



May 15, 2019

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001, India

Scrip Code: 500770

The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot C/1
G Block, Bandra Kurla Complex, Bandra East
Mumbai – 400 051, India

Scrip Code: TATACHEM

Dear Sir,

Subject: Outcome of the Board Meeting held on May 15, 2019

Re: Intimation of Scheme of Arrangement amongst Tata Chemicals Limited (“Company” or “Demerged Company”) and Tata Global Beverages Limited (“Resulting Company”) and their respective shareholders and creditors (“Scheme”).

In compliance with Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015, we wish to submit that the Board of Directors of the Company at their meeting held today i.e. May 15, 2019, *inter alia*, have considered and accepted the recommendations of the Committee of Directors as well as the Audit Committee for the demerger of the ‘Consumer Products Business’ of the Demerged Company to the Resulting Company, subject to the requisite statutory and regulatory approvals, and approved the aforesaid Scheme pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time.

Pursuant to Regulation 30 of the Listing Regulations, details in respect of the Scheme are enclosed herewith as **Annexure I**.

Also enclosed is a press release being issued in this regard.

This is for your information and records.

Thanking you.

Yours faithfully,

For Tata Chemicals Limited

John Mulhall
Chief Financial Officer





Annexure I

Details of the Scheme of Arrangement amongst Tata Chemicals Limited (“Company” or “Demerged Company”) and Tata Global Beverages Limited (“Resulting Company”) and their respective shareholders and creditors (“Scheme”)

No.	Particulars	Details
1.	Brief details of the division(s) to be demerged	The Scheme proposes to demerge the ‘Consumer Products Business’ from the Demerged Company to the Resulting Company. The Consumer Products Business of the Demerged Company has been identified as the sourcing, packaging, marketing, distribution and sales of (i) vacuum evaporated edible common salt (‘Salt’) for human consumption, (ii) spices, (iii) protein foods and (iv) certain other food and other products. Under the Scheme, the salt manufacturing facility, basic chemistry products and specialty products business are not proposed to be transferred to the Resulting Company and will continue to be owned by the Demerged Company. Necessary salt supply arrangements shall be put into effect on and from the date on which the Scheme comes into effect.
2.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year	The turnover of the demerged division is Rs. 1,847 crores representing 16% of the total turnover of the Demerged Company on a consolidated basis.
3.	Rationale for demerger	<p>With the view to integrate the consumer products business activities undertaken by both, the Demerged Company and the Resulting Company, under a single entity, it is proposed that the Consumer Products Business of the Demerged Company be demerged and transferred to the Resulting Company under the terms and conditions of the Scheme.</p> <p>The proposed transaction will be in the best interest of the shareholders of the Resulting Company as well as of the Demerged Company and shall not in any manner be prejudicial to the interests of the concerned shareholders and creditors or general public at large.</p> <p>The Scheme results in revenue and cost synergies including from supply chain opportunities, operational improvements, logistics alignment leading to economies of scale, creation of efficiencies, optimization of overlapping infrastructure, capital and operational expenditure and leveraging distribution networks.</p> <p>The Scheme enhances the financial profile with higher growth,</p>





No.	Particulars	Details																								
		<p>margin expansion and increased cash flows that will provide further headroom for inorganic growth opportunities; India and abroad.</p> <p>The Scheme enables the Resulting Company to expand its presence in the fast moving consumer goods categories in India and abroad.</p> <p>The shareholders of the Demerged Company will continue to participate in the growth of a larger consumer focused company i.e. Resulting Company, while continuing to own shares in the Demerged Company which will remain focused on its basic chemistry and specialty products businesses.</p>																								
4.	Brief details of change in shareholding pattern (if any) of all entities	<p>The shareholding pattern of the Demerged Company shall not undergo any change pursuant to the Scheme.</p> <p>The current paid-up issued share capital of the Resulting Company is Rs. 63.11 Crores comprising of 63,11,29,729 equity shares of Re. 1 each. The current shareholding pattern of the Resulting Company is set out below:</p> <table border="1"> <thead> <tr> <th>Category of Shareholder</th> <th>No. of fully paid up equity shares held</th> <th>Shareholding as a % of total no. of shares</th> </tr> </thead> <tbody> <tr> <td>Promoter and Promoter Group</td> <td>21,74,45,190</td> <td>34.45</td> </tr> <tr> <td>Public</td> <td>41,36,84,539</td> <td>65.55</td> </tr> <tr> <td>Total</td> <td>63,11,29,729</td> <td>100</td> </tr> </tbody> </table> <p>Pursuant to the Scheme, after the issuance and allotment of equity shares by the Resulting Company (further details set out in row 5 below), the shareholding pattern of the Resulting Company is expected to be as below:</p> <table border="1"> <thead> <tr> <th>Category of Shareholder</th> <th>No. of fully paid up equity shares held</th> <th>Shareholding as a % of total no. of shares</th> </tr> </thead> <tbody> <tr> <td>Promoter and Promoter Group</td> <td>30,54,10,350</td> <td>33.18</td> </tr> <tr> <td>Public</td> <td>61,51,54,841</td> <td>66.82</td> </tr> <tr> <td>Total</td> <td>92,05,65,191</td> <td>100</td> </tr> </tbody> </table>	Category of Shareholder	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares	Promoter and Promoter Group	21,74,45,190	34.45	Public	41,36,84,539	65.55	Total	63,11,29,729	100	Category of Shareholder	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares	Promoter and Promoter Group	30,54,10,350	33.18	Public	61,51,54,841	66.82	Total	92,05,65,191	100
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5.	In case of cash consideration – amount or otherwise the share exchange ratio	<p>In consideration for the demerger of the 'Consumer Products Business' from the Demerged Company to the Resulting Company, the Resulting Company shall issue fully paid-up equity shares of the Resulting Company to the eligible shareholders of the Demerged Company whose names appear in the register of members as on the Record Date based on the</p>																								





No.	Particulars	Details
		share entitlement ratio of 114:100, i.e. 114 fully paid-up equity shares of nominal value of Re. 1 each of the Resulting Company for every 100 fully paid-up equity shares of nominal value of Rs. 10 held in the Demerged Company.
6.	Whether listing would be sought for the resulting entity	The equity shares of the Resulting Company are already listed on the National Stock Exchange of India Limited ("NSE"), the Bombay Stock Exchange ("BSE") and Calcutta Stock Exchange ("CSE"). The new shares issued and allotted by the Resulting Company as consideration under the Scheme shall be listed and admitted to trading on NSE, BSE and CSE subject to the Resulting Company obtaining the requisite approvals from all the relevant authorities for the same.



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PRESS RELEASE

**Tata Global Beverages and Tata Chemicals announce transaction
to combine Consumer Businesses
to create a focused Consumer Products Company**

- *Tata Global Beverages Limited to be renamed Tata Consumer Products Limited to reflect the new strategic direction of the Company*
- *Combined entity to reach over 200 million households, giving it an unparalleled ability to leverage the Tata brand in Consumer Products*
- *Combines key brands such as "Tata Salt", "Tata Tea", "Tata Sampann" and "Tetley" under a single umbrella*
- *Tata Chemicals to focus on innovative science-based chemistry solutions and products*
- *Significant value creation for all shareholders through greater scale and synergies*

Mumbai, May 15, 2019: The Boards of Directors of Tata Global Beverages Limited ("TGBL") and Tata Chemicals Limited ("TCL"), at their respective meetings held today, have approved the de-merger of the Consumer Products Business of TCL into TGBL through a National Company Law Tribunal ("NCLT") approved scheme of arrangement ("Scheme").

Pursuant to the Scheme, each shareholder of TCL will get 1.14 new equity shares of TGBL for every 1 equity share held in TCL i.e. a shareholder holding 100 shares in TCL will receive 114 shares in TGBL. The respective Boards have approved the Entitlement Ratio based on the recommendations of independent valuers.

The proposed transaction will create a focused Consumer Products Company with a combined turnover and EBITDA of Rs. 9,099 crore and Rs. 1,154 crore respectively, for the twelve months period ended March 31, 2019 on a proforma basis.

The combination of the two consumer-focused businesses will benefit both sets of shareholders who will be able to participate in a larger business poised to grow their share of the foods & beverages market with a broader exposure to the attractive and fast growing FMCG sector. TCL shareholders will retain their ownership of a focused science-led chemistry solutions and specialty products company with a leading portfolio of products in basic and specialty chemicals and strong cash flows to support future growth.

The combined consumer business will also benefit from a combined reach of over 200 million households; a broader portfolio to deepen distribution, enhanced innovation

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PRESS RELEASE

capabilities, as well as a strong product pipeline. In addition, the new consumer entity expects to achieve substantial revenue and cost synergies which will add value to its shareholders.

The transaction is subject to the necessary statutory and regulatory approvals including approvals of the respective benches of NCLT, the Stock Exchanges, SEBI and the respective shareholders and lenders/creditors of each of the companies. The transaction is expected to be completed by Q4 FY20 / Q1 FY21.

Commenting on the announcement, Mr. N Chandrasekaran, Chairman, Tata Sons said, *“Tata Consumer Products consolidates our current presence in food & beverages in the fast-growing consumer sector. Through this combination, we have created a strong growth platform to meet the growing aspirations of Indian consumers.”*

Mr. Ajoy Misra, Managing Director & CEO of TGBL, added: *“This transaction is consistent with our strategy to deepen our India presence and transform into a broader FMCG player. Existing TGBL shareholders will benefit significantly as the Consumer Products Business increases our exposure to high growth product categories and provides a strong platform to seize new opportunities in this sector. We will also continue to nurture and grow our global brands.”*

Mr. R Mukundan, Managing Director and CEO Tata Chemicals said: *“This combination provides significant benefits to our shareholders by unlocking the value of our Consumer Products Business. In line with its strategy to be a leading science-based solutions company, Tata Chemicals will aggressively grow its Specialty Chemistry business in the areas of Agro-Science, Nutrition Science, Material Science and Energy Storage Science. In addition, the Basic Chemistry Business of Tata Chemicals will be the Global Partner of Choice for Soda Ash, Salt and Bicarbonate to leading brands of Food, Pharma, Detergents and Glass.”*

About Tata Global Beverages Limited:

Tata Global Beverages is a global beverage business; its brands have presence in over 40 countries. The Company has significant interests in tea, coffee and water and is the world's second largest tea company. 330+ million servings of its brands are consumed everyday around the world. Tata Global Beverages Group has an annual turnover of approximately Rs.9,300cr including from its JV's and associates; it employs around 3,000 people across the world. The company focuses on natural beverages and has a stable of innovative regional and global beverage brands, including: Tata Tea, Tetley, Himalayan natural mineral water, Tata Water Plus and Tata Gluco+, Good Earth tea, Grand Coffee and Eight O'clock coffee. For more information please visit www.tataglobalbeverages.com

For more information please contact: Satya Muniyasamy, Email: satya.muniyasamy@tgbl.com; Shirsha Majumder, Email: Shirsha.majumder@adfactorspr.com

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About Tata Chemicals Limited:

Tata Chemicals Limited, is a global company with interests in businesses that focus on Basic Chemistry Products, Consumer and Specialty products. The story of the company is about harnessing the fruits of science for goals that go beyond business. Through its Consumer products portfolio the company has positively impacted the lives of millions of Indians. Tata Chemicals is the pioneer and market leader in India's branded Iodised salt segment. Extending its portfolio from salt to other food essentials, TCL unveiled India's first national brand of pulses, followed by a range of spices and nutrimixes. Tata Chemicals has been rated as one of the top 10% in Business and Consumer brands across all industry and consumer brand categories in India by Superbrands™.

The company's Basic Chemistry product range provides key ingredients to some of the world's largest manufacturers of glass, detergents and other industrial products. Tata Chemicals currently is the world's third largest producer of soda ash with manufacturing facilities in Asia, Europe, Africa and North America. With its Farming Essentials portfolio the company through its subsidiary Rallis, has a strong position in the crop protection business. The Tata Chemicals Innovation Centre is home to world class R&D capabilities in the emerging areas of food sciences, nanotechnology and biotechnology.

For more information please contact: R Nanda | Manisha Keshwa , Email: rnanda@tatachemicals.com; mkeshwa@tatachemicals.com

Disclaimer: Certain statements in this "Press Release" may not be based on historical information or facts and may be "forward looking statements" within the meaning of applicable securities laws and regulations, including, but not limited to, those relating to general business plans & strategy of the company, its future outlook & growth prospects, future developments in its businesses, its competitive & regulatory environment and management's current views & assumptions which may not remain constant due to risks and uncertainties. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any statement, on the basis of any subsequent development, information or events, or otherwise. This "Press Release" does not constitute a prospectus, offering circular or offering memorandum or an offer to acquire any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's shares.