

# Corporate Governance Report

No success or achievement in material terms is worthwhile unless it serves the needs or interests of the country and its people, and is achieved by fair and honest means.

- JRD Tata

## 1. Company's Philosophy on the Code of Governance

The Company has over the years followed best practices of Corporate Governance. The Company is committed to the Tata Code of Conduct ('TCoC') which articulates values and ideals that guide and govern the conduct of the Tata companies as well as its employees in all matters relating to business. The Company's overall governance framework, systems and processes reflect and support our Mission, Vision and Values.

The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders and the Company's Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. The Company ensures that it evolves and follows not just the stated Corporate Governance guidelines, but also global best practices.

The Company has adopted a Code of Conduct for its employees including the Managing Director & CEO and the Executive Director as well as for its Non-Executive Directors including Independent Directors. The Company has also adopted the Guidelines on Board Effectiveness to fulfill its responsibilities towards its stakeholders.

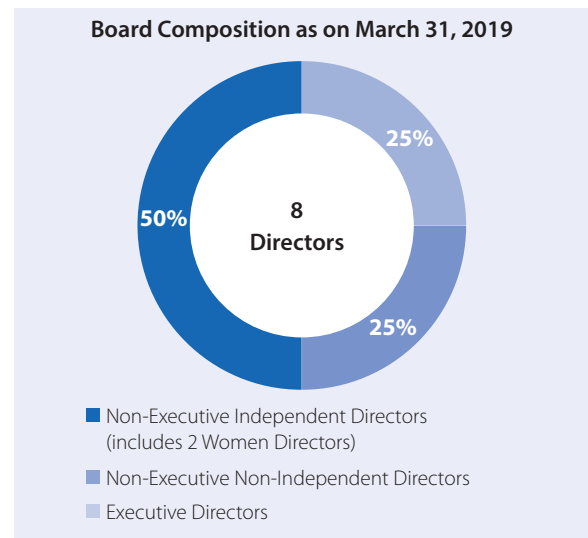
The Company has adhered to the requirements stipulated under Regulations 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as applicable, with regard to Corporate Governance and the same has been disclosed in this Report. The Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

## 2. Board of Directors

### Composition of the Board

The Board of Directors of the Company is the highest governance authority within the management structure of the Company. Further, the Board is totally committed to the best practices for effective Corporate Governance. The Board regularly reviews and updates Corporate Governance practices to accommodate developments within the market place in general and the business in particular.

The Company has an active, experienced and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Nomination and Remuneration Committee of the Board ensures the right composition of the Board.



The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the Listing Regulations and Section 149 of the Companies Act, 2013 ('the Act').

The Company currently has right mix of Directors on the Board who possess the requisite qualifications, experience

and expertise in General Corporate Management, Finance, Banking, Marketing, Information Technology, Taxation, Safety & Corporate Social Responsibility and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

Detailed profile of the Directors is available on the Company's website at <http://www.tatachemicals.com/about-us/Leadership-team/Board-of-directors>



## Board of Directors

The composition and category of Directors, the number of Directorships and Committee Chairpersonships/Memberships held by them and Directorships held by them in other listed entities as on March 31, 2019 are as follows:

| Sr. No.  | Name of the Director   | Number of directorships in other public limited companies* |        | Number of committee positions held in other public limited companies** |        | Other listed entities (including debt listed) where Directors of the Company held directorships   |  |
|--|--|--|--------|--|--------|---|--|
|  |  | Chairperson  | Member | Chairperson  | Member | Name of the Listed Entity   | Category of Directorship                       |
| <b>Non-Executive Non-Independent Directors</b> |  |  |        |  |        |   |  |
| 1.   | Mr. Bhaskar Bhat<br>(DIN: 00148778)  | 4  | 3      | -  | 4      | Titan Company Limited<br>Rallis India Limited<br>Trent Limited<br>Bosch Limited   | MD<br>NE-NID<br>NE-NID<br>ID                   |
| 2.   | Mr. S. Padmanabhan<br>(DIN: 00306299)  | 1  | 4      | -  | 1      | -   | -  |
| <b>Non-Executive Independent Directors</b>     |  |  |        |  |        |   |  |
| 3.   | Mr. Nasser Munjee<br>(DIN: 00010180)   | 2  | 5      | 3  | 2      | ABB India Limited<br>Ambuja Cements Limited<br>Cummins India Limited<br>Housing Development Finance Corporation Limited<br>Tata Motors Limited<br>DCB Bank Limited<br>Tata Motors Finance Limited | ID<br>ID<br>ID<br>ID<br>ID<br>NE-NIC<br>NE-NIC |
| 4.   | Dr. Y. S. P. Thorat<br>(DIN: 00135258)   | -  | 3      | -  | 1      | Rallis India Limited<br>Britannia Industries Limited<br>The Bombay Burmah Trading Corporation Limited   | ID<br>ID<br>ID                                 |
| 5.   | Ms. Vibha Paul Rishi<br>(DIN: 05180796)  | -  | 9      | -  | 4      | Asian Paints Limited<br>The Indian Hotels Company Limited<br>Escorts Limited<br>ICICI Prudential Life Insurance Company Limited   | ID<br>ID<br>ID<br>ID                           |
| 6.   | Ms. Padmini Khare Kaicker<br>(DIN: 00296388)<br>(Appointed w.e.f. April 1, 2018) | -  | 4      | 4  | -      | Tata Cleantech Capital Limited<br>Rallis India Limited<br>Kotak Mahindra Investments Limited  | ID<br>ID<br>ID                                 |
| <b>Executive Directors</b>                     |  |  |        |  |        |   |  |
| 7.   | Mr. R. Mukundan – MD & CEO<br>(DIN: 00778253)                                    | -  | 3      | -  | 1      | Rallis India Limited <sup>#</sup>   | MD & CEO                                       |
| 8.   | Mr. Zarir Langrana – ED<br>(DIN: 06362438)<br>(Appointed w.e.f. April 1, 2018)   | -  | -      | -  | -      | -   | -  |

MD & CEO – Managing Director & Chief Executive Officer; ED – Executive Director; NE-NID – Non-Executive Non-Independent Director; ID – Independent Director; NE-NIC – Non-Executive Non-Independent Chairman

\* Excludes directorships in associations, private limited companies, foreign companies, companies registered under Section 8 of the Act, Government Bodies and Alternate Directorships

\*\* Represents Chairpersonships/Memberships of Audit and Stakeholders Relationship Committees in listed/debt-listed/unlisted public limited companies

# Appointed as Managing Director & CEO of Rallis India Limited on December 3, 2018 and ceased effective March 31, 2019. However, continues to be a Director on its Board

The Seventy-Ninth (79<sup>th</sup>) Annual General Meeting ('AGM') of the Company for FY 2017-18 was held on July 25, 2018. All the Directors of the Company were present at the 79<sup>th</sup> AGM.

None of the Directors on the Board is a Director in more than 8 listed entities. None of the Directors held directorship in more than 20 Indian companies, with not more than 10 public limited companies. None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

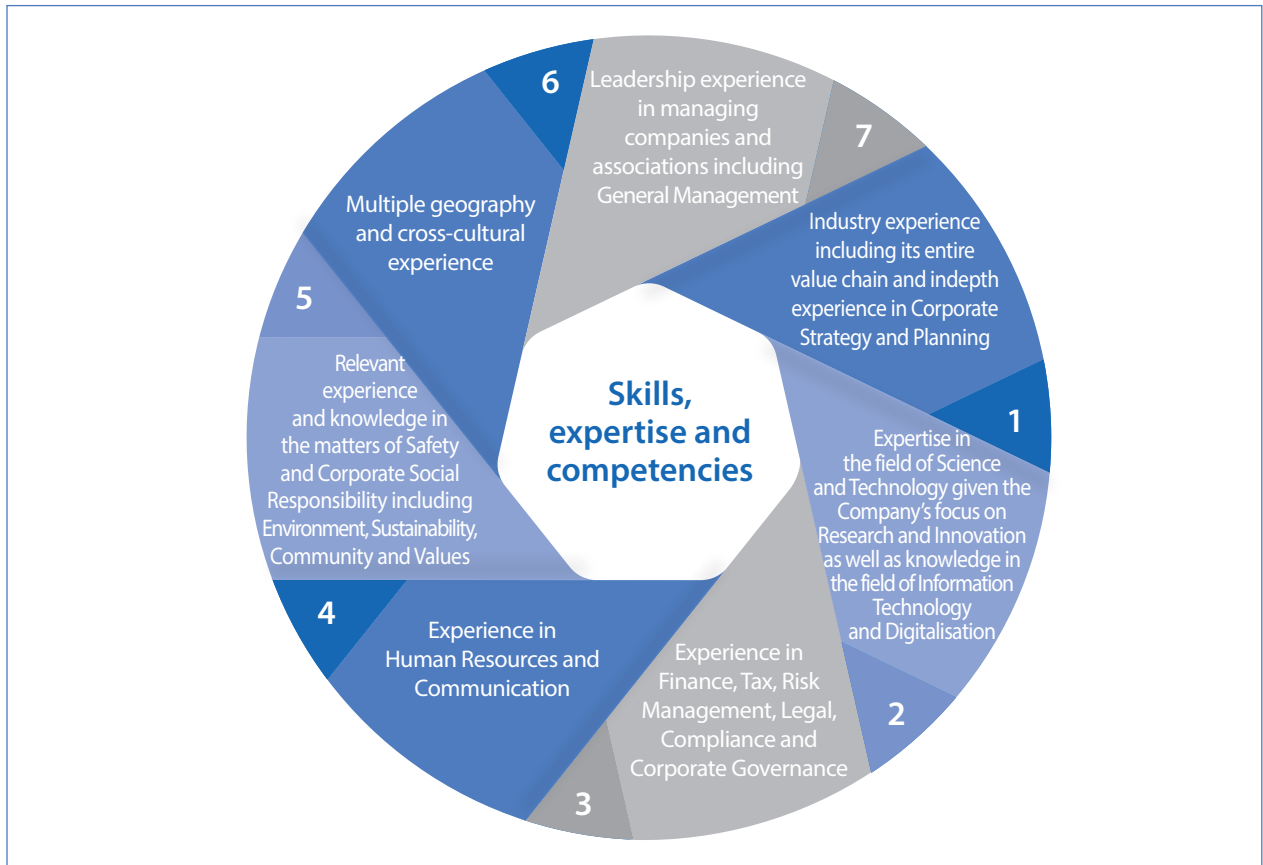
None of the Directors of the Company is related to each other and there are no inter-se relationships between the Directors.

As on March 31, 2019, except Mr. R. Mukundan, who is holding 500 ordinary shares of the Company and Mr. Zarir Langrana who is holding 3,666 ordinary shares of the Company, no other Director is holding any shares in the Company. The Company has not issued any convertible instruments.

**Skills/expertise/competencies of the Board of Directors**

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise, special skills, nationality and geography.

The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the following core skills / expertise / competencies of Directors as required in the context of the businesses and sectors of the Company for its effective functioning:



In order to support the Board in the field of research and innovation, the Company has also constituted a Scientific Advisory Board with the objective of synergising the Research & Development initiatives at the Company's Innovation Centre, Research & Development Centres of Rallis India Limited and Metahelix Life Sciences Limited, subsidiaries of the Company. The Scientific Advisory Board

will be instrumental in providing guidance and direction to R&D Centres and report progress to the Board. Further details in respect of the Scientific Advisory Board are provided separately in this Report on Corporate Governance.

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

## Board Procedure

For seamless scheduling of meetings, the calendar of meetings of the Board and Committees is circulated and agreed upon at the beginning of the year.

The Company Secretary tracks and monitors Board and Committee proceedings to ensure that the Terms of Reference/Charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. The Terms of Reference/Charters are amended and updated from time to time in order to keep the functions and role of the Board and Committees at par with the changing statutes. Meeting effectiveness is ensured through clear agenda, circulation of material in advance, detailed presentations at the meetings and tracking of action taken reports at every meeting. Additionally, based on the agenda, meetings are attended by members of the senior leadership as invitees, which brings in the requisite accountability and also provides developmental inputs.

The Board plays a critical role in the strategy development of the Company. The Managing Director & CEO apprises the Board on the overall performance of the Company every quarter including the performance of the overseas operating subsidiaries.

The Board periodically reviews the strategy, annual business plan, business performance of the Company and its key subsidiaries, technology and innovation, quality, customer centricity, capital expenditure budgets and risk management, safety and environment matters. Amongst other things, the Board also reviews the compliance reports

of the laws applicable to the Company, internal financial controls and financial reporting systems, minutes of the Board Meetings of the Company's subsidiary companies, adoption of quarterly/half-yearly/annual results, corporate restructuring, transactions pertaining to purchase/disposal of property, major accounting provisions and write-offs/write-backs, minutes of the meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, which is required to be placed before the Board, the Directors are also kept informed of major events and approvals obtained, if necessary.

All the Board and Committee meetings conducted are paperless meetings with documents securely uploaded on the Board Application and accessed through an iPad. This has resulted in saving paper, reducing the cycle time to make documents available to the Board/Committee Members and increasing confidentiality.

Video conferencing facility is also used to facilitate Directors travelling/residing abroad or at other locations to participate in the meetings.

## Board Meetings Held

The Board met nine (9) times during FY 2018-19.

The gap between two meetings did not exceed one hundred and twenty days.

## Attendance

| Name of the Member        | Category | Attendance at the Meeting held on |              |               |                 |                  |                   |                  |               |                | No. of meetings attended |
|---------------------------|----------|-----------------------------------|--------------|---------------|-----------------|------------------|-------------------|------------------|---------------|----------------|--------------------------|
|                           |          | May 7, 2018                       | May 18, 2018 | July 25, 2018 | August 13, 2018 | November 2, 2018 | December 17, 2018 | February 5, 2019 | March 5, 2019 | March 22, 2019 |                          |
| Mr. Bhaskar Bhat          | NED      | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | ✓             | ✓              | 9                        |
| Mr. Nasser Munjee         | ID       | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | LOA           | ✓              | 8                        |
| Dr. Y. S. P. Thorat       | ID       | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | ✓             | ✓              | 9                        |
| Ms. Vibha Paul Rishi      | ID       | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | ✓             | ✓              | 9                        |
| Mr. S. Padmanabhan        | NED      | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | ✓             | ✓              | 9                        |
| Ms. Padmini Khare Kaicker | ID       | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | ✓             | ✓              | 9                        |
| Mr. R. Mukundan           | MD & CEO | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | ✓             | ✓              | 9                        |
| Mr. Zarir Langrana        | ED       | ✓                                 | ✓            | ✓             | ✓               | ✓                | ✓                 | ✓                | LOA           | ✓              | 8                        |

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director; LOA - Leave of Absence

During the year under review, the Board elected Mr. Bhaskar Bhat as Chairman for each of the above meetings of the Board.

## **Independent Directors**

### **Independence of Directors**

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

### **Meeting of Independent Directors**

During the year under review, one meeting of Independent Directors of the Company was held on March 22, 2019 as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. At their meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, Chairman (as elected by the Board for each meeting of the Board of Directors) after taking the views of Executive Director and Non-Executive Directors and also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The meeting was attended by all the Independent Directors and Mr. Nasser Munjee chaired the said meeting.

### **Terms and Conditions of appointment of Independent Directors**

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. Formal letters of appointment were issued to the above Independent Directors. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at [https://www.tatachemicals.com/upload/content\\_pdf/tatachem-terms-conditions-appointment-2018.pdf](https://www.tatachemicals.com/upload/content_pdf/tatachem-terms-conditions-appointment-2018.pdf)



None of the Directors on the Board serve as an Independent Director in more than seven listed companies. The Managing Director of the Company does not serve as an Independent Director in any listed company.

## **Induction and Familiarisation Programme for Directors**

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuing basis. An induction kit is provided to new Directors which includes the annual report, overview of the Company and its operating subsidiaries, charters of the Company, annual Board/Committee Meeting calendar, Code of Conduct for Non-Executive Directors including Independent Directors, Company's Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices, etc. Meeting with Business/Functional Heads are organised to provide brief on the business/function.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Corporate Social Responsibility, Data Analytics, Cyber Security, Tax and Litigation updates. Besides the above, presentation on Risk Management, HR processes, Safety and Sustainability initiatives of the Company are made at their respective Committees where some of the Independent Directors are also members.

The Board of Directors and Senior Management jointly participated in a strategy workshop held on December 17, 2018 anchored by a senior faculty member from the Harvard Business School to review the Company's strategy across its businesses, future growth, etc.

During the year, certain Directors including Independent Directors visited overseas subsidiaries' plants in the USA and Kenya and met the leadership teams there. The Directors spent entire day at the respective plants to get a deeper insight in the operations of the overseas subsidiaries.

Pursuant to Regulation 46 of the Listing Regulations, the details of familiarisation programme are available on the website of the Company at [https://www.tatachemicals.com/upload/content\\_pdf/familiarisation-programme-hours-fy-2018-19.pdf](https://www.tatachemicals.com/upload/content_pdf/familiarisation-programme-hours-fy-2018-19.pdf)



## Code of Conduct

The Company has adopted the TCoC for its Whole-time Directors, Senior Management Personnel and other Executives which is available on the Company's website at [http://www.tatachemicals.com/upload/content\\_pdf/TCOC\\_2015\\_Booklet.pdf](http://www.tatachemicals.com/upload/content_pdf/TCOC_2015_Booklet.pdf)



The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act ('Code for Independent Directors') and Regulation 17(5) of the Listing Regulations and the same is available on the Company's website at [http://www.tatachemicals.com/upload/content\\_pdf/TCOC-non-executive-directors.pdf](http://www.tatachemicals.com/upload/content_pdf/TCOC-non-executive-directors.pdf)



As on March 31, 2019, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Managing Director & CEO forms part of this Report.

Apart from reimbursement of expenses incurred in discharging their duties and the remuneration that the Directors would be entitled under the Act as Non-Executive Directors, none of the Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates.

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

## 3. Audit Committee

The Audit Committee's role is to assist the Board fulfill its corporate governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions.

The Audit Committee functions according to its Charter/Terms of Reference that defines its composition, authority, responsibilities and reporting functions. The Board has adopted a Charter of the Audit Committee for its functioning. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the Listing Regulations are covered in its terms of reference. During the year under review, the terms of reference of the Audit Committee

were amended to align the role of the Committee with amendments to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015.

## Terms of Reference

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and *inter alia*, performs the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Review of the Company's accounting policies, internal accounting controls, financial and such other matters;
- Review the functioning of Whistleblower Mechanism of the Company which shall include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner;
- Discuss and review, with the management and auditors, the annual/quarterly financial statements before submission to the Board;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit;
- Evaluate auditors' performance, qualification, independence and effectiveness of audit process;
- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Review the adequacy of internal audit and risk management function;
- Review the adequacy of internal control systems and ensure adherence thereto;
- Scrutinise inter-corporate loans and investments;
- Reviewing the utilisation of loans and / or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
- Review the Company's compliance with the legal and regulatory requirements and the Tata Code of Conduct and effectiveness of the system for monitoring the same;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure and frequency of internal audit;

- Discussion with internal auditors of any significant findings and follow up there on;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Tata Code of Conduct for Prevention of Insider Trading;
- Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, atleast once in a financial year and verifying that the systems for Internal Controls are adequate and are operating effectively;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of the Listing Regulations.

**Meetings Held**

During FY 2018-19, nine (9) meetings of the Audit Committee were held on May 18, 2018, July 16, 2018, August 13, 2018, October 9, 2018, November 2, 2018, December 17, 2018, January 23, 2019, February 5, 2019 and March 22, 2019.

The gap between two meetings did not exceed one hundred and twenty days.

**Composition and Attendance**

| Name of the Member                                  | Category | No. of meetings attended |
|---|----------|--------------------------|
| Mr. Nasser Munjee<br>(Chairman)                     | ID       | 9                        |
| Dr. Y. S. P. Thorat                                 | ID       | 8                        |
| Mr. S. Padmanabhan                                  | NED      | 9                        |
| Ms. Padmini Khare Kaicker<br>(w.e.f. April 1, 2018) | ID       | 9                        |

*ID - Independent Director; NED - Non-Executive Director*

Mr. Nasser Munjee, Chairman of the Audit Committee, is an eminent economist and leading banker. All members of the

Audit Committee are financially literate and have accounting and related financial management expertise.

The Company Secretary acts as the Secretary to the Audit Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the Listing Regulations.

The Chairman of the Audit Committee has one on one meetings both with the internal auditor and the statutory auditors to discuss key concerns on periodic basis.

The Managing Director & CEO, Executive Director, Chief Financial Officer, Statutory Auditor, Controller - Risk & Internal Auditor and Vice President & Group Corporate Controller attend and participate in all the meetings of the Committee. The Chief Operating Officers and Chief Human Resources Officer attend the meetings where Internal Audit Reports are discussed. The Committee, from time to time, also invites such of the executives, as it considers appropriate, to be present at the meetings.

During the year under review, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems to the Committee. The Audit Committee also reviewed the reports on leadership of business ethics, reports on dealings under Prohibition of Insider Trading Regulations and Related Party Transactions. The Chairman of the Audit Committee briefs the Board about the significant discussions at the Audit Committee meetings. The minutes of each of the Audit Committee Meeting are placed in the next meeting of the Board.

Mr. Nasser Munjee, Chairman of the Audit Committee, was present at the last AGM held on July 25, 2018.

**4. Nomination and Remuneration Committee**

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

**Terms of Reference**

The Board has adopted a charter of the NRC for its smooth functioning covering aspects relating to composition,

responsibilities, evaluation process, remuneration, Board development and reviewing HR strategy. During the year under review, the terms of reference of the NRC were amended to align the role of the Committee with amendments to the Listing Regulations.

The key terms of reference of the NRC, *inter alia*, are:

- Make recommendations to the Board regarding the setup and composition of the Board;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel ('KMP') and other employees;
- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;
- Formulate criteria for evaluation of Directors and the Board;
- Recommend to the Board, the appointment or removal of KMP and executive team members;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;
- Devise a policy on Board diversity;
- Recommend to the Board the appointment or re-appointment of Directors;
- Review matters related to remuneration and benefits payable upon retirement and severance to the Managing Director/Executive Director(s), KMP and executive team members;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Oversee familiarisation programmes for Directors;

- Review HR and people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Provide guidelines for remuneration of Directors on material subsidiaries;
- Perform other activities related to the charter as requested by the Board from time to time.

### Meetings Held

During FY 2018-19, three (3) meetings of NRC were held on May 18, 2018, December 10, 2018 and March 22, 2019.

### Composition and Attendance

The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the Listing Regulations.

| Name of the Member                | Category | No. of meetings attended |
|-----------------------------------|----------|--------------------------|
| Dr. Y. S. P. Thorat<br>(Chairman) | ID       | 3                        |
| Mr. Nasser Munjee                 | ID       | 2                        |
| Mr. Bhaskar Bhat                  | NED      | 3                        |

ID - Independent Director; NED - Non-Executive Director

Dr. Y. S. P. Thorat, Chairman of the NRC, was present at the last AGM held on July 25, 2018.

### Board and Director Evaluation

During the year under review, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process of the Board, its Committees and Directors. The criteria for Board Evaluation was based on the Guidance Note issued by SEBI which, *inter alia*, included questionnaire on structure of the Board, meetings of the Board, functions of the Board and Management.

### Criteria for Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, its committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Listing Regulations. The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and



functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 and pursuant to amendments to the Listing Regulations.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

### Remuneration of Directors

The Company's philosophy for remuneration of Directors, KMP and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy. The principles governing the Company's Remuneration Policy is provided in the Board's Report.

The Policy is uploaded on the website of the Company at [http://tatachemicals.com/upload/content\\_pdf/tatachemicals-remu-managerial-policy.pdf](http://tatachemicals.com/upload/content_pdf/tatachemicals-remu-managerial-policy.pdf)



### Executive Directors

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Executive Directors. Annual increments are recommended by the NRC within the salary scale approved by the Members of the Company and are effective April 1 each year. NRC recommends on the commission payable to the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the Executive Directors.

### Details of Remuneration of Executive Directors

| Name of the Director                      | Salary (₹)  | Perquisites and Allowance (₹) | Commission* (₹) | Total Remuneration (₹)   |
|---|-------------|-------------------------------|-----------------|--------------------------|
| Mr. R. Mukundan – Managing Director & CEO | 1,08,00,000 | 1,75,98,743                   | 3,75,00,000     | 6,58,98,743              |
| Mr. Zarir Langrana – Executive Director   | 60,00,000   | 97,07,448                     | 1,50,00,000     | 3,07,07,448 <sup>#</sup> |

<sup>#</sup>Mr. Zarir Langrana was also paid an amount of ₹84,92,493 towards variable pay for performance which pertains to FY 2017-18 i.e. prior to his appointment as the Executive Director

\*Commission relates to FY 2018-19, which will be paid during FY 2019-20

### Non-Executive Directors

During FY 2018-19, the Company paid sitting fees of ₹ 30,000 per meeting to the Non-Executive Directors for attending each meeting of the Board, Audit Committee and Nomination and Remuneration Committee; and ₹ 20,000 per meeting for attending each meeting of Stakeholders Relationship Committee, Independent Directors Meetings, CSR, Safety and Sustainability Committee and Risk Management Committee.

The Members had, at the AGM of the Company held on July 25, 2018, approved the payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and certain Committee meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

Details of commission and sitting fees paid to the Non Whole-time Directors for the Financial Year ended March 31, 2019 is given below:

| Name of the Director      | Sitting Fees (₹) | Commission (for FY 2018-19 payable in FY 2019-20) (₹) | Commission (for FY 2017-18 paid in FY 2018-19) (₹) |
|---------------------------|------------------|---|--|
| Mr. Bhaskar Bhat          | 3,60,000         | *   | *  |
| Mr. Nasser Munjee         | 5,90,000         | 1,10,00,000   | 75,00,000  |
| Dr. Y. S. P. Thorat       | 6,60,000         | 1,10,00,000   | 75,00,000  |
| Ms. Vibha Paul Rishi      | 4,30,000         | 45,00,000   | 40,00,000  |
| Mr. S. Padmanabhan        | 7,20,000         | *   | *  |
| Ms. Padmini Khare Kaicker | 5,60,000         | 45,00,000   | #  |
| <b>Total</b>              | <b>33,20,000</b> | <b>3,10,00,000</b>                                    | <b>1,90,00,000</b>                                 |

\* In line with the internal guidelines, no payment is made towards commission to Mr. Bhaskar Bhat and Mr. S. Padmanabhan, Non-Executive Directors of the Company, who are in full-time employment with other Tata companies

# Ms. Padmini Khare Kaicker was appointed w.e.f. April 1, 2018 and hence not applicable

As per the practice, commission to the Directors is paid after the annual accounts are adopted by the Members at the AGM. The Company has not granted any stock options to its Directors.

### Service Contract, Severance Fees and Notice Period

|                              |  |  |
|------------------------------|--|--|
| Terms of Agreement           | Mr. R. Mukundan, Managing Director & CEO   | Mr. Zarir Langrana, Executive Director |
| Period of Contract           | 5 years upto November 25, 2023   | 5 years upto March 31, 2023            |
| Severance fees/notice period | The Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board, in lieu of such notice).<br><br>There is no separate provision for payment of severance fees. |  |

### Retirement Policy for Directors

As per the Company's policy, the Managing and Executive Directors retire at the age of 65 years, Non-Independent Non-Executive Directors retire at the age of 70 years and the retirement age for Independent Directors is 75 years.

## 5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') looks into various aspects of interest of shareholders and debenture holders. During the year under review, the terms of reference of the SRC were amended to align the role of the Committee with amendments to the Listing Regulations.

### Terms of Reference

The terms of reference of the SRC are as under:

- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares / debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Reviewing details of transfer of unclaimed dividend / securities to the Investor Education and Protection Fund;
- Reviewing the transfer, transmission, dematerialisation of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends

and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

- To approve issue of duplicate certificates.

### Meetings Held

During FY 2018-19, three (3) meetings of Stakeholders Relationship Committee were held on June 14, 2018, October 9, 2018 and February 19, 2019.

### Composition and Attendance

| Name of the Member                    | Category | No. of meetings attended |
|---------------------------------------|----------|--------------------------|
| Ms. Vibha Paul Rishi<br>(Chairperson) | ID       | 3                        |
| Mr. S. Padmanabhan                    | NED      | 3                        |
| Mr. R. Mukundan                       | MD & CEO | 3                        |

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer

### Status of Investor Complaints

The status of Investor Complaints as on March 31, 2019 as reported under Regulation 13(3) of the Listing Regulations is as under:

|                                |    |
|--------------------------------|----|
| Complaints as on April 1, 2018 | 0  |
| Received during the year       | 51 |
| Resolved during the year       | 50 |
| Pending as on March 31, 2019   | 1* |

\*1 complaint received through SEBI pertaining to transmission of shares which was unresolved as on March 31, 2019 was subsequently resolved on April 2, 2019

The complaints have been resolved to the satisfaction of the shareholders. The correspondence identified as investor complaints are letters received through statutory/regulatory bodies and letters pertaining to fraudulent encashment.

**Name, designation and address of the Compliance Officer**

**Mr. Rajiv Chandan**

General Counsel & Company Secretary  
 Tata Chemicals Limited  
 Bombay House, 24 Homi Mody Street,  
 Fort, Mumbai - 400 001  
 Tel. No.: +91 22 66658282  
 Fax No.: +91 22 66658144  
 Email: investors@tatachemicals.com

On the recommendations of the SRC, the Company has taken various investor friendly initiatives like sending reminders to the investors who have not claimed their dividends, assisting and encouraging dematerialisation of shares, etc.

Ms. Vibha Paul Rishi, Chairperson of the SRC, was present at the last AGM held on July 25, 2018.

**6. CSR, Safety and Sustainability Committee**

The CSR, Safety and Sustainability ('CSS') Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes, health and safety framework and sustainable development. The overall roadmap, as well as specific issues of concern including those related to safety and climate change is reviewed in detail. The scope of the CSS Committee also includes approving the budget of CSR, reviewing the CSR programmes and monitoring the CSR spends.

**Terms of Reference**

The terms of reference of the CSR, Safety and Sustainability Committee, *inter alia*, are as under:

- Provide guidance to the management to ensure that all long-term strategic proposals made to the Board include safety, health, environment and sustainability implications;
- Review and monitor the sustainability, environmental, safety and health policies and activities across the Tata Chemicals Group;
- Investigate or cause to be investigated, any extraordinary negative sustainability, environment, health and safety performance or issues of asset integrity which can impact safety, health, environment and sustainability where appropriate;
- Formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act and have oversight over its implementation;

- Recommend the amount to be spent on CSR activities;
- Monitor the Company's CSR Policy periodically.

The Board has adopted a charter for the CSS Committee for its smooth functioning. The Board has also adopted the CSR Policy as formulated and recommended by the CSS Committee.

The same is displayed on the website of the Company at [http://www.tatachemicals.com/upload/content\\_pdf/csr-policy\\_20161012071424.pdf](http://www.tatachemicals.com/upload/content_pdf/csr-policy_20161012071424.pdf)



A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms part of the Board's Report.

**Meetings Held**

During FY 2018-19, four (4) meetings were held on June 14, 2018, August 10, 2018, October 9, 2018 and February 19, 2019.

**Composition and Attendance**

| Name of the Member                          | Category | No. of meetings attended |
|---|----------|--------------------------|
| Mr. S. Padmanabhan (Chairman)               | NED      | 3                        |
| Ms. Vibha Paul Rishi                        | ID       | 4                        |
| Mr. R. Mukundan                             | MD & CEO | 4                        |
| Mr. Zarir Langrana (w.e.f. August 13, 2018) | ED       | 2                        |

*ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director*

Chief - Safety and Chief - CSR & Sustainability are the permanent invitees to the meetings of the Committee. The General Counsel & Company Secretary attends the meetings.

Mr. S. Padmanabhan, Chairman of the CSS, was present at the last AGM held on July 25, 2018.

**7. Risk Management Committee**

Regulation 21 of the Listing Regulations mandates top 100 listed entities based on market capitalisation as at the end of the immediate previous financial year to constitute the Risk Management Committee ('RMC'). Although non-mandatory during the year, the Company had constituted a RMC of the Board in February 2015.

The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls. RMC, through the Enterprise Risk Management in the Company, seeks to minimise adverse impact on the business objectives and enhance stakeholder value. The Board has adopted a charter for the functioning of the RMC covering the composition, meetings, quorum, responsibilities, etc.

## Terms of Reference

During the year under review, the terms of reference of the RMC were amended to align the role of the Committee with amendments to the Listing Regulations. The terms of reference of the RMC, *inter alia*, are as under:

- Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management;
- Review and approve the Enterprise Risk Management (ERM) framework;
- Review the Company's risk appetite and strategy relating to key risks, including market risk, cyber security risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks;
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;
- Review and analyse risk exposure related to specific issues and provide oversight of risk across organisation;
- Review compliance with risk policies, monitor breach/trigger trips of risk tolerance limits and direct action;
- Nurture a healthy and independent risk management function in the Company.

## Meetings Held

During FY 2018-19, three (3) meetings were held on July 16, 2018, October 9, 2018 and January 23, 2019.

## Composition and Attendance

| Name of the Member                | Category | No. of meetings attended |
|-----------------------------------|----------|--------------------------|
| Dr. Y. S. P. Thorat<br>(Chairman) | ID       | 2                        |
| Mr. S. Padmanabhan                | NED      | 3                        |
| Mr. R. Mukundan                   | MD & CEO | 3                        |
| Mr. Zarir Langrana*               | ED       | 3                        |
| Mr. John Mulhall                  | CFO      | 3                        |

ID - Independent Director; NED - Non-Executive Director; MD & CEO - Managing Director & Chief Executive Officer; ED - Executive Director; CFO - Chief Financial Officer

\* Mr. Nasser Munjee ceased to be a member of RMC w.e.f. April 1, 2018 and Mr. Zarir Langrana was inducted as a member of RMC w.e.f. April 1, 2018.

Dr. Y. S. P. Thorat, Chairman of the RMC, was present at the last AGM held on July 25, 2018.

The Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis which forms part of this Annual Report.

## 8. Scientific Advisory Board

During the year, the Board of Directors have constituted a Scientific Advisory Board with the objective of synergising the Research & Development initiatives at the Company's Innovation Centre, Research Development Centres of Rallis India Limited and Metahelix Life Sciences Limited, subsidiaries of the Company.

The Scientific Advisory Board will be instrumental in providing guidance and direction to R&D Centres and report progress to the Board.

The Scientific Advisory Board consists of senior employees from Tata Chemicals Limited, Rallis India Limited and Metahelix Life Sciences Limited with Research & Development, Science and Technology background and is chaired by Dr. C. V. Natraj, Independent Director of Rallis. Dr. Natraj has more than 30 years of experience in research. He has headed the Research function as Director on the Board of Hindustan Lever Limited and later went on to lead the Corporate Research function for Unilever as Senior Vice President, responsible for global exploratory research. He is currently serving on the Science and Engineering Research Board of the Department of Science and Technology. He is also the Technical Advisor to the Indian Institute of Science.

### The terms of reference of the Scientific Advisory Board are as under:

- Alignment of the R&D Centres' priorities to the Business priorities
- Recommending the right skills and competencies necessary for the teams
- Ensuring Succession Planning
- Ensuring that the right R&D metrics are derived from business targets
- Maintaining a balance between short term and long term projects
- Ensuring open innovation to support internal R&D activities
- Support in creating the right infrastructure availability
- Creating the platform for exchange and harmonisation of R&D activities across the 3 centres
- Give directions for ensuring the right balance between inputs and outputs for the centres

## 9. Subsidiary Companies

Regulation 16 of the Listing Regulations defines a ‘material subsidiary’ as subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, the Company does not have any unlisted material subsidiary incorporated in India.

The subsidiaries of the Company function independently with an adequately empowered Board of Directors and sufficient resources. For more effective governance, Independent Directors have been appointed on the Board of unlisted material operating subsidiaries. The minutes of Board Meetings of subsidiaries are placed before the Board

of the Company for its review on a quarterly basis and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are also placed before the Board.

Pursuant to the explanation under Regulation 16(1)(c) of the Listing Regulations, the Company has formulated a policy for determining material subsidiaries which is disclosed on the Company’s website at [https://www.tatachemicals.com/upload/content\\_pdf/policy-on-determining-material-subsidiaries-february-5-2019.pdf](https://www.tatachemicals.com/upload/content_pdf/policy-on-determining-material-subsidiaries-february-5-2019.pdf)



The Company has complied with other requirements under Regulation 24 of the Listing Regulations with regard to the subsidiary companies.

## 10. General Body Meetings

Day, date and time of AGMs held during the last 3 years and Special Resolutions passed are given as below:

| Year    | Day and Date              | Time      | Special Resolutions   |
|---------|---------------------------|-----------|---|
| 2017-18 | Wednesday, July 25, 2018  | 3.00 p.m. |   |
| 2016-17 | Wednesday, August 9, 2017 | 3.00 p.m. | There was no matter that required passing of Special Resolution |
| 2015-16 | Thursday, August 11, 2016 | 3.00 p.m. |   |

The above meetings were held at Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020.

None of the businesses proposed to be transacted requires the passing of a Special Resolution by way of Postal Ballot. During FY 2018-19, the Company did not pass any Special Resolution through Postal Ballot.

## 11. Means of Communication

### Stock Exchange Intimations

All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems.

Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated to the Stock Exchanges by filing them with NSE through NEAPS and with BSE through BSE Online Portal. They are also displayed on the Company’s website at <https://www.tatachemicals.com/Investors/Investor-resources/Stock-exchange-communication>



### Financial Results

The quarterly/half-yearly/annual financial results are published in the Indian Express (English), Business Standard (English), Business Line (English), Loksatta (Marathi), Free Press Journal (English) and Navshakti (Marathi).

The quarterly/half-yearly/annual financial results are displayed under ‘Investors’ section of the Company’s website viz., [www.tatachemicals.com](http://www.tatachemicals.com). They are also filed with the NSE through NEAPS and with BSE through BSE Online Portal.

To benefit the shareholders, from the quarter ending September 30, 2018, the Company voluntarily sent quarterly financial results through email to those shareholders whose email-ids are registered with the Company on the day the Results were approved by the Board of Directors.

### Analyst/Investor Meets

The Managing Director & CEO and Chief Financial Officer hold quarterly briefs with analysts, shareholders and major stakeholders where Company's performance is discussed. The official press releases, presentation made to the Members at the AGM, the presentation made to the institutional investors and analysts and the transcripts of the call with analysts for quarterly/annual results are available on the Company's website at <https://www.tatachemicals.com/Investors/Investorresources/Stock-exchange-communication>



### Letters and Reminders to Shareholders

#### – Update of PAN and Bank details:

Pursuant to circular issued by SEBI on April 20, 2018, the Company sent letters and reminders to shareholders holding shares in physical form for updation of PAN and Bank account details with the Company/its RTA.

#### – Dematerialisation of shares:

The SEBI also issued Circulars during the year thereby mandating transfer of securities only in electronic form effective April 1, 2019.

Pursuant thereto, the Company sent letters and reminders to those shareholders holding shares in physical form advising them to dematerialise their holding. To encourage dematerialisation of shares among the shareholders, the Company also entered into an arrangement with Stock Holding Corporation of India Limited, a prominent Depository Participant, to specially assist and facilitate the Company's shareholders in getting their shares dematerialised.

#### % of physical shareholding in the last 3 years

|            |   |      |
|------------|---|------|
| FY 2018-19 |  | 2.05 |
| FY 2017-18 |  | 2.43 |
| FY 2016-17 |  | 2.94 |

#### – Unclaimed shares/dividends:

Reminders for unclaimed shares and unpaid dividend are sent to the shareholders as per records every year.

### Live Webcast of AGM

For the ease of those shareholders who were unable to attend the AGM held on July 25, 2018, the Company voluntarily provided live Webcast facility of the proceedings of the AGM which was extensively viewed by the shareholders.

### Company's Website

The Company's website is a comprehensive reference on Tata Chemicals' management, vision, mission, policies, corporate governance, corporate sustainability, disclosures to investors, updates and news. The section on 'Investors' serves to inform the members by giving complete financial details, annual reports, shareholding patterns, presentation made to institutional investors and analysts, corporate benefits, information relating to stock exchanges, Registrar and Share Transfer Agent, etc. The section on 'Media' includes all major press releases, awards and campaigns.

The Company has also uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website at <http://tatachemicals.com/html/Investors/unclaimed-dividends.html>. The Members can log in and find out whether their dividend for any of the years is outstanding.



### Transfer of unclaimed / unpaid dividend and shares to Investor Education and Protection Fund ('IEPF')

Members are requested to note the following due date(s) for claiming the unpaid or unclaimed dividend declared by the Company for FY 2011-12 and thereafter –

| Financial Year | Date of Declaration | Dividend per share (₹) | Last date for claiming unpaid dividend |
|----------------|---------------------|------------------------|--|
| 2011-12        | August 22, 2012     | 10                     | September 21, 2019                     |
| 2012-13        | August 26, 2013     | 10                     | September 25, 2020                     |
| 2013-14        | August 21, 2014     | 10                     | September 20, 2021                     |
| 2014-15        | August 11, 2015     | 12.50                  | September 10, 2022                     |
| 2015-16        | August 11, 2016     | 10                     | September 10, 2023                     |
| 2016-17        | August 9, 2017      | 11                     | September 8, 2024                      |
| 2017-18        | July 25, 2018       | 22                     | August 24, 2025                        |

Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s) are requested to make their claim to TSR Darashaw Limited, Registrar and Share Transfer Agent, well in advance of the above due dates.

Further details of transfer of unclaimed / unpaid dividend and shares to the IEPF are provided in the notes forming part of the Notice.

## 12. General Shareholder Information

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24239MH1939PLC002893.

### Date, time and venue of the AGM

|  |   |
|--|---|
| Date and Time  | : Monday, July 8, 2019 at 3:00 p.m.   |
| Venue  | : Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai – 400 020  |
| Financial Year   | : April 1 to March 31   |
| Book Closure Date  | : Tuesday, July 2, 2019 to Monday, July 8, 2019 (both days inclusive for the purpose of AGM and Dividend)   |
| Dividend payment date  | : On and from Wednesday, July 10, 2019  |
| Last date for receipt of Proxy Forms                                   | : Saturday, July 6, 2019 before 3.00 p.m. at the Registered Office of the Company   |
| Listing on Stock Exchanges   | : (a) The Company's Ordinary Shares are listed on the following Stock Exchanges:<br>(1) BSE Limited<br>Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001<br>(2) The National Stock Exchange of India Limited<br>Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051<br>(b) Unsecured Non-Convertible Debentures (NCDs) of ₹ 250 crore (Face Value ₹ 10 lakhs per Debenture) with coupon rate of 10.00% p.a. and having maturity date as July 2, 2019<br>The Company's NCDs are listed on Debt segment of the National Stock Exchange of India Limited<br>The Company has paid the requisite Annual Listing fees to these Stock Exchanges in full |
| Debenture Trustee  | : IDBI Trusteeship Services Limited<br>Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001<br>Tel: +91 22 4080 7000, Fax: +91 22 6631 1776   |
| Stock Code:  |   |
| BSE Limited (Demat Segment)  | : 500770  |
| The National Stock Exchange of India Limited (EQ)                      | : TATACHEM  |
| International Securities Identification Number (ISIN) in NSDL and CDSL | : INE092A01019 (Ordinary Shares)<br>INE092A08055 (NCDs)   |

### Market Price Data:

Market price data - monthly high/low, no. of shares traded, value of shares traded and no. of trades of BSE/NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:

| Month          | BSE      |         |                      |                                     |               | NSE      |         |                      |                                     |               |
|----------------|----------|---------|----------------------|-------------------------------------|---------------|----------|---------|----------------------|-------------------------------------|---------------|
|                | High (₹) | Low (₹) | No. of Shares traded | Value of shares traded (₹ in lakhs) | No. of trades | High (₹) | Low (₹) | No. of Shares traded | Value of shares traded (₹ in lakhs) | No. of trades |
| April 2018     | 773.80   | 679.65  | 20,28,394            | 14,851.90                           | 23,204        | 775.85   | 679.25  | 1,75,49,141          | 1,28,091.27                         | 3,49,990      |
| May 2018       | 786.95   | 707.90  | 17,45,325            | 13,126.21                           | 26,330        | 787.50   | 707.00  | 2,25,29,218          | 1,69,714.25                         | 5,18,689      |
| June 2018      | 749.00   | 684.35  | 9,86,213             | 7,222.71                            | 14,856        | 749.05   | 682.50  | 1,17,52,041          | 85,416.31                           | 2,57,173      |
| July 2018      | 726.70   | 655.10  | 17,22,451            | 11,739.29                           | 22,039        | 726.80   | 656.00  | 1,03,19,684          | 71,153.03                           | 2,48,229      |
| August 2018    | 769.60   | 648.30  | 10,30,003            | 7,294.20                            | 30,918        | 769.80   | 648.25  | 1,88,73,410          | 1,33,543.44                         | 4,22,387      |
| September 2018 | 781.55   | 675.55  | 8,86,095             | 6,539.41                            | 21,571        | 782.00   | 675.10  | 1,06,38,498          | 78,274.26                           | 2,87,946      |
| October 2018   | 700.05   | 623.50  | 7,36,616             | 4,901.17                            | 23,139        | 696.55   | 622.00  | 1,00,45,569          | 66,607.83                           | 3,06,586      |
| November 2018  | 722.00   | 668.10  | 14,44,294            | 10,173.93                           | 21,188        | 722.80   | 668.00  | 1,22,95,302          | 85,917.66                           | 4,11,896      |
| December 2018  | 725.90   | 653.80  | 8,82,715             | 6,144.91                            | 18,692        | 727.40   | 652.00  | 1,06,53,739          | 74,375.84                           | 2,50,480      |
| January 2019   | 711.60   | 658.00  | 17,07,053            | 11,787.08                           | 15,296        | 712.65   | 656.30  | 79,23,833            | 54,750.57                           | 2,29,342      |
| February 2019  | 683.50   | 550.00  | 13,28,524            | 7,865.69                            | 26,344        | 679.00   | 550.10  | 1,84,28,577          | 1,08,494.76                         | 4,69,585      |
| March 2019     | 599.00   | 557.55  | 13,83,935            | 8,067.44                            | 24,699        | 597.95   | 559.00  | 2,07,67,162          | 1,20,571.94                         | 3,98,273      |

[Source: This information is compiled from the data available on the websites of BSE and NSE]

### Comparison of Tata Chemicals Limited's share price (average of closing price of BSE and NSE) with BSE Sensex

| Month          | S&P BSE Sensex (₹) | Share Price (₹) |
|----------------|--------------------|-----------------|
| April 2018     | 34,145.68          | 763.4           |
| May 2018       | 35,079.56          | 740.6           |
| June 2018      | 35,405.14          | 698.1           |
| July 2018      | 36,406.38          | 688.8           |
| August 2018    | 38,061.53          | 759.8           |
| September 2018 | 37,397.50          | 691.1           |
| October 2018   | 34,518.84          | 685.6           |
| November 2018  | 35,298.95          | 697.4           |
| December 2018  | 35,868.71          | 707.6           |
| January 2019   | 36,053.00          | 674.6           |
| February 2019  | 36,138.34          | 556.5           |
| March 2019     | 37,634.96          | 588.2           |

### Registrar and Share Transfer Agent

Members are requested to correspond with the Company's Registrar and Share Transfer Agent - TSR Darashaw Limited, quoting their folio no./DP ID and Client ID at the following addresses:-

- (i) For transmission, transposition and other correspondence:

TSR DARASHAW LIMITED

Unit: **Tata Chemicals Limited**

6-10 Haji Moosa Patrawala Industrial Estate,  
20 Dr. E. Moses Road, Mahalaxmi,  
Mumbai - 400 011

Tel.: + 91 22 6656 8484 /66178411/12/13/14

Fax: + 91 22 6656 8494

Email: [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com)

Website: [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

- (ii) For the convenience of members based in the following cities, documents and letters will also be accepted at the following Branch Offices/agencies of TSR Darashaw Limited:

1. **Bangalore**

**TSR Darashaw Limited**

503, Barton Centre, (5<sup>th</sup> Floor),  
84, Mahatma Gandhi Road,  
Bangalore - 560 001.

Tel.: + 91 80 2532 0321

Fax: + 91 80 2558 0019

Email: [tsrdbang@tsrdarashaw.com](mailto:tsrdbang@tsrdarashaw.com)

2. **Kolkata**

**TSR Darashaw Limited**

Tata Centre, 1<sup>st</sup> Floor,  
43, J. L. Nehru Road,  
Kolkata - 700 071.

Tel.: + 91 33 2288 3087

Fax: + 91 33 2288 3062

Email: [tsrdlcal@tsrdarashaw.com](mailto:tsrdlcal@tsrdarashaw.com)

3. **Ahmedabad**

**Agent of TSR Darashaw Limited**

Shah Consultancy Services Limited  
3, Sumatinath Complex, 2<sup>nd</sup> Dhal,  
Pritam Nagar, Ellisbridge,  
Ahmedabad - 380 006.

Fax: + 91 79 2657 6038

Email: [shahconsultancy8154@gmail.com](mailto:shahconsultancy8154@gmail.com)

4. **New Delhi**

**TSR Darashaw Limited**

2/42, Ansari Road,  
1<sup>st</sup> Floor, Daryaganj, Sant Vihar,  
New Delhi - 110 002.

Tel.: + 91 11 2327 1805

Fax: + 91 11 2327 1802

Email: [tsrdldel@tsrdarashaw.com](mailto:tsrdldel@tsrdarashaw.com)

5. **Jamshedpur**

**TSR Darashaw Limited**

"E" Road,  
Northern Town, Bistupur,  
Jamshedpur - 831 001.

Tel.: + 91 657 242 6616

Fax: + 91 657 242 6937

Email: [tsrdljsr@tsrdarashaw.com](mailto:tsrdljsr@tsrdarashaw.com)



### Share Transfer Process

During the year, shares in physical forms were processed by the Registrar and Share Transfer Agent within 15 days from the date of receipt, if the documents are complete in all respects. The Managing Director & CEO, General Counsel & Company Secretary and Manager - Secretarial have been severally empowered to approve transfers.

Pursuant to circulars issued by SEBI, transfer of share in physical form after April 1, 2019 is not allowed. Members holding shares in physical form are requested to dematerialise their holdings at the earliest.

### Secretarial Audit

- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).
- Mr. P. N. Parikh of M/s. Parikh & Associates, Practising Company Secretaries, has conducted a Secretarial Audit of the Company for FY 2018-19. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report.

### Certificate from Practising Company Secretary

- Mr. P. N. Parikh of M/s. Parikh & Associates, Practising Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.
- In accordance with the SEBI Circular dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. P. N. Parikh of M/s. Parikh & Associates, Practising Company Secretaries confirming compliances with all applicable SEBI Regulations, Circulars and Guidelines for the year ended March 31, 2019.

### Distribution of Shareholdings as on March 31, 2019

| Range of Holdings | Number of Shares    | Amount (₹)            | % to capital  | Number of Shareholders | % of Shareholders |
|-------------------|---------------------|-----------------------|---------------|------------------------|-------------------|
| 1 to 500          | 1,69,58,119         | 16,95,81,190          | 6.66          | 1,68,421               | 90.23             |
| 501 to 1,000      | 72,07,193           | 7,20,71,930           | 2.83          | 9,589                  | 5.14              |
| 1,001 to 2,000    | 69,15,841           | 6,91,58,410           | 2.71          | 4,807                  | 2.58              |
| 2,001 to 3,000    | 36,69,051           | 3,66,90,510           | 1.44          | 1,467                  | 0.79              |
| 3,001 to 4,000    | 23,94,163           | 2,39,41,630           | 0.94          | 678                    | 0.36              |
| 4,001 to 5,000    | 19,74,741           | 1,97,47,410           | 0.78          | 429                    | 0.23              |
| 5,001 to 10,000   | 51,61,339           | 5,16,13,390           | 2.03          | 726                    | 0.39              |
| Above 10,000      | 21,04,75,831        | 2,10,47,58,310        | 82.62         | 548                    | 0.29              |
| <b>Total</b>      | <b>25,47,56,278</b> | <b>2,54,75,62,780</b> | <b>100.00</b> | <b>1,86,665</b>        | <b>100.00</b>     |

### Category of Shareholding as on March 31, 2019

| Category   | Number of Shares    | Percentage (%) |
|--|---------------------|----------------|
| Promoter and Promoter Group                      | 7,80,27,943         | 30.63          |
| Resident Individuals                             | 4,60,43,116         | 18.07          |
| Foreign Holdings                                 | 2,76,00,033         | 10.83          |
| Public Financial Institutions                    | 3,82,95,387         | 15.03          |
| Government/Government Companies                  | 71,948              | 0.03           |
| Other Companies, Mutual Funds                    | 6,29,88,071         | 24.72          |
| Nationalised Banks                               | 6,07,676            | 0.24           |
| Alternative Investment Fund                      | 11,000              | 0.00           |
| Bodies Corporate - Non Banking Financial Company | 11,883              | 0.00           |
| IEPF   | 10,99,221           | 0.43           |
| <b>Total</b>                                     | <b>25,47,56,278</b> | <b>100.00</b>  |

### Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories, viz. NSDL and CDSL.

| Shares held in            | (%)     |         |         |
|---------------------------|---------|---------|---------|
|                           | 2018-19 | 2017-18 | 2016-17 |
| Physical form             | 2.05    | 2.43    | 2.94    |
| Electronic form with NSDL | 93.61   | 93.34   | 93.67   |
| Electronic form with CDSL | 4.34    | 4.23    | 3.39    |

The Company's Ordinary Shares are regularly traded on the BSE and NSE.

### Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

Not Applicable

### Commodity price risk/foreign exchange risk and hedging activities

Commodity price risk and hedging activities - Tata Chemicals Limited, India procures a variety of commodities related to raw materials and finished products for trading. The Company manages the associated commodity price risks through commercial negotiation with customers and suppliers.

Foreign Exchange risk and hedging activities - Tata Chemicals Limited, India is exposed to foreign exchange risks on its imports of raw materials/trading goods/capital item purchases and borrowings denominated in foreign exchange. The Company has a robust internal policy, approved by its Audit Committee, to manage foreign exchange risks.

Hedging is regularly carried out to mitigate the risks in line with the approved policy.

### Plant Locations

- Indian Locations:**
  - Chemicals Division Mithapur 361 345, Okhamandal, Gujarat
  - Chennai Plant 317/2B, 317/2 C1, 317/2 C2, Vayalur Road, Kiloy Village, Sriperumbudur Taluk, Kancheepuram Dist. - 602 105
  - Nellore Plant Tata Chemicals Limited, Block 3 & 3A, APIIC Industrial Park, Phase II, Tada Mandal, Mambattu Nellore Dist - 524 401, Andhra Pradesh
  - Cuddalore Plant Plot No. 10, 13 and 14, SIPCOT Industrial Complex, Phase II, Semmankuppam Village, Cuddalore 607005, Tamil Nadu
- Overseas Locations:**
  - USA - Soda Ash Tata Chemicals North America Inc., Green River Basin, Wyoming
  - UK - Soda Ash, Sodium Bicarbonate and Salt Tata Chemicals Europe Limited:
    - Lostock
    - Winnington
    - Middlewich
  - Kenya - Soda Ash Tata Chemicals Magadi Limited, Lake Magadi, Kenya

**Address for Correspondence**

Tata Chemicals Limited  
 Bombay House,  
 24, Homi Mody Street,  
 Fort, Mumbai - 400 001  
 Tel. No.: +91 22 6665 8282  
 Fax No.: +91 22 6665 8144  
 Email: investors@tatachemicals.com  
 Website: www.tatachemicals.com

**Credit Ratings obtained by the Company**

The details of Credit Ratings obtained by the Company have been disclosed in the Board's Report which forms a part of this Annual Report. During the year, there was no revision in the Credit Ratings obtained by the Company.

**13. Other Disclosures****Related Party Transactions**

All related party transactions that were entered into during FY 2018-19 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on related party transactions as approved by the Board is uploaded on the Company's website at [https://www.tatachemicals.com/upload/content\\_pdf/tcl-related-party-transactions-policy-February-5-2019.pdf](https://www.tatachemicals.com/upload/content_pdf/tcl-related-party-transactions-policy-February-5-2019.pdf)



During the year under review, the Company amended the Policy on Related Party Transactions in view of amendments to the Act and Listing Regulations.

**Statutory Compliance, Penalties and Strictures**

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities. None of the Company's listed securities are suspended from trading.

**Whistleblower Policy and Vigil Mechanism**

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. No personnel of the Company has been denied access to the Audit Committee.

The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower. The Company, as a Policy, condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against Whistleblowers.

A dedicated Ethics Helpline has been set-up which is managed by an independent professional organization for confidentially raising any ethical concerns or practices that violate the Tata Code of Conduct. The Ethics Helpline can be contacted to report on any suspected or confirmed incident of fraud/misconduct on:

- E-Mail: coc@ethicshelpline.in
- Address: Principal Ethics Counsellor, Tata Chemicals Limited, Bombay House, 24, Homi Mody Street, Mumbai 400 001

The Whistleblower Policy has been uploaded on the website of the Company at [https://www.tatachemicals.com/upload/content\\_pdf/whistle-blower-policy-5-feb-2019.pdf](https://www.tatachemicals.com/upload/content_pdf/whistle-blower-policy-5-feb-2019.pdf)

**Tata Code of Conduct for Prevention of Insider Trading**

The Company has adopted the Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company.

During the year, the Codes were amended to align them with the amendments to SEBI (Prohibition of Insider Trading) Regulations, 2015. As per the revised Code, the Company also adopted Policy on Enquiry in case of leak or suspected leak of UPSI and Policy for Determination of Legitimate Purposes. The Code of Corporate Disclosure Practices along with the Policy for

Determination of Legitimate Purposes is also available on the on website of the Company at [https://www.tatachemicals.com/upload/content\\_pdf/tcl-code-of-coporate-discl-and-legitimate-purpose-clean.pdf](https://www.tatachemicals.com/upload/content_pdf/tcl-code-of-coporate-discl-and-legitimate-purpose-clean.pdf)



Mr. Rajiv Chandan, General Counsel & Company Secretary, has been appointed as the 'Compliance Officer' for ensuring the compliance with and for the effective implementation of the Regulations and the Code across the Company. Mr. John Mulhall, Chief Financial Officer, has been designated as the 'Chief Investor Relations Officer' to ensure timely, adequate, uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information.

The Company has in place an online tool for ensuring compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Tata Code of Conduct for Prevention of Insider Trading.

### Anti-Bribery and Anti-Money Laundering Policy

The Company has, from time to time, taken important steps for establishing and reinforcing a culture of business ethics. In view of our increasing global footprint and to align our work practices with regulations mandated for such multi-geography operations, the Board has adopted the Anti-Bribery and Anti-Corruption Policy along with the Anti-Money Laundering Policy.

The above Policies require the Company to appoint a senior official as the Compliance Officer who shall be responsible for implementation of the Policies. Under the above Policies, Compliance Officers have a functional reporting about any violation of the Policies to the Chairman of the Audit Committee. Aggravated cases of breach of the said Policies shall be escalated to the Board of Directors of the Company.

### Other Policies under the Listing Regulations

**Policy on Archival and Preservation of Documents** as required under Regulation 9 of the Listing Regulations is available on the website at [http://www.tatachemicals.com/upload/content\\_pdf/Archival\\_Policy\\_1.pdf](http://www.tatachemicals.com/upload/content_pdf/Archival_Policy_1.pdf)



**Policy on Determination of Materiality** for disclosures of Events or information as per Regulation 30 of the Listing Regulations is available on the website of the Company at [https://www.tatachemicals.com/upload/content\\_pdf/Policy\\_on\\_Materiality\\_for\\_Disclosures1.pdf](https://www.tatachemicals.com/upload/content_pdf/Policy_on_Materiality_for_Disclosures1.pdf)



**The Dividend Distribution Policy** as per Regulation 43A of the Listing Regulations is available on the website of the Company at [https://www.tatachemicals.com/upload/content\\_pdf/dividend-distribution-policy-clean-mode-amended-on\\_july-25-2018.pdf](https://www.tatachemicals.com/upload/content_pdf/dividend-distribution-policy-clean-mode-amended-on_july-25-2018.pdf)



### Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (IND AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

### CEO/CFO Certification

The Managing Director & CEO and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO/CFO certification for the year ended March 31, 2019.

### Details of utilisation of funds raised through preferential allotment or qualified institutions placement

During FY 2010-11 the Company issued Equity shares to Tata Sons Private Limited (formerly Tata Sons Limited) amounting to ₹ 363.40 crore to fund various growth plans and projects. During FY 2018-19, the Company utilised funds in the following manner:

- ₹ 118.32 crore towards acquisition of the business of precipitated silica for production of Highly Dispersible Silica at Cuddalore, Tamil Nadu
- ₹ 188.29 crore towards construction of a 5,000 metric tonnes manufacturing plant of fructooligosaccharides at Nellore, Andhra Pradesh

The balance has been kept invested in bank fixed deposits / money market mutual funds.

**Confirmation by the Board of Directors' acceptance of recommendations of Committees**

In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from all its Committees.

**Fees paid to B S R & Co. LLP, Statutory Auditors and all entities in the network firm of the Statutory Auditors**

A total fee of ₹ 12.05 crore was paid by the Company and its subsidiaries, on a consolidated basis, for all services to B S R & Co. LLP, statutory auditors and all entities in the network firm/network entity of which they are part.

**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace ('POSH') which is uploaded on the website of the Company at [http://www.tatachemicals.com/upload/content\\_pdf/posh-policy.pdf](http://www.tatachemicals.com/upload/content_pdf/posh-policy.pdf)



For FY 2018 – 19:

- a. Number of complaints filed during the FY : 3
- b. Number of complaints disposed of during the FY : 3
- c. Number of complaints pending as on end of the FY : 0

**Legal Compliance Management Tool**

At Tata Chemicals Limited, compliance has always been an integral part of our functioning and continues to remain one of the top priorities. The Company's actions are reflected by its ideologies and doing business legally and ethically is a part of the Company's day to day working.

The Company has in place an online legal compliance management tool which monitors compliance with all laws which are applicable to the Company.

**Green Initiative**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the DPs and RTAs. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned Depository Participants. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

**Mandatory Requirements**

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

**Non-Mandatory Requirements**

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

- During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The Company follows a robust process of communicating with the shareholders which has been elaborated in the Report under the Heading "Means of Communication"
- The position of the Chairman of meetings of the Board (elected by the Board from time to time) and the Managing Director & CEO remained separate.
- The Internal Auditor reports to the Audit Committee.

## DECLARATION BY THE MANAGING DIRECTOR & CEO

I, R. Mukundan, Managing Director & CEO of Tata Chemicals Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended March 31, 2019.

**For Tata Chemicals Limited**

**R. Mukundan**  
Managing Director & CEO

Mumbai, May 3, 2019

## PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

### TO THE MEMBERS OF TATA CHEMICALS LIMITED

We have examined the compliance of the conditions of Corporate Governance by Tata Chemicals Limited ('the Company') for the year ended on March 31, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2019.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh & Associates**  
Practising Company Secretaries

**P. N. Parikh**  
FCS: 327 CP: 1228

Mumbai, May 3, 2019