

**TATA** CHEMICALS LIMITED



**SERVING  
SOCIETY  
THROUGH  
SCIENCE**

# ***Tata Chemicals Limited***

## ***AGM***

***9 August 2010***



# The Year that was – Internal Improvements and focus on growth to counter tough Business environment



## Business Environment

- Fall in Demand & Prices in most Products
- Delayed and deficient monsoons
- **Positive shift in Fertilizers' Policy**



## Tata Chemicals' Response

- Operational and Financial improvements.
- Enhancing product portfolio and focus on new opportunities

# The Year that was – Delivering growth and diversifying portfolio



## Tata Chemicals' Achievements

Constant Focus throughout the year to **Improve Balance Sheet Position**

**ADAPT** delivers EBIDTA improvement.

**Rallis** enhances Agri input portfolio & gives pan India foot print

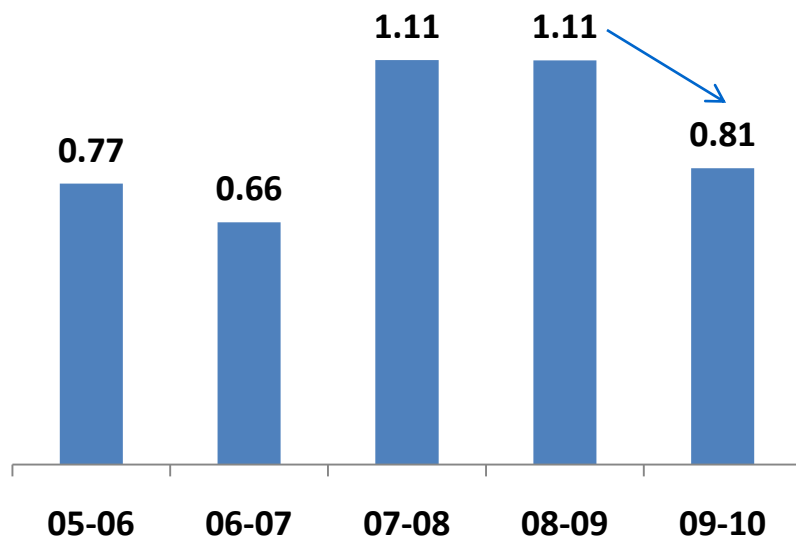
**Successful Debottlenecking** of Babrala Urea plant.

**SWACH Launch**, entering Water purification business

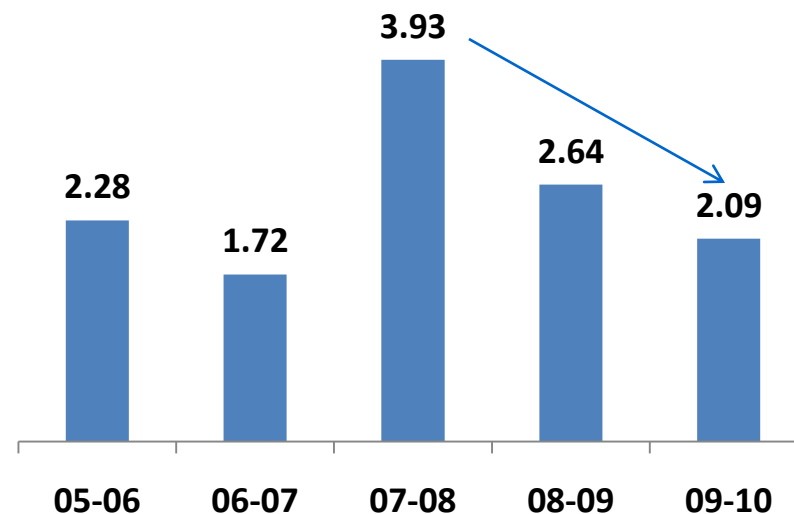
# Steady Financial performance – Strengthening the Balance sheet



Net Debt/Equity



Net Debt/EBIDTA

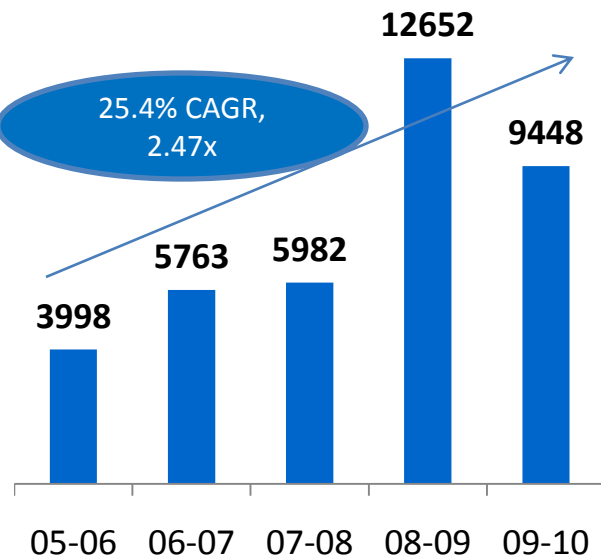


**Reduction in Debt: Stronger Balance Sheet**

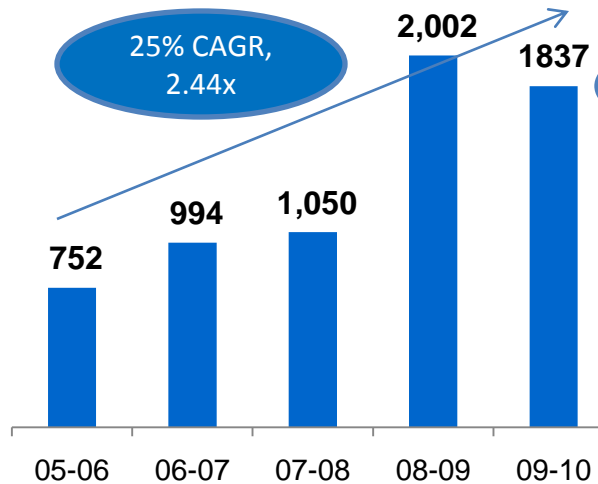
# Steady Financial performance - Improvement in Operational Metrics



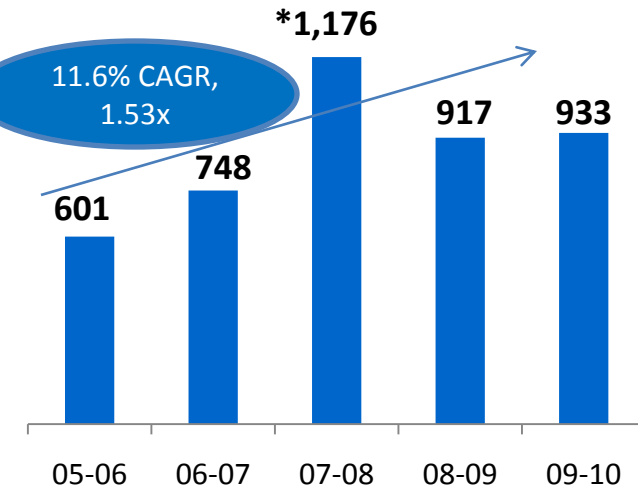
## TURNOVER (Rs Cr.)



## EBIDTA (Rs Cr.)



## PBT (Rs Cr.)



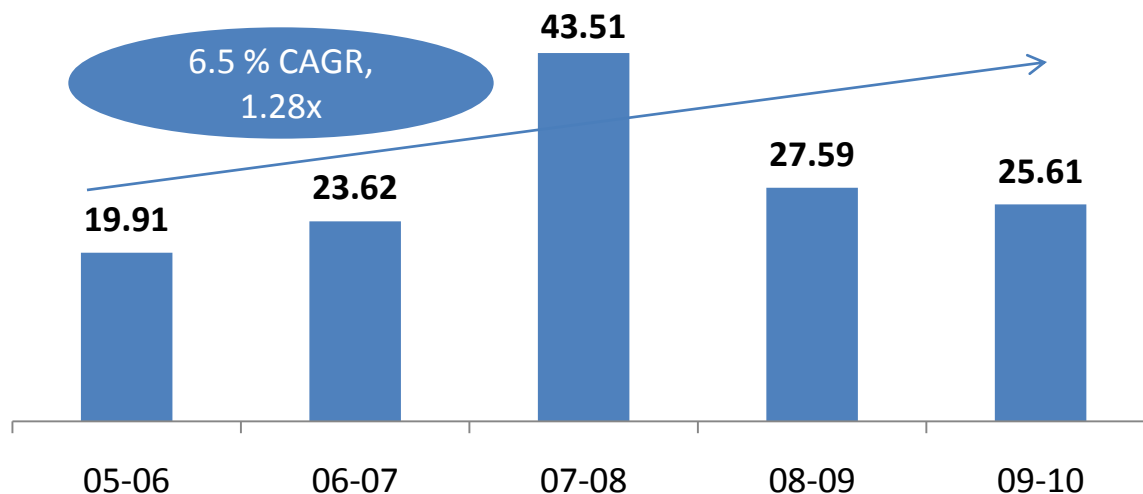
**Steadily Increasing Turnover, EBIDTA and PBT**, driven by Growth, Operational improvements and better Financial management. Constant focus on value creation

\* Includes one time profit on sale of investments

# Steady Financial Performance – Shareholder Returns

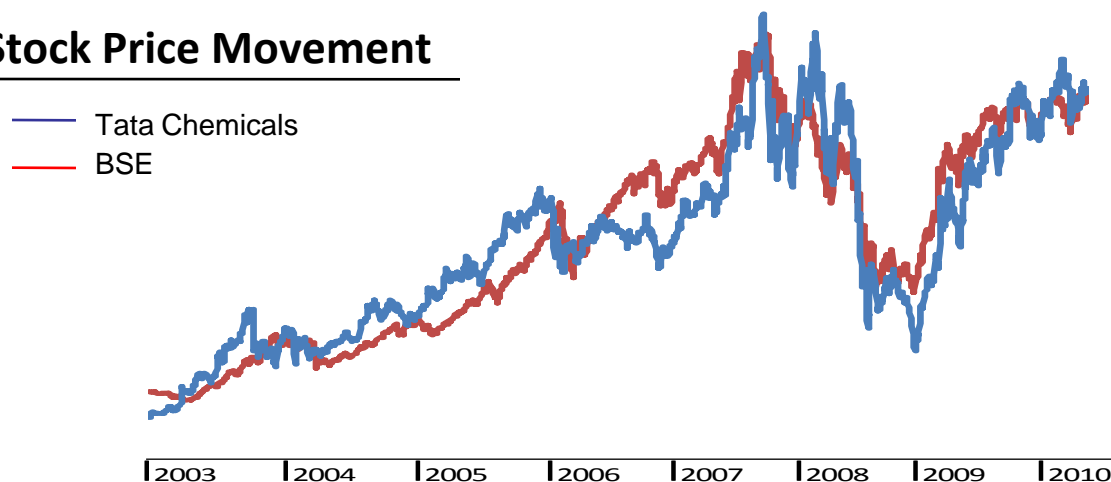


## Basic EPS( Rs/Share)



**Steady EPS performance**, in face of an extremely difficult Business environment

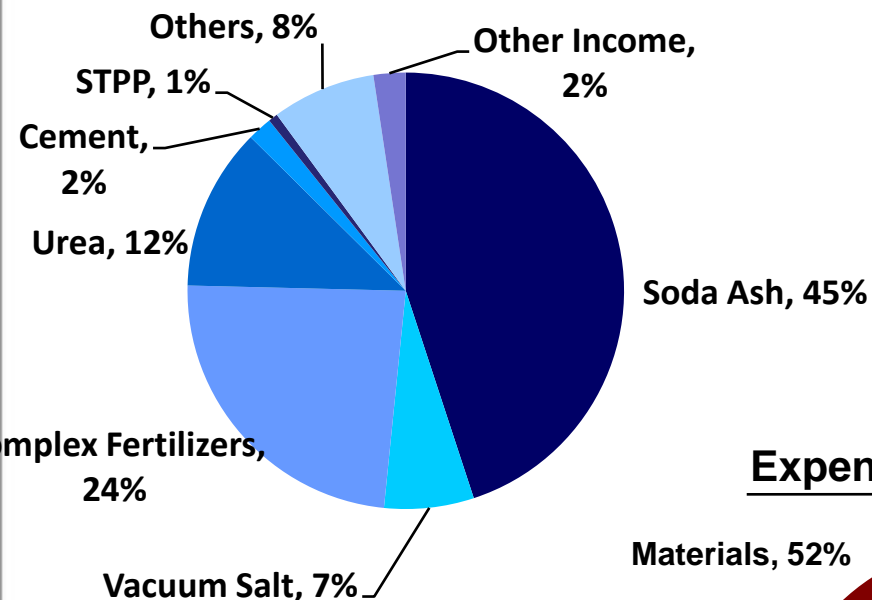
## Stock Price Movement



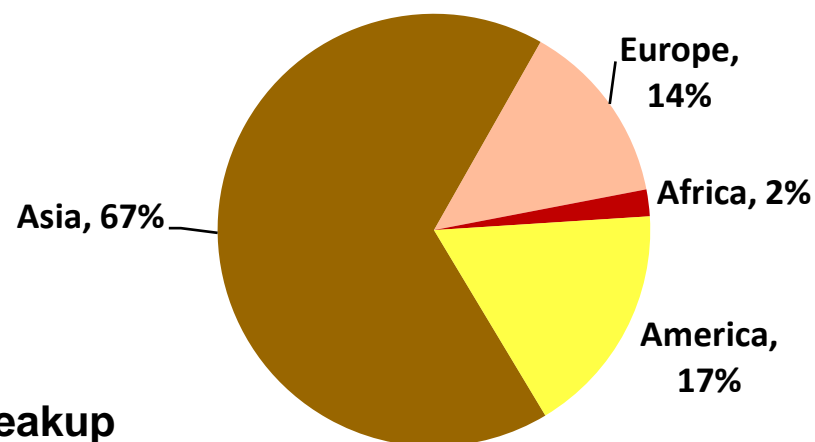
# Diversified Product portfolio and Revenue Base (FY 10)



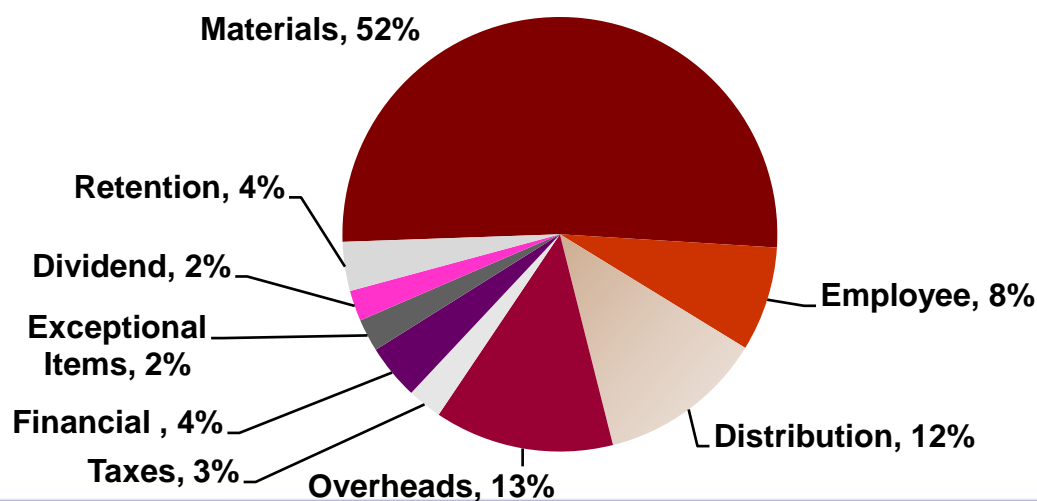
## Revenue Breakup - Products



## Revenue Breakup – Geographies



## Expenditure Breakup





# Building relationship with customers and creating value through **Brands**



General Chemical  
Industrial Products

Chemicals  
Business

Consumer  
Products



Agri  
Business





# Favourable global trends, combined with TCL strengths for Future growth




## *Future Global trends*

- 1. Growth driven by Emerging economies*
- 2. Focus on Sustainability*
- 3. Rising Population & decreasing per capital Arable land in India to fuel growth/Innovations in Agri Sector*

## *Tata Chemicals' Strengths*

- 1. Global Low cost position and a Balanced portfolio in Soda Ash*
- 2. Strong Farmer connect and leading position in Crop nutrition and crop protection in India*
- 3. Strong consumer connect through Household products (Salt/Swach)*



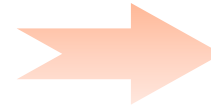
*Our Sustainable way of growing will ensure inclusive growth taking care of interests of all our stakeholders*

# Growth by capitalizing relevant skills in each business and exploiting linkages



## Living Essentials

*National Branded Salt player,  
New Entrant in Water  
purification and Fresh produce*

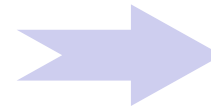


**Brand and Market Leadership** in Existing products.

**Entry into newer segments** for masses based on linkages with Farm and Industry Essentials

## Industry Essentials

*Low Cost, Balanced Soda Ash  
portfolio, Global resource  
Ownership*



**Leadership position in Bulk Chemicals** through operational Excellence.

Exploit linkages for entry in niche segments

## Farm Essentials

*Presence in Crop Nutrition,  
Crop protection and Agri -  
Services*

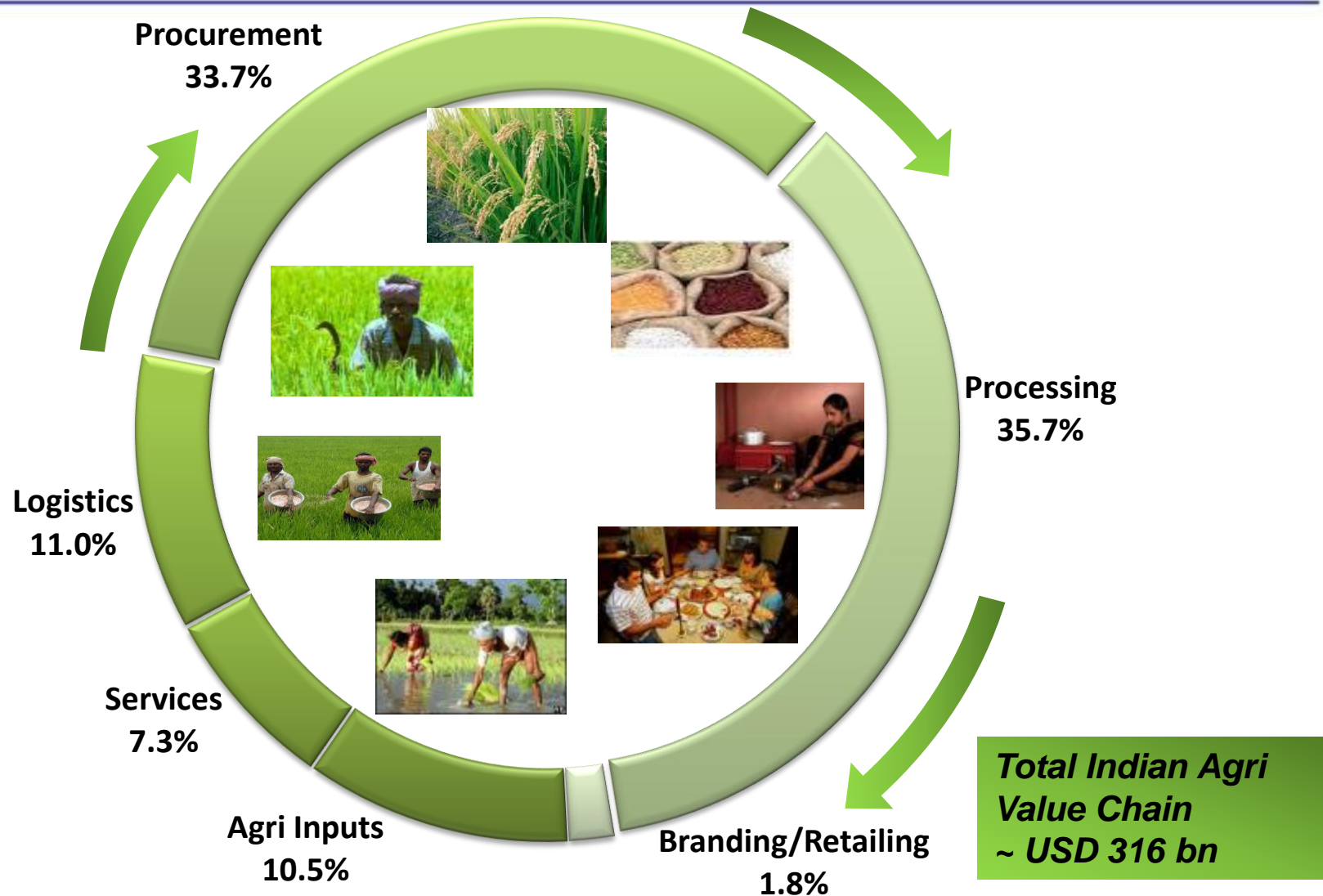


**Integrated Agri Player**, Capturing the growth in Agri value chain

Entry into **Technology/Knowledge based** value added products and services

Leverage relationship with farmers to develop **Unique Agri Solutions**

# Opportunity across the value chain in Indian Agri sector, linkage from Farm to Household



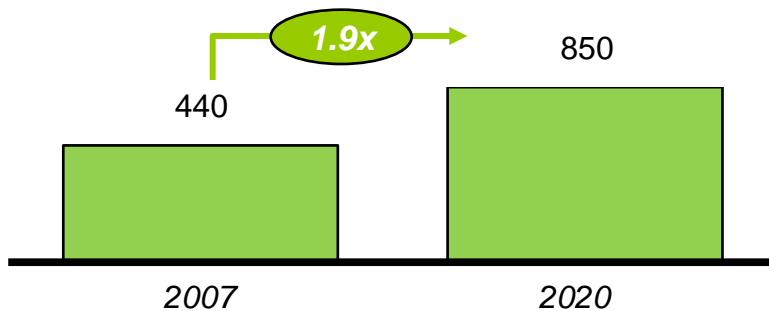
# Rising Food Demand, combined with limited arable land availability, to drive productivity improvements in India



**Food demand to grow with rising population and increasing awareness of nutrition needs**

## Food Demand

Million metric tonnes



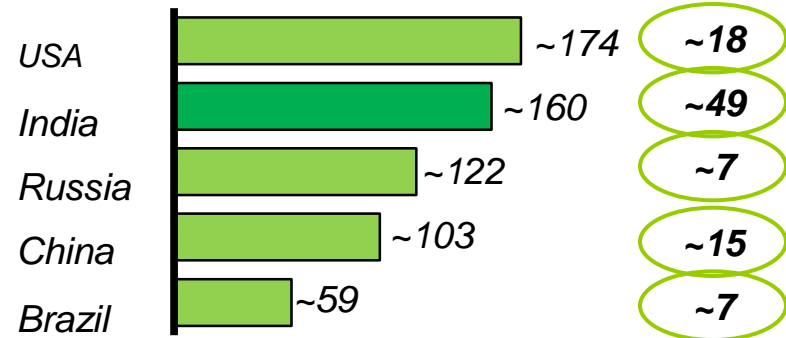
**India already has 2<sup>nd</sup> largest arable land..**

## Arable land

Million hectares

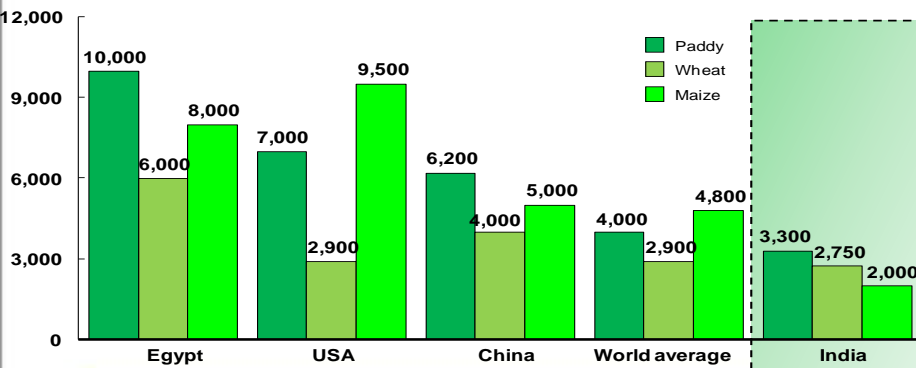
Arable land as % of total land

Percent

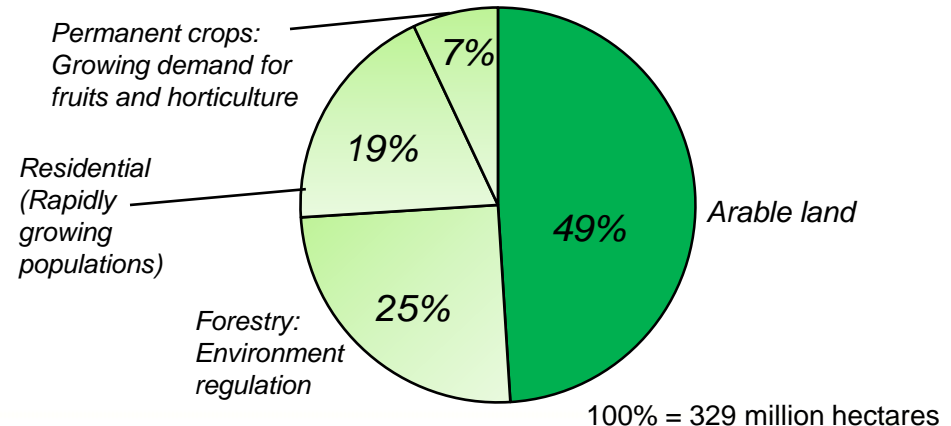


**India has one of the lowest productivity across developed and developing markets**

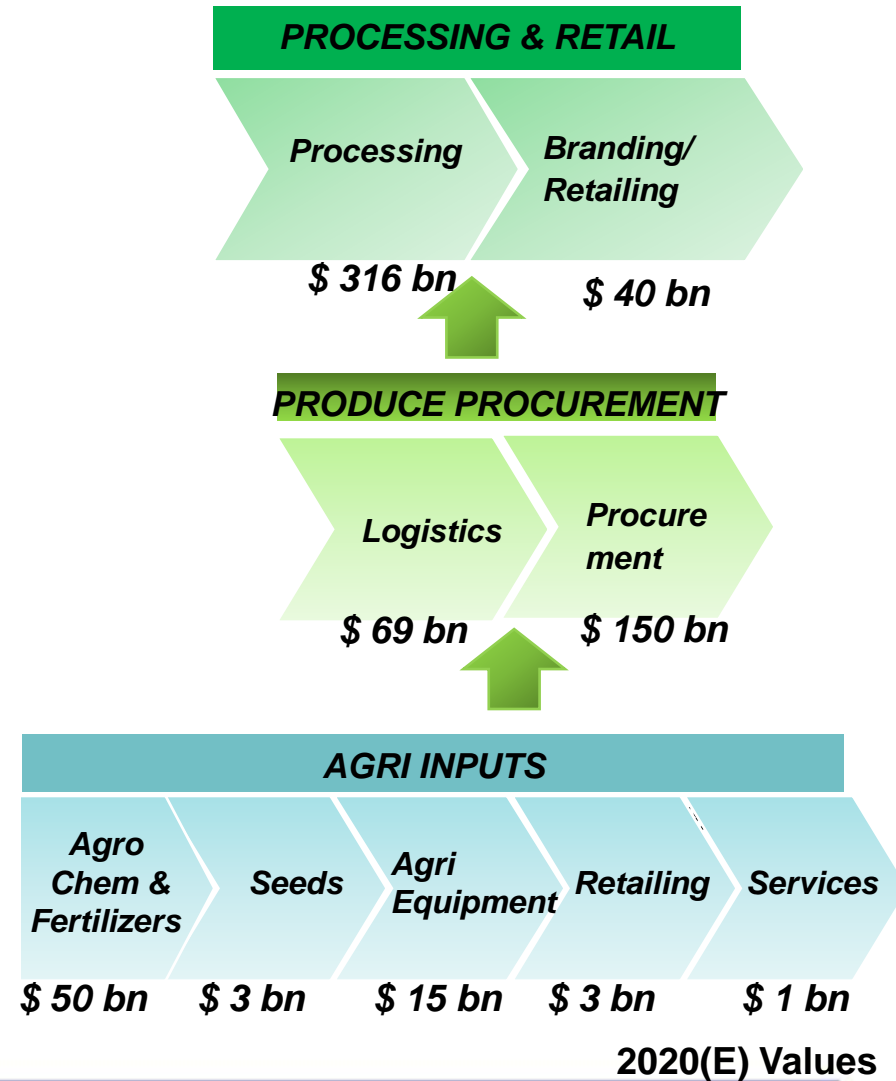
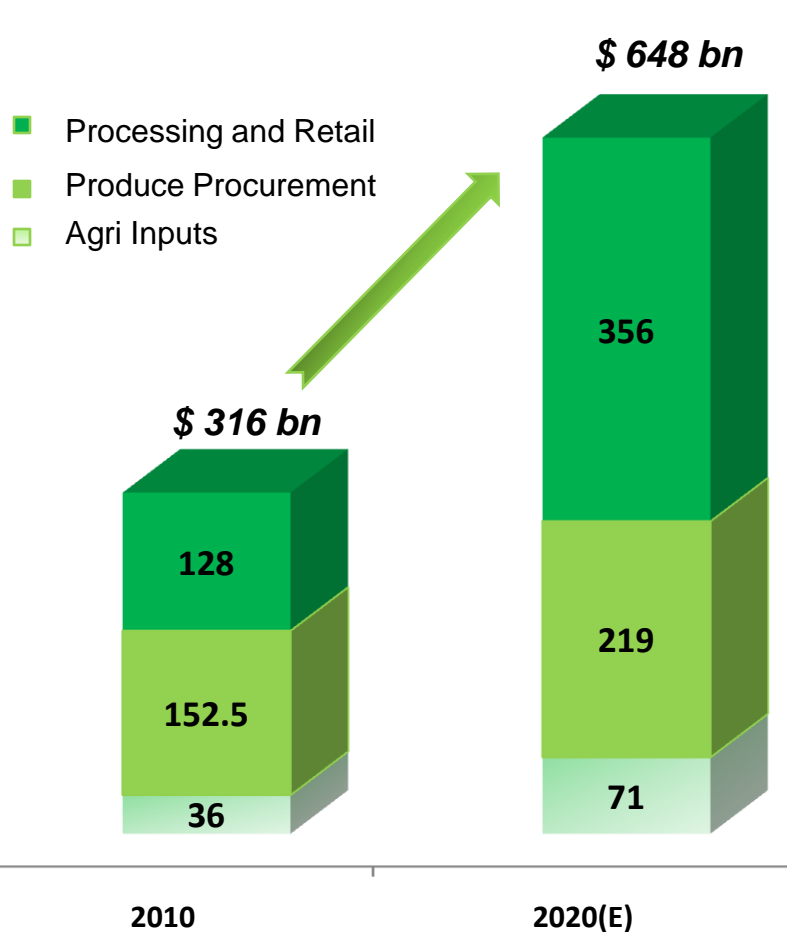
## Agriculture productivity across Countries (Kg/Ha)



**... and given competing uses, land under cultivation cannot increase significantly**



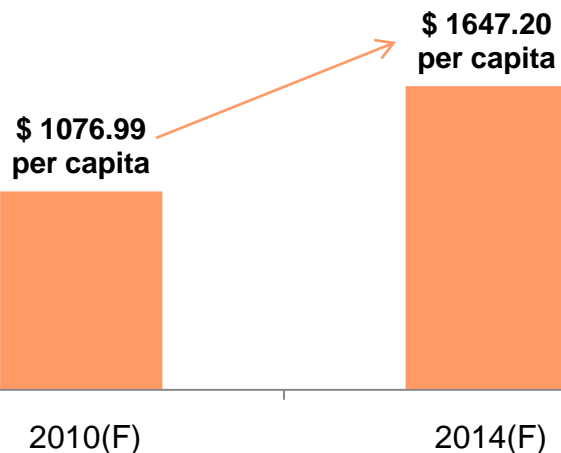
# Estimated Indian Agri sector estimated to grow to ~ \$648 bn in 2020 from ~ \$ 316 bn today



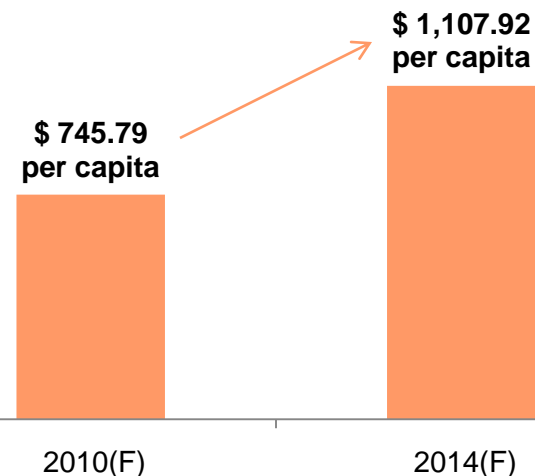
# Rising incomes and linked Consumption Growth provide opportunity for growth in Household consumption



## Rising Disposable Incomes in India



## Consumption Growth in India



**Opportunity for Sustainable growth by meeting demand for masses through products backed with technological and business model Innovation**



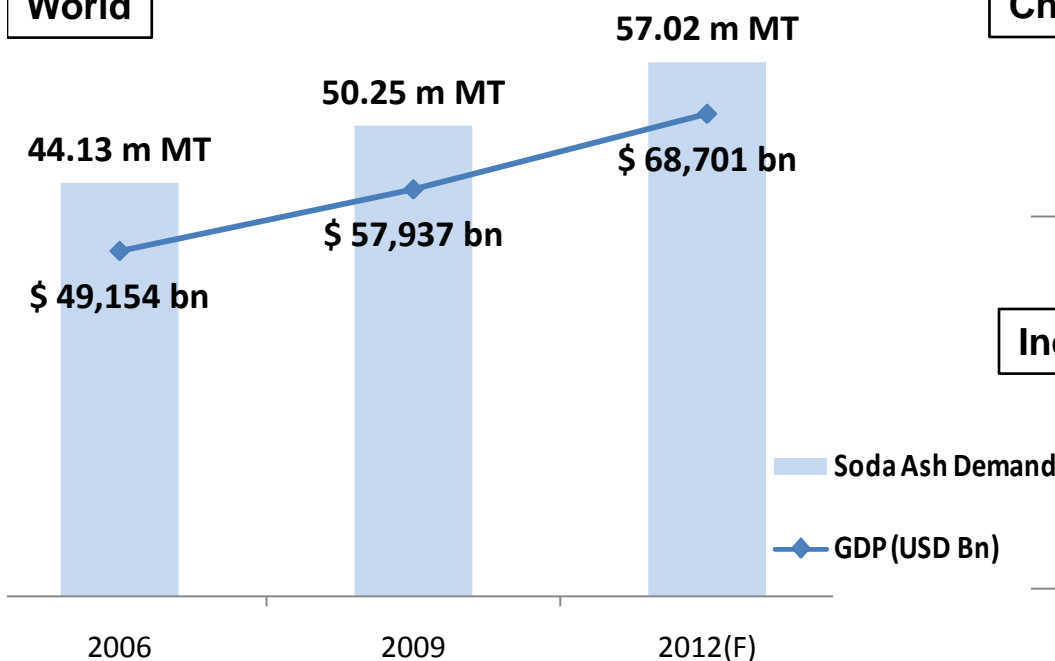


# Emerging economies driving Soda Ash growth, Global presence to a key strength in meeting demand



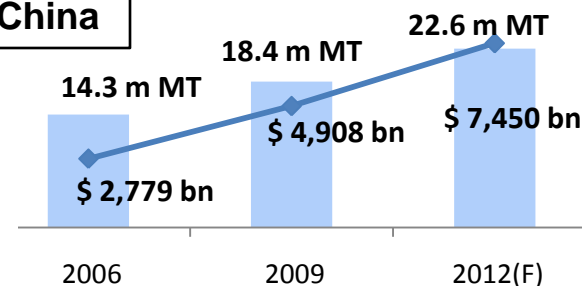
## Soda Ash demand growth linked to World GDP growth

### World

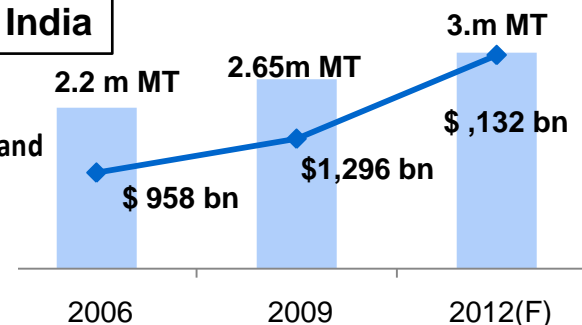


## Emerging Economies to drive growth

### China



### India



**Focus and grow in Select emerging markets while maintaining Global Position in Soda Ash.**

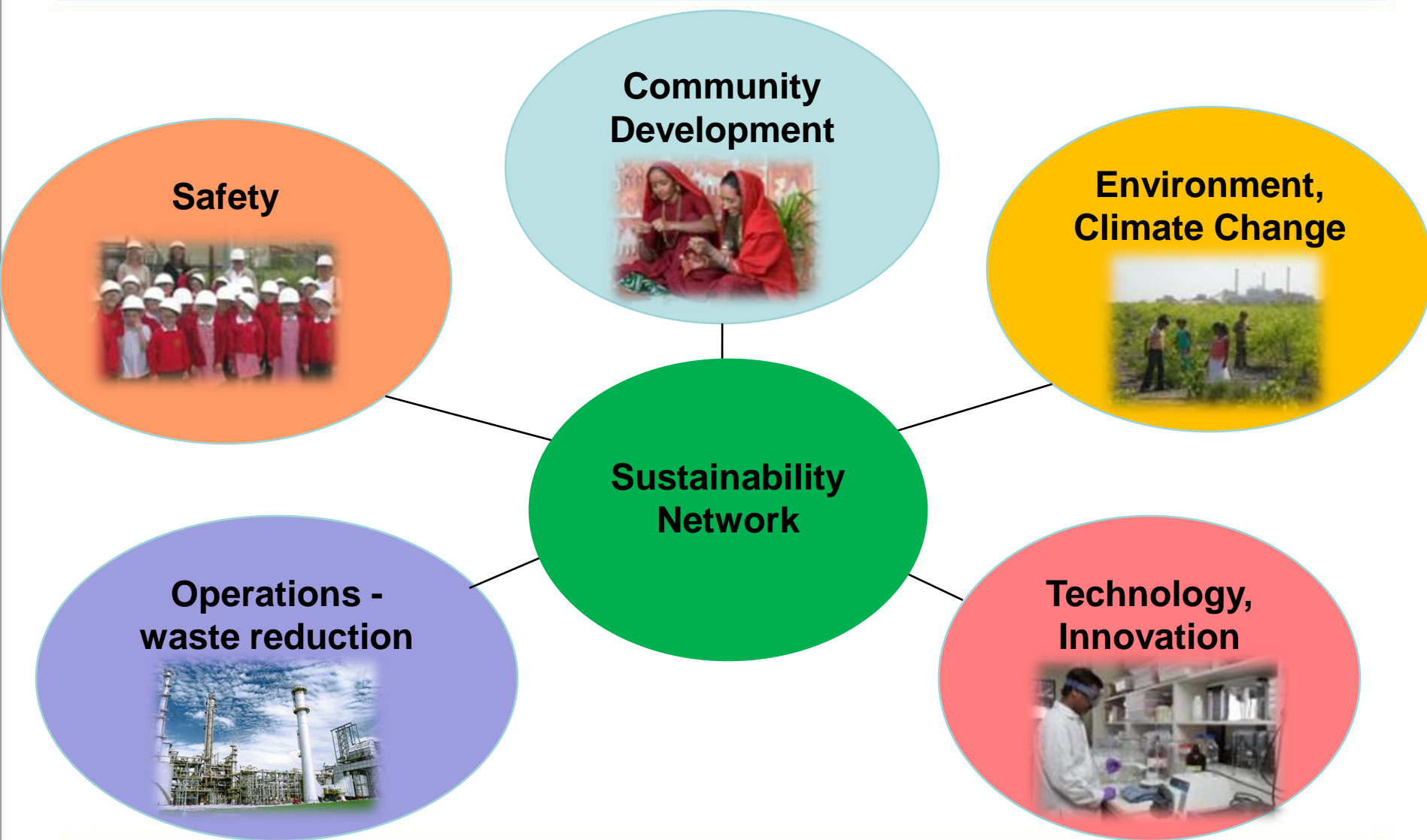
General Chemical  
Industrial Products

**MAGADI SODA**  
Touching lives everywhere, every day

**BM**  
Brunner Mond



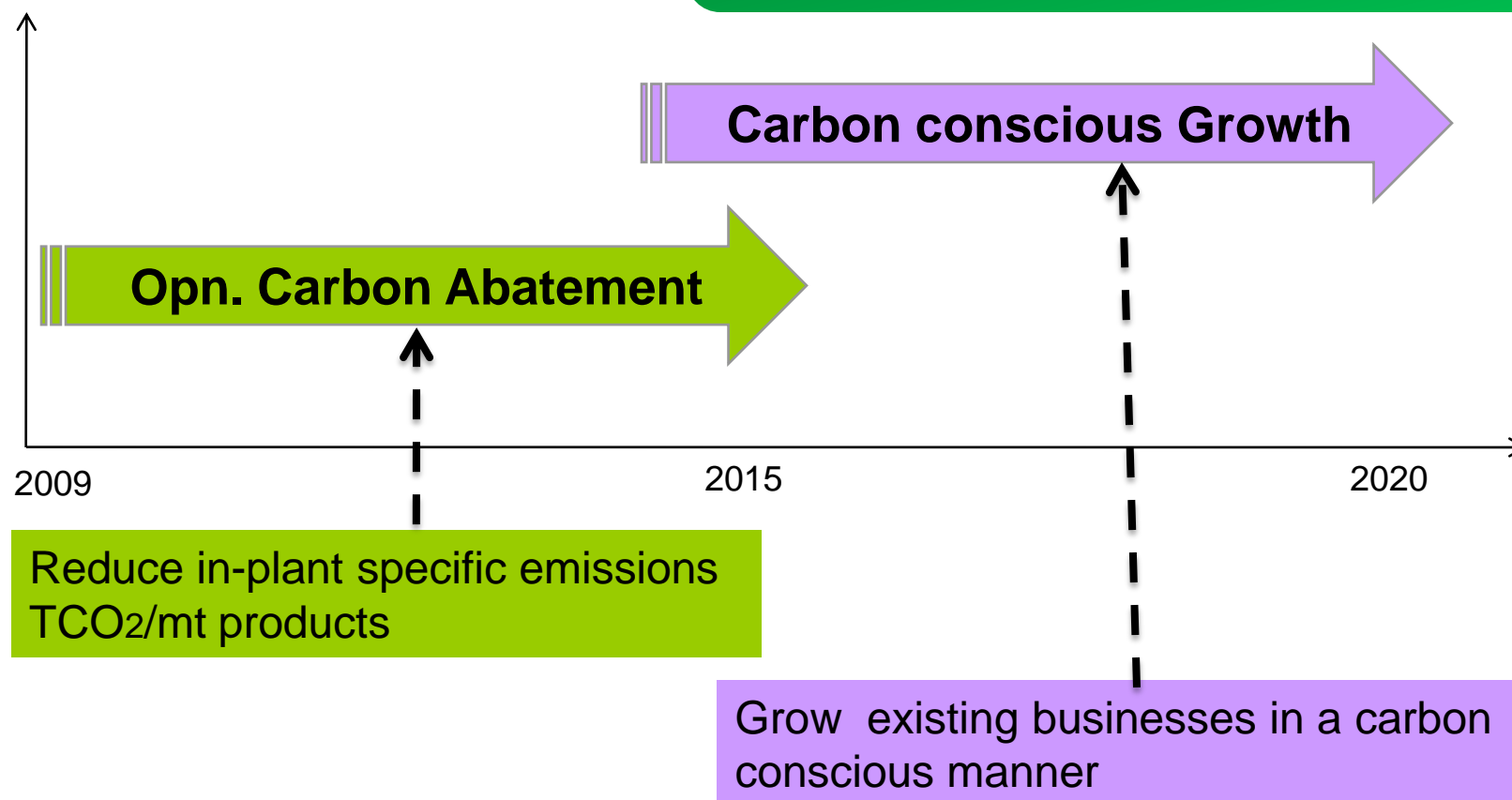
# Sustainability at the core of Tata Chemicals – Environmental stewardship, Economic value and Social capital



# Committed to Climate change initiative



*4 CDM projects registered and 44,942 mt Certified Emission Reductions (CERs) earned so far*



# CSR Efforts

Enriching the quality of life of people and impacting communities



## Livelihood Support & promotion

- Rural Enterprise Development
- Okhai Handicrafts promotion
- Uday – Rural BPO
- Self- help groups & Group Enterprise



## Health, Education, Infrastructure

- Swasthanagn
- Divya Dristi (Eye Camps)
- AIDs Awareness
- Medical Camps
- Brick paved tracks
- Infrastructure support





# CSR Efforts

## Caring for the environment



### Natural Resource Management

- Water & Salinity Ingress Management
- Integrated Agriculture Growth
- Land Reclamation
- Pond Management



### Environment Conservation

- Mangrove Plantation
- Bio-diversity Reserve
- Save the Whale Shark Campaign
- Lion Conservation
- Coral Reef Regeneration



***Thank You***

