



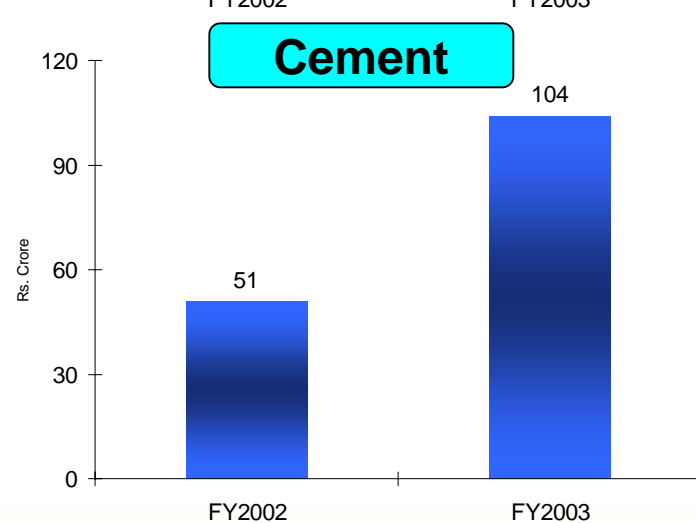
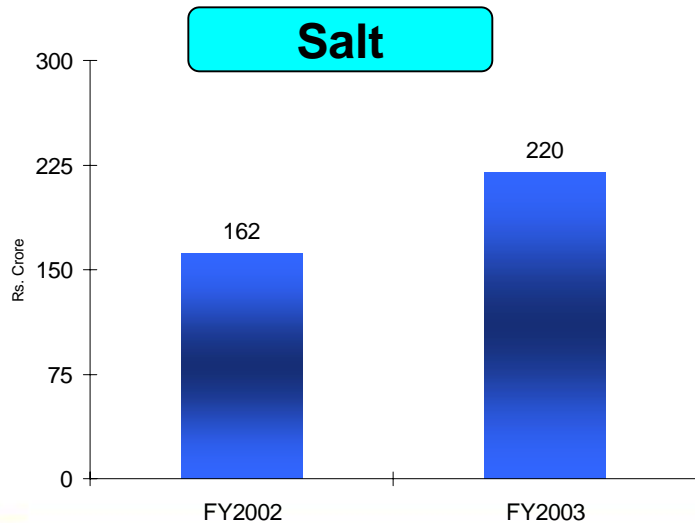
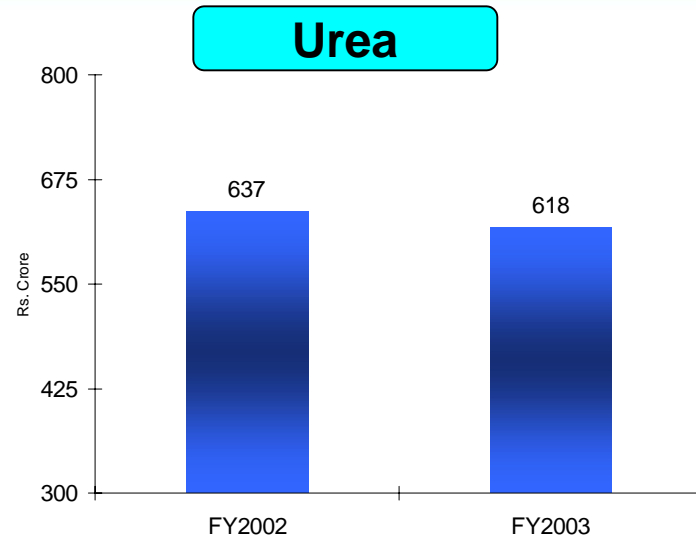
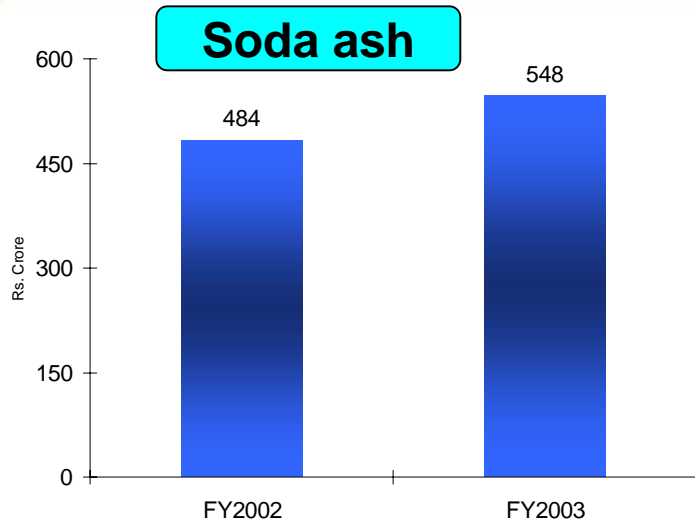
## 64<sup>th</sup> AGM FY2003

December 15, 2003

## Healthy operating and financial performance

- Thrust on operational efficiencies delivers savings of Rs 58 crore
- Highest ever soda ash exports
- 'Tata Salt' sales volumes appreciate 30% in a competitive market
- Cement sales double
- Continues to be the most efficient player in the urea business
- Aggressive financial restructuring programme results in improved debt management and significantly lower interest costs
- Proposed merger with Hind Lever Chemicals to complement growth

# Business overview – revenue profile



## Segmental highlights

# Soda ash

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## Sector perspective

- Capacity creation not completely matching demand growth
- Threat of reductions in custom duty
- Increasing export outlook by domestic players

## Tata Chemicals performance

- Strategic market segmentation to increase thrust on large customers
- Domestic volumes appreciate 9% against 5% industry average
- Strong export performance (101,000 MT)
- Enhanced capacity utilisation
- Market leadership sustained with 34.3% marketshare

## Sector perspective

- Increasingly competitive market
- National brands strengthening presence

## Tata Chemicals performance

- Distribution structure revamped to increase market penetration
- Sales volumes appreciate 30%
- Price levels sustained, contributing to significantly improved realisations – an indication of the strong brand affiliation
- Market leadership sustained with 35% marketshare

## Sector perspective

- Significant excess capacities in Gujarat market
- Firming up of market prices

## Tata Chemicals performance

- Highest ever sales in Company's history
- 98% capacity utilisation achieved
- Considerable brand franchise achieved by 'Tata Shudh' in year of introduction

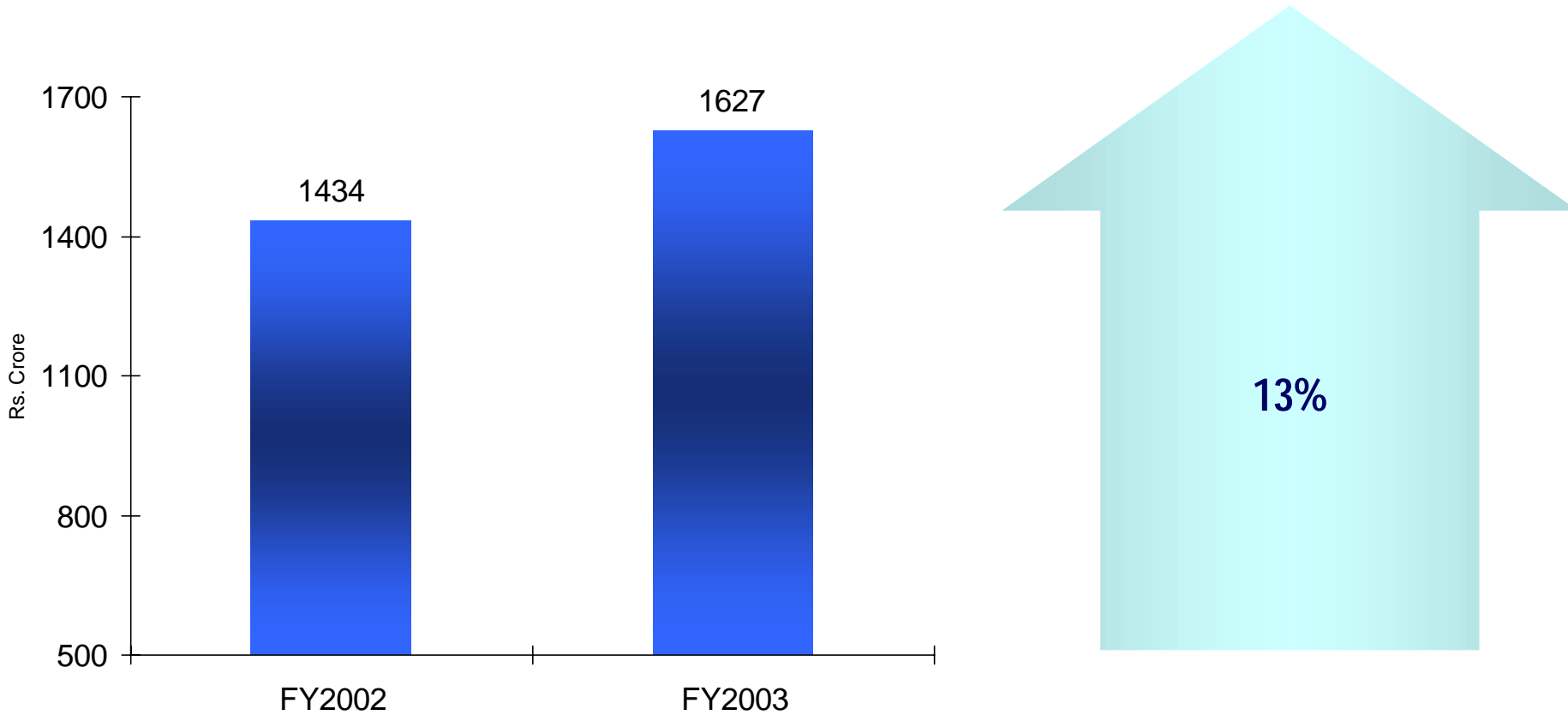
## Sector perspective

- Drought resulting in negative agricultural growth
- Controlled environment

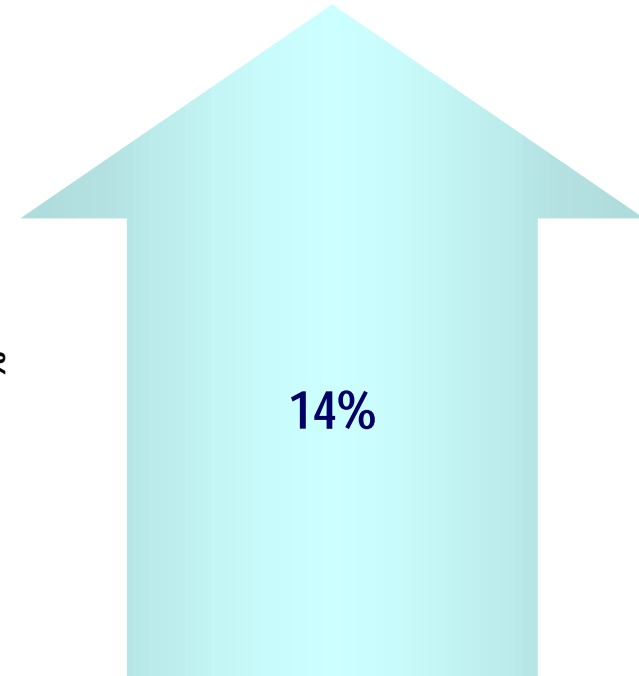
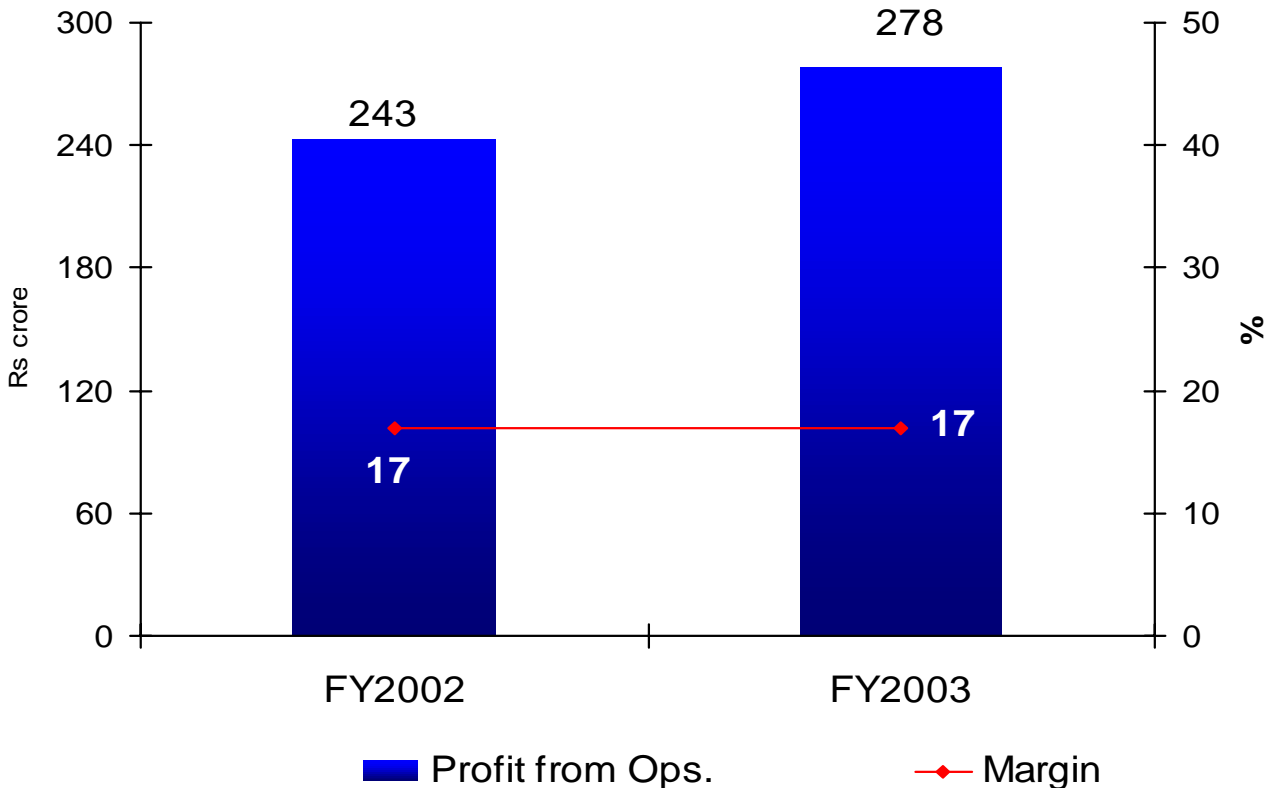
## Tata Chemicals performance

- Marginal 3.92% decline in sales volumes, against 5.5% reduction in overall segment sales
- Expansion of 'Tata Kisan Kendra' Network improves association with farmers
- Continued focus on efficiencies with an outlook towards decontrol

# Revenue performance

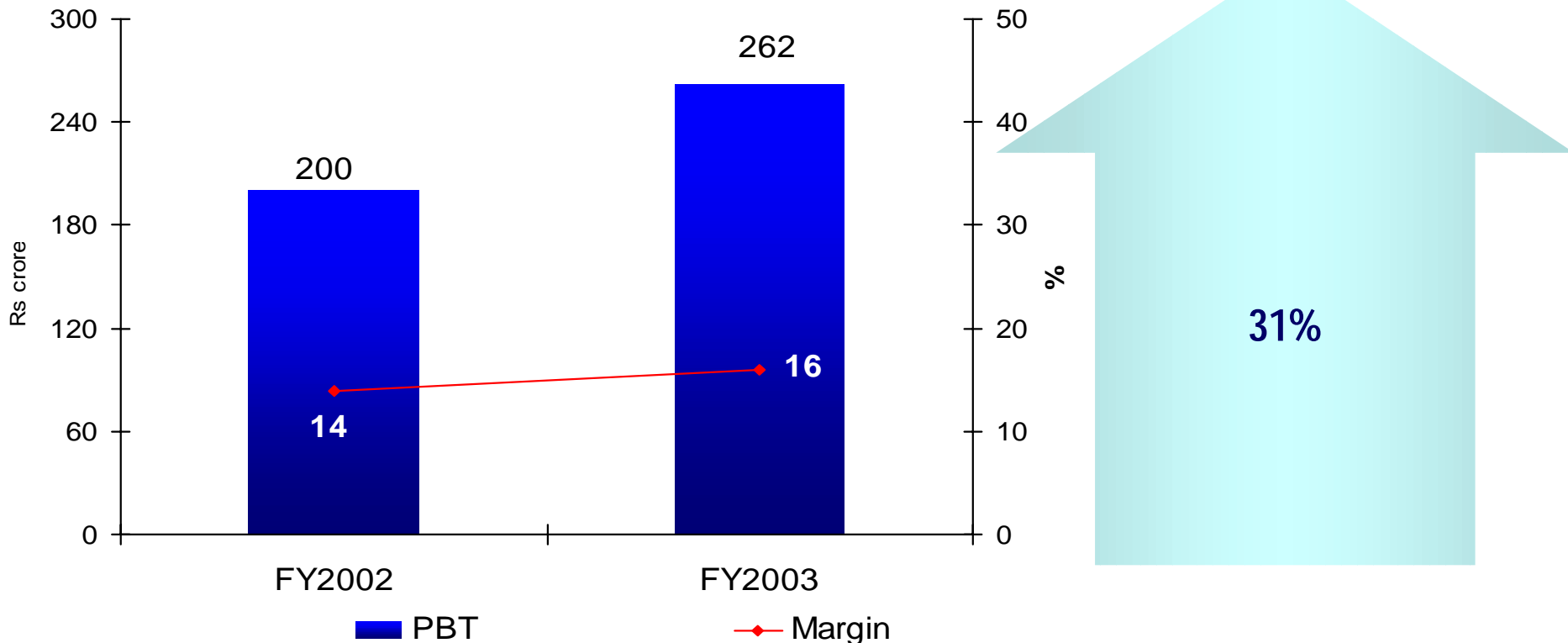


# Profit from Operations



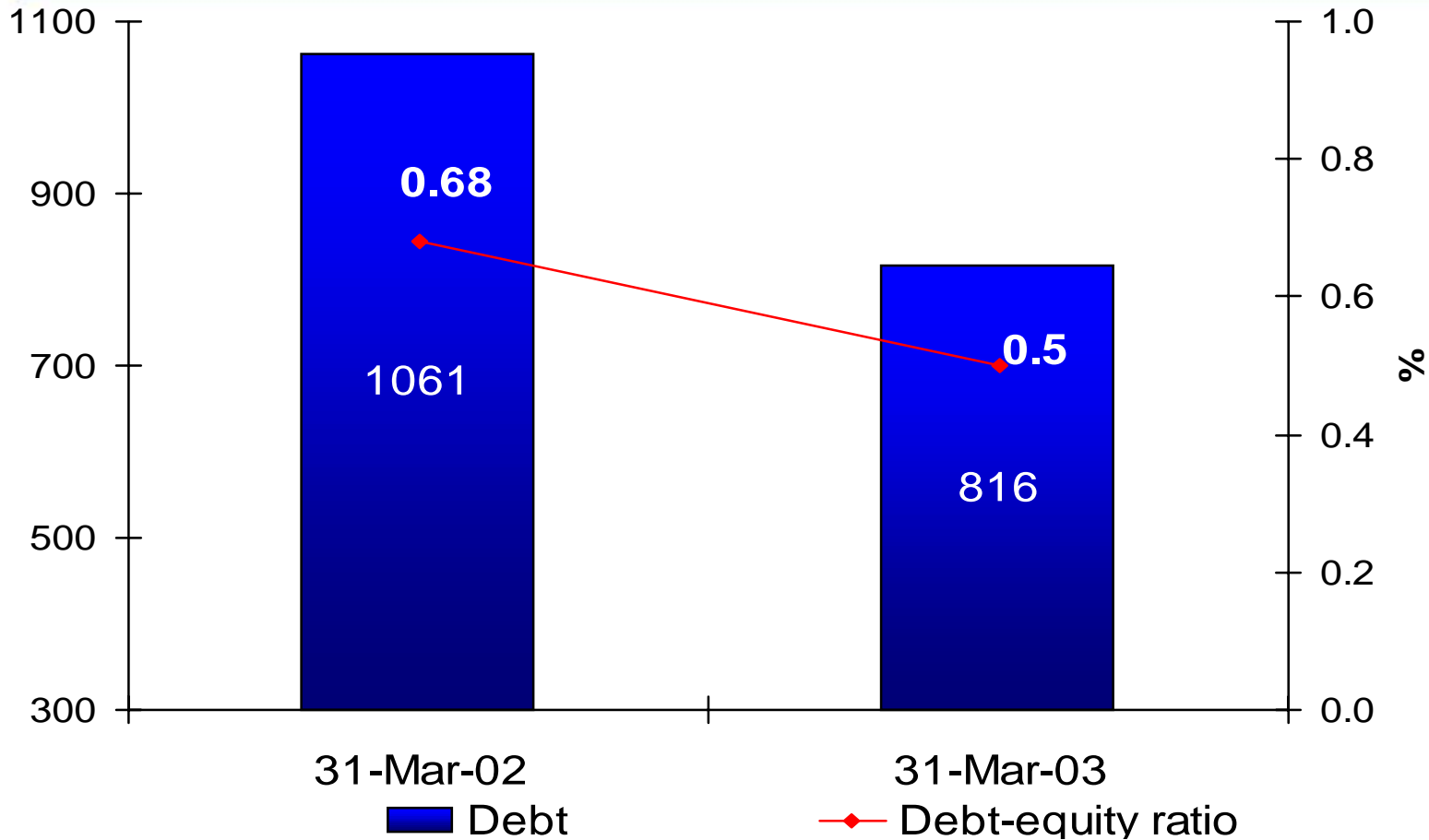
**Efficiency led Project Manthan contributes significantly to improved operating profit negating impact of revision in urea retention prices**

# Profit Before Tax



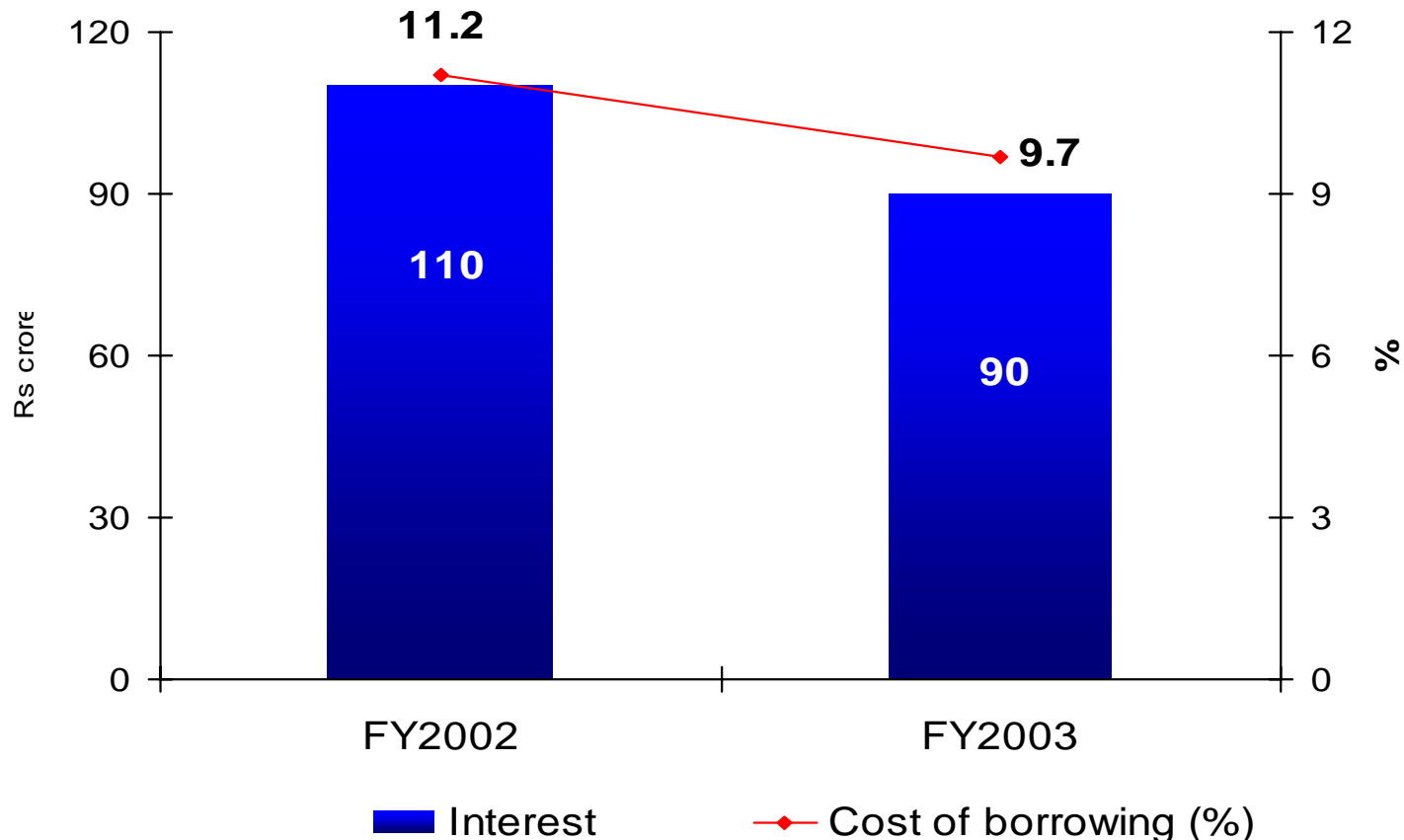
**Improved PBT despite decline in interest on tax refunds in Q4 FY2003 compared with Q4 FY2002**

# Financial Management



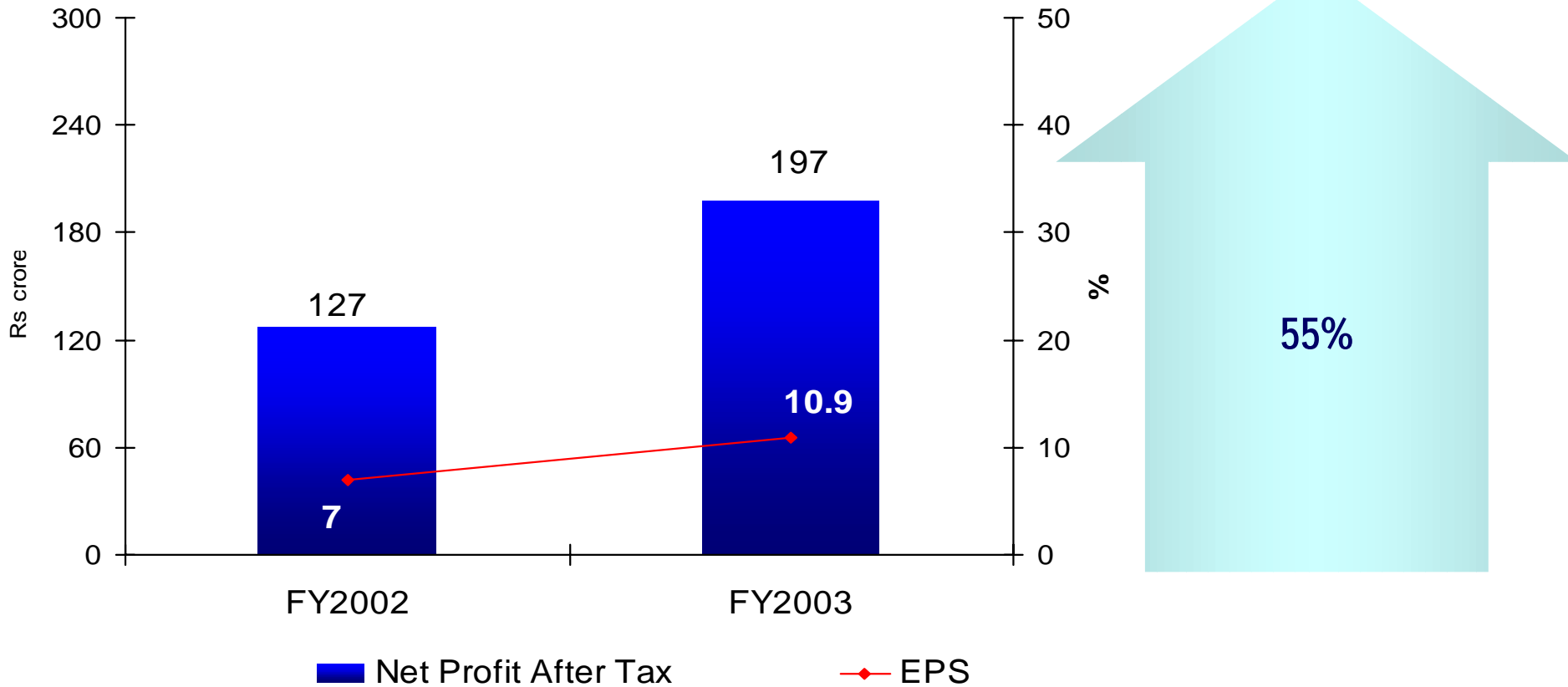
**33% reduction in debt as on 31-March-03 compared with 31-March-02**

# ...Financial Management

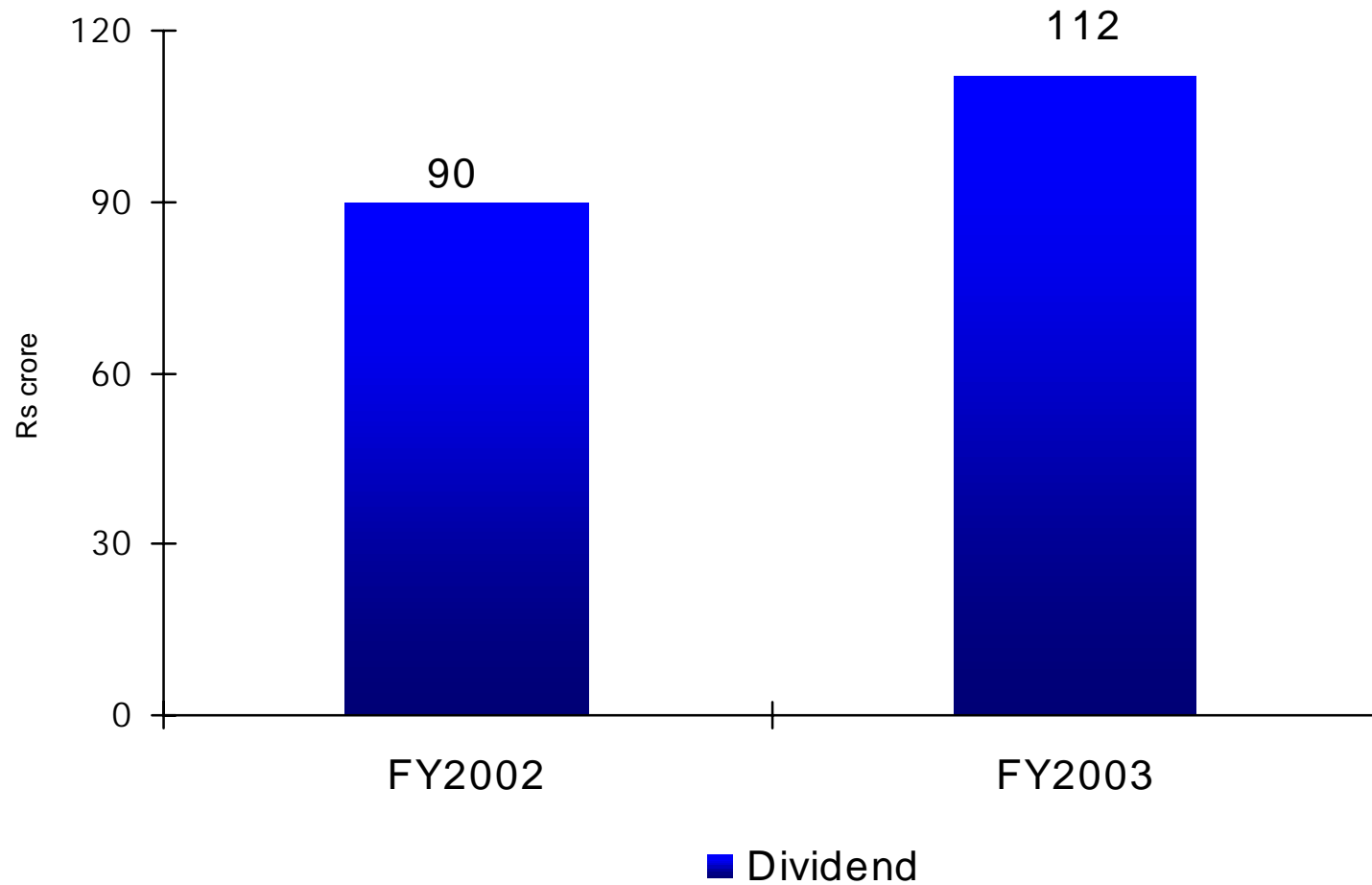


**Interest costs declined 18% by Rs 20 crore**

# Net Profit After Tax

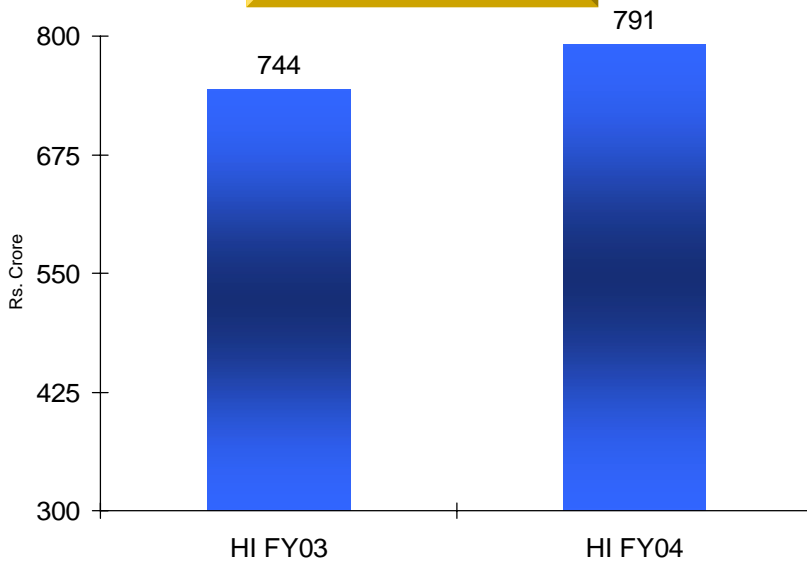


# Dividend payout

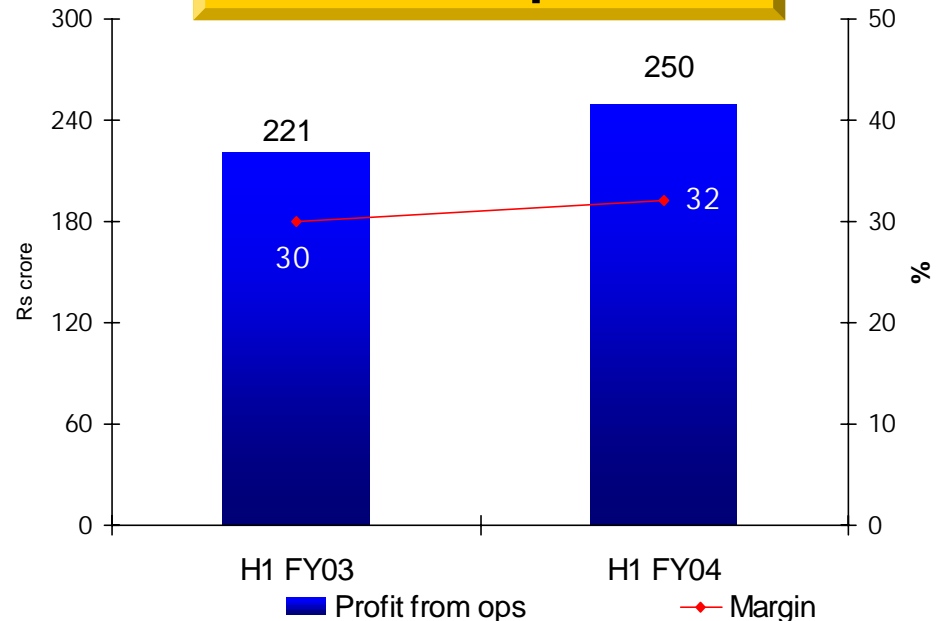


# H1 FY2004 performance perspective

## Revenue



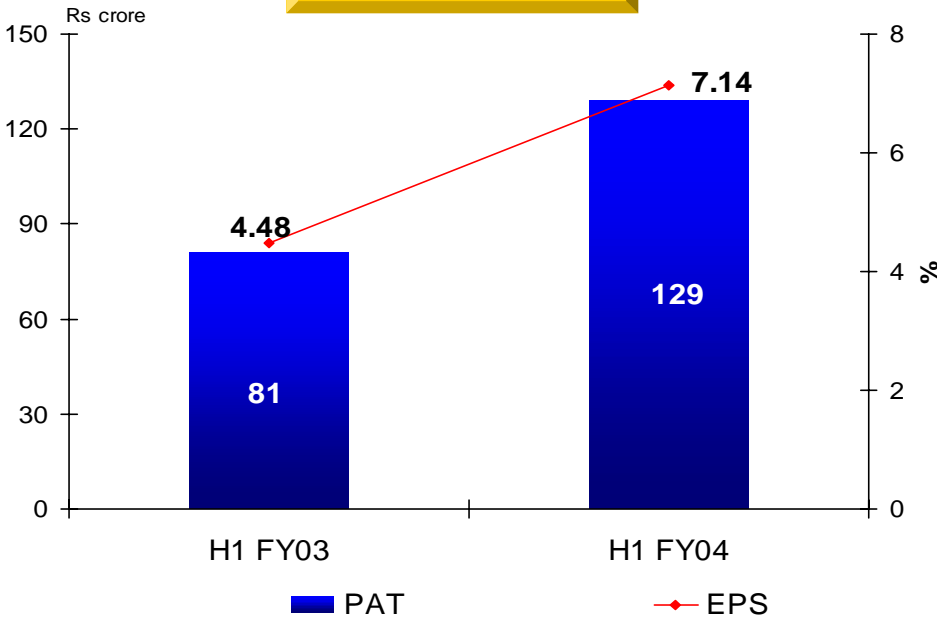
## Profit from operations



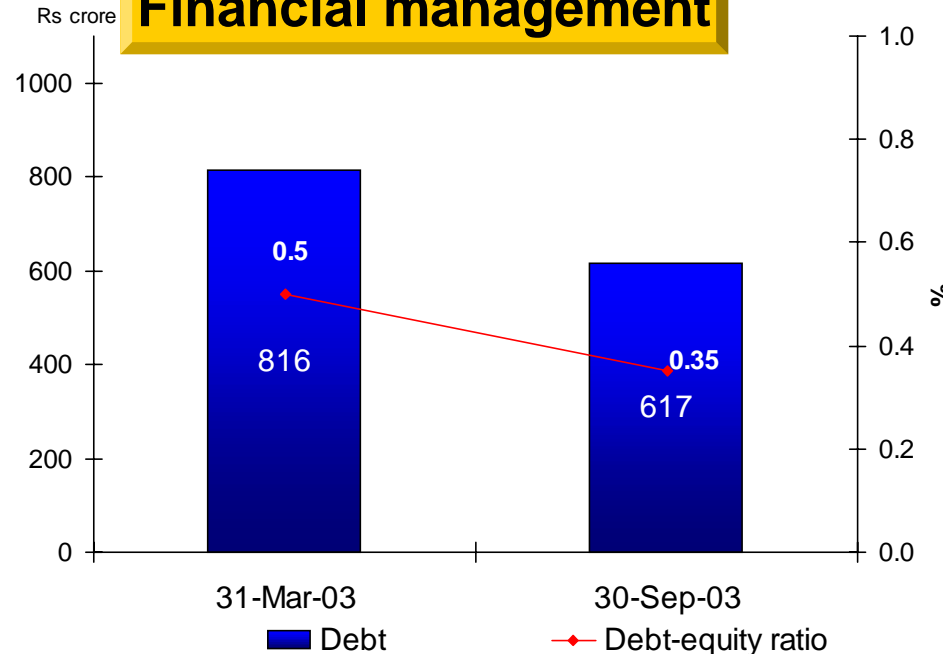
- 6% appreciation in revenues
- Profit from operations increase 13%
- Healthy operating margins

# H1 FY2004 performance perspective

## PAT



## Financial management



- **PAT up by 59%**
- **Reduction of debt by 24% in H1 FY04**
- **Interest costs decline by 50% during H1 FY 04**

# Community initiatives

- **Desh Ko Arpan**
- **Agriculture Development**
- **Self Help Groups**
- **Education and Health**
- **Rural Energy**
- **Reproductive Health & Family Welfare**



# Recognition

- **4<sup>th</sup> National Award for Energy Management – from CII**
- **National Energy Conservation Award – from Min of Power, GOI**
- **Golden Peacock Environment Management Award – from WEF**



# Outlook

