



TATA CHEMICALS

Investors Communication

Quarter ended June 2021 : Q1 FY22

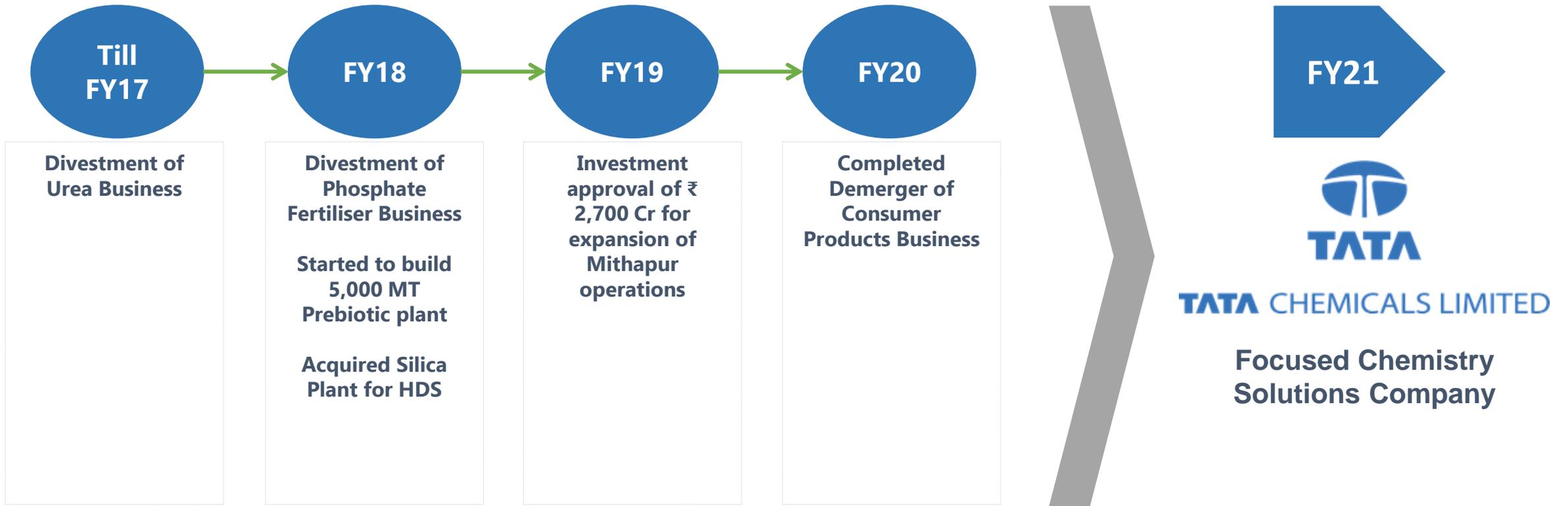
**Responsive.
Resilient.
Responsible.**



Safe Harbour Statement

“This Presentation, except for the historical information, may contain statements, including the words or phrases such as ‘expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should’ and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise of Tata Chemicals Limited, its direct and indirect subsidiaries and its associates. 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 Government policies and regulations, tax laws, and other statutes and incidental factors. You are urged to view all statements contained herein with caution. Tata Chemicals Limited does not undertake any obligation to update or revise forward look statements, whether as a result of new information, future events or otherwise”

Journey So far



Footprint across 4 Continents



Employing ~5,000 people



With 13 Manufacturing units



Supported by 3 R&D centers with 200 + Scientists

Our Facilities | India Operations

	Basic Chemistry Products	Specialty Products	Rallis India Limited*
Major Products	Soda ash, Bicarb, Salt, Marine chemicals and Cement	Prebiotics Specialty silica	Crop Care, Crop Protection and Seeds (herbicides, fungicides and insecticides, etc)
Installed Capacity	Soda Ash: 9,17,000 TPA Bicarb: 105,500 TPA Salt: 1,170,000 TPA	Prebiotic - 5,000 TPA Specialty silica-10,000 TPA	
Location	Gujarat	Andhra Pradesh Tamil Nadu	Maharashtra Gujarat



* TCL holds 50.06% Stake in Rallis India Limited

Our Facilities | International Operations

	US	UK	Kenya
Major Products	Soda Ash	Soda Ash, Bicarb Salt	Soda Ash
Installed Capacity	2,450,000 TPA	Soda Ash: 400,000 TPA Bicarb: 130,000 TPA Salt: 430,000 TPA	350,000 TPA
Location	Wyoming, US	Lostock & Winnington, UK Middlewich, UK	Magadi, Kenya



Our Facilities | R&D Facilities

TCL Innovation Centre



Rallis India R&D



- 228 Technically skilled Scientists in R&D
- 3 State-of-the-art innovation Centers
- Strong intellectual property |152 patents held (cumulative); 93 Active Applications

Financial Highlights

Q1 FY22

Performance Highlights

Revenue

₹ 2,977 Cr

↑ 27% vs. Jun20

EBITDA & margin

₹ 601 Cr (20%)

↑ 67% in Jun20

PAT & margin

₹ 342 Cr (11%)

↑ 362% in Jun20

Soda ash volume recovery on a sequential quarter basis and above FY20 levels

Soda ash pricing recovers on sequential basis

Standalone

PBT improvement led by a combination of operational performance and timing on dividend income

Capital Expenditure for Q1 FY22 ₹ 156 Cr

Consolidated

Gross Debt as on 30th June 21 is ₹ 7,284 Cr (vs ₹ 6,933 Cr as on Mar21)

Capital Expenditure for Q1 FY22 ₹ 323 Cr

Soda Ash Volumes

Q1 FY 22 898 Kts

Q1 FY 21 624 Kts

Salt Volumes

Q1 FY 22 408 Kts

Q1 FY 21 385 Kts

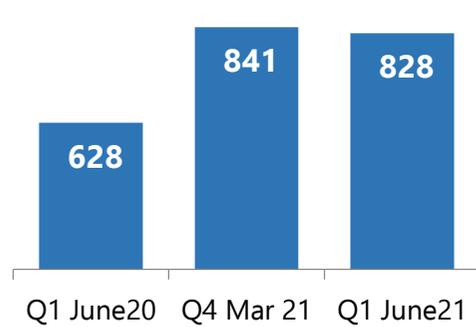
Net Debt

Q1 FY 22 3,991 Cr

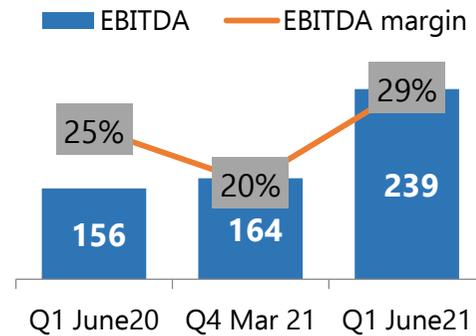
Q1 FY 21 3,828 Cr

Financial Snapshot for the quarter ended June21

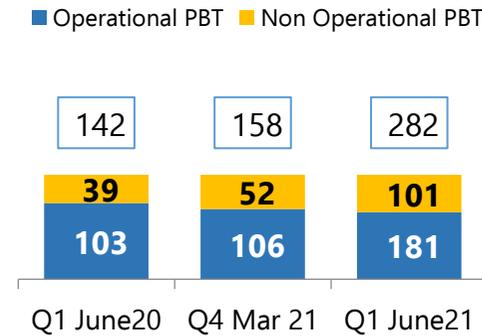
Standalone | ₹ Crore



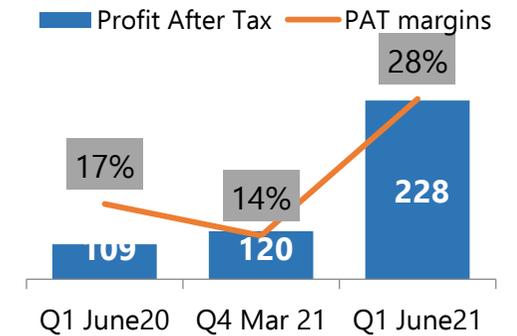
Revenue up by ₹ 200 Crore (↑32%)



EBITDA up by ₹ 83 Crore (↑53%)

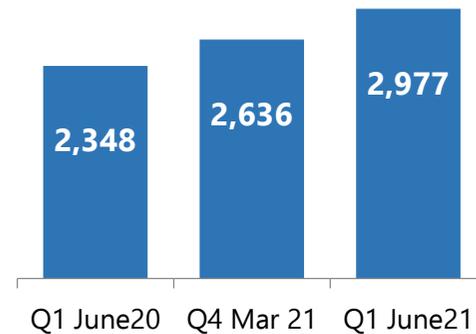


PBT up by ₹ 140 Crore (↑98%)

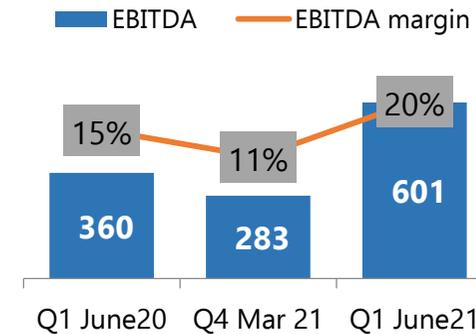


PAT up by ₹ 119 Crore (↑110%)

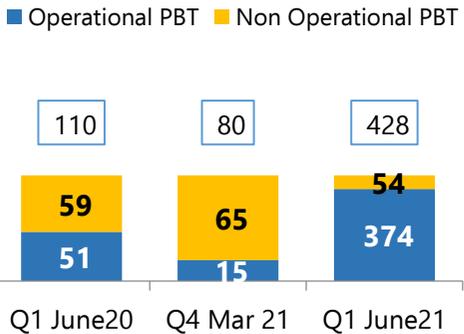
Consolidated | ₹ Crore



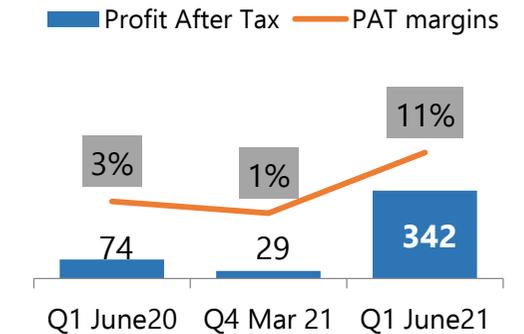
Revenue up by ₹ 629 Crore (↑27%)



EBITDA up by ₹ 241 Crore (↑67%)



PBT up by ₹ 318 Crore (↑289%)



PAT up by ₹ 268 Crore (↑362%)

Note: Change is vs PY quarter
PBT & PAT includes Continuing operations, after Share in JV & associates & before NCI

Segment Revenues and Results

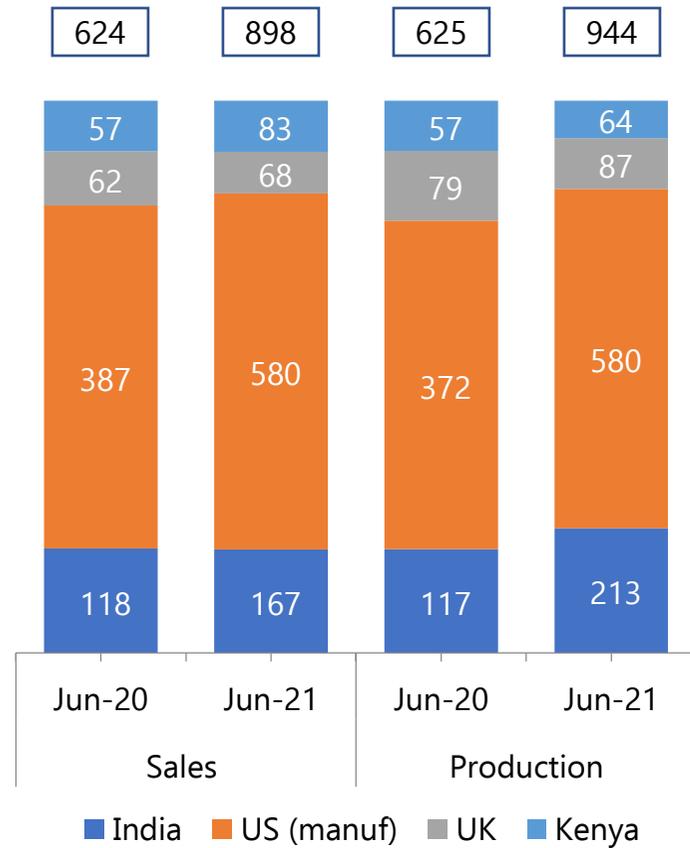
	₹ Crore	Consolidated				Standalone			
		Q1 June20	Q4 Mar 21	Q1 June21	Var vs. PY	Q1 June20	Q4 Mar 21	Q1 June21	Var vs. PY
Segment Revenues	Basic Chemistry Products	1,672	2,111	2,173	500	612	792	770	158
	Specialty Products	676	520	797	122	16	49	57	41
	Less: Inter Segment Revenue	(3)	(1)	(1)	2	-	-	-	-
		2,345	2,630	2,970	624	628	841	826	198
	Unallocated Revenue	3	7	8	5	-	1	2	2
	Total Segment Revenue	2,348	2,636	2,977	629	628	841	828	200
Segment Results					-				-
	Basic Chemistry Products	112	167	346	234	159	185	234	75
	Specialty Products	93	(13)	93	(0)	(15)	(18)	(12)	3
	Segment Results	205	155	439	234	144	167	222	78
	Unallocated Expenses / (Income)	(23)	(1)	(19)	4	(3)	3	(64)	(62)
	Finance Costs	118	85	81	(37)	4	6	4	0
Profit after exceptional items, before share of profit of joint ventures and tax	111	71	377	266	142	158	282	140	

Basic Chemistry Products includes Soda Ash, Bicarb , Salt , Marine Chemicals and Other products
Speciality Includes Nutritional Solutions, Silica and Rallis India

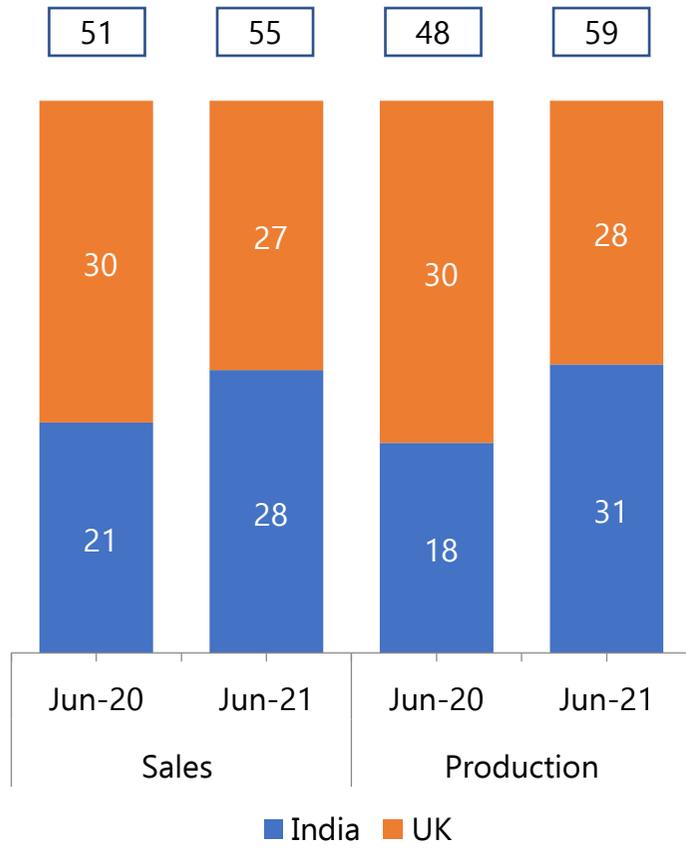
Volumes | Key Products

For the Quarter

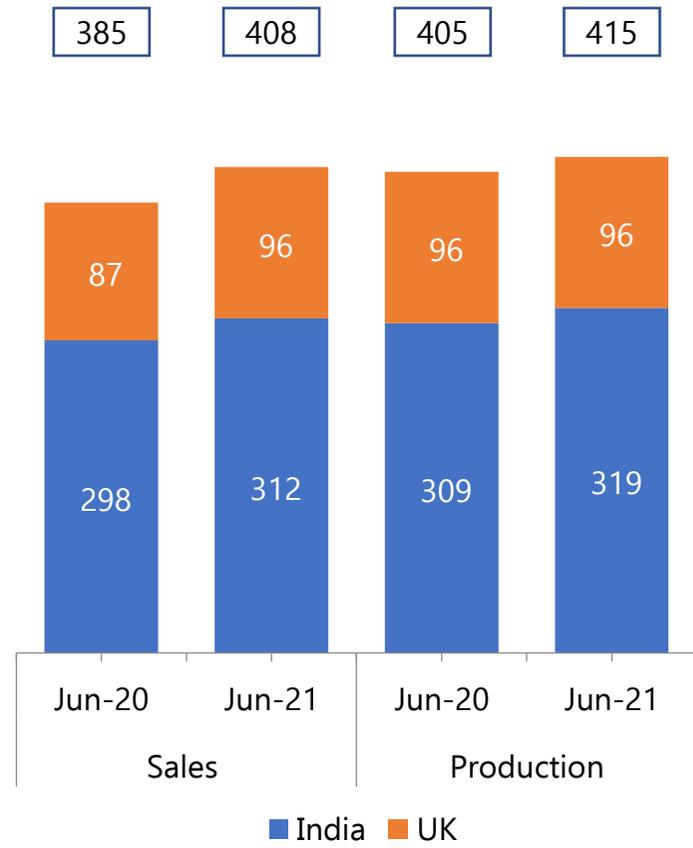
Soda Ash | In Kts



Sodium Bicarbonate | in Kts



Salt Portfolio | in Kts

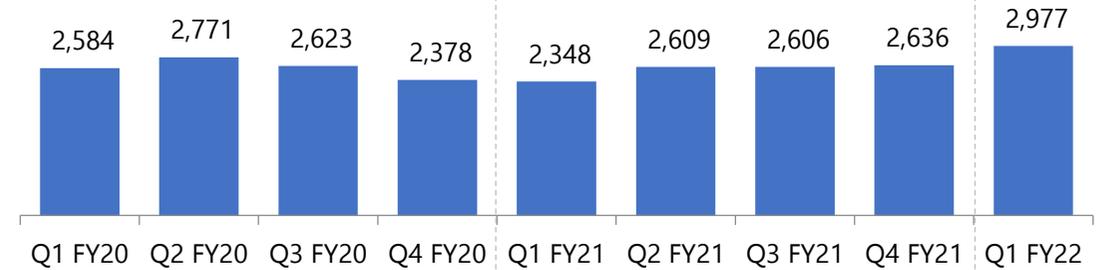
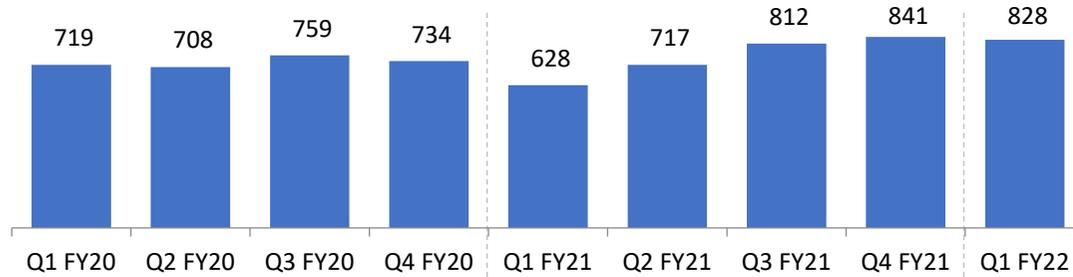


Historical Financial Trends

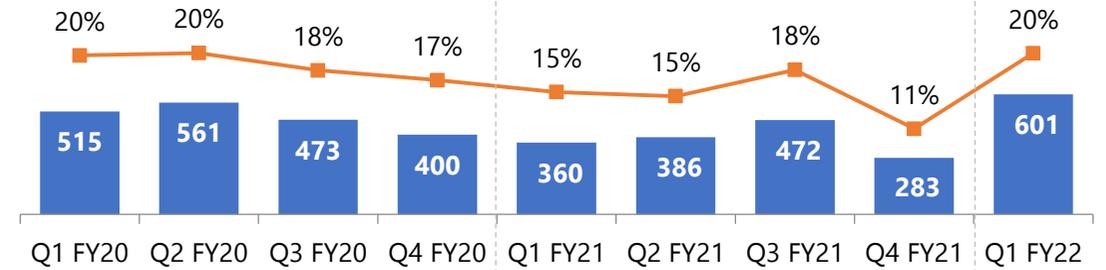
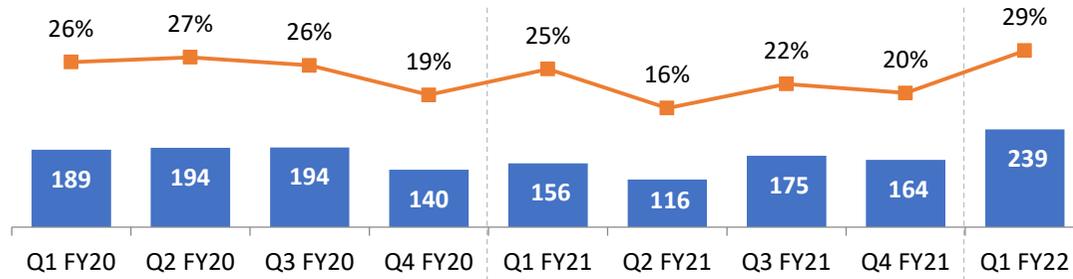
Standalone | ₹ Crore

Consolidated | ₹ Crore

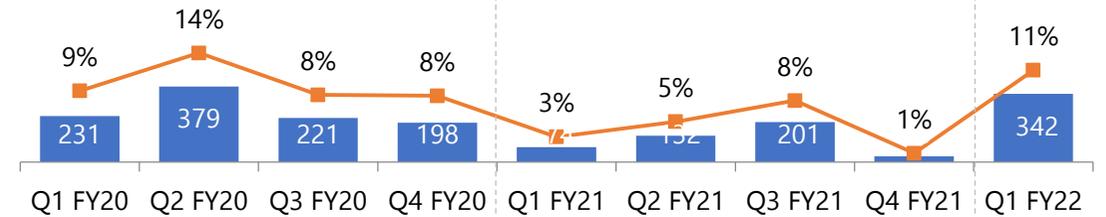
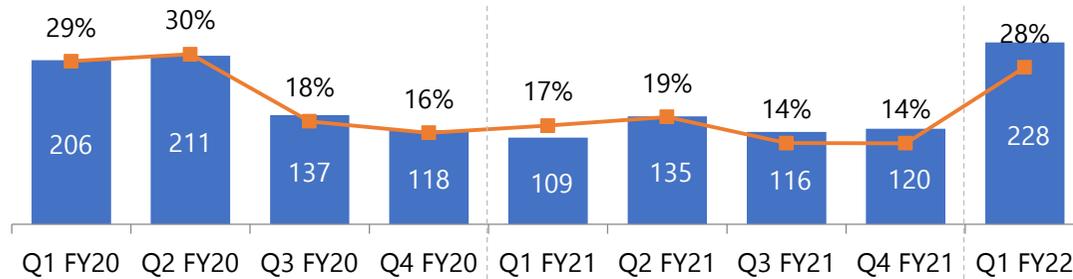
Revenue



EBITDA & Margin

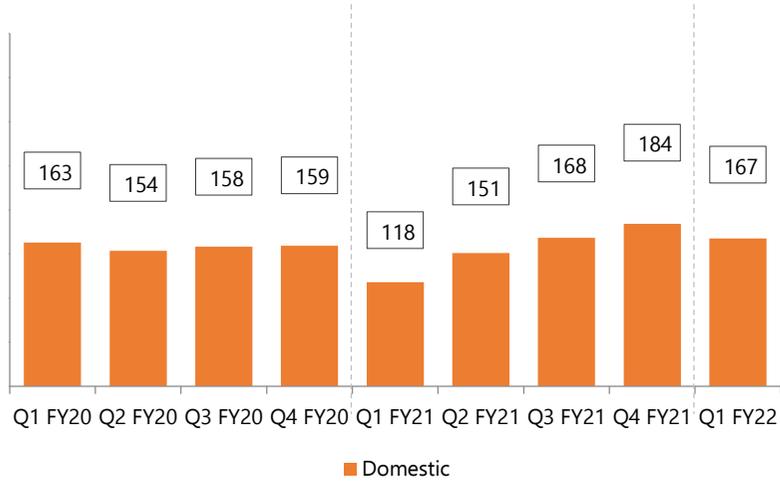


PAT & Margin

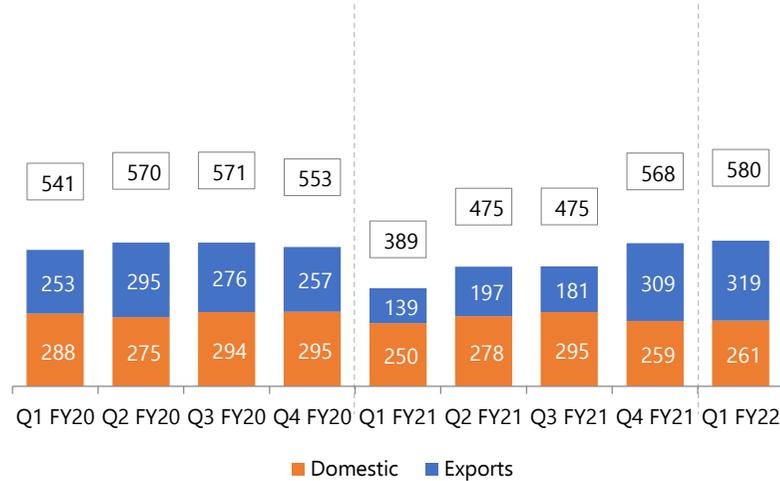


Soda Ash Volume Trends

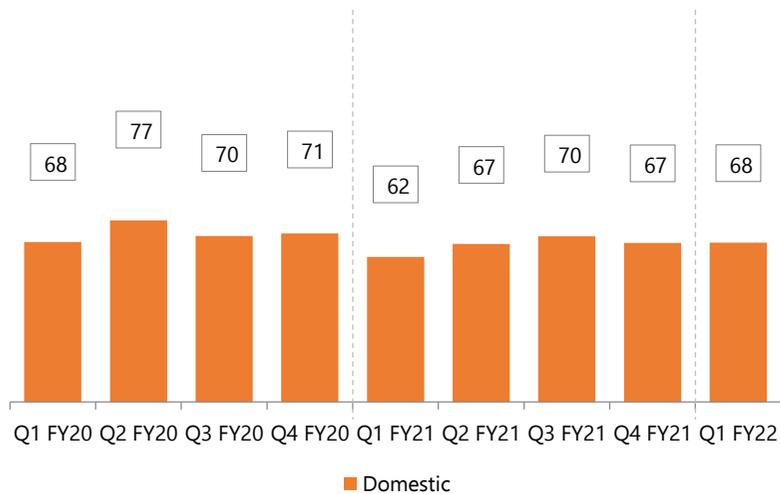
India | In Kts



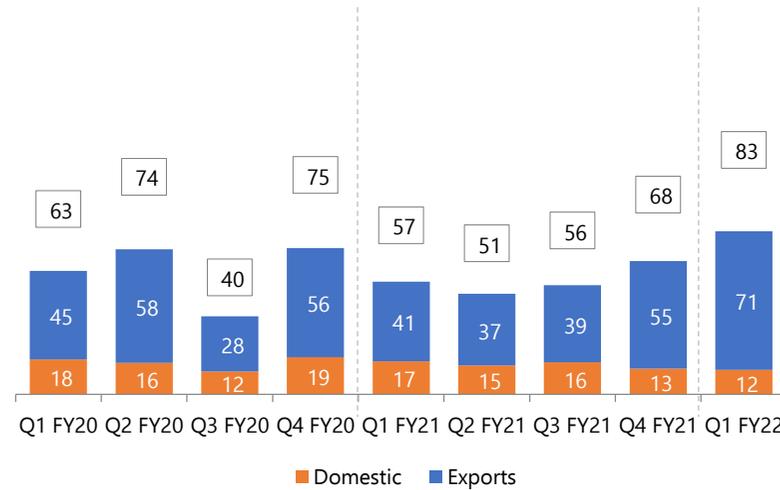
US | In Kts



UK | In Kts



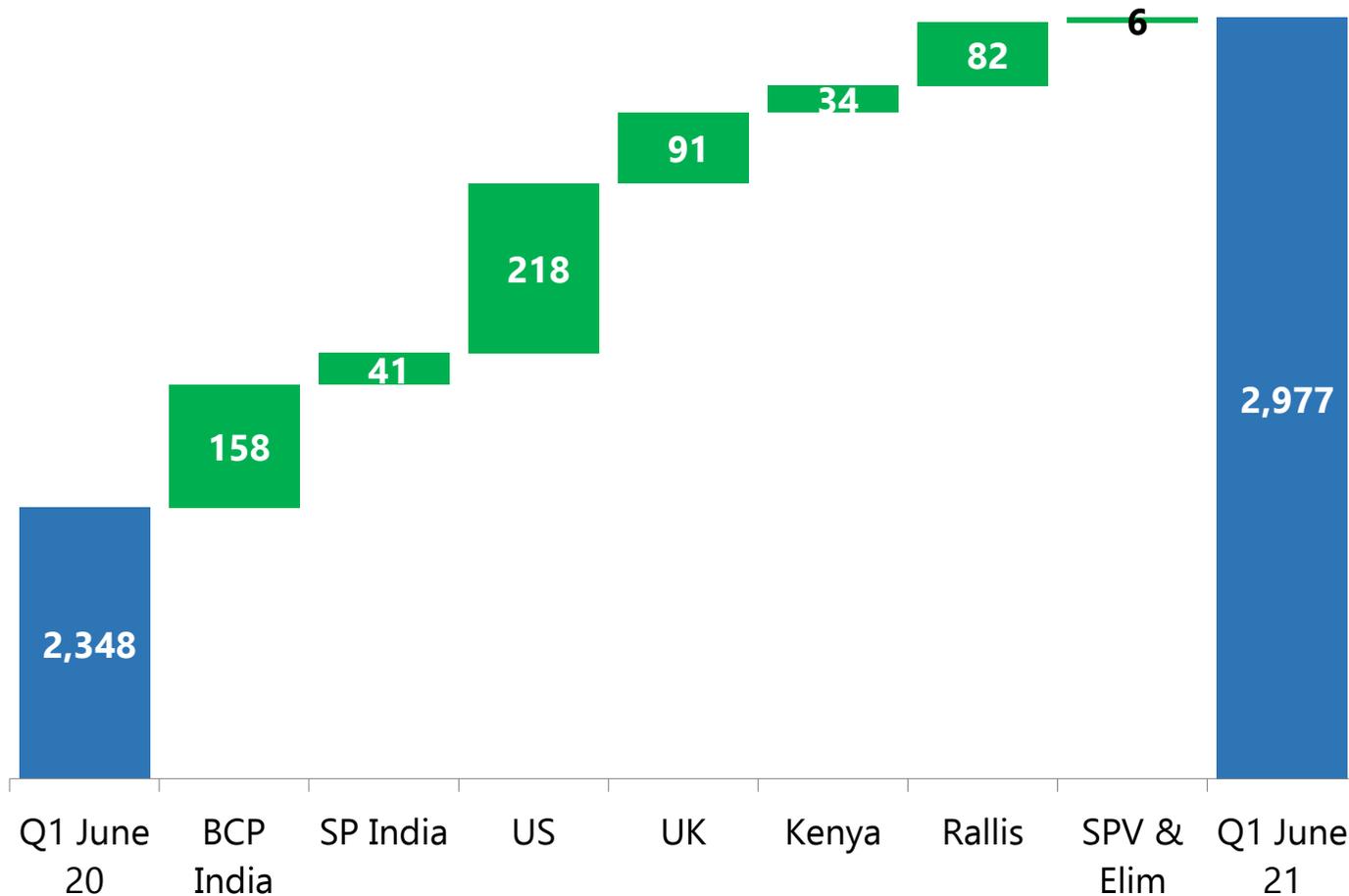
Kenya | In Kts



- India volumes steady and above pre covid levels .
- US export volumes continues strong recovery.
- UK volumes largely steady & Kenya continues to record higher volumes

Q1 FY22 Consolidated Revenue

Revenue Movement | ₹ Crore



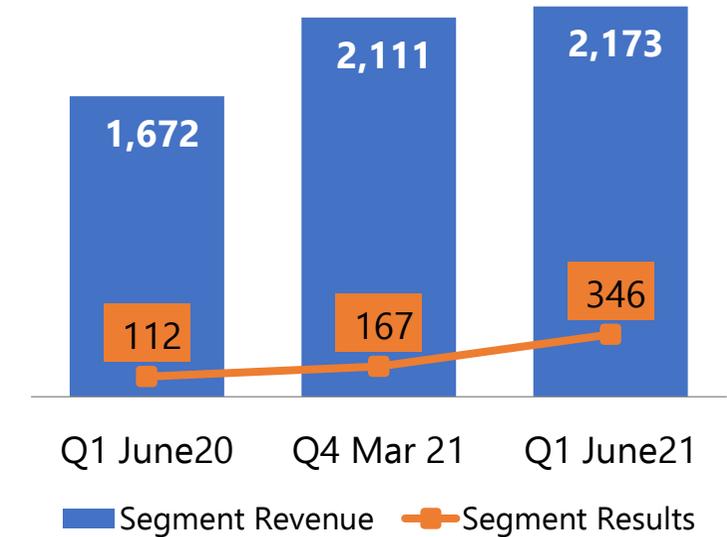
- India operations had good traction across product portfolio vs June20.
- US volumes continues upward trend; Export volumes robust. Spot market sees price recovery and expect contract market to follow on renewals
- UK had steady volumes in soda ash and bicarb while salt grew.
- Kenya continues its momentum with higher sales volumes as compared to PY.
- Rallis continues to grow with improved sales performance in Crop Care and Domestic Market.
- Overall, on a consolidated basis, Sales improvement is supported by higher volumes across geographies vs. PY, especially in US exports, though sales realisations are still below pre covid levels .

Q1 FY22 Basic Chemistry Products Segment

Key Highlights	
India	<ul style="list-style-type: none"> → Revenue at ₹ 770 Cr (up 26%), EBIT was up at ₹ 234 Cr up (vs ₹ 159 Cr PY). → Overall margins improved on account of higher volumes partially impacted due to higher input and energy cost.
US	<ul style="list-style-type: none"> → Revenue at ₹ 837 Cr (up by 35%) and EBIT was at ₹ 93 Cr (vs. ₹ (47) Cr PY) → US Domestic market (in volumes, Y-o-Y basis) remained resilient and export market seen a sharp increase. Prices improving on a sequential basis but still below pre COVID levels.
UK	<ul style="list-style-type: none"> → Revenue at ₹ 407 Cr (up by 29%) and EBIT was at ₹ (8) Cr (vs. ₹ (6) Cr PY). → Overall, operation remained steady, but margins were impacted due lower sales realisation, higher energy and increasing carbon costs .
Kenya	<ul style="list-style-type: none"> → Revenue at ₹ 134 Cr (up by 34%) and EBIT stood at ₹ 17 Cr (vs. ₹ 1 Cr PY). → Improved margins is on account of lower power & fuel costs. Kenya operations continue its focus on cost optimization and plant efficiencies.

Segment Revenue at ₹ 2,173 Cr (up by 30%)

Segment results at ₹ 346 Cr (up by 209%)



Q1 FY22 Specialty Products Segment

Key Highlights

Specialty Products

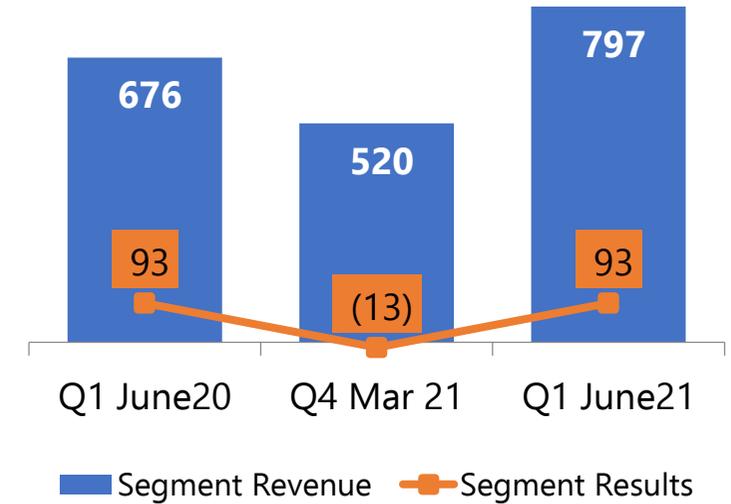
- Specialty products business in India continues to be on the growth path.
- Revenue increased for the quarter to **₹ 57 Cr (up by 256%)**, on the back of increasing volumes across products portfolio.
 - Continuing engagements with global customers for qualifications
 - Export market slowly gaining traction
 - Food grade silica saw stable demand while rubber grade silica demand remained soft

Agro Science (Rallis India Ltd)

- Revenue at **₹ 741 Cr (up by 12%)** and EBIT stood at **₹ 104 Cr, vs ₹ 107 Cr PY**
- Higher revenue backed by volume growth in domestic formulations, crop care and seeds. Lower margins due to higher freight and employee cost.

Segment Revenue at **₹ 797 Cr** (up by 18%)

Segment results at **₹ 93 Cr** vs ₹ 93 Cr PY



Q1 FY22 Unit wise Profit & Loss

Statement of Profit and Loss for the quarter ended

Units	TCL India			US			UK			Kenya			Rallis			Consolidated		
	₹ Cr	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY
Revenues	628	828	200	619	837	218	316	407	91	100	134	34	659	741	82	2,348	2,977	629
EBITDA	156	239	83	35	173	138	28	29	1	10	25	15	124	122	(2)	360	601	241
EBIT	108	185	77	(47)	93	140	(6)	(8)	(2)	1	17	16	107	104	(3)	170	404	234
PBT	142	282	140	(119)	55	174	(16)	(18)	(2)	(2)	16	18	120	109	(11)	110	428	318
PAT (before NCI)	109	228	119	(92)	51	143	(16)	(18)	(2)	(2)	16	18	92	82	(10)	74	342	268
PAT (after NCI)	109	228	119	(107)	38	145	(16)	(18)	(2)	(2)	16	18	92	82	(10)	13	288	275

* Consolidated financials is after adjusting SPV & other adjustments

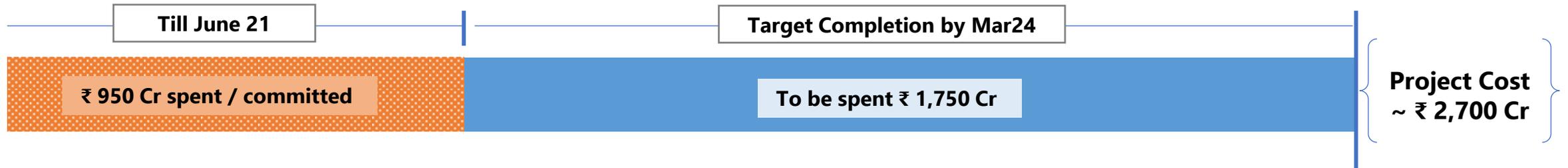
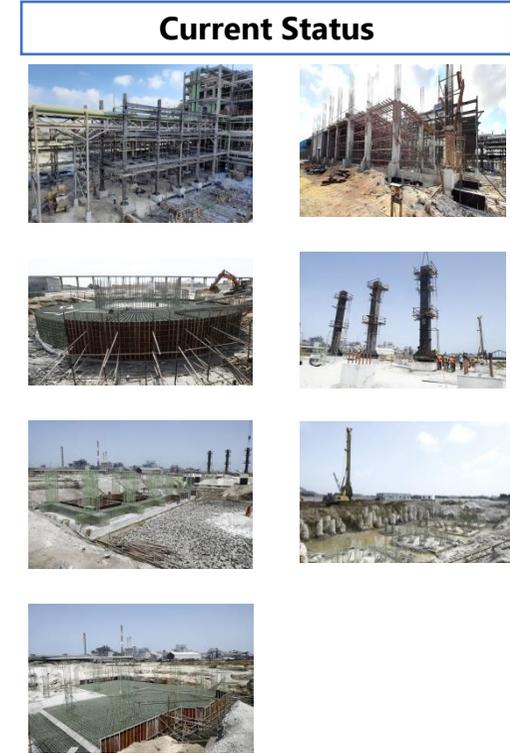
EBIT excludes Other Income

• PBT is after exceptional items & Share in JV and PAT (before NCI)

Update on Mithapur Expansion

Mithapur expansion is on track; with some minor delays around availability of labour due to Covid

Products	Capacity (Lacs MT)		H2 FY22	H1 FY23	H2 FY23	H1 FY24	H2 FY24
	Current	Additional					
Soda Ash	9.17	2.30	0.45 Lacs		1.85 Lacs		
Bicarb	1.05	0.70	0.7 Lacs				
Salt	11.70	3.30	1.65 Lacs	1.65 Lacs			



Other expansion plan includes Cement and Chloro Caustic

Strategic Priorities

	Current Year	Near Term
India	Standalone	<ul style="list-style-type: none"> • First tranche of Soda Ash, Bicarb & Salt expansion on stream by FY23, delivering incremental revenues • Continue focus on costs • Qualification with customers on Prebiotics & Silica
	Rallis	<ul style="list-style-type: none"> • Research led new Active Ingredients and combination formulations to build a strong and innovative product portfolio • Leveraging emerging technologies for value added portfolio including GM traits
International	US	<ul style="list-style-type: none"> • Manage ANSAC exit through own supply chain & sales teams
	UK	<ul style="list-style-type: none"> • Manage energy & carbon cost pressures and continuous cost focus
	Kenya	<ul style="list-style-type: none"> • Steady volumes & continuous cost focus

- **Invest and grow in India**
- **Focus on cash generation across geographies**
- **Deleverage international debt**

Awards and Employee Engagement

Awards and Recognitions



'Product Innovator of the Year Award' at FICCI Chemicals and Petrochemicals Awards 2021

Tata Chemicals wins Dun & Bradstreet award for ESG Performance in the Manufacturing category
Listed amongst India's Top 500 companies of 2021 Laying the Foundations for an ESG- Ready Corporate India

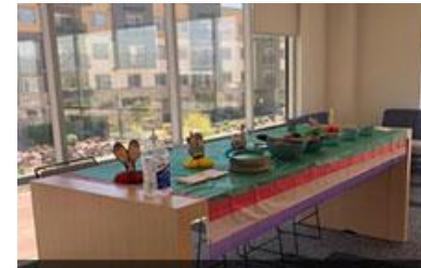
Continue focus on Employee Safety & Health



Key Employee Engagement Initiatives



UK : Mental Health Awareness



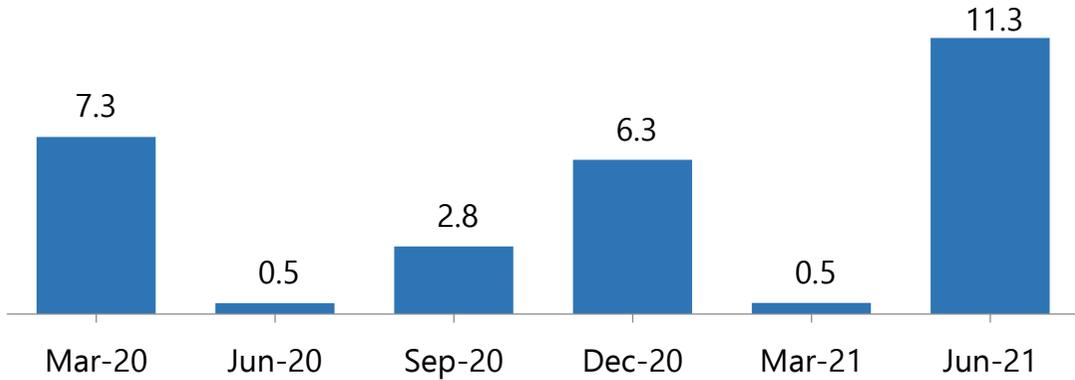
USA : Cinco de Mayo Celebration



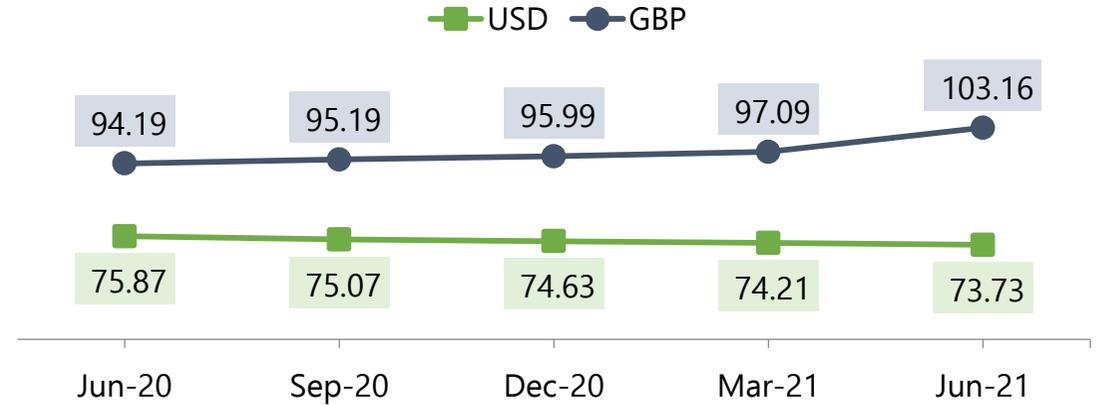
Kenya : Quarterly Communication

Supplementary Information

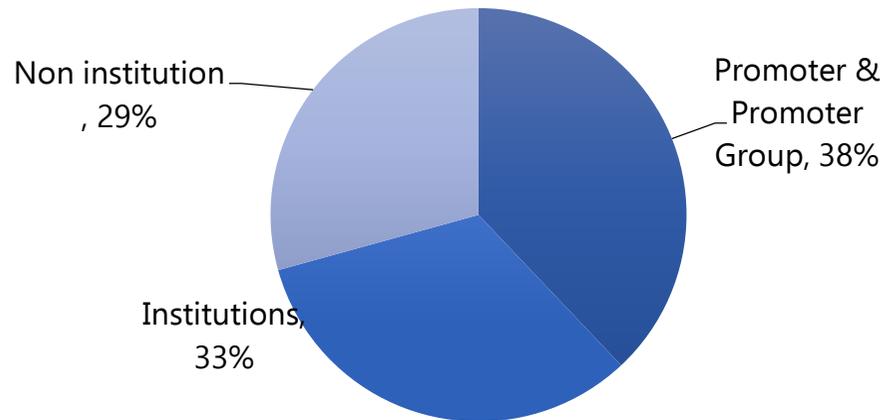
Consolidated Earnings Price Per Share | In ₹



Exchange | Average rate per ₹



Shareholding Pattern as on June 21 | In %



Thank You

For any queries please contact below :

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