01	(0.07)	-	0.06	-	-	-	-	-	-	100.00
29	Cheshire Cavity Storage 2 Limited	January 18, 2011	GBP	93.50	*	-	*	-	-	-	-	-	-	-	100.00
30	Cheshire Compressor Limited	January 18, 2011	GBP	93.50	*	-	*	-	-	-	-	-	-	-	100.00
31	Irish Feeds Limited	January 18, 2011	GBP	93.50	*	-	*	-	-	-	-	-	-	-	100.00
32	New Cheshire Salt Works Limited	January 18, 2011	GBP	93.50	7.12	10.99	18.11	-	1.37	-	0.34	-	0.34	-	100.00
33	ALCAD	March 26, 2008	USD	75.67	-	9.33	42.84	33.51	-	405.30	132.63	-	132.63	132.41	50.00
34	Ncourage Social Enterprise Foundation	December 08, 2017	INR	1.00	2.55	(2.50)	6.74	6.69	1.01	15.23	(1.84)	-	(1.84)	-	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. 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. Though the certified copy of the Order is yet to be filed with the Registrar of Companies, the Company has given effect of the Scheme in its Financial Statements in view of it being a common control transaction, in the quarter ended March 31, 2020
5. During the quarter ended March 31, 2020, the NCLT, Mumbai Bench has approved the Scheme of Amalgamation between Zero Waste Agro Organics Limited (wholly-owned subsidiary of Rallis) and Rallis India Limited ('the Scheme') on February 20, 2020 from the Appointed Date of April 1, 2017. Though the certified copy of the Order is yet to be filed with the Registrar of Companies, Rallis has given effect of the Scheme in its Financial Statements in view of it being a common control transaction, in the quarter ended December 31, 2019.

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 (contd.)

₹ in crore

Sr. No.	Name	Date of acquistion 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	January 28, 2009	SGD	December 31, 2019 and note 1	2,50,00,000	148.18	33.78%	Note 4	Note 5	-	-	Not Applicable
2	The Block Salt Company Limited	January 18, 2011	GBP	March 31, 2020	15,00,00,000	1.40	50.00%	Note 4	Not Applicable	2.27	(0.53)	Not Applicable
3	Indo Maroc Phosphore S.A.	May 02, 2005	MAD	December 31, 2019 and note 2	2,06,666	166.26	33.33%	Note 4	Not Applicable	221.98	5.97	Not Applicable
4	Tata Industries Ltd. (w.e.f. March 27, 2019)	March 27, 2019	INR	March 31, 2020	98,61,303	170.19	9.13%	Note 4	Not Applicable	381.71	22.04	Not Applicable

Notes:

1 Investment impaired during the year ended March 31, 2015

2 Local GAAP Financial Statements audited as on December 31, 2019 and figures are based on audited fit for consolidation statement as on March 31, 2020

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

Padmini Khare Kaicker — Director

R. Mukundan — Managing Director and CEO

John Mulhall — Chief Financial Officer

Rajiv Chandan — General Counsel & Company Secretary

Mumbai, May 15, 2020

Notice

NOTICE IS HEREBY GIVEN THAT THE EIGHTY-FIRST (81st) ANNUAL GENERAL MEETING OF THE MEMBERS OF TATA CHEMICALS LIMITED will be held on Tuesday, July 7, 2020 at 3.00 p.m. (IST) via two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM') 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, 2020, 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, 2020, together with the Report of the Auditors thereon.

3. To declare dividend on the Ordinary Shares for the financial year ended March 31, 2020.

4. To appoint a Director in place of Mr. R. Mukundan (DIN: 00778253), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

5. **Appointment of Dr. C. V. Natraj (DIN: 07132764) as a Director and as an Independent Director of the Company**

   To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Dr. C. V. Natraj (DIN: 07132764) who was appointed as an Additional Director of the Company with effect from August 8, 2019 by the Board of Directors and who holds office up to the date of the forthcoming 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 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], the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the appointment of Dr. Natraj, 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 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 August 8, 2019 to August 7, 2024 (both days inclusive), be and is hereby approved."

6. **Appointment of Mr. K. B. S. Anand (DIN: 03518282) as a Director and 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. K. B. S. Anand (DIN: 03518282) who was appointed as an Additional Director of the Company with effect from October 15, 2019 by the Board of Directors and who holds office up to the date of the forthcoming 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 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], the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the appointment of Mr. Anand, 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 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 October 15, 2019 to October 14, 2024 (both days inclusive), be and is hereby approved."

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], and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 7,50,000 plus 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, 2021.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Notes:

1. In view of the global outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated May 5, 2020 read with General Circulars dated 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, Securities and Exchange Board of India ('SEBI') vide its Circular dated May 12, 2020 ('SEBI Circular') 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 ('Listing Regulations') and MCA Circulars, the 81st AGM of the Company is being held through VC/OAVM on Tuesday, July 7, 2020 at 3.00 p.m. (IST). The deemed venue for the 81st AGM will be 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 THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, 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 relevant details pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards 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 proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.

5. Institutional Investors, who are Members of the Company, are encouraged to attend the 81st AGM through VC/OAVM mode and vote electronically. Corporate 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 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.

7. In line with the MCA Circular dated May 5, 2020 and SEBI Circular dated May 12, 2020, the Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 81st 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 24, 2020 to Tuesday, June 30, 2020**, both days inclusive. The dividend of ₹ 11 per equity share of ₹ 10 each (i.e. 110%), if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS') on or after Thursday, July 9, 2020 as under:

   For Shares held in electronic form: To all the Beneficial Owners as at the end of the day on **Tuesday, June 23, 2020** as per the list of beneficial owners to be furnished by the 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 in respect of valid requests lodged with the Company as of the close of business hours on **Tuesday, June 23, 2020**.

   ii. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 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 by sending documents through e-mail by **Saturday, June 20, 2020**. For the detailed process, please click here: 'Communication on Tax Deduction on Dividend'.

   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 a scanned copy of the following details/ documents at csg-unit@tsrdarashaw.com latest by **Saturday, June 20, 2020**:

   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. self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

   c. self-attested scanned copy of the PAN Card; and

   d. self-attested scanned copy 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 entertain 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 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, upon normalisation of postal services and other activities.

9. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar and Transfer Agent, TSR Darashaw Consultants Private Limited ('Registrar' or 'TSR') at csg-unit@tsrdarashaw.com for assistance in this regard. Members may also refer to

Frequently Asked Questions ('FAQs') on the Company's website at https://www.tatachemicals.com/upload/content_pdf/faqs-on-dematerialisation.pdf.

10. The format of the Register of Members prescribed by the MCA under the Act requires the Company/Registrars and Transfer Agents 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 Relations' 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 at investors@tatachemicals.com or to the Registrar in physical mode, after restoring normalcy or in electronic mode at csg-unit@tsrdarashaw.com, 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, registering 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 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 at csg-unit@tsrdarashaw.com in case the shares are held in physical form, quoting your 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 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. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to investors@tatachemicals.com by mentioning their DP ID & Client ID/Physical Folio Number.

14. 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.

15. **Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:**

    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 electronically and cast votes electronically. 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 **Tuesday, June 30, 2020**.

    Process to be followed for registration of e-mail address is as follows:

a)	Visit the link: https://green.tsrdarashaw.com/green/events/login/c1
b)	Enter the DP ID & Client ID/Physical Folio Number and PAN details. In the event the PAN details are not available on record for Physical Folio, Member to enter one of the share certificate numbers
c)	Enter your e-mail address and mobile number
d)	The system will then confirm the e-mail address for receiving this AGM Notice

    The above system also provides a facility to the Members holding shares in physical form to upload a self-attested copy of their PAN Card, if the PAN details are not updated in accordance with the requirements prescribed by SEBI.

    After successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice and Annual Report for FY 2019-20 along with the e-Voting user ID and password. In case of any queries, Members may write to csg-unit@tsrdarashaw.com or evoting@nsdl.co.in.

ii. **Registration of e-mail address permanently with Company/DP:** Members are requested to register the same with their concerned DPs, in respect of electronic holding and with TSR, in respect of physical holding, by writing to them at csg-unit@tsrdarashaw.com. 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.

iii. Alternatively, Members may also send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring user id and password and registration of e-mail addresses for e-Voting for the resolutions set out in this Notice:

- In case shares are held in **physical form**, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card
- In case shares are held in **demat form**, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card

16. **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 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 entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of 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 Tuesday, June 30, 2020** 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 person 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. **Tuesday, June 30, 2020**, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in.

iii. The remote e-Voting period commences on **Friday, July 3, 2020 at 9.00 a.m. (IST)** and ends on **Monday, July 6, 2020 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. Tuesday, June 30, 2020**.

iv. Members will be provided with the facility for voting through 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 the resolutions on which voting is to be held, upon announcement by the Chairperson. 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.

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.

17. The Scrutiniser will submit his report to the Chairperson or to any other person authorised by the Chairperson after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes cast through remote e-Voting), not later than 48 hours from the conclusion of the AGM. 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, TSR and will also be displayed on the Company's website at www.tatachemicals.com.

18. **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. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system and they may access the same at https://www.evoting.nsdl.com under the Shareholders/Members login by using the remote e-Voting credentials, where the EVEN of the Company i.e **112963** will be displayed. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID/Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid last minute rush. Further, Members may also use the OTP-based login for logging into the e-Voting system of NSDL.

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 may 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 in advance with regard to the financial statements or any other matter to be placed at the 81st AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's e-mail address at investors@tatachemicals.com before 3.00 p.m. (IST) on **Saturday, July 4, 2020**. 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 Thursday, July 2, 2020 (9.00 a.m. IST) and Saturday, July 4, 2020 (5.00 p.m. IST). **Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM**. 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/1800-222-990 or contact Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.co.in/+91 22 2499 4360/ +91 9920264780.

B. INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/DURING THE AGM

- **The instructions for remote e-Voting before the AGM are as under:**

  The way to vote electronically on NSDL e-Voting system consists of 'Two Steps' which are mentioned below:

  Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

  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/ either on a Personal Computer or on a mobile.

  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. Your User ID details 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 Number followed by Folio Number registered with the Company. For example, if Folio Number is 001*** and EVEN is 112963, then user ID is 112963001***

E. Your password details 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 force 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 Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

i) 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.

ii) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

iii) 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.

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 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 the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

B. After clicking on Active Voting Cycles, you will be able to see the EVEN of all the companies in which you are holding shares and whose voting cycle is in active status.

C. Select 'EVEN' of the Company which is **112963** to cast your vote.

D. Now you are ready for e-Voting as the Voting page opens.

E. 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.

F. Upon confirmation, the message 'Vote cast successfully' will be displayed.

G. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

H. 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 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: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal or Ms. Pallavi Mhatre or Mr. Pratik Bhatt from NSDL at the designated e-mail IDs: evoting@nsdl.co.in or amitv@nsdl.co.in or pallavid@nsdl.co.in or pratikb@nsdl.co.in or at telephone nos.: +91 22 2499 4360/4545/4738.

By Order of the Board of Directors

Rajiv Chandan
General Counsel & Company Secretary
FCS 4312

Mumbai, May 15, 2020

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 15, 2020:

Item No. 5

At the Board Meeting of the Company held on August 8, 2019, the Board had, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), appointed Dr. C. V. Natraj (DIN: 07132764) as an Additional Director of the Company with effect from August 8, 2019. In terms of Section 161(1) of the Act, Dr. Natraj 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, Dr. Natraj was also appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 years commencing from August 8, 2019 to August 7, 2024, in accordance with the provisions of Section 149 read with Schedule IV of the Act.

Dr. Natraj has consented to act as Director of the Company 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). In terms of Regulation 25(8) of the Listing Regulations, Dr. Natraj 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 Orders or any such Authority pursuant to circular dated June 20, 2018, issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, Dr. Natraj is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Dr. Natraj 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.

In the opinion of the Board, Dr. Natraj fulfills the conditions specified under the Act read with Rules thereunder and the Listing Regulations for his appointment as Independent Non-Executive Director of the Company and is independent of the management. Having regard to the qualifications, experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Dr. Natraj as an Independent Director. A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of his appointment will be available for inspection by the Members. Members who wish to inspect the same can send a request to the e-mail address mentioned in the notes to the Notice.

Dr. C. V. Natraj, aged 66 years, holds a Ph.D. degree in Chemistry from the Indian Institute of Science, Bangalore. He also has post-doctoral research experience in Biochemistry from the University of Michigan, Ann Arbor. He has more than 30 years of experience in research. He headed the Research function as Director on the Board of Hindustan Lever Limited and later went on to lead the Corporate Research function for Unilever as Senior Vice President. He is also the Technical Advisor to the Indian Institute of Science.

A brief profile of Dr. Natraj, including details of current directorships and remuneration paid/payable forms part of this Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the Listing Regulations and other applicable regulations, the appointment of Dr. Natraj as an Independent Director for five consecutive years commencing from August 8, 2019 is now placed for the approval of the Members by an Ordinary Resolution.

Dr. Natraj would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof where he is a Member. In addition, he would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

The Board commends the Ordinary Resolution set out in Item No. 5 of the accompanying Notice for approval of the Members. This item being special business, is unavoidable in nature. Except Dr. Natraj, 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. Dr. Natraj is not related to any other Director or KMP of the Company.

Item No. 6

The Board had, based on the recommendations of the Nomination and Remuneration Committee ('NRC'), appointed Mr. K. B. S. Anand (DIN: 03518282) as an Additional Director of the Company with effect from October 15, 2019. In terms of Section 161(1) of the Act, Mr. Anand holds office upto the date of this 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. Anand was also appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 years commencing from October 15, 2019 to October 14, 2024, in accordance with the provisions of Section 149 read with Schedule IV of the Act.

Mr. Anand has consented to act as Director of the Company 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 Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, Mr. Anand 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 Orders or any such Authority pursuant to circular dated June 20, 2018, issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, Mr. Anand is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Mr. Anand 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.

In the opinion of the Board, Mr. Anand fulfills the conditions specified under the Act read with Rules thereunder and the Listing Regulations for his appointment as Independent Non-Executive Director of the Company and is independent of the management. Having regard to the qualifications, experience and knowledge, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Anand as an Independent Director. A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of his appointment will be available for inspection by the Members. Members who wish to inspect the same can send a request to the e-mail address mentioned in the notes to the Notice.

Mr. Anand, aged 64 years, is a Mechanical Engineer from the Indian Institute of Technology, Bombay having passed out in the year 1977 and then completed his Post Graduate Diploma in Business Management from the Indian Institute of Management, Kolkata in the year 1979 having specialisation in Marketing. Mr. Anand joined Asian Paints Limited in the year 1979 and worked in the Sales and Marketing function of the Architectural Coating and Chemical business, Industrial products manufacturing. He was made the head of the Decoratives Business in 2009 and Managing Director & CEO of Asian Paints Limited effective April 1, 2012. He superannuated as the Managing Director & CEO of Asian Paints Limited on March 31, 2020. He also serves on the Boards of Marico Limited and Borosil Glass Works Limited.

A brief profile of Mr. Anand, including details of current directorships and remuneration paid/payable forms part of this Notice. In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the Listing Regulations and other applicable regulations, the appointment of Mr. Anand as an Independent Director for five consecutive years commencing from October 15, 2019 is now placed for the approval of the Members by an Ordinary Resolution.

Mr. Anand would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof where he is a Member. In addition, he would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

The Board commends the Ordinary Resolution set out in Item No. 6 of the accompanying Notice for approval of the Members. This item being special business, is unavoidable in nature. Except Mr. Anand, 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. Mr. Anand is not related to any other Director or KMP of the Company.

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 from time to time, 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, as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2021 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, 2021.

In view of complying with the requirement of Section 148 of the Act and the rules thereunder, the appointment of Cost Auditor for FY 2020-21, being a special business is unavoidable in nature. The Board accordingly 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 KMP of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution 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 15, 2020

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 LISTING REGULATIONS AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS:

Name of the Director	Mr. R. Mukundan (Managing Director & CEO)	Dr. C. V. Natraj (Non-Executive Independent Director)	Mr. K. B. S. Anand (Non-Executive Independent Director)
DIN	00778253	07132764	03518282
Date of Birth	September 19, 1966	July 31, 1953	August 30, 1955
Age	53 years	66 years	64 years
Date of first appointment	November 26, 2008	August 8, 2019	October 15, 2019
Qualifications	BE (Electrical Engineering) from IIT, Roorkee; MBA from FMS, Delhi University; Advanced Management Programme at Harvard Business School.	Ph.D. degree in Chemistry from the Indian Institute of Science, Bangalore; Post-doctoral research experience in Biochemistry from the University of Michigan, Ann Arbor.	Mechanical Engineer from the Indian Institute of Technology, Bombay; Post Graduate Diploma in Business Management from the Indian Institute of Management, Kolkata.
Expertise in specific functional areas	Mr. R. Mukundan has wide experience in the field of strategy, business development, corporate quality, planning, manufacturing and general management.	Dr. Natraj has more than 30 years of experience in research. He headed the Research function as Director on the Board of Hindustan Lever Limited and later went on to lead the Corporate Research function for Unilever as Senior Vice President. He is also the Technical Advisor to the Indian Institute of Science.	Mr. Anand joined Asian Paints Limited in the year 1979 and has worked in the Sales and Marketing function of the Architectural Coating and Chemical business, Industrial products manufacturing. He was made the head of the Decoratives Business in 2009 and Managing Director & CEO of Asian Paints Limited effective April 1, 2012. He superannuated as the Managing Director & CEO of Asian Paints Limited on March 31, 2020.
Terms and conditions of appointment or re-appointment	N.A.	Appointed for a period of 5 years from August 8, 2019 to August 7, 2024	Appointed for a period of 5 years from October 15, 2019 to October 14, 2024
Details of remuneration last drawn# (FY 2019-20)	₹ 6,69,75,964	Sitting Fees: ₹ 4,10,000 Commission: ₹ 30,00,000	Sitting Fees: ₹ 1,70,000 Commission: ₹ 10,00,000
Directorships in other Public Limited Companies (excluding foreign companies, private companies and Section 8 companies)	1. Rallis India Limited* 2. Tata International Limited*	1. Rallis India Limited*	1. Borosil Glass Works Limited 2. Marico Limited (appointed w.e.f. April 1, 2020)*

Name of the Director	Mr. R. Mukundan (Managing Director & CEO)	Dr. C. V. Natraj (Non-Executive Independent Director)	Mr. K. B. S. Anand (Non-Executive Independent Director)
Membership/ Chairpersonship of Committees in other public limited companies	**1. Rallis India Limited** - Audit Committee (Member) - Stakeholders Relationship Committee (Member) - Nomination and Remuneration Committee (Member) - CSR Committee (Chairperson) - Safety, Health, Environment and Sustainability Committee (Member) **2. Tata International Limited** - Corporate Social Responsibility Committee (Member) - Nomination and Remuneration Committee (Member) - Committee of Directors (Member)	**Rallis India Limited** - Audit Committee (Member) - Nomination and Remuneration Committee (Chairperson) - Risk Management Committee (Chairperson) - Safety, Health, Environment and Sustainability Committee (Chairperson)	**Marico Limited** - Nomination and Remuneration Committee (Member)
No. of Board Meetings attended during the year	9	6	5
Relationship with other Directors and KMPs	None	None	None
No. of shares held:			
(a) Own	500	209	-
(b) For other persons on a beneficial basis	-	-	-

** Listed Entities (including entities whose debt is listed on a Stock Exchange)*

 # Commission is for FY 2019-20, which will be paid during FY 2020-21

To
TSR Darashaw Consultants Private Limited
Unit: **Tata Chemicals Limited**
6-10 Haji Moosa Patrawala Industrial Estate
20 Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011
E-mail: csg-unit@tsrdarashaw.com

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.:	
Email 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/RTA 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: ______________________

Signature of sole/first holder

Date: ______________________

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**

(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**

* 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 + intangibles 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 (AIs)
- Anti Dumping Duty (ADD)
- Annual General Meeting (AGM)
- American Natural Soda Ash Corporation (ANSAC)
- Bachelor of Arts (BA)
- Bachelor of Medicine and Bachelor of Surgery (MBBS)
- Basic Chemistry Products (BCP)
- Behavioural Safety Observation (BSO)
- Bombay Chamber of Commerce and Industry (BCCI)
- Brihanmumbai Municipal Corporation (BMC)
- Build Resilient Approach in Response to COVID-19 Epidemic (BRACE)
- Business to Business (B2B)
- Business to Consumer (B2C)
- Carbon Capture and Utilisation (CCU)
- Carbon dioxide (CO_2)
- Carbon Disclosure Project (CDP)
- Caustic Chlorine Group (CCG)
- Community Development (CD)
- Combustion Engineering High Pressure (CEHP)
- Continuous Emission Monitoring System (CEMS)
- Centre for Sustainable Conservation Action for Protection of Ecosystems of the Seas (C-SCAPES)
- Centre of Excellence for Sustainable Agriculture & Farm Excellence (C-SAFE)
- Chief Executive Officer (CEO)
- Chief Operating Officer (COO)
- Combined Heat and Power (CHP)
- Centre of Excellence (CoE)
- Combined Heat and Power Plant (CHP)
- Confederation of Indian Industry (CII)
- Code for Responsible Extraction (CORE)
- Corporate Social Responsibility (CSR)
- Council of Scientific and Industrial Research-Central Electrochemical Research Institute (CSIR-CECRI)
- Cross Functional Teams (CFTs)
- CSR, Safety and Sustainability (CSS)
- Doctor of Medicine (MD)
- Doctor of Philosophy (Ph.D)
- Degree of Polymerisation (DP 2-5)
- Early Childhood Development Education (ECDE)
- Earnings before interest, taxes, depreciation, and amortisation (EBITDA)
- Electric Vehicle (EV)
- Electrostatic Precipitator (ESP)
- Environmental Social Impact Assessment (ESIA)
- Environmental Impact Assessment (EIA)
- Extended Producer Responsibility (EPR)
- Food Fortification Resource Centre (FFRC)
- Faculty of Management Studies (FMS)
- Food and Beverage (F&B)
- Food Safety and Standards Authority of India (FSSAI)
- Fructo-Oligosaccharide (FOS)
- Galacto-Oligosaccharide (GOS)
- Genetically Modified Organisms (GMOs)
- Glycaemic Index (GI)
- Gigawatt hours (GWh)
- Global Positioning System (GPS)
- Global Reporting Initiative (GRI)
- Genetically Modified (GM)
- Greenhouse Gas (GHG)
- Hazard and Operability Study (HAZOP)
- High Compression Thickener (HCT)
- Heavy Fuel Oil (HFO)
- Highly Dispersible Silica (HDS)
- Human Resource Management System (HRMS)
- High Rate Thickener (HRT)
- Indian Institute of Management (IIM)
- Indian Institute of Technology (IIT)
- Indian Space Research Organisation (ISRO)
- Information Technology (IT)
- Innovation Collaboration Technology (iNNCOTECH)
- Innovation Centre (IC)
- Innovation Turnover Index (ITI)
- Integrated Reporting <IR>
- Integrated Reporting Council (IIRC)
- International Integrated Reporting Council (IIRC)
- International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE3000 assurance standard)
- Internet of Things (IoT)
- Intellectual Property (IP)
- Information Security Management System (ISMS)
- International Organisation for Standardisation (ISO)

- Industrial Vacuum Salt Dried (IVSD)
- Job Safety Analysis (JSA)
- Joint Venture (JV)
- Key Performance Indicators (KPI)
- Kilolitre (KL)
- Kilotonne (KT)
- Kilowatt hour (kWh)
- Know Around Me (KAM)
- Kilotonnes per annum (KTPA)
- Lead, Engage, Aspire and Perform (LEAD)
- Lithium iron phosphate (LFP)
- Light Emitting Diode (LED)
- Ljungström Air Heater (LAH)
- Long term Asset Management Plan (LAMP)
- Management Information System (MIS)
- Managing Director (MD)
- Master of Business Administration (MBA)
- Memorandum of Understanding (MoU)
- Mergers and Acquisitions (M&A)
- Metric Tonne (MT)
- Million Metric Tonne (MMT)
- Nano Zinc Oxide (nZnO)
- Ncourage Social Enterprise Foundation (NSEF)
- New Product Development (NPD)
- Nitrogen Oxide (NOx)
- Non-Governmental Organisation (NGO)
- National Skill Development Corporation (NSDC)
- Occupational Health & Safety (OHS)
- Occupational Health and Safety Assessment Series (OHSAS)
- Okhai Centre for Empowerment (Okhai)
- Operational Health and Safety (OHS)
- Ordinary Portland Cement (OPC)
- Original Equipment Manufacturer (OEM)
- Passenger Car Radial (PCR)
- Plant Variety Protection (PVP)
- Portland Pozzolana Cement (PPC)
- Protection of Plant Varieties & Farmers' Rights Authority (PPV & FRA)
- Profit After Tax (PAT)
- Profit Before Tax (PBT)
- Rallis Innovation Chemistry Hub (RICH)
- Research & Development (R&D)
- Return on Capital Employed (ROCE)
- Stage and Gate (S&G)
- Safety Health and Environment (SHE)
- Science Based Targets initiative (SBTi)
- Science, Technology, Engineering and Mathematics (STEM)
- Seamlessly Harnessing Internal Expertise (SHINE+)
- Speicial Investment Region (SIR)
- Specialty Chemical Products (SCP)
- Suspended Particulate Matter (SPM)
- Standard Operating Procedures (SOPs)
- Stop & Think Assessment (STOP)
- Sodium Triphosphate (STPP)
- Strengths, Weaknesses, Opportunities, and Threats (SWOT)
- Sulfur Oxide (SOx)
- Sulphur Dioxide (SO_2)
- Sustainable Development Goals (SDGs)
- Systems, Applications and Products in Data Processing (SAP)
- Tata Business Excellence Group (TBExG)
- Tata Chemicals Europe (TCE)
- Tata Chemicals International Pte. Ltd. (TCIPL)
- Tata Chemicals Limited (TCL)
- Tata Chemicals Magadi (TCM)
- Tata Chemicals North America (TCNA)
- Tata Chemicals Society for Rural Development (TCSRD)
- Tata Chemicals South Africa (TCSA)
- Tata Chemicals Magadi Limited (TCML)
- Tata Chemicals Soda Ash Partners Holdings (TCSAP)
- Terajoule (TJ)
- Tonnes per annum (TPA)
- Tonnes per month (TPM)
- Total Recordable Injury (TRI)
- Total Recordable Injury Frequency Rate (TRIFR)
- Truck & Bus Radial (TBR)
- Turnover Index (ITI)
- Ultraviolet (UV)
- United Nations (UN)
- United States Dollar (USD)
- Variable Frequency Drive (VFD)
- Virtual Private Network (VPN)
- Work Safe Online (WSO)
- World Health Organisation (WHO)

Awards

Tata Chemicals felicitated with Asia's Most Trusted Companies Award 2019. Ranked amongst the top 50 companies in Asia.

Tata Chemicals is the top ranked company in India's top companies for CSR and sustainability.

Tata Chemicals Mambattu Plant receives IGBC Green Factory Gold Rating.

Tata Chemicals make this crisp featured in the top 10 Safe workplaces for women in India as per the nationwide survey on Safe Places to work conducted by Rainmaker.

Tata Chemicals honoured with CII Industrial Innovation Awards 2019. Ranked amongst top 25 innovative companies in India.

Tata Chemicals receives Responsible Care Certification from ICC for third year in a row.

Tata Chemicals wins prestigious Porter Prize.

... amongst many others!

TATA CHEMICALS

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