

Tata Chemicals Limited

Regd. Office: Bombay House, 24 Homi Mody Street, Mumbai - 400 001

Statement of Standalone Audited Financial Results for the quarter and nine months ended 31 December, 2019

(₹ in crore)

Particulars	Quarter ended 31 December, 2019	Quarter ended 30 September, 2019 (note 2 (c))	Quarter ended 31 December, 2018 (note 2 (c))	Nine months ended 31 December, 2019	Nine months ended 31 December, 2018 (note 2 (c))	Year ended 31 March, 2019 (note 2 (c))
1 Income						
a) Revenue from operations	756.39	704.06	756.98	2175.24	2260.22	3121.25
b) Other income	45.38	94.84	22.40	297.83	379.63	454.76
Total income (1a+1b)	801.77	798.90	779.38	2473.07	2639.85	3576.01
2 Expenses						
a) Cost of materials consumed	151.55	149.40	146.37	420.17	430.70	566.77
b) Purchases of stock-in-trade	32.60	14.14	44.21	58.13	87.00	101.97
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(27.03)	(36.41)	(22.27)	(74.82)	(12.11)	75.50
d) Employee benefits expense	62.03	55.32	59.53	173.35	165.69	226.85
e) Power and fuel	136.33	132.57	143.10	412.01	428.99	573.83
f) Freight and forwarding charges	95.29	90.38	119.28	289.32	355.61	476.10
g) Finance costs	4.32	13.81	20.29	36.72	68.00	86.14
h) Depreciation and amortisation expense	36.44	35.30	34.69	107.94	101.60	140.34
i) Other expenses	111.08	104.61	101.81	322.81	298.56	413.17
Total expenses (2a to 2i)	602.61	559.12	647.01	1745.63	1924.04	2660.67
3 Profit before exceptional item and tax (1-2)	199.16	239.78	132.37	727.44	715.81	915.34
4 Exceptional loss (note 2 (d))	-	-	-	8.00	-	-
5 Profit before tax (3-4)	199.16	239.78	132.37	719.44	715.81	915.34
6 Tax expenses (note 4)						
a) Current tax	41.07	42.46	42.01	155.90	184.83	244.69
b) Deferred tax	8.37	(37.23)	1.38	(23.95)	8.92	(15.06)
Total tax expenses (6a + 6b)	49.44	5.23	43.39	131.95	193.75	229.63
7 Profit from continuing operations after tax (5-6)	149.72	234.55	88.98	587.49	522.06	685.71
8 Profit from discontinued operations before tax (note 2 (a) and 2 (c))	81.99	72.37	56.58	233.13	209.83	293.18
9 Tax expense of discontinued operations (note 2 (a) and 2(c))	20.59	13.27	17.19	61.37	52.48	69.15
10 Profit from discontinued operations after tax (8-9) (note 2 (a) and 2 (c))	61.40	59.10	39.39	171.76	157.35	224.03
11 Profit for the period (7+10)	211.12	293.65	128.37	759.25	679.41	909.74
12 Other comprehensive income ('OCI')						
(i) Items that will not be reclassified to the Statement of Profit and Loss						
- Changes in fair value of equity investments carried at fair value through OCI	(89.14)	(136.96)	166.17	36.77	(33.78)	268.59
- Remeasurement of defined employee benefit plans	(12.13)	(29.87)	2.31	(40.91)	7.88	(2.97)
(ii) Income Tax relating to above items	18.60	17.61	(19.00)	4.29	1.98	(32.63)
Total other comprehensive income (net of tax) (i+ii)	(82.67)	(149.22)	149.48	0.15	(23.92)	232.99
13 Total comprehensive income for the period (11+12)	128.45	144.43	277.85	759.40	655.49	1142.73
14 Paid-up equity share capital (Face value : ₹ 10 per share)	254.82	254.82	254.82	254.82	254.82	254.82
15 Other equity						11541.39
16 Earnings per share for continuing operations (in ₹)						
- Basic and Diluted	5.87*	9.21*	3.49*	23.06*	20.49*	26.92
17 Earnings per share for discontinued operations (in ₹)						
- Basic and Diluted	2.41*	2.32*	1.55*	6.74*	6.18*	8.79
18 Earnings per share for continuing and discontinued operations (in ₹)						
- Basic and Diluted	8.28*	11.53*	5.04*	29.80*	26.67*	35.71
* Not annualised						
See annexed segment information and accompanying notes to the standalone financial results						

Tata Chemicals Limited
Standalone Audited Segmentwise Revenue, Results, Assets and Liabilities

(₹ in crore)

Particulars	Quarter ended 31 December, 2019	Quarter ended 30 September, 2019 (note 2 (c))	Quarter ended 31 December, 2018 (note 2 (c))	Nine months ended 31 December, 2019	Nine months ended 31 December, 2018 (note 2 (c))	Year ended 31 March, 2019 (note 2 (c))
1 Segment Revenue						
a. Basic chemistry products *	726.25	692.21	746.27	2122.52	2219.08	3071.92
b. Specialty products	21.16	11.85	11.83	43.74	35.45	42.32
	747.41	704.06	758.10	2166.26	2254.53	3114.24
Add: Unallocated	8.98	-	(1.12)	8.98	5.69	7.01
Total revenue from operations	756.39	704.06	756.98	2175.24	2260.22	3121.25
2 Segment Results						
a. Basic chemistry products	212.56	206.45	183.45	623.50	557.66	762.48
b. Specialty products	(8.09)	(6.28)	(6.20)	(19.06)	(17.02)	(22.71)
Total segment results	204.47	200.17	177.25	604.44	540.64	739.77
Less :						
(i) Finance costs	4.32	13.81	20.29	36.72	68.00	86.14
(ii) Net unallocated expenditure/(income) (note 2 (d))	0.99	(53.42)	24.59	(151.72)	(243.17)	(261.71)
Total profit before tax	199.16	239.78	132.37	719.44	715.81	915.34
3 Segment Assets						
a. Basic chemistry products	2638.57	2426.50	2167.20	2638.57	2167.20	2211.52
b. Specialty products	539.63	495.98	346.95	539.63	346.95	468.68
Total segment assets	3178.20	2922.48	2514.15	3178.20	2,514.15	2680.20
Add: Unallocated	10371.46	10821.34	10744.46	10371.46	10744.46	11081.01
Total assets	13549.66	13743.82	13258.61	13549.66	13258.61	13761.21
4 Segment Liabilities						
a. Basic chemistry products	655.44	553.87	637.69	655.44	637.69	607.97
b. Specialty products	24.98	29.72	45.24	24.98	45.24	72.98
Total segment liabilities	680.42	583.59	682.93	680.42	682.93	680.95
Add: Unallocated	636.76	1096.05	1316.99	636.76	1316.99	1348.33
Total liabilities	1317.18	1679.64	1999.92	1317.18	1999.92	2029.28

Information relating to discontinued operations as stated in note 2(a) and 2(c) to the standalone financial results:

Particulars	Quarter ended 31 December, 2019	Quarter ended 30 September, 2019	Quarter ended 31 December, 2018	Nine months ended 31 December, 2019	Nine months ended 31 December, 2018	Year ended 31 March, 2019
1 Segment Revenue	531.04	513.04	470.90	1,539.29	1,993.10	2,471.83
2 Segment Results (before tax)	81.99	72.37	56.58	233.13	209.83	293.18
3 Segment Assets	219.07	230.76	219.45	219.07	219.45	236.58
4 Segment Liabilities	275.40	247.24	169.17	275.40	169.17	172.30

* Includes sales to consumer product business (discontinued operations)

Particulars	Quarter ended 31 December, 2019	Quarter ended 30 September, 2019	Quarter ended 31 December, 2018	Nine months ended 31 December, 2019	Nine months ended 31 December, 2018	Year ended 31 March, 2019
Inter segment revenue	229.27	196.53	208.84	604.36	606.93	887.67

Notes to the standalone financial results :

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 3 February, 2020. The same have been audited by the Statutory Auditors who have issued an unqualified opinion thereon.
- 2 a On 1 June, 2018, the Company consummated the sale and transfer of its Phosphatic Fertiliser Business located at Haldia and the Trading Business comprising bulk and non-bulk fertilisers to IRC Agrochemicals Private Limited as per Business Transfer Agreement dated 6 November, 2017.
b The Board of Directors of the Company has approved the Scheme of Amalgamation ('Scheme') under the provisions of Section 234 read with Sections 230 to 232 of the Companies Act, 2013 for the merger of Bio Energy Venture-1 (Mauritius) Pvt. Ltd., a wholly owned subsidiary of the Company, with the Company, subject to necessary statutory and regulatory approvals. The Scheme is filed with the National Company Law Tribunal.
c On 15 May 2019, the Company entered into a Scheme of Arrangement amongst Tata Global Beverages Limited ("TGBL") and the Company and their respective shareholders and creditors ("the Scheme") for the demerger of the Consumer Products Business Unit ("CPB") of the Company to TGBL. The Scheme was approved, with an Appointed Date of 1 April 2019, by the Kolkata bench of the National Company Law Tribunal (NCLT) on 8 January 2020 and by the Mumbai bench of the NCLT on 10 January 2020.

The Scheme becomes effective upon filing of certified copies of the orders by TGBL and the Company with the Registrar of Companies (RoC) for registration as legally advised. Pending fulfilment of this condition precedent of the Scheme and considering the approval of the Scheme by the NCLT, the CPB has been disclosed as discontinued operations in these financial results and all previous periods presented have been restated accordingly, to disclose the assets/liabilities and results of CPB separately from the Company's continuing business operations.

In terms of the Scheme, which is not a common control transaction, the Company holds the property of CPB in trust on behalf of TGBL and all profits or incomes arising or accruing with respect to CPB shall be deemed to be the profits or incomes of TGBL from the Appointed date to the Effective date. The effects of the Scheme will be reflected from the Appointed Date in the financial information of the period in which the transaction is consummated post filing with the RoC as mentioned aforesaid.

- d Exceptional item for the nine months ended 31 December, 2019 represents costs relating to the Scheme of Arrangement (Refer note 2 (c)).
- 3 Effective 1 April, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right of use assets (ROU) of ₹ 15.13 crore and a lease liability of ₹ 16.67 crore by adjusting retained earnings, net of taxes of ₹ 0.55 crore. The effect of this adoption is insignificant on the profit for the period and earnings per share.
- 4 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 current 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 crores.
- 5 Previous period figures have been regrouped to conform with the classification adopted in these financial results (Refer note 2 (c)).

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W - 100022

Vijay Mathur

Partner

Membership No. 046476

Place: Mumbai

Date: 3 February, 2020

For and on behalf of

TATA CHEMICALS LIMITED

R. Mukundan

Managing Director and CEO