

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

(₹ in crore)

Particulars	Quarter ended 30 September, 2020 (Unaudited)	Quarter ended 30 June, 2020 (Unaudited)	Quarter ended 30 September, 2019 (Unaudited) (Restated) (note 2(a))	Half-year ended 30 September, 2020 (Unaudited)	Half-year ended 30 September, 2019 (Unaudited) (Restated) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Income						
a) Revenue from operations	2609.35	2348.16	2771.27	4957.51	5355.30	10356.75
b) Other income	68.55	58.66	90.08	127.21	176.95	311.12
Total income (1a + 1b)	2677.90	2406.82	2861.35	5084.72	5532.25	10667.87
2 Expenses						
a) Cost of materials consumed	572.70	464.46	504.81	1037.16	928.94	1844.23
b) Purchases of stock-in-trade	111.45	52.69	97.14	164.14	125.27	252.44
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	36.64	73.60	39.84	110.24	38.37	(128.27)
d) Employee benefits expense (note 6 (a))	352.28	336.73	338.62	689.01	682.24	1375.37
e) Power and fuel	327.24	284.98	341.40	612.22	693.49	1449.90
f) Freight and forwarding charges	354.52	313.43	390.76	667.95	787.60	1551.42
g) Finance costs	83.63	117.86	86.89	201.49	180.94	341.91
h) Depreciation and amortisation expense	192.43	189.91	165.77	382.34	328.49	666.47
i) Other expenses	468.27	462.51	498.03	930.78	1023.83	2062.49
Total expenses (2a to 2i)	2499.16	2296.17	2463.26	4795.33	4789.17	9415.96
3 Profit before share of profit/(loss) of joint ventures and tax (1-2)	178.74	110.65	398.09	289.39	743.08	1251.91
4 Share of profit/(loss) of joint ventures (net of tax)	10.42	(0.71)	2.19	9.71	(0.50)	(3.85)
5 Profit before tax (3+4)	189.16	109.94	400.28	299.10	742.58	1248.06
6 Tax expenses (note 5)						
a) Current tax	79.67	47.08	69.88	126.75	171.99	266.33
b) Deferred tax	(22.60)	(11.29)	(48.69)	(33.89)	(39.23)	(46.68)
Total tax expenses (6a + 6b)	57.07	35.79	21.19	92.86	132.76	219.65
7 Profit from continuing operations after tax (5-6)	132.09	74.15	379.09	206.24	609.82	1028.41
8 Exceptional (loss)/gain (net) from discontinued operations (note 2(a) and 3)	-	-	-	-	(8.00)	6128.08
9 Share of profit of joint ventures from discontinued operations (net of tax) (note 4)	-	-	0.23	-	31.34	31.34
10 Tax expense/(release) of discontinued operations (note 2(a))	-	-	12.01	-	39.52	(40.32)
11 (Loss)/profit from discontinued operations after tax (8+9-10)	-	-	(11.78)	-	(16.18)	6199.74
12 Profit for the period (7+11)	132.09	74.15	367.31	206.24	593.64	7228.15
13 Other comprehensive income ('OCI') - gain/(loss)						
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	378.64	54.95	(136.95)	433.59	125.93	(579.88)
- Remeasurement of defined employee benefit plans	50.88	(114.37)	(40.35)	(63.49)	(2.94)	(68.58)
(ii) Income Tax relating to above items - charge/(reversal)	48.80	2.81	(16.08)	51.61	16.78	(95.79)
(iii) Share of other comprehensive income/(loss) of joint ventures (net of tax)	24.32	20.14	(31.26)	44.46	(38.82)	(76.39)
b) (i) Items that will be reclassified to the Consolidated Statement of Profit and Loss						
- Effective portion of gain/(loss) on cash flow hedges	86.38	64.01	(3.03)	150.39	(57.60)	(230.77)
- Changes in foreign currency translation reserve	(112.11)	5.16	164.02	(106.95)	176.04	439.14
(ii) Income Tax relating to above items - charge/(reversal)	4.70	3.58	(0.59)	8.28	(3.76)	(4.20)
(iii) Share of other comprehensive income/(loss) of joint ventures (net of tax)	(3.25)	0.63	2.84	2.62	2.21	10.19
Total other comprehensive income - gain/(loss) (net of tax) (a(i-ii+iii)+b(i-ii+iii))	371.36	24.13	(28.06)	395.49	191.80	(406.30)
14 Total comprehensive income for the period (12+13)	503.45	98.28	339.25	601.73	785.44	6821.85
15 Profit from continuing operations after tax (7)						
Attributable to:						
Equity shareholders of the Company	70.47	13.28	297.04	83.75	454.89	806.59
Non-controlling interests	61.62	60.87	82.05	122.49	154.93	221.82
	132.09	74.15	379.09	206.24	609.82	1028.41
16 (Loss)/profit from discontinued operations after tax (11)						
Attributable to:						
Equity shareholders of the Company	-	-	(11.78)	-	(16.18)	6199.74
Non-controlling interests	-	-	-	-	-	-
	-	-	(11.78)	-	(16.18)	6199.74
17 Profit for the period (12)						
Attributable to:						
Equity shareholders of the Company	70.47	13.28	285.26	83.75	438.71	7006.33
Non-controlling interests	61.62	60.87	82.05	122.49	154.93	221.82
	132.09	74.15	367.31	206.24	593.64	7228.15
18 Other comprehensive income - gain/(loss) (net of tax) (13)						
Attributable to:						
Equity shareholders of the Company	370.98	23.30	(86.95)	394.28	141.27	(456.88)
Non-controlling interests	0.38	0.83	58.89	1.21	50.53	50.58
	371.36	24.13	(28.06)	395.49	191.80	(406.30)
19 Total comprehensive income for the period (14)						
Attributable to:						
Equity shareholders of the Company	441.45	36.58	198.31	478.03	579.98	6549.45
Non-controlling interests	62.00	61.70	140.94	123.70	205.46	272.40
	503.45	98.28	339.25	601.73	785.44	6821.85
20 Paid-up equity share capital (Face value : ₹ 10 per Share)	254.82	254.82	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	2.77*	0.52*	11.66*	3.29*	17.85*	31.66
23 Earnings per share for discontinued operations (in ₹)						
- Basic and Diluted	-	-	(0.46)*	-	(0.63)*	243.36
24 Earnings per share for continuing and discontinued operations (in ₹)						
- Basic and Diluted	2.77*	0.52*	11.20*	3.29*	17.22*	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 September, 2020 (Unaudited)	Quarter ended 30 June, 2020 (Unaudited)	Quarter ended 30 September, 2019 (Unaudited) (Restated) (note 2(a))	Half-year ended 30 September, 2020 (Unaudited)	Half-year ended 30 September, 2019 (Unaudited) (Restated) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Segment Revenue						
a. Basic chemistry products	1838.68	1672.31	2056.31	3510.99	4005.57	8013.74
b. Specialty products	766.17	675.86	713.16	1442.03	1346.90	2328.85
	2604.85	2348.17	2769.47	4953.02	5352.47	10342.59
Less: Inter segment revenue	3.11	2.68	3.43	5.79	5.95	10.06
	2601.74	2345.49	2766.04	4947.23	5346.52	10332.53
Add: Unallocated	7.61	2.67	5.23	10.28	8.78	24.22
Total revenue from operations	2609.35	2348.16	2771.27	4957.51	5355.30	10356.75
2 Segment Results						
a. Basic chemistry products	151.56	111.67	355.32	263.23	673.52	1355.51
b. Specialty products	90.48	93.38	88.42	183.86	163.96	166.90
Total segment results	242.04	205.05	443.74	447.09	837.48	1522.41
Less:						
(i) Finance costs	83.63	117.86	86.89	201.49	180.94	341.91
(ii) Net unallocated (income)/expenditure	(20.33)	(23.46)	(41.24)	(43.79)	(86.54)	(71.41)
Profit after exceptional items, before share of profit of joint ventures and tax	178.74	110.65	398.09	289.39	743.08	1251.91
3 Segment Assets						
a. Basic chemistry products	16519.25	16791.75	15827.01	16519.25	15827.01	17150.00
b. Specialty products	2815.08	2872.65	2621.14	2815.08	2621.14	2804.05
Total segment assets	19334.33	19664.40	18448.15	19334.33	18448.15	19954.05
Add: Unallocated	7567.37	7498.67	8751.19	7567.37	8751.19	7734.70
Total assets	26901.70	27163.07	27199.34	26901.70	27199.34	27688.75
4 Segment Liabilities						
a. Basic chemistry products	2851.41	2850.58	2648.76	2851.41	2648.76	2893.42
b. Specialty products	1040.36	1184.72	933.33	1040.36	933.33	930.13
Total segment liabilities	3891.77	4035.30	3582.09	3891.77	3582.09	3823.55
Add: Unallocated	9086.64	9383.13	8097.63	9086.64	8097.63	10203.77
Total liabilities	12978.41	13418.43	11679.72	12978.41	11679.72	14027.32
Information relating to discontinued operations as stated in note 2(a) to the consolidated financial results :						
Particulars	Quarter ended 30 September, 2020 (Unaudited)	Quarter ended 30 June, 2020 (Unaudited)	Quarter ended 30 September, 2019 (Unaudited) (Restated) (note 2(a))	Half-year ended 30 September, 2020 (Unaudited)	Half-year ended 30 September, 2019 (Unaudited) (Restated) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Segment Results (before share of profit of joint ventures and tax)	-	-	-	-	(8.00)	6128.08

Tata Chemicals Limited
Consolidated Balance Sheet as at 30 September, 2020

(₹ in crore)

Particulars	As at 30 September, 2020 (Unaudited)	As at 31 March, 2020 (Audited)
I. ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	5082.67	5121.45
(b) Capital work-in-progress	938.44	787.80
(c) Investment Property	40.59	21.24
(d) Right of use assets	267.22	260.68
(e) Goodwill on consolidation	1917.26	1954.23
(f) Goodwill	45.53	45.53
(g) Intangible assets	7711.47	7952.48
(h) Intangible assets under development	50.41	47.22
(i) Investments in joint ventures	810.51	770.31
(j) Financial assets		
(i) Other investments	2497.02	1913.47
(ii) Loans	10.59	9.99
(iii) Other financial assets	18.02	4.93
(k) Deferred tax assets (net)	15.49	15.31
(l) Advance tax assets (net)	654.81	699.92
(m) Other non-current assets	331.83	285.32
Total non-current assets	20391.86	19889.88
(2) Current assets		
(a) Inventories	1630.64	1869.16
(b) Financial assets		
(i) Investments	1550.95	1601.02
(ii) Trade receivables	1314.19	1579.92
(iii) Cash and cash equivalents	775.03	1254.26
(iv) Bank balances other than (iii) above	735.48	825.26
(v) Loans	0.21	0.23
(vi) Other financial assets	112.74	139.01
(c) Current tax assets (net)	8.67	137.00
(d) Other current assets	377.68	388.74
	6505.59	7794.60
Assets classified as held for sale	4.25	4.27
Total current assets	6509.84	7798.87
Total assets	26901.70	27688.75
II. EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity share capital	254.82	254.82
(b) Other equity	12840.64	12642.84
Equity attributable to equity share holders	13095.46	12897.66
Non-controlling interests	827.83	763.77
Total equity	13923.29	13661.43
(2) Liabilities		
1 Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	6263.64	3473.36
(ii) Lease liabilities	199.48	188.00
(iii) Other financial liabilities	88.57	151.53
(b) Provisions	1773.33	1653.52
(c) Deferred tax liabilities (net)	1429.70	1437.94
(d) Other non-current liabilities	78.56	98.07
Total non-current liabilities	9833.28	7002.42
2 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	196.01	1912.94
(ii) Trade payables		
- Outstanding dues of micro enterprises and small enterprises	18.12	7.52
- Outstanding dues of creditors other than above	1608.14	1623.40
(iii) Other financial liabilities	602.66	2687.23
(b) Other current liabilities	239.62	320.97
(c) Provisions	303.82	276.90
(d) Current tax liabilities (net)	176.76	195.94
Total current liabilities	3145.13	7024.90
Total liabilities	12978.41	14027.32
Total equity and liabilities	26901.70	27688.75

Tata Chemicals Limited
Consolidated Statement of Cash Flows for the half-year ended 30 September, 2020

	₹ in crore	
	Half-year ended 30 September, 2020 (Unaudited)	Half-year ended 30 September, 2019 (Unaudited) (Restated) (note 2(a))
A Cash flows from operating activities		
Profit before tax from continuing operations	299.10	742.58
Profit before tax from discontinued operations	-	23.34
	299.10	765.92
Adjustments for :		
Depreciation and amortisation expense	382.34	328.49
Finance costs	201.49	180.94
Interest income	(32.63)	(34.23)
Dividend income	(20.09)	(28.45)
Share of profit of joint ventures	(9.71)	(30.84)
Net gain on sale of Investments	(34.71)	(76.08)
Provision for employee benefits expense	48.56	36.36
Provision for doubtful debts and advances/bad debts written off	8.32	7.31
Provision for contingencies (net)	48.40	16.29
Liabilities no longer required written back	(2.55)	(0.30)
Foreign exchange loss (net)	13.70	8.78
Loss on assets sold or discarded (net)	3.75	2.34
Operating profit before working capital changes	905.97	1,176.53
Adjustments for :		
Trade receivables, loans, other financial assets and other assets	295.75	(101.06)
Inventories	238.52	56.32
Trade payables, other financial liabilities and other liabilities	(87.27)	215.20
Cash generated from operations	1,352.97	1,346.99
Taxes refund/(paid) (net)	27.51	(199.34)
Net cash generated from operating activities	1,380.48	1,147.65
B Cash flows from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(602.83)	(619.83)
Proceeds from sale of property, plant and equipment	1.85	1.22
Proceeds from sale of current investments	2,818.09	4,804.83
Purchase of non-current investments	(150.11)	-
Purchase of current investments	(2,733.10)	(4,796.82)
Bank balances not considered as cash and cash equivalent	89.99	(594.26)
Interest received	32.45	24.00
Dividend received	46.19	101.08
Net cash used in investing activities	(497.47)	(1,079.78)
C Cash flows from financing activities		
Proceeds from borrowings	3,524.12	336.70
Repayment of borrowings	(4,242.23)	(762.25)
Repayment towards lease liabilities	(53.33)	(38.83)
Finance costs paid	(235.14)	(166.25)
Payment of Dividend to non-controlling interests	(59.64)	(125.28)
Bank balances in dividend and restricted account	(0.21)	(1.57)
Dividends paid including distribution tax	(278.02)	(382.33)
Net cash used in financing activities	(1,344.45)	(1,139.81)
Net decrease in cash and cash equivalents	(461.44)	(1,071.94)
Cash and cash equivalents at the beginning of the period	1,254.26	1,888.38
Exchange difference on translation of foreign currency cash and cash equivalents	(17.79)	16.46
Cash and cash equivalents at the end of the period	775.03	832.90

Tata Chemicals Limited

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 29 October, 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 unaudited financial results for the quarter and half-year ended 30 September, 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 unaudited financial results as an exceptional item, amounting to ₹ 6,220.15 crore (net of transaction cost) during the year ended 31 March, 2020. Exceptional item for the period ended 30 September, 2019 represents costs relating to the scheme of De-merger.

The Company had recorded tax provision of ₹ 12.01 crore, ₹ 39.52 crore and ₹ 60.32 crore on the profits of CPB for the quarter and half year ended 30 September, 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).

Tata Chemicals Limited

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. 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 crores.

Rallis India Limited, the subsidiary of the Company, has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, there is no impact on the provision for income tax for the year ended 31 March, 2020.

- 6 a. An annual wage settlement pertaining to workmen has resulted in recording of one time charge relating to gratuity benefits of ₹ 14.37 crore in the quarter and half year ended 30 September, 2020.
- b. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 7 a. During the first half of July 2020, due to unprecedented heavy rains there was flooding which impacted inventories and related plant & equipment at Mithapur. Based on a preliminary assessment, the Company has recorded a charge of ₹ 11.31 crore towards the damage and consequential losses, which is subject to insurance claim.
- b. Throughout the period, the Company continued to produce salt without disruption while the production of soda ash, sodium bicarbonate and specialty products operations has recovered after the initial phases of the lockdown as customers' own operations recommenced.

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 domestic and export markets serviced by its international operations.

The Group has taken into account potential impacts of COVID-19 in the preparation of the consolidated unaudited 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 unaudited financial results may differ from that estimated as at the date of approval of these consolidated unaudited 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 unaudited 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 : 29 October, 2020

R. Mukundan
Managing Director and CEO