

***“Serving Society through Science”***

**Media Presentation**

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**May 23, 2011**

# Financial Highlights

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- Net Sales at ₹ 11,060 crore; up by 16%
- Profit from Operations at ₹ 1,864 crore
- PBT higher by 20% at ₹ 1,121 crore
- PAT after Minority Interest at ₹ 653 crore; up 8%
- EPS at ₹ 26.10
- Board of Directors recommend dividend of ₹ 10 per share

# Corporate Initiatives

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- 'i-Shakti Dals' launched in Delhi – Thrust on offering quality and hygienic pulses at an affordable price through linkages with the farmer
- Initial investment of USD 15 million in the biofuel production in Mozambique on engineering and infrastructure
- Acquired 25.1% stake in stream I (1.3 million TPA) at Gabon-based Fertiliser unit for USD 290 million – value accretive and strategic advantages - assured gas supply at fixed price and proximity to port
- Entered into a Technical Services Agreement Notore Chemical Industries Limited (Notore) to optimize and achieve breakthrough performance in the operations of its fertiliser plant
- Rebranding of international subsidiaries in UK, USA and Kenya under the Tata Chemicals corporate brand completed - creates a common global identity whilst strengthening the Tata Chemicals brand across three continents

# Republic of Gabon (RoG)



## RoG Snapshot

- An oil rich country in Equatorial West Africa
- Spread across 267,667 kms
- Population: 1.5 million
- Economy dominated by oil & mining
- Third highest GDP in Sub-Saharan Africa: USD 14,000 (2009 est.)
- Sovereign Rating similar to Philippines: BB- (S&P)

# Q4 FY11 Performance Highlights

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## Overall

- Healthy demand environment across all products
- Rising input costs, however, continuing to exert pressure
  - Efficient operations enable *stable margins*

## Chemicals

- Mithapur operations register encouraging performance despite cost pressures
- Extreme winter and non availability of anthracite resulted in lower production at Tata Chemicals Europe
- Integration with British Salt completed
- Improved performance at Tata Chemicals Magadi led by higher production and improved realizations
- Earnings at Tata Chemicals North America plant improve as a result of increased production volumes and renegotiated annual contracts

# Q4 FY11 Performance Highlights

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## **Consumer Products**

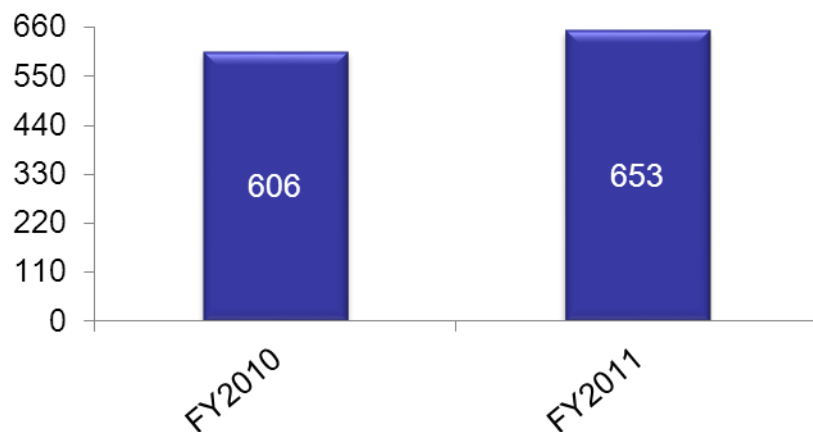
- Demand for branded salt remains strong across the nation
- Encouraging response for i-Shakti pulses – Sales of over 1,000 tonnes over three months since launch
- “Swachh” sales strong - FY2011 sales over 4 lac units vis-à-vis target of 5 lac units
  - Resolution of supply chain and channel constraints expected to translate to improved volumes going forward

## **Fertiliser**

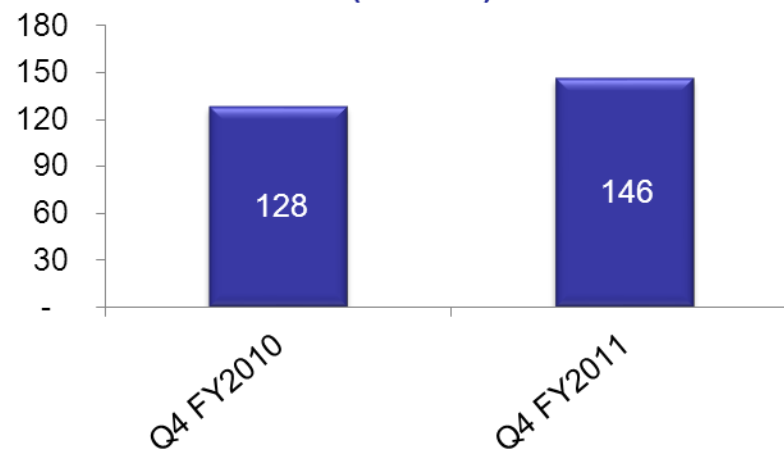
- New urea policy still awaited - lower gas availability compels sourcing of alternate sources of energy at higher cost; production continues to be optimal
- Higher SSP production and improved trading volumes at better realizations enable substantial earnings growth
- International DAP prices continue to harden led by rising input and energy costs

# PAT & EPS

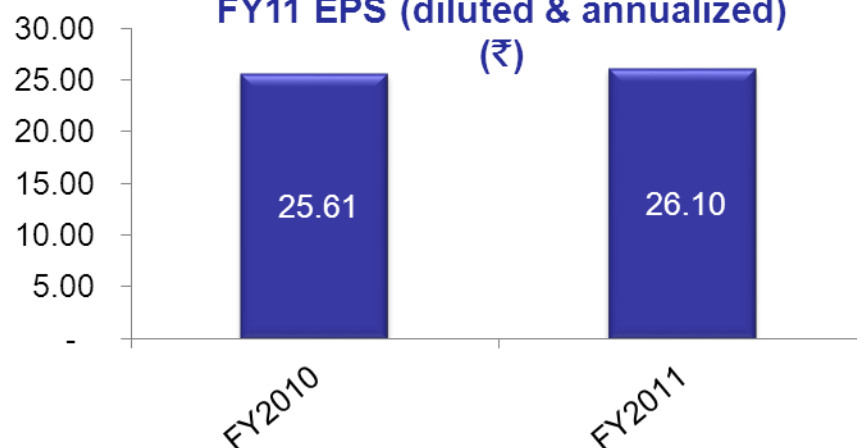
**FY11 PAT (Post MI)**  
(₹ crore)



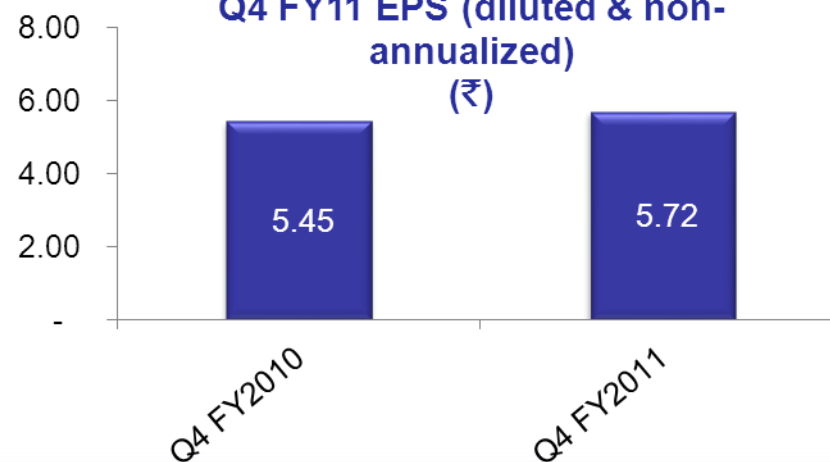
**Q4 FY11 PAT (Post MI)**  
(₹ crore)



**FY11 EPS (diluted & annualized)**  
(₹)



**Q4 FY11 EPS (diluted & non-annualized)**  
(₹)



## Key Ratios (Consolidated)

Particulars	As on March 31, 2011	As on March 31, 2010
Net Debt/Equity	0.80	0.81
Net Debt/Total Assets	0.37	0.37
Net Debt/EBITDA	2.34	2.08
EPS (Diluted & annualized)	26.10	25.61

Consolidated Cash and cash equivalents as on March 31, 2011: ₹ 1,345 crore



# ***Segmental Performance***

# Inorganic Chemicals

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- Domestic demand for Soda ash and sodium bicarbonate healthy - expected to rise by 5% and 14% respectively during FY2012
- However, rising input (coal, coke & limestone) costs continue to exert pressure
- Demand outlook in India, China and Latin America robust
- Extreme winter during early January 2011 and non-availability of anthracite lower production at Tata Chemicals Europe's Lostock plant
  - Breakdowns stemming from the severe weather condition in Q4 FY2011 likely to impact production in Q1 FY2012
- Higher production and improved realizations improve Magadi performance
- Increased production combined with rise in annual contract prices result in higher profitability in North America Operations
  - Finished goods prices stable & firm
  - Trona production volumes extremely strong

# Consumer Products

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- Tata Chemicals remains the market leader with 62% market share in the National Branded segment
- Branded Salt volume growth strong at ~ 10%
- Momentum in “Swach” continues – FY2011 sales at over 4 lac units
  - New introductions “Swach” and “Swach Magic” show promise
  - Swach now available across 9 states

# ***i-Shakti Pulses***

- India's first National brand of pulses – “i-Shakti dals” - launched 4 popular varieties of pulses (Chana, Toor, Urad & Moong)
- i-Shakti dals sales at over 1,000 tonnes for FY2011
- Currently present in 3 states - to be rolled out to over 12 states during FY2012



## ***Tata Chemicals' 'Farm to Fork' approach***

- ***Farm:*** Strong linkages with the farmer through expansive & well entrenched networks of Rallis Kutumba and Tata Kisan Sansars (catering to 3 million farmers)
- ***Fork:*** Established food retail presence through Tata Salt and I Shakti covering a total of around 1.8 million outlets
- Thrust on offering quality and hygienic pulses at an affordable price
- Endeavoring to work closely with state governments across the country. Presently working on the Tamil Nadu government's Grow More Pulses Program with Rallis

# Fertilizers

- Phosphatic Fertiliser under pressure due to low subsidy, high input costs
- Subsidy rates for DAP and MOP increased to USD 612 and USD 420 respectively - increase a positive for industry – reduces pressure on operations
- Improved phosphoric acid prices lend healthy visibility for IMACID



# Rallis India

- Strong growth in domestic business driven by value added offering to farmers in the last four years – despite the setback due to unseasonal rains

Particulars (₹ crore)	Q4 FY11	Q4 FY10	FY11	FY10
Net Sales (Incl. Other Operating Income)	232	203	1,074	897
Profit from operations	35	38	197	174
PAT (after MI & Share in Associate)	19	22	126	101
EPS	9.76	11.24	64.90	52.21

\* Standalone

# Growth Projects

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- **Debottlenecking of SSP capacity at Haldia:** Capacity expansion by 50K TPA at a cost of ~ ₹ 11 crore – expected completion by Q4 FY2012
- **Expansion of domestic salt capacity:** 200K TPA debottlenecking capacity at ₹ 180 crore on track and expected to commence operations by March 2012
- **Expansion of soda ash capacity at GCIP:** Study under progress for increasing capacity by 400K TPA
- **Fertiliser unit at Gabon:** Setting up of 1.3 million TPA Urea capacity expected to be commissioned within 36 months
- **Phos acid expansion along with DAP capacity at IMACID, Morocco:** Study underway to double phos acid capacity along with ~ 1 million TPA DAP capacity
- **Capacity doubling at Babrala:** Currently on hold - awaiting policy clarity on gas allocation and pricing



# Providing LIFE

## Living, Industry & Farm Essentials



### Mission

*Serving Society through  
Science*

### Values

*Integrity  
Safety  
Excellence  
Care  
Innovation*

### Vision

*To be amongst premier chemical companies by:*

- *Leveraging Science to deliver new and innovative offerings*
- *Enhancing value to our customers*
- *Delivering Superior Returns to our shareholders*
- *Leading in corporate sustainability*
- *Nurturing innovation, learning through diversity and team work amongst employees*