

# 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

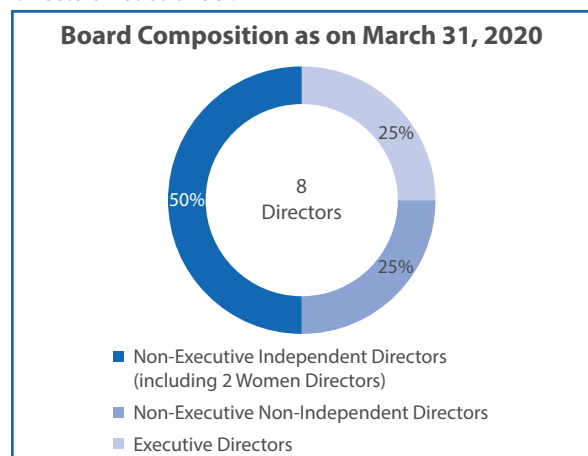
of Covid-19], with regard to Corporate Governance and the same has been disclosed in this Report. The Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

## 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:



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
<b>Non-Executive Non-Independent Directors</b>							
1.	Mr. Bhaskar Bhat (DIN: 00148778)	2	3	-	5	Titan Company Limited Rallis India Limited Trent Limited Bosch Limited	NE-NID NE-NIC NE-NID ID
2.	Mr. S. Padmanabhan (DIN: 00306299)	-	3	-	-	-	-
<b>Non-Executive Independent Directors</b>							
3.	Mr. Nasser Munjee <sup>#</sup> (DIN: 00010180)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Dr. Y. S. P. Thorat <sup>#</sup> (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 The Indian Hotels Company Limited Escorts Limited ICICI Prudential Life Insurance Company Limited	ID ID ID ID
6.	Ms. Padmini Khare Kaicker (DIN: 00296388)	-	4	3	1	Tata Cleantech Capital Limited Rallis India Limited Kotak Mahindra Investments Limited	ID ID ID
7.	Dr. C. V. Natraj <sup>^</sup> (DIN: 07132764)	-	1	-	1	Rallis India Limited	ID
8.	Mr. K. B. S. Anand <sup>^</sup> (DIN: 03518282)	-	2	-	1	Asian Paints Limited <sup>&amp;</sup>	MD & CEO
<b>Executive Directors</b>							
9.	Mr. R. Mukundan – MD & CEO (DIN: 00778253)	-	2	-	2	Rallis India Limited Tata International Limited	NE-NID 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

<sup>#</sup> Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure

<sup>^</sup> 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

<sup>&</sup> 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 (80<sup>th</sup>) 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 80<sup>th</sup> 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

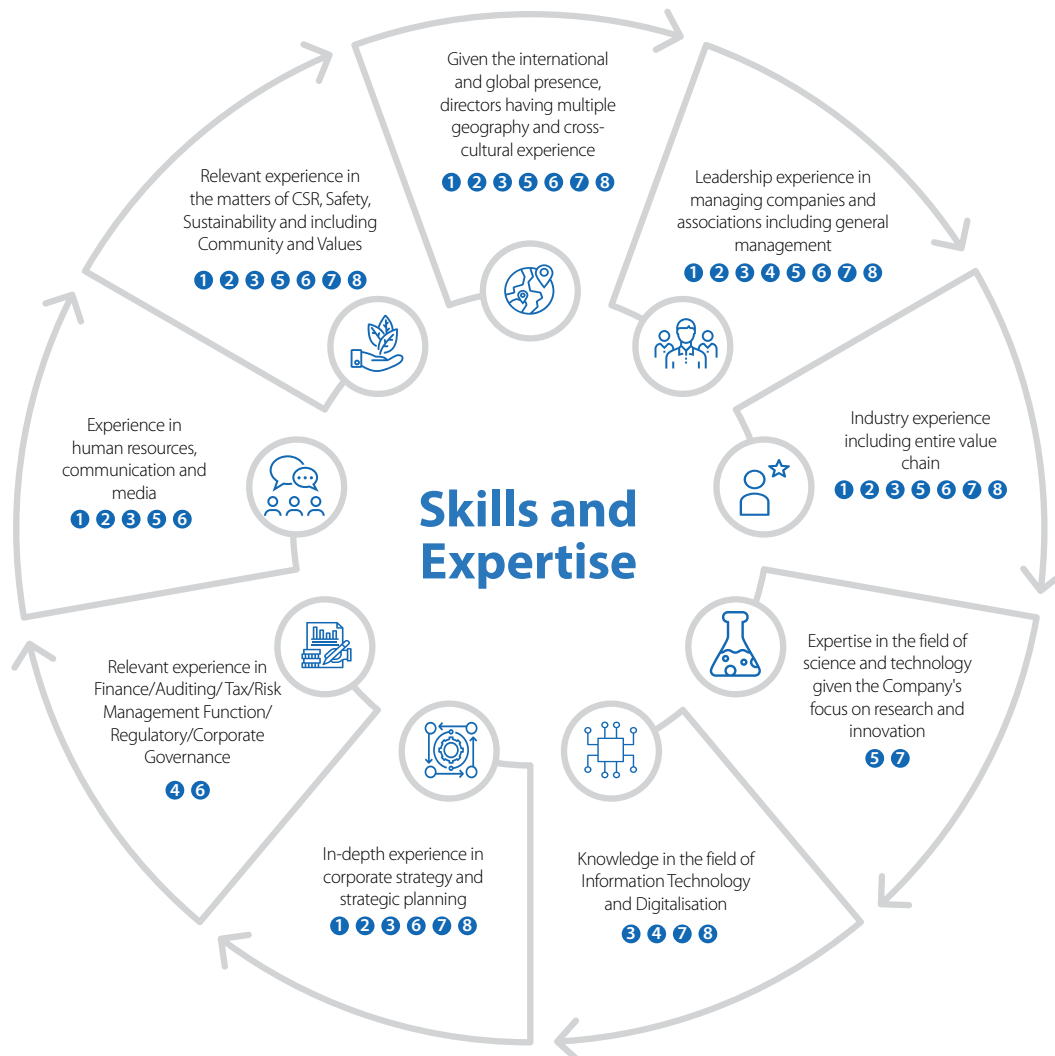
10 Committees and Chairperson of more than 5 Committees (committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the Listing Regulations) across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding 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 <sup>#</sup>	ID		LOA		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	2
Dr. Y.S.P.Thorat <sup>#</sup>	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 <sup>&amp;</sup>		8
Ms. Padmini Khare Kaicker	ID						LOA				8
Dr. C. V. Natraj <sup>*</sup>	ID	N.A.	N.A.	N.A.							6
Mr. K. B. S. Anand <sup>^</sup>	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

<sup>#</sup> Retired as Independent Director of the Company w.e.f. August 20, 2019 upon completion of tenure

<sup>\*</sup> Appointed as an Additional and Independent Director w.e.f. August 8, 2019

<sup>^</sup> Appointed as an Additional and Independent Director w.e.f. October 15, 2019

<sup>&</sup> 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 | • October 11, 2019  |
| • May 3, 2019    | • October 30, 2019  |
| • May 15, 2019   | • December 31, 2019 |
| • August 1, 2019 | • January 24, 2020  |
| • August 8, 2019 | • 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 Khare 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) <sup>#</sup>	ID	1
Mr. Nasser Munjee <sup>##</sup>	ID	1
Dr. C. V. Natraj (Chairperson) <sup>§</sup>	ID	2
Mr. Bhaskar Bhat	NED	3
Ms. Padmini Khare Kaicker <sup>&amp;</sup>	ID	2
Ms. Vibha Paul Rishi <sup>^</sup>	ID	N.A.

ID - Independent Director; NED - Non-Executive Director

<sup>#</sup> 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

<sup>##</sup> 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

<sup>§</sup> Appointed as a Member of the Committee w.e.f. August 8, 2019 and the Chairperson w.e.f. August 21, 2019

<sup>&</sup> Appointed as a Member of the Committee w.e.f. August 8, 2019

<sup>^</sup> 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
<ul style="list-style-type: none"> <li>Board Structure - qualifications, experience and competencies</li> <li>Board Diversity</li> <li>Meetings – regularity, frequency, agenda, discussion and recording of minutes</li> <li>Functions – strategy, governance, compliances, evaluation of risks, stakeholder value and responsibility, conflict of interest, review of TBEM findings and monitoring action plans</li> <li>Independence of management from the Board, access of Board and management to each other</li> <li>Succession plan and professional development</li> </ul>	<ul style="list-style-type: none"> <li>Professional qualifications and experience</li> <li>Knowledge, skills and competencies</li> <li>Fulfillment of functions, ability to function as a team</li> <li>Attendance</li> <li>Commitment, contribution, integrity and independence</li> </ul> <p>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.</p>	<ul style="list-style-type: none"> <li>Mandate and composition</li> <li>Effectiveness of the Committee</li> <li>Structure of the Committee</li> <li>Meetings – regularity, frequency, agenda, discussion and dissent, recording of minutes</li> <li>Independence of the Committee from the Board and contribution to decisions of the Board</li> </ul>

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 <sup>#</sup>	2,10,000	16,00,000	1,10,00,000
Dr. Y. S. P. Thorat <sup>#</sup>	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 <sup>^</sup>	4,10,000	30,00,000	N.A.
Mr. K. B. S. Anand <sup>§</sup>	1,70,000	10,00,000	N.A.
<b>Total</b>	<b>33,50,000</b>	<b>2,00,00,000</b>	<b>3,10,00,000</b>

\* 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
- February 24, 2020
- October 7, 2019

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 <sup>#</sup>	ED	2

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director

<sup>#</sup> 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](mailto: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 <sup>§</sup>	NED	3
Ms. Padmini Khare Kaicker <sup>^</sup>	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	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](http://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](http://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](http://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 (80<sup>th</sup> AGM) on the website of the IEPF viz. [www.iepf.gov.in](http://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

<b>Date and Time</b>	: Tuesday, July 7, 2020 at 3.00 p.m. (IST)
<b>Venue</b>	: 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
<b>Financial Year</b>	: April 1 to March 31
<b>Book Closure Date</b>	: Wednesday, June 24, 2020 to Tuesday, June 30, 2020 (both days inclusive for the purpose of AGM and Dividend)
<b>Dividend payment date</b>	: On or after Thursday, July 9, 2020
<b>Last date for receipt of Proxy Forms</b>	: 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
<b>Listing on Stock Exchanges</b>	: (a) The Company's Ordinary Shares are listed on the following Stock Exchanges: <ol style="list-style-type: none"> <li>(1) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</li> <li>(2) The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051</li> </ol> <p>(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.</p> <p>The Company has paid the requisite Annual Listing fees to these StockExchanges in full</p>
<b>Stock Code</b>	: BSE Limited : 500770 The National Stock Exchange of India Limited : TATACHEM
<b>International Securities Identification Number (ISIN) in NSDL and CDSL</b>	: 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](mailto:csg-unit@tsrdarashaw.com)  
Website: [www.tsrdarashaw.com](http://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:

- |  |  |   |
|--|--|---|
| <p><b>1. Bangalore</b><br/> <b>TSR Darashaw Consultants Private Limited</b><br/>           503, Barton Centre, (5<sup>th</sup> Floor),<br/>           84, Mahatma Gandhi Road,<br/>           Bangalore - 560 001.<br/>           Tel.: + 91 80 2532 0321<br/>           Fax: + 91 80 2558 0019<br/>           Email: <a href="mailto:tsrdlbang@tsrdarashaw.com">tsrdlbang@tsrdarashaw.com</a></p> | <p><b>2. Kolkata</b><br/> <b>TSR Darashaw Consultants Private Limited</b><br/>           Tata Centre, 1<sup>st</sup> Floor,<br/>           43, J. L. Nehru Road,<br/>           Kolkata - 700 071.<br/>           Tel.: + 91 33 2288 3087<br/>           Fax: + 91 33 2288 3062<br/>           Email: <a href="mailto:tsrdlcal@tsrdarashaw.com">tsrdlcal@tsrdarashaw.com</a></p> | <p><b>3. Ahmedabad</b><br/> <b>Agent of TSR Darashaw Consultants Private Limited</b><br/>           Shah Consultancy Services Limited<br/>           3, Sumatinath Complex, 2<sup>nd</sup> Dhal,<br/>           Pritam Nagar, Ellisbridge,<br/>           Ahmedabad - 380 006.<br/>           Fax: + 91 79 2657 6038<br/>           Email: <a href="mailto:shahconsultancy8154@gmail.com">shahconsultancy8154@gmail.com</a></p> |
| <p><b>4. New Delhi</b><br/> <b>TSR Darashaw Consultants Private Limited</b><br/>           2/42, Ansari Road,<br/>           1<sup>st</sup> Floor, Daryaganj, Sant Vihar,<br/>           New Delhi - 110 002.<br/>           Tel.: + 91 11 2327 1805<br/>           Fax: + 91 11 2327 1802<br/>           Email: <a href="mailto:tsrdldel@tsrdarashaw.com">tsrdldel@tsrdarashaw.com</a></p>        | <p><b>5. Jamshedpur</b><br/> <b>TSR Darashaw Consultants Private Limited</b><br/>           'E' Road,<br/>           Northern Town, Bistupur,<br/>           Jamshedpur - 831 001.<br/>           Tel.: + 91 657 242 6616<br/>           Fax: + 91 657 242 6937<br/>           Email: <a href="mailto:tsrdljsr@tsrdarashaw.com">tsrdljsr@tsrdarashaw.com</a></p>                 |   |

### 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
<b>Total</b>	<b>25,47,56,278</b>	<b>2,54,75,62,780</b>	<b>100.00</b>	<b>1,95,461</b>	<b>100.00</b>

**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
<b>Total</b>	<b>25,47,56,278</b>	<b>100.00</b>

**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](mailto:investors@tatachemicals.com)  
Website: [www.tatachemicals.com](http://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](mailto:coc@ethicshelpline.in) or  
[reportmyconcern@integritymatters.in](mailto: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

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**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