

Tata Chemicals Limited
Regd. Office: Bombay House, 24 Homi Mody Street, Mumbai - 400 001
Statement of Consolidated Financial Results for the quarter ended 30 June, 2020

(₹ in crore)

Particulars	Quarter ended 30 June, 2020 (Unaudited)	Quarter ended 31 March, 2020 (Audited) (note 6)	Quarter ended 30 June, 2019 (Unaudited) (Restated) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Income				
a) Revenue from operations	2348.16	2378.09	2584.03	10356.75
b) Other income	58.66	75.55	86.87	311.12
Total income (1a + 1b)	2406.82	2453.64	2670.90	10667.87
2 Expenses				
a) Cost of materials consumed	464.46	397.04	424.13	1844.23
b) Purchases of stock-in-trade	52.69	77.22	28.13	252.44
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	73.60	(114.10)	(1.47)	(128.27)
d) Employee benefits expense	336.73	339.26	343.62	1375.37
e) Power and fuel	284.98	380.43	352.09	1449.90
f) Freight and forwarding charges	313.43	384.63	396.84	1551.42
g) Finance costs	117.86	85.51	94.05	341.91
h) Depreciation and amortisation expense	189.91	173.87	162.72	666.47
i) Other expenses	462.51	513.45	525.80	2062.49
Total expenses (2a to 2i)	2296.17	2237.31	2325.91	9415.96
3 Profit before share of profit/(loss) of joint ventures and tax (1-2)	110.65	216.33	344.99	1251.91
4 Share of profit/(loss) of joint ventures (net of tax)	(0.71)	0.55	(2.69)	(3.85)
5 Profit before tax (3+4)	109.94	216.88	342.30	1248.06
6 Tax expenses (note 5)				
a) Current tax	47.08	32.12	102.11	266.33
b) Deferred tax	(11.29)	(12.80)	9.46	(46.68)
Total tax expenses (6a + 6b)	35.79	19.32	111.57	219.65
7 Profit from continuing operations after tax (6-7)	74.15	197.56	230.73	1028.41
8 Exceptional gain/(loss) (net) from discontinued operations (note 2(a) and 3)	-	6136.08	(8.00)	6128.08
9 Share of profit of joint ventures from discontinued operations (net of tax) (note 4)	-	-	31.11	31.34
10 Tax (release)/expense of discontinued operations (note 2(a))	-	(100.64)	27.51	(40.32)
11 Profit/(loss) from discontinued operations after tax (8+9-10)	-	6236.72	(4.40)	6199.74
12 Profit for the period (7+12)	74.15	6434.28	226.33	7228.15
13 Other comprehensive income ('OCI')				
a) (i) Items that will not be reclassified to the Consolidated Statement of Profit and Loss				
- Change in fair value of equity investments carried at fair value through OCI	54.95	(616.66)	262.88	(579.88)
- Remeasurement of defined employee benefit plans	(114.37)	(38.52)	37.41	(68.58)
(ii) Income Tax relating to above items	2.81	(95.64)	32.86	(95.79)
(iii) Share of other comprehensive income/(loss) of joint ventures (net of tax)	20.14	(83.23)	(7.56)	(76.39)
b) (i) Items that will be reclassified to the Consolidated Statement of Profit and Loss				
- Effective portion of (loss)/gain on cash flow hedges	64.01	(108.24)	(54.57)	(230.77)
- Changes in foreign currency translation reserve	5.16	277.92	12.02	439.14
(ii) Income Tax relating to above items	3.58	(0.01)	(3.17)	(4.20)
(iii) Share of other comprehensive income of joint ventures (net of tax)	0.63	6.75	(0.63)	10.19
Total other comprehensive income (net of tax) (a(i-ii+iii)+b(i-ii+iii))	24.13	(466.33)	219.86	(406.30)
14 Total comprehensive income for the period (12+13)	98.28	5967.95	446.19	6821.85
15 Profit from continuing operations after tax (7)				
Attributable to:				
Equity shareholders of the Company	13.28	184.73	157.85	806.59
Non-controlling interests	60.87	12.83	72.88	221.82
	74.15	197.56	230.73	1028.41
16 Profit from discontinued operations after tax (11)				
Attributable to:				
Equity shareholders of the Company	-	6236.72	(4.40)	6199.74
Non-controlling interests	-	-	-	-
	-	6236.72	(4.40)	6199.74
17 Profit for the period (12)				
Attributable to:				
Equity shareholders of the Company	13.28	6421.45	153.45	7006.33
Non-controlling interests	60.87	12.83	72.88	221.82
	74.15	6434.28	226.33	7228.15
18 Other comprehensive income (net of tax) (13)				
Attributable to:				
Equity shareholders of the Company	23.30	(481.43)	228.22	(456.88)
Non-controlling interests	0.83	15.10	(8.36)	50.58
	24.13	(466.33)	219.86	(406.30)
19 Total comprehensive income for the period (14)				
Attributable to:				
Equity shareholders of the Company	36.58	5940.02	381.67	6549.45
Non-controlling interests	61.70	27.93	64.52	272.40
	98.28	5967.95	446.19	6821.85
20 Paid-up equity share capital (Face value : ₹ 10 per Share)	254.82	254.82	254.82	254.82
21 Other equity and Non-controlling interests				13406.61
22 Earnings per share for continuing operations (in ₹)				
- Basic and Diluted	0.52*	7.25*	6.19*	31.66
23 Earnings per share for discontinued operations (in ₹)				
- Basic and Diluted	-	244.81*	(0.17)*	243.36
24 Earnings per share for continuing and discontinued operations (in ₹)				
- Basic and Diluted	0.52*	252.06*	6.02*	275.02

* Not annualised

See annexed segment information and accompanying notes to the consolidated financial results

Tata Chemicals Limited
Consolidated Segmentwise Revenue, Results, Assets and Liabilities

(₹ in crore)

Particulars	Quarter ended 30 June, 2020 (Unaudited)	Quarter ended 31 March, 2020 (Audited) (note 6)	Quarter ended 30 June, 2019 (Unaudited) (Restated) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Segment Revenue				
a. Basic chemistry products	1672.31	1998.65	1949.26	8013.74
b. Specialty products	675.86	377.57	633.74	2328.85
	2348.17	2376.22	2583.00	10342.59
Less: Inter segment revenue	2.68	0.90	2.52	10.06
	2345.49	2375.32	2580.48	10332.53
Add: Unallocated	2.67	2.77	3.55	24.22
Total revenue from operations	2348.16	2378.09	2584.03	10356.75
2 Segment Results				
a. Basic chemistry products	111.67	354.38	318.20	1355.51
b. Specialty products	93.38	(36.77)	75.54	166.90
Total segment results	205.05	317.61	393.74	1522.41
Less:				
(i) Finance costs	117.86	85.51	94.05	341.91
(ii) Net unallocated (income)/expenditure	(23.46)	15.77	(45.30)	(71.41)
Profit after exceptional items, before share of profit of joint ventures and tax	110.65	216.33	344.99	1251.91
3 Segment Assets				
a. Basic chemistry products	16785.33	17150.00	15368.30	17150.00
b. Specialty products	2864.12	2804.05	2681.11	2804.05
Total segment assets	19649.45	19954.05	18049.41	19954.05
Add: Unallocated	7502.02	7734.70	9522.45	7734.70
Total assets	27151.47	27688.75	27571.86	27688.75
4 Segment Liabilities				
a. Basic chemistry products	2844.16	2893.42	2590.61	2893.42
b. Specialty products	1176.19	930.13	1020.20	930.13
Total segment liabilities	4020.35	3823.55	3610.81	3823.55
Add: Unallocated	9386.48	10203.77	8329.83	10203.77
Total liabilities	13406.83	14027.32	11940.64	14027.32
Information relating to discontinued operations as stated in note 2(a) to the consolidated financial results :				
Particulars	Quarter ended 30 June, 2020 (Unaudited)	Quarter ended 31 March, 2020 (Audited) (note 6)	Quarter ended 30 June, 2019 (Unaudited) (Restated) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Segment Results (before share of profit of joint ventures and tax)	-	6136.08	(8.00)	6128.08

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Notes to the consolidated Financial Results:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 31 July, 2020. The same have been reviewed by the Statutory Auditors who have issued an unqualified conclusion thereon.
- 2 Changes in Group structure:
 - a. In the previous year, upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies on 7 February, 2020, the Consumer Products Business Unit ("CPB") is demerged from the Company and transferred to and vested in Tata Consumer Products Limited ("TCPL") with effect from 1 April, 2019 i.e. the Appointed Date. Accordingly, the Consolidated financial results for the period ended 30 June, 2019 have been restated.

The difference in the fair value of the demerged undertaking and the carrying amount of net assets of CPB as at 1 April, 2019 is recognised as gain on demerger of CPB in the Consolidated financial results as an exceptional item, amounting to ₹ 6,228.15 crore and ₹ 6,220.15 crore (net of transaction cost) during the quarter and year ended 31 March, 2020 respectively. Exceptional item for the quarter ended 30 June, 2019 represents costs relating to the scheme of De-merger.

The Company had recorded tax provision of ₹ 27.51 crore and ₹ 60.32 crore on the profits of CPB for the quarter ended 30 June, 2019 and nine months ended 31 December, 2019 respectively. This tax provision has been reversed in the quarter ended 31 March, 2020 as it has not been transferred to TCPL post de-merger of CPB.
 - b. The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench on 23 April, 2020 approved the Scheme of Merger by Absorption of Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio'), a wholly owned subsidiary of the Company, by the Company ('Scheme'), with an Appointed Date of 1 April 2019. There is no impact of amalgamation in the consolidated financial results.
 - c. During the year ended 31 March, 2020, the Group has acquired the remaining 25% partnership interest from The Andover Group, Inc. in Tata Chemicals (Soda Ash) Partners Holdings for a consideration of ₹ 1,382.12 crore (USD 195 million). With this acquisition, the Group has increased its ownership in Tata Chemicals (Soda Ash) Partners, the soda ash producing operating entity, from 75% to 100%. The resultant difference between the consideration paid and book value of Non Controlling Interest, amounting to ₹ 718.30 crore (net of consequential deferred taxes) has been credited to the retained earnings.
 - d. The Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench and the NCLT, Mumbai Bench have approved the Scheme of Merger ('the Scheme') of Metahelix Life Sciences Limited (wholly owned subsidiary of Rallis India Limited ('Rallis')) into Rallis on 11 November 2019 and 20 December 2019 respectively. Rallis has given effect of the Scheme, which is a common control transaction, in the quarter ended 31 December 2019. The certified copies of the Orders of NCLT Mumbai Bench and NCLT Bengaluru Bench have been filed with the respective Registrar of Companies and accordingly, the Scheme is effective from 1 February 2020 with an Appointed Date of 1 April, 2019. There is no impact of amalgamation in the consolidated financial results.
 - e. During the year ended 31 March, 2019, Rallis Chemistry Exports Ltd., a wholly owned subsidiary of Rallis, has made an application to the Registrar of Companies for removal of its name from the register of companies for which the approval is awaited.
 - f. The NCLT, Mumbai Bench has approved the Scheme of Merger by Absorption of Zero Waste Agro Organics Limited (wholly-owned subsidiary of Rallis) into Rallis ('the Scheme') on 22 February, 2020 from the appointed date of 1 April, 2017. Rallis has given effect of the Scheme, which was a common control transaction, in the quarter ended 31 March, 2020. The certified copy of the Order is filed with the Registrar of Companies on 9 July, 2020. There is no impact of amalgamation in the consolidated financial results.
- 3 Exceptional items from discontinued operations for the quarter and year ended 31 March, 2020 includes ₹ 92.07 crore in respect of provisions made, relating to the erstwhile fertilizer businesses, as per revised notifications issued by the concerned department for change in rate of subsidy for previous years.
- 4 In the previous year, Share of profit of joint ventures from discontinued operations (net of tax) includes profit arising from sale of one of the subsidiaries of Tata Industries Limited (a joint venture of the Group).

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Notes to the consolidated Financial Results:

- 5 During the quarter ended 30 September, 2019, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/ remeasured using the new tax rate and the Company had reversed deferred tax liabilities amounting to ₹ 39.20 crore.

Rallis India Limited, the subsidiary of the Company, has decided to exercise the option permitted under Section 1158AA of the income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2020-21. Accordingly, there is no impact on the provision for income tax for the year ended 31 March, 2020.

- 6 Figures for the quarter ended 31 March, 2020 as reported in these consolidated financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures upto the end of the third quarter of the previous financial year. Also the figures upto the end of the third quarter had only been reviewed and not subjected to audit.

- 7 During the quarter, in India, the Company continued to produce salt without disruption while the production of soda ash and sodium bicarbonate has started to recover after the initial phases of the lockdown as customers' own operations recommenced. The Company's specialty products operations started limited operations in May 2020 following the relaxation of local restrictions.

International businesses operated as normal, adhering to relevant guidelines and safe operating practices. Disruptions were generally limited but the Group did experience a volume reduction along with reduced prices in the export markets serviced by its US operation.

The Group has taken into account potential impacts of COVID-19 in the preparation of the financial results. Based on the information currently available there is no material impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets though we continue to monitor changes in future economic conditions. The impact of COVID-19 on the consolidated financial results may differ from that estimated as at the date of approval of these consolidated financial results.

- 8 The standalone audited financial results of the Company are available for investors at www.tatachemicals.com, www.nseindia.com and www.bseindia.com.

- 9 Previous period figures have been regrouped to conform with the classification adopted in these consolidated financial results.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

For and on behalf of
TATA CHEMICALS LIMITED

Vijay Mathur
Partner
Membership No. 046476
Place : Mumbai
Date : 31 July, 2020

R. Mukundan
Managing Director and CEO