

Tata Chemicals Limited
Regd. Office: Bombay House, 24 Homi Mody Street, Mumbai - 400 001
Statement of Consolidated Financial Results for the quarter and nine months ended 31 December, 2020

(₹ in crore)

Particulars	Quarter ended 31 December, 2020 (Unaudited)	Quarter ended 30 September, 2020 (Unaudited)	Quarter ended 31 December, 2019 (Unaudited) (note 2(a))	Nine months ended 31 December, 2020 (Unaudited)	Nine months ended 31 December, 2019 (Unaudited) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Income						
a) Revenue from operations (note 6)	2606.08	2609.35	2623.36	7563.59	7978.66	10356.75
b) Other income	42.70	68.55	58.62	169.91	235.57	311.12
Total income (1a + 1b)	2648.78	2677.90	2681.98	7733.50	8214.23	10667.87
2 Expenses						
a) Cost of materials consumed	515.51	572.70	518.25	1552.67	1447.19	1844.23
b) Purchases of stock-in-trade	72.44	111.45	49.95	236.58	175.22	252.44
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(56.88)	36.64	(52.54)	53.36	(14.17)	(128.27)
d) Employee benefits expense (note 5 (a))	355.68	352.28	353.87	1044.69	1036.11	1375.37
e) Power and fuel	386.46	327.24	375.98	998.68	1069.47	1449.90
f) Freight and forwarding charges	373.42	354.52	379.19	1041.37	1166.79	1551.42
g) Finance costs	80.85	83.63	75.46	282.34	256.40	341.91
h) Depreciation and amortisation expense	185.43	192.43	164.11	567.77	492.60	666.47
i) Other expenses	487.54	468.27	525.21	1418.32	1549.04	2062.49
Total expenses (2a to 2i)	2400.45	2499.16	2389.48	7195.78	7178.55	9415.96
3 Profit before share of profit/(loss) of joint ventures and tax (1-2)	248.33	178.74	292.50	537.72	1035.58	1251.91
4 Share of profit/(loss) of joint ventures (net of tax)	6.19	10.42	(3.90)	15.90	(4.40)	(3.85)
5 Profit before tax (3+4)	254.52	189.16	288.60	553.62	1031.18	1248.06
6 Tax expenses						
a) Current tax	54.39	79.67	62.22	181.14	234.21	266.33
b) Deferred tax	(0.59)	(22.60)	5.35	(34.48)	(33.88)	(46.68)
Total tax expenses (6a + 6b)	53.80	57.07	67.57	146.66	200.33	219.65
7 Profit from continuing operations after tax (5-6)	200.72	132.09	221.03	406.96	830.85	1028.41
8 Exceptional (loss)/gain (net) from discontinued operations (note 2(a) and 3)	-	-	-	-	(8.00)	6128.08
9 Share of profit of joint ventures from discontinued operations (net of tax) (note 4)	-	-	-	-	31.34	31.34
10 Tax expense/(release) of discontinued operations (note 2(a))	-	-	20.80	-	60.32	(40.32)
11 (Loss)/profit from discontinued operations after tax (8+9-10)	-	-	(20.80)	-	(36.98)	6199.74
12 Profit for the period (7+11)	200.72	132.09	200.23	406.96	793.87	7228.15
13 Other comprehensive income ('OCI') - gain/(loss)						
a) (i) Items that will not be reclassified to the Consolidated Statement of Profit and Loss						
- Change in fair value of equity investments carried at fair value through OCI	635.62	378.64	(89.15)	1069.21	36.78	(579.88)
- Remeasurement of defined employee benefit plans	(38.35)	50.88	(27.12)	(101.84)	(30.06)	(68.58)
(ii) Income Tax relating to above items - charge/(reversal)	61.08	48.80	(16.93)	112.69	(0.15)	(95.79)
(iii) Share of other comprehensive income/(loss) of joint ventures (net of tax)	37.82	24.32	45.66	82.28	6.84	(76.39)
b) (i) Items that will be reclassified to the Consolidated Statement of Profit and Loss						
- Effective portion of gain/(loss) on cash flow hedges	86.43	86.38	(64.93)	236.82	(122.53)	(230.77)
- Changes in foreign currency translation reserve	(55.85)	(112.11)	(14.82)	(162.80)	161.22	439.14
(ii) Income Tax relating to above items - charge/(reversal)	(0.78)	4.70	(0.43)	7.50	(4.19)	(4.20)
(iii) Share of other comprehensive income/(loss) of joint ventures (net of tax)	2.26	(3.25)	1.23	(0.36)	3.44	10.19
Total other comprehensive income - gain/(loss) (net of tax) (a(i-ii+iii)+b(i-ii+iii))	607.63	371.36	(131.77)	1003.12	60.03	(406.30)
14 Total comprehensive income for the period (12+13)	808.35	503.45	68.46	1410.08	853.90	6821.85
15 Profit from continuing operations after tax (7)						
Attributable to:						
Equity shareholders of the Company	160.85	70.47	166.97	244.60	621.86	806.59
Non-controlling interests	39.87	61.62	54.06	162.36	208.99	221.82
	200.72	132.09	221.03	406.96	830.85	1028.41
16 (Loss)/profit from discontinued operations after tax (11)						
Attributable to:						
Equity shareholders of the Company	-	-	(20.80)	-	(36.98)	6199.74
Non-controlling interests	-	-	-	-	-	-
	-	-	(20.80)	-	(36.98)	6199.74
17 Profit for the period (12)						
Attributable to:						
Equity shareholders of the Company	160.85	70.47	146.17	244.60	584.88	7006.33
Non-controlling interests	39.87	61.62	54.06	162.36	208.99	221.82
	200.72	132.09	200.23	406.96	793.87	7228.15
18 Other comprehensive income - gain/(loss) (net of tax) (13)						
Attributable to:						
Equity shareholders of the Company	608.49	370.98	(116.72)	1002.77	24.55	(456.88)
Non-controlling interests	(0.86)	0.38	(15.05)	0.35	35.48	50.58
	607.63	371.36	(131.77)	1003.12	60.03	(406.30)
19 Total comprehensive income for the period (14)						
Attributable to:						
Equity shareholders of the Company	769.34	441.45	29.45	1247.37	609.43	6549.45
Non-controlling interests	39.01	62.00	39.01	162.71	244.47	272.40
	808.35	503.45	68.46	1410.08	853.90	6821.85
20 Paid-up equity share capital (Face value : ₹ 10 per Share)	254.82	254.82	254.82	254.82	254.82	254.82
21 Other equity and Non-controlling interests						13406.61
22 Earnings per share for continuing operations (in ₹)						
- Basic and Diluted	6.31*	2.77*	6.56*	9.60*	24.41*	31.66
23 Earnings per share for discontinued operations (in ₹)						
- Basic and Diluted	-	-	(0.82)*	-	(1.45)*	243.36
24 Earnings per share for continuing and discontinued operations (in ₹)						
- Basic and Diluted	6.31*	2.77*	5.74*	9.60*	22.96*	275.02
* Not annualised						

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

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

(₹ in crore)

Particulars	Quarter ended 31 December, 2020 (Unaudited)	Quarter ended 30 September, 2020 (Unaudited)	Quarter ended 31 December, 2019 (Unaudited) (note 2(a))	Nine months ended 31 December, 2020 (Unaudited)	Nine months ended 31 December, 2019 (Unaudited) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Segment Revenue						
a. Basic chemistry products	1986.59	1838.68	2009.52	5497.58	6015.09	8013.74
b. Specialty products	618.34	766.17	604.38	2060.37	1951.28	2328.85
	2604.93	2604.85	2613.90	7557.95	7966.37	10342.59
Less: Inter segment revenue	4.34	3.11	3.21	10.13	9.16	10.06
	2600.59	2601.74	2610.69	7547.82	7957.21	10332.53
Add: Unallocated	5.49	7.61	12.67	15.77	21.45	24.22
Total revenue from operations	2606.08	2609.35	2623.36	7563.59	7978.66	10356.75
2 Segment Results						
a. Basic chemistry products	298.12	151.56	327.61	561.35	1001.13	1355.51
b. Specialty products	38.04	90.48	39.71	221.90	203.67	166.90
Total segment results	336.16	242.04	367.32	783.25	1204.80	1522.41
Less:						
(i) Finance costs	80.85	83.63	75.46	282.34	256.40	341.91
(ii) Net unallocated (income)/expenditure	6.98	(20.33)	(0.64)	(36.81)	(87.18)	(71.41)
Profit after exceptional items, before share of profit of joint ventures and tax	248.33	178.74	292.50	537.72	1035.58	1251.91
3 Segment Assets						
a. Basic chemistry products	16604.83	16519.25	16259.71	16604.83	16259.71	17150.00
b. Specialty products	2807.04	2815.08	2755.07	2807.04	2755.07	2804.05
Total segment assets	19411.87	19334.33	19014.78	19411.87	19014.78	19954.05
Add: Unallocated	8384.64	7567.37	8228.80	8384.64	8228.80	7734.70
Total assets	27796.51	26901.70	27243.58	27796.51	27243.58	27688.75
4 Segment Liabilities						
a. Basic chemistry products	3066.18	2851.41	2800.89	3066.18	2800.89	2893.42
b. Specialty products	882.66	1040.36	887.82	882.66	887.82	930.13
Total segment liabilities	3948.84	3891.77	3688.71	3948.84	3688.71	3823.55
Add: Unallocated	9134.40	9086.64	9525.38	9134.40	9525.38	10203.77
Total liabilities	13083.24	12978.41	13214.09	13083.24	13214.09	14027.32
Information relating to discontinued operations as stated in note 2(a) to the consolidated financial results :						
Particulars	Quarter ended 31 December, 2020 (Unaudited)	Quarter ended 30 September, 2020 (Unaudited)	Quarter ended 31 December, 2019 (Unaudited) (note 2(a))	Nine months ended 31 December, 2020 (Unaudited)	Nine months ended 31 December, 2019 (Unaudited) (note 2(a))	Year ended 31 March, 2020 (Audited)
1 Segment Results (before share of profit of joint ventures and tax)	-	-	-	-	(8.00)	6128.08

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Notes to the consolidated Financial Results:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 28 January, 2021. The same have been reviewed by the Statutory Auditors who have issued an unqualified conclusion thereon.
- 2 Changes in Group structure:
 - a. In the previous year, upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies on 7 February, 2020, the Consumer Products Business Unit ("CPB") is demerged from the Company and transferred to and vested in Tata Consumer Products Limited ("TCPL") with effect from 1 April, 2019 i.e. the Appointed Date. Accordingly, the consolidated financial results for the quarter and nine months ended 31 December, 2019 have been restated.

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

The Company had recorded tax provision of ₹ 20.80 crore and ₹ 60.32 crore on the profits of CPB for the quarter and nine months ended 31 December, 2019 respectively. This tax provision has been reversed in the quarter ended 31 March, 2020 as it has not been transferred to TCPL post de-merger of CPB.
 - b. The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench on 23 April, 2020 approved the Scheme of Merger by Absorption of Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio'), a wholly owned subsidiary of the Company, by the Company ('Scheme'), with an Appointed Date of 1 April 2019. There is no impact of amalgamation in the consolidated financial results.
 - c. During the year ended 31 March, 2020, the Group has acquired the remaining 25% partnership interest from The Andover Group, Inc. in Tata Chemicals (Soda Ash) Partners Holdings for a consideration of ₹ 1,382.12 crore (USD 195 million). With this acquisition, the Group has increased its ownership in Tata Chemicals (Soda Ash) Partners, the soda ash producing operating entity, from 75% to 100%. The resultant difference between the consideration paid and book value of Non Controlling Interest, amounting to ₹ 718.30 crore (net of consequential deferred taxes) has been credited to the retained earnings.
 - d. The Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench and the NCLT, Mumbai Bench have approved the Scheme of Merger ('the Scheme') of Metahelix Life Sciences Limited (wholly owned subsidiary of Rallis India Limited ("Rallis")) into Rallis on 11 November 2019 and 20 December 2019 respectively. Rallis has given effect of the Scheme, which is a common control transaction, in the quarter ended 31 December 2019. The certified copies of the Orders of NCLT Mumbai Bench and NCLT Bengaluru Bench have been filed with the respective Registrar of Companies and accordingly, the Scheme is effective from 1 February 2020 with an Appointed Date of 1 April, 2019. There is no impact of amalgamation in the consolidated financial results.
 - e. During the year ended 31 March, 2019, Rallis Chemistry Exports Ltd., a wholly owned subsidiary of Rallis, has made an application to the Registrar of Companies for removal of its name from the register of companies for which the approval is awaited.
 - f. The NCLT, Mumbai Bench has approved the Scheme of Merger by Absorption of Zero Waste Agro Organics Limited (wholly-owned subsidiary of Rallis) into Rallis ('the Scheme') on 22 February, 2020 from the appointed date of 1 April, 2017. Rallis has given effect of the Scheme, which was a common control transaction, in the quarter ended 31 March, 2020. The certified copy of the Order is filed with the Registrar of Companies on 9 July, 2020. There is no impact of amalgamation in the consolidated financial results.
- 3 Exceptional items from discontinued operations for the quarter and year ended 31 March, 2020 includes ₹ 92.07 crore in respect of provisions made, relating to the erstwhile fertilizer businesses, as per revised notifications issued by the concerned department for change in rate of subsidy for previous years.
- 4 In the previous year, Share of profit of joint ventures from discontinued operations (net of tax) includes profit arising from sale of one of the subsidiaries of Tata Industries Limited (a joint venture of the Group).

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Notes to the consolidated Financial Results:

- 5 a. An annual wage settlement pertaining to workmen has resulted in recording of one time charge relating to gratuity benefits of ₹ 14.37 crore in the quarter ended 30 September, 2020.
- b. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its consolidated financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- 6 During the current quarter, Tata Chemicals Soda Ash Partners, a step-down subsidiary of the Company, has recognised business interruption insurance claim of ₹ 27.18 crore (USD 3.64 million).
- 7 The production of soda ash, sodium bicarbonate and specialty products operations in India has recovered after the initial phases of the lockdown as customers' own operations recommenced.

International businesses operated as normal, adhering to relevant guidelines and safe operating practices. COVID-19 disruptions were generally limited to H1 of FY2020-21. The Group has experienced continuing volume reduction along with reduced prices in the domestic and export markets serviced by its international operations.

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

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

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

For and on behalf of
TATA CHEMICALS LIMITED

Vijay Mathur
Partner
Membership No. 046476
Place : Mumbai
Date : 28 January, 2020

R. Mukundan
Managing Director and CEO