

# Advancing Science. **Creating Value.**

**Q3 & 9 months ended FY20-21  
Financial Results**

**Analyst and Shareholders Communication**

**28<sup>th</sup> January 2021**



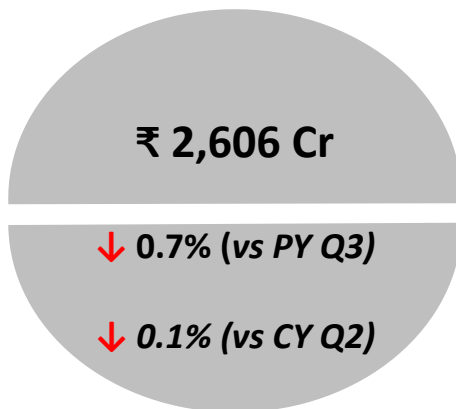
## Safe Harbour Statement

*“This Presentation, except for the historical information, may contain statements, including the words or phrases such as ‘expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should’ and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise of Tata Chemicals Limited, its direct and indirect subsidiaries and its associates. Actual results might differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include, among others, economic conditions affecting demand / supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government policies and regulations, tax laws, and other statutes and incidental factors. You are urged to view all statements contained herein with caution. Tata Chemicals Limited does not undertake any obligation to update or revise forward look statements, whether as a result of new information, future events or otherwise”*^

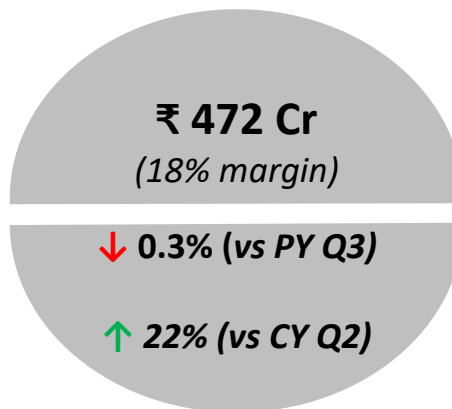


## Performance Highlights – For the quarter

### Consolidated Revenue



### Consolidated EBITDA



### Soda Ash Volumes

Q3 FY 21	768 Kts
Q3 FY 20	837 Kts

### IVSD Salt Volumes

Q3 FY 21	319 Kts
Q3 FY 20	271 Kts

Operational Cash Conversion remained at ₹ 379 Cr for the quarter

Consolidated Cash & Cash Equivalent as on 31<sup>st</sup> Dec 20 is ₹ 3,118 Cr (vs ₹ 3,660 Cr as on Mar20)

Standalone continues to remain Cash Positive

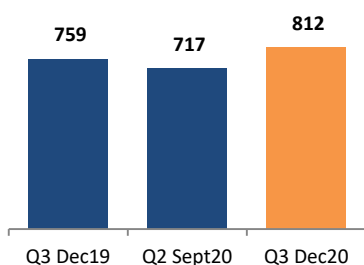
Standalone Cash & Cash Equivalent as on 31<sup>st</sup> Dec 20 is ₹ 1,965 Cr (vs ₹ 2,162 Cr as on Mar20)

### Consolidated Net Debt

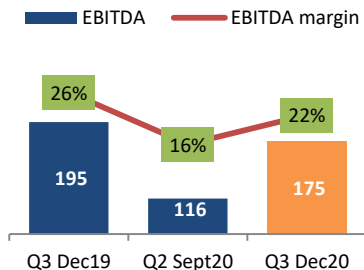
Dec 20	INR 3,743 Cr
Mar 20	INR 4,042 Cr

# Financial Highlights: For the quarter ended December 2020

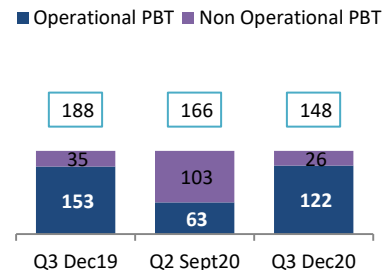
## Standalone | ₹ Crore



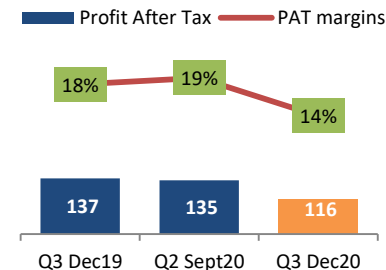
Revenue up by ₹ 53 Crore (↑7%)



EBITDA down by ₹ 20 Crore (↓10%)

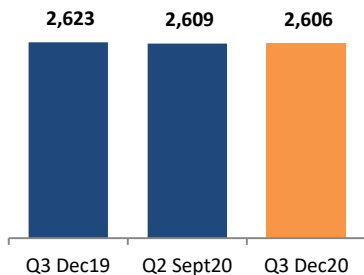


PBT down by ₹ 40Crore (↓21%)

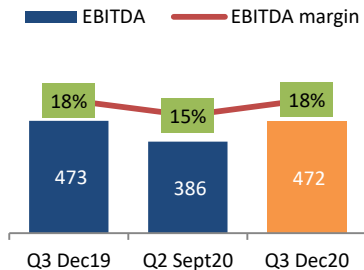


PAT down by ₹ 21 Crore (↓16%)

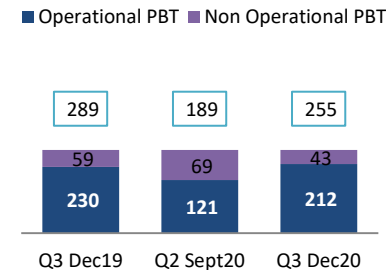
## Consolidated | ₹ Crore



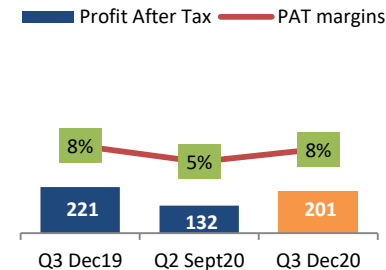
Revenue down by ₹ 17 Crore (↓1%)



EBITDA down by ₹ 1 Crore (↓0.3%)



PBT down by ₹ 34 Crore (↓12%)

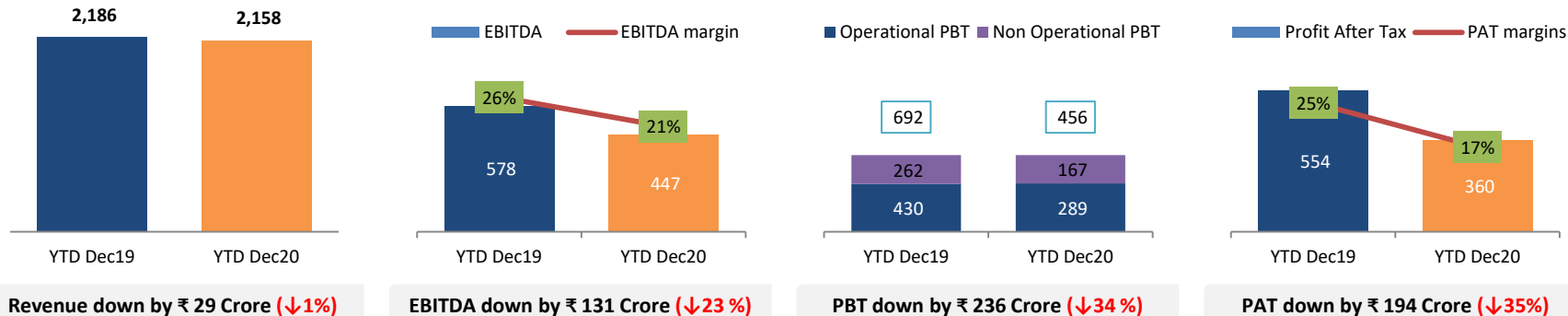


PAT down by ₹ 20 Crore (↓9%)

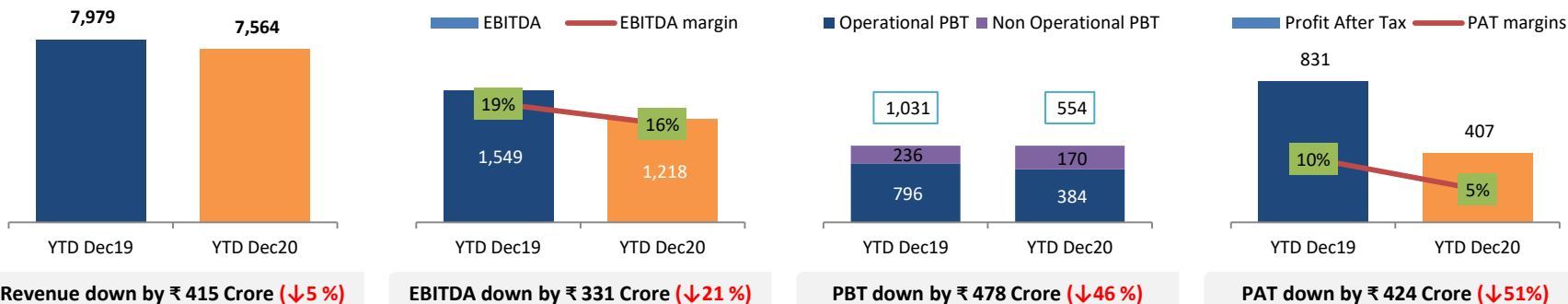
Note: \* PBT & PAT includes Continuing operations, after Share in JV & associates & before NCI

# Financial Highlights: For Year Till Date December 2020

## Standalone | ₹ Crore



## Consolidated | ₹ Crore



Note: PBT & PAT is after Share in JV & associates & before NCI

# Financial Highlights: Cash Conversion

## Consolidated

Cash Conversion	Q2 FY21	Q3 FY21	9m FY21
EBITDA	386	472	1218
Operation Working Capital Δ	199	(93)	406
<b>Cash Conversion</b>	<b>585</b>	<b>379</b>	<b>1,625</b>
<b>Cash Conversion %</b>	<b>152%</b>	<b>80%</b>	<b>133%</b>

## Standalone

Cash Conversion	Q2 FY21	Q3 FY21	9m FY21
EBITDA	116	175	447
Operation Working Capital Δ	25	108	43
<b>Cash Conversion</b>	<b>142</b>	<b>282</b>	<b>490</b>
<b>Cash Conversion %</b>	<b>122%</b>	<b>162%</b>	<b>110%</b>

Operational Working Capital	Mar-20	Sept-20	Dec-20
Inventories	1,869	1,631	1,594
Receivables	1,580	1,314	1,351
Payables	(1,631)	(1,626)	(1,533)
<b>Operational Working Capital</b>	<b>1,818</b>	<b>1,319</b>	<b>1,412</b>
<b>Operation Working Capital Δ</b>			<b>(93)</b>

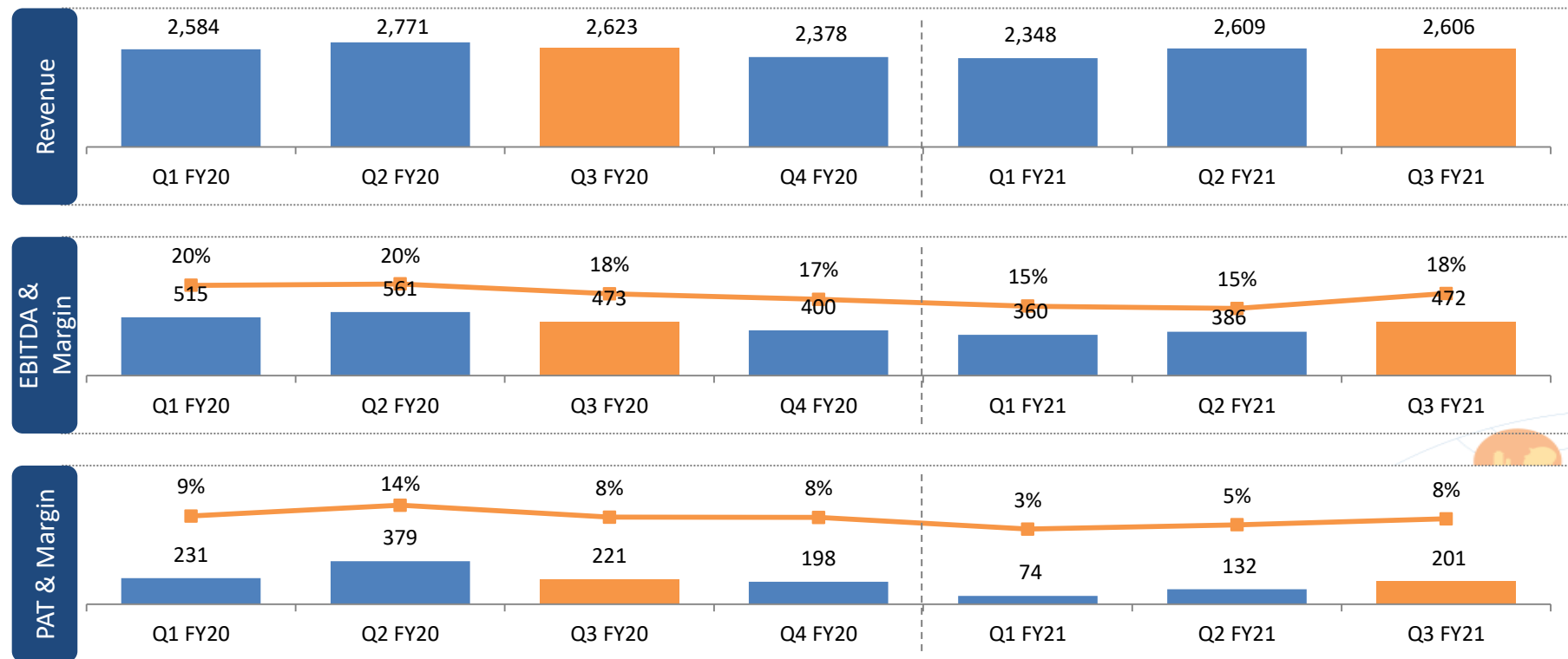
Operational Working Capital	Mar-20	Jun-20	Dec-20
Inventories	701	538	455
Receivables	140	138	138
Payables	(575)	(346)	(370)
<b>Operational Working Capital</b>	<b>266</b>	<b>331</b>	<b>223</b>
<b>Operation Working Capital Δ</b>			<b>108</b>

Cash conversion remains healthy both on Consolidated and Standalone basis

## Financial Highlights: Segment Revenues and Results

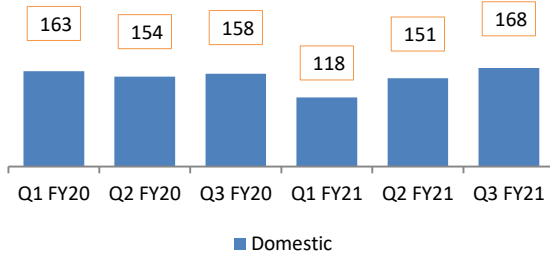
	₹ Crore	Consolidated			Standalone		
		Q3 Dec19	Q3 Dec20	Variance	Q3 Dec19	Q3 Dec20	Variance
Segment Revenue	Basic Chemistry Products	2,010	1,987	(23)	729	765	35
	Specialty Products	604	618	14	21	47	26
	Less: Inter Segment Revenue	(3)	(4)	-	-	-	-
		2,611	2,601	(9)	750	812	62
	Unallocated Revenue	13	5	(7)	9	0	(9)
	<b>Total Segment Revenue</b>	<b>2,623</b>	<b>2,606</b>	<b>(16)</b>	<b>759</b>	<b>812</b>	<b>53</b>
Segment Results	Basic Chemistry Products	328	298	(29)	213	180	(33)
	Specialty Products	40	38	(2)	(8)	(14)	(6)
	<b>Segment Results</b>	<b>367</b>	<b>336</b>	<b>(31)</b>	<b>204</b>	<b>166</b>	<b>(38)</b>
	Unallocated Expenses / (Income)	(1)	7	8	11	14	3
	Finance Costs	75	81	5	5	4	(1)
	<b>Profit after exceptional items, before share of profit of joint ventures and tax</b>	<b>293</b>	<b>248</b>	<b>(44)</b>	<b>188</b>	<b>148</b>	<b>(40)</b>

# Historical Consolidated Financials

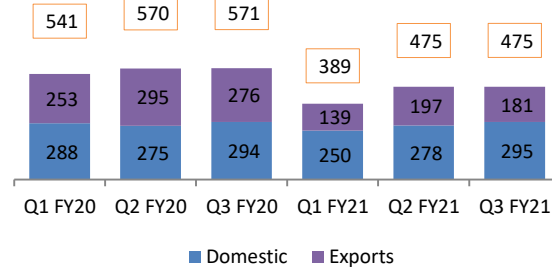


# Financial Highlights: Soda Ash Volumes Domestic vs Exports

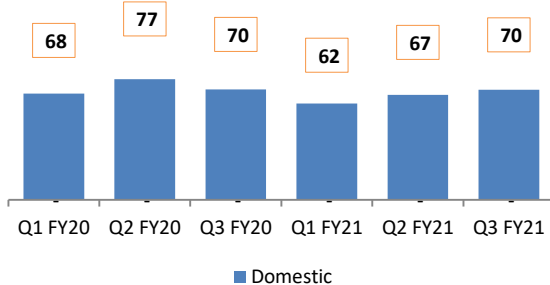
India | In Kts



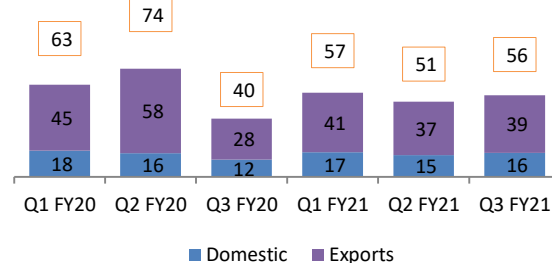
North America | In Kts



Europe | In Kts



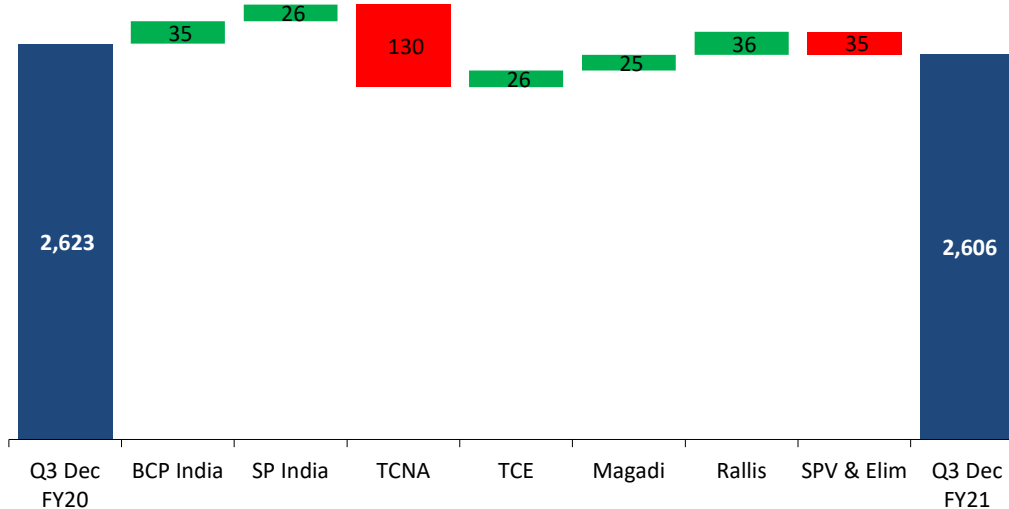
Kenya | In Kts



- Higher demand for soda ash in the India Operations.
- UK and Magadi operation had good third quarter with higher sales volume in both the units.
- Domestic Demand improved in US, however exports remained benign,
- Overall we had witnessed good traction across all geographies

## Financial Highlights: Revenue Movement

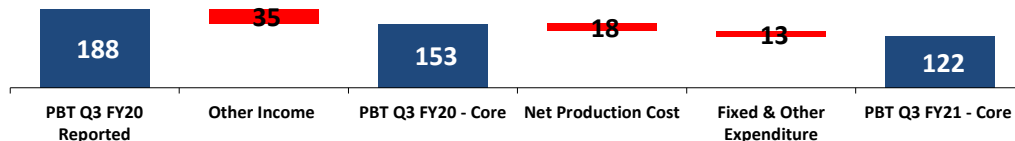
Revenue Movement | ₹ Crore



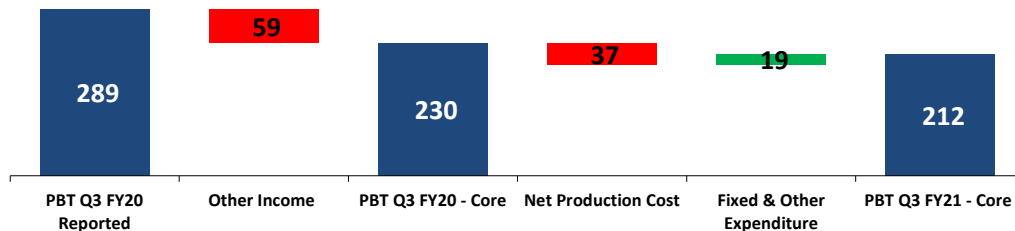
- India Operation had a healthy volumes growth across product portfolio.
- US had a challenging third quarter. We could see good traction coming from domestic market, which is partly offset by lower volumes in export market.
- TCE and Magadi operations had a positive improvement with higher sales volumes in Soda ash, bicarb and Salt respectively.
- On consolidated financials, Y-O-Y impact was on account of lower volumes (US) and lower sales realization.

# Financial Highlights: PBT Movement

## PBT Standalone Movement | ₹ Crore



## PBT Consolidated movement | ₹ Crore



### → Standalone Other Income Breakup

Details	Q3 FY20	Q3 FY21
Dividend Income from JV & Sub	-	-
Miscellaneous & Interest Income	35	26
	<b>35</b>	<b>26</b>

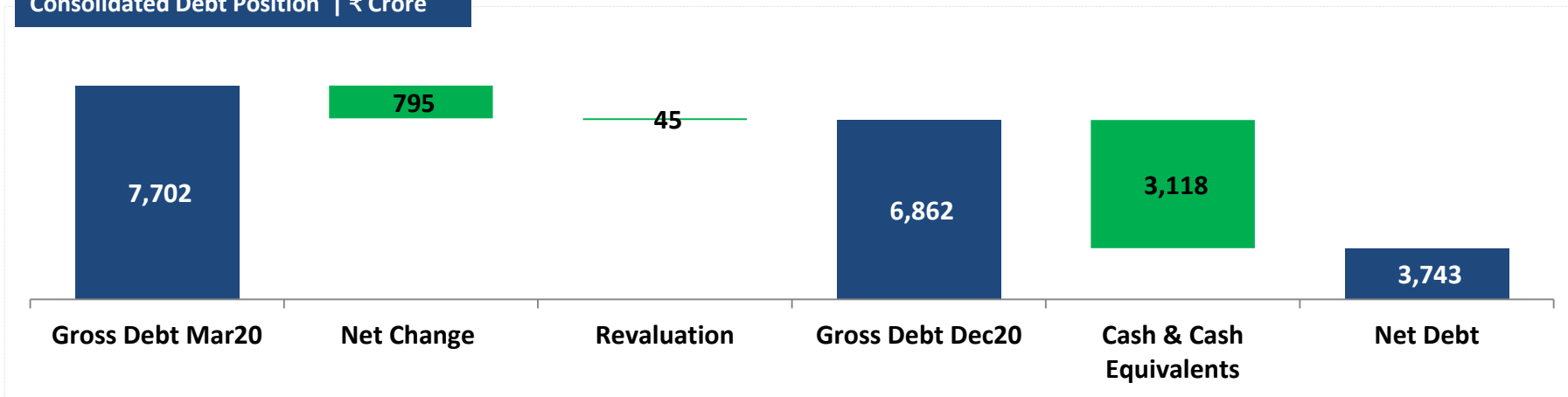
→ Overall margin was impacted due to lower sales realisation

### → Consolidated Other Income Breakup

Details	Q3 FY20	Q3 FY21
Interest Income	9	12
Miscellaneous Other Income	50	31
	<b>59</b>	<b>43</b>

## Financial Highlights: Borrowing Position as on December 2020

Consolidated Debt Position | ₹ Crore



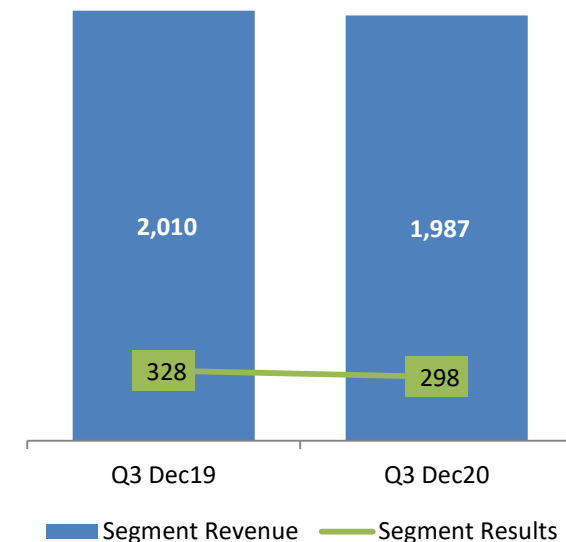
### Details

- Consolidated Cash and Cash Equivalent as on 31<sup>st</sup> December 2020 is ₹ 3,118 Cr (vs ₹ 3,660 Cr as on Mar20)
- Standalone continues to be Debt Free
- Standalone Cash and Cash Equivalent as on 30<sup>th</sup> September 2020 is ₹ 1,965 Cr (vs ₹ 2,160 Cr as on Mar20)

# Financial Highlights: Basic Chemistry Products Segment

	Key Highlights
India Operations	<ul style="list-style-type: none"> <li>Revenue at ₹ 765 Cr (up 5%), operating margins were subdued at ₹ 180 Cr (margin 24%), down from ₹ 213 Cr (margin 29%) vs PY.</li> <li>Healthy volumes in Soda Ash, Salt, Cement, were partly offset by lower sales realisation</li> <li>While volumes remained elevated, margins though were impacted on account of lower sales realization</li> </ul>
US Operations	<ul style="list-style-type: none"> <li>Revenue stood at ₹ 742 Cr (down by 15%) and EBITDA was at ₹ 158 Cr (down by 14%)</li> <li>US Sales volumes (Y-o-Y) were down 95kts, domestic market continues with steady growth, but export market still continues to face challenges.</li> <li>Overall margins was impacted due to lower sales realisation &amp; adverse distribution cost</li> </ul>
UK Operations	<ul style="list-style-type: none"> <li>Revenue stood at ₹ 374 Cr (up by 7%) and EBITDA was at ₹ 45 Cr (up by 5%)</li> <li>UK Sales volumes (Y-o-Y) were in line with PY for all products i.e. Soda Ash, Bicarb and Salt</li> <li>Overall margins improved due to higher sales realisation and improved manufacturing efficiency.</li> </ul>
Kenya Operations	<ul style="list-style-type: none"> <li>Revenue stood at ₹ 107 Cr (up by 30%) and EBITDA was at ₹ 26Cr (vs (9) Cr PY)</li> <li>Magadi Sales volumes (Y-o-Y) were higher by 16 kts vs PY.</li> <li>Positive impact of lower input price and plant spent, negated lower sales realisation.</li> </ul>

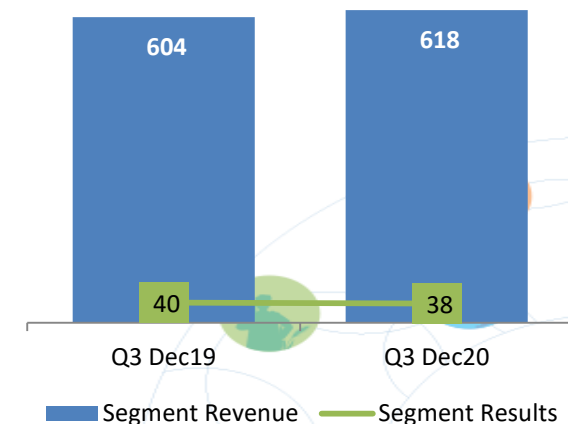
Segment Revenue at ₹ 1,987 Cr (down by 1%) |  
Segment results at ₹ 298 Cr (down by 9%)



## Financial Highlights: Specialty Products Segment

	Key Highlights
Specialty Products	<ul style="list-style-type: none"> <li>Specialty products (Standalone) business had encouraging quarter. Overall Revenue increased to <b>₹ 47 Cr (up by 124%)</b>, due to higher volumes across products portfolio.</li> </ul>
Nutritional Science	<ul style="list-style-type: none"> <li>Overall nutritional science business had encouraging demand.</li> <li>Sales volumes and sales realization increased across product portfolio.</li> </ul>
Silica Business	<ul style="list-style-type: none"> <li>Silica demand is expected to improve. Orders in non food and food segment should improve once the trials succeed and product acceptability is established.</li> <li>Pricing will be a major challenge, may face initial headwinds on pricing from competitors.</li> </ul>
Agro Science (Rallis India Ltd)	<ul style="list-style-type: none"> <li>Revenue stood at <b>₹ 570 Cr (up 7%)</b> and EBITDA stood at <b>₹ 63 Cr (up 13%)</b></li> <li>Revenues up due to improved business from domestic market and seeds business. Despite improved domestic volumes, international business had a challenging quarter due to lower Metri sales realisation.</li> <li>Overall margins remain consistent vs PY, despite one time charge on account of substandard seed stocks and non moving items.</li> </ul>

Segment Revenue at **₹ 618 Cr (up by 2%)** | Segment results at **₹ 38 Cr (down by 4%)**



# Financial Highlights: Operating Entities

## Statement of Profit and Loss for the quarter ended December 2020

Units ₹ Crore	TCL India		US		UK		Africa		Rallis		Consolidated	
	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY
Net Income	759	812	872	742	348	374	82	107	534	570	2,623	2,606
EBITDA	195	175	183	158	43	45	(9)	26	56	63	473	472
PBT	188	148	79	35	8	2	(20)	18	48	62	289	255
PAT	137	116	40	19	8	2	(20)	18	36	46	167	161

## Statement of Profit and Loss for the 9 months ended December 2020

Units ₹ Crore	TCL India		US		UK		Africa		Rallis		Consolidated	
	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY
Net Income	2,186	2,158	2,603	2,071	991	1,026	347	298	1,906	1,954	7,979	7,564
EBITDA	578	447	557	289	106	119	39	41	269	305	1,549	1,218
PBT	692	456	256	(111)	1	(11)	5	10	240	292	1,031	554
PAT	554	360	133	(131)	1	(11)	5	10	185	220	622	245

\* Consolidated financials is after adjusting SPV & Other adjustments

• PBT is after exceptional items & Share in JV and PAT (after NCI) for Equity Shareholders

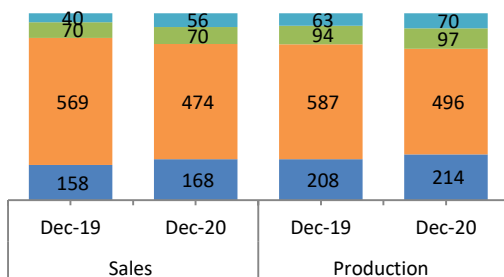


# Financial Highlights: Major Products Volumes

For the Quarter

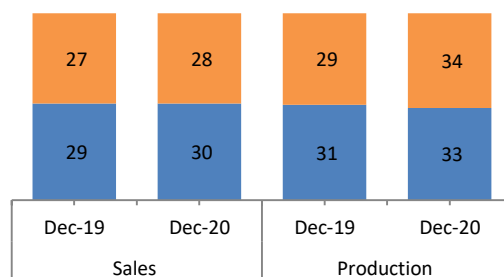
Soda Ash | In Kts

TCL India TCNA TCE TCM

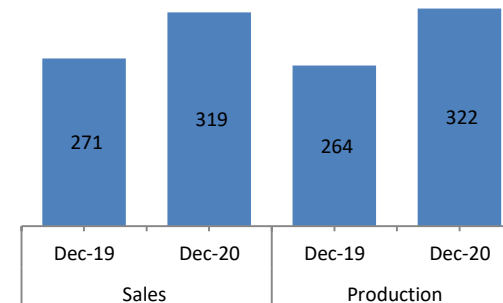


Sodium Bicarbonate | in Kts

TCL India TCE



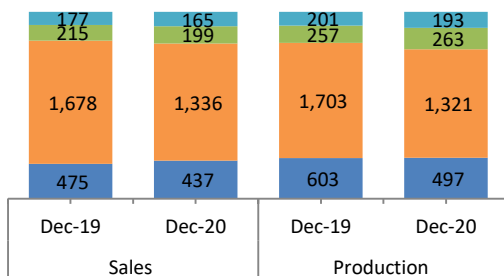
Edible Salt\* | in Kts



Year Till Date

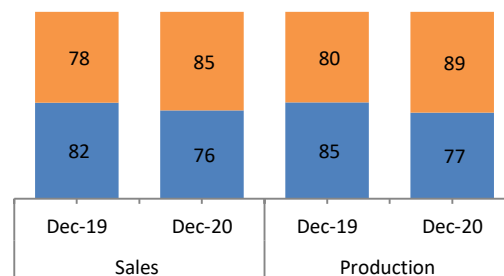
Soda Ash | In Kts

TCL India TCNA TCE TCM

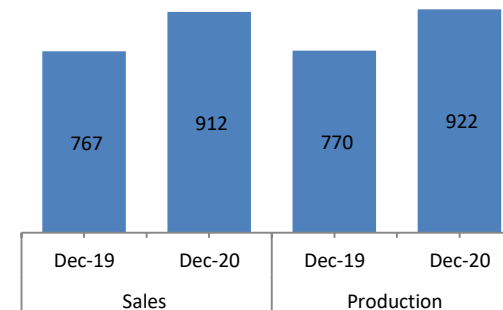


Sodium Bicarbonate | in Kts

TCL India TCE



Edible Salt\* | in Kts

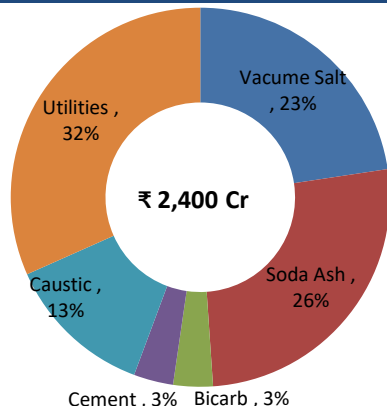


\* India Operations



# Mithapur Expansion Plan – Revised

Mithapur Expansion Plan



Incremental Revenue Realisation | In MT

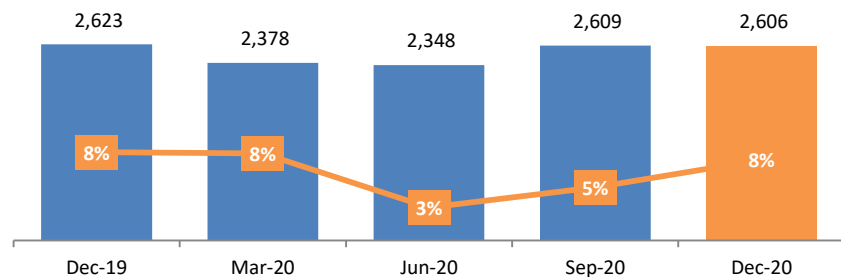
Products	FY21 E	FY22 P	FY23 P	Total
Soda Ash	-	45,000	183,000	228,000
Vaccum Salt	-	188,000	165,000	353,000
Bicarb	-	-	31,000	31,000
Cement	-	-	221,000	221,000
Caustic	-	18,000	18,000	36,000

Product wise revised Implementation and Commissioning Schedule

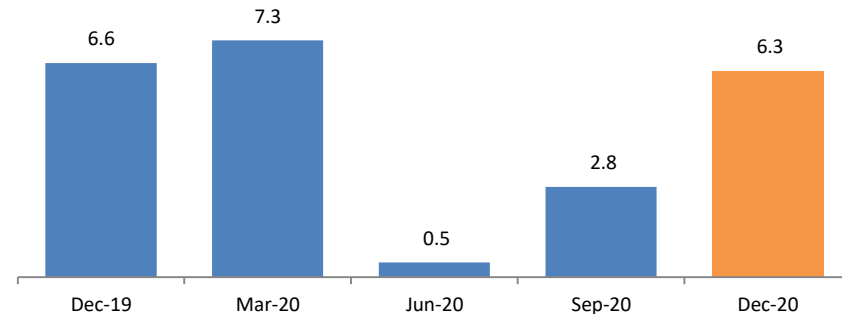
Products In Lac MT	FY20	FY21				FY22				FY23				FY24 & Beyond
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Total
Soda Ash					0.20			0.25			1.83			2.28
Vaccum Salt					0.23			1.65	1.65					3.53
Bicarb									0.31					0.31
Cement												2.21		2.21
Caustic					0.18						0.18			0.36
Capex rephasing														

# Supplementary Information

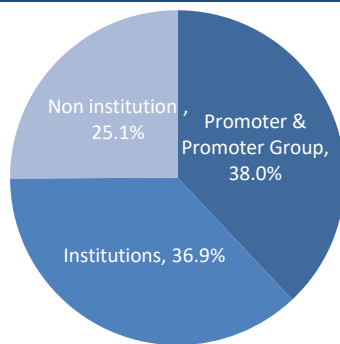
## Revenues | ₹ Crore & PAT | In %



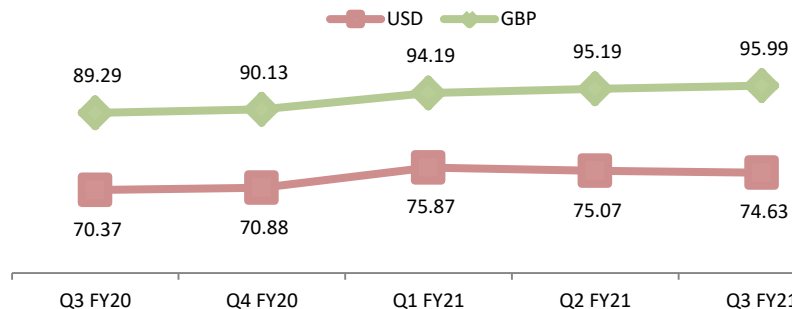
## Earnings Price Per Share | In ₹



## Shareholding Pattern | In %



## Exchange | Average rate per ₹



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For any question/queries please contact

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