

Accelerating **focussed growth**

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Integrated Report

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80th Annual General Meeting

Date: Monday, July 8, 2019

Time: 3.00 P. M.

Venue:

Birla Matushri Sabhagar,
19, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai - 400 020.

Deep innovation expertise to harness the best of science and serve the society.

A passion to consistently push beyond existing limits and rise above.

Combine innovation and passion with scale and accelerated growth happens.

This is how Tata Chemicals has emerged to be one of the world's most reputed brands, revolutionising the industry segments it has operated in its 80-year journey.

As we continue to nurture our inherent strengths, we are undertaking many initiatives to accelerate our growth in focussed areas.

Our multi-pronged strategy of customer-centric product development and expansion into white spaces in our Consumer Products Business and capacity augmentation programmes in our Specialty Products Business has laid a strong foundation for growth. Aligning our organisational structure and strategies with the revised segment reporting and the exit from non-core businesses has simplified our portfolio and are driving stronger synergies. Strong innovation drive is enabling us to tap the emerging areas and nurture the newly-seeded portfolio.

Moving forward, we will consistently leverage our understanding of science as a key differentiator as we strengthen the basic chemicals business and aggressively grow the Specialty Products and Consumer Products Business. We will do this with our relentless focus on operational excellence, cost competitiveness, innovation and new product development centred around customers.

Our way forward is accelerating focussed growth.



To view or download this report, please log on to
www.tatachemicals.com/Investors/Financial-reports



Icon to guide you to further details



Accelerating focussed growth with diverse, yet closely integrated businesses

Established in 1939, Tata Chemicals Limited (TCL) is a part of US\$ 110 billion Tata Group. A global company, we serve customers across 40+ countries in five continents. We bring together our knowledge, expertise and innovation prowess to positively impact industries, consumers and farmers with our science-led products spread across three business verticals. Our market capitalisation as on March 31, 2019 stood at ₹ 15,000 crore.

Inspiring our 80 years of growth

Values



S - Safety

P - Passion

I - Integrity

C - Care

E - Excellence

Vision



To be a sustainable Company with deep customer insights and engaging relationship with all stakeholders in industrial chemicals, branded agriculture and consumer products.

Mission



Serving society through science

Cultural Pillars



Proactive cost focus

Agile execution

Collaborative innovation

Trusting relationships

Approach to Business

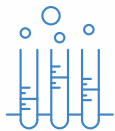


Delivering high performance for stakeholders

Caring for the community

Nurturing a committed and passionate workforce

Business divisions



Basic Chemistry Products

Inorganic chemistry solutions to serve the world's leading downstream brands



Consumer Products

High-quality and branded everyday nourishing food products to positively impact the lives of consumers



Specialty Products

Agro Sciences

Crop protection and other agricultural inputs to farmers



Nutritional Sciences

An innovative range of prebiotics and healthier alternatives to regular sugar for consumers

Material Sciences

Value-added offerings leveraging Soda Ash value chain linkages

Energy Sciences*

Integrated offerings of cell manufacturing, battery recycling and battery active production



*Potential future endeavour

Organisation structure

Key Subsidiaries

Tata Chemicals North America (TCNA)

Amongst the world's leading producers of high-quality natural Soda Ash

Tata Chemicals Europe (TCE)

Amongst Europe's leading producers of Sodium Bicarbonate, Salt, light Soda Ash and other products

Tata Chemicals Magadi (TCM)

Africa's largest Soda Ash manufacturer and one of the leading exporters in Kenya

Tata Chemicals South Africa (TCSA)

A licensed bulk handling terminal, servicing a large part of customers' Soda Ash requirements and also a growing third party cargo handling business

Tata Chemicals International Pte. Ltd. (TCIPL)

Trading of Soda Ash, procurement of raw materials and holding investments of international subsidiaries

Rallis India Limited (Rallis)

Among India's leading agro chemicals companies

Ncourage Social Enterprise Foundation

Social Enterprise targeting improvement in social issues including clean drinking water and livelihood

CSR Implementors

Tata Chemicals Society for Rural Development (TCSRSD)

Undertakes activities to address various concerns of the communities and to preserve the environment and bio-diversity.

Okhai Centre

Women empowerment through livelihood generation

Uday Foundation

Undertakes activities to create sustainable employment opportunities for youths in rural areas and assist employees in improving skills.

Tata Chemicals Golden Jubilee Foundation

Medical and educational assistance to underprivileged



Key Highlights of FY 2018-19



Nearing completion of state-of-the-art ₹ 270 crore greenfield biotechnology manufacturing unit at Nellore, Andhra Pradesh having an installed capacity of 5,000 MT of Fructo-Oligosaccharides (FOS)



Approved capex of ₹2,400 crore towards debottlenecking and capacity expansion for all products at Mithapur plant



The Board of Rallis has approved a capex of ₹800 crore towards expansion of formulation capacity and building technical and associated intermediary products manufacturing capacity for backward integration



Signed Memorandum of Understanding with CSIR-CECRI, Karaikudi, ISRO and C-MET to strengthen lithium strategy



Set-up and dedicated to the Indian nation 'Centre of Excellence for Coastal and Marine Conservation' and 'Centre for Sustainable Agriculture and Farm Excellence' in commemoration of 150 years of the Tata Group



Completed acquisition of precipitated silica business and initiated process improvement initiatives of the silica plant in Cuddalore, Tamil Nadu having an annual manufacturing capacity of 900 TPM



Launched 'Ncourage Social Enterprise Foundation' targeting to improve social issues including clean drinking water and livelihood



Committed to Science Based Targets Initiative (SBTI) and revamping the sustainability strategy at all geographies for carbon conscious growth

Our Global Presence



America

- 1. Green River Basin, Wyoming, USA
- Canada, USA, Mexico, Brazil and Argentina

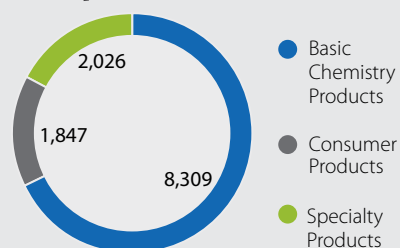
Europe

- 2. Winnington, Lostock, Middlewich, UK
- Europe and the UK

Segmental Revenue break-up

Consolidated

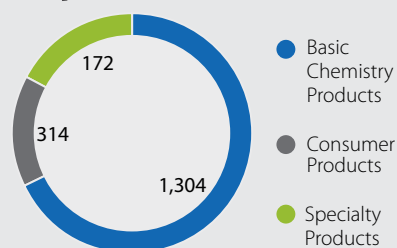
₹11,296 Cr.



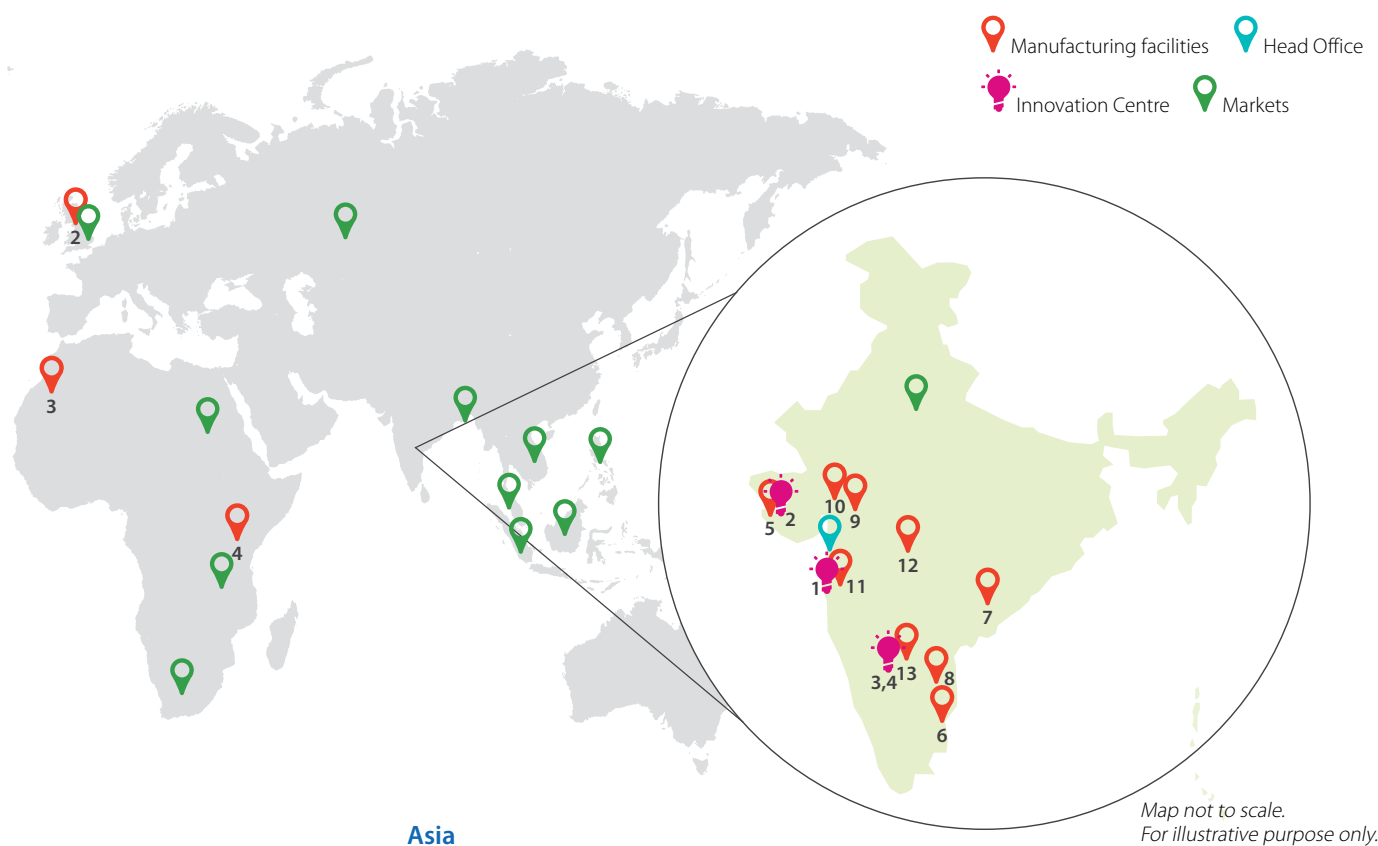
Segmental Result (EBIT)

Consolidated

₹1,790 Cr.



Note: The chart does not take into account the unallocated revenue and inter-segment revenue.



Asia

Africa

- 3. Jorf Hasfar, Morocco (JV), North Africa
- 4. Magadi, Kenya

South and East Africa, Sub-Saharan Africa

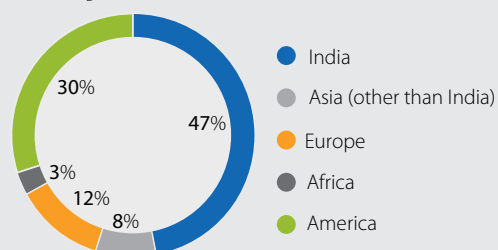
- 5. Mithapur, Gujarat
- 6. Cuddalore, Tamil Nadu
- 7. Nellore, Andhra Pradesh
- 8. Sriperumbudur, Tamil Nadu
- 9. Ankleshwar, Gujarat (Rallis)
- 10. Dahej, Gujarat (Rallis)
- 11. Lote, Maharashtra (Rallis)
- 12. Akola, Maharashtra (Rallis)
- 13. Bengaluru, Karnataka (Metahelix)
- Mumbai, India
- India, Bangladesh, Indonesia, Malaysia, Thailand, Philippines

- 1. TCL Innovation Centre, Pune
- 2. TCL R&D Centre, Mithapur, Gujarat
- 3. Rallis Innovation Chemistry Hub (RICH), Bengaluru, Karnataka
- 4. Metahelix Life Sciences R&D facility, Bengaluru, Karnataka

Geographical Revenue

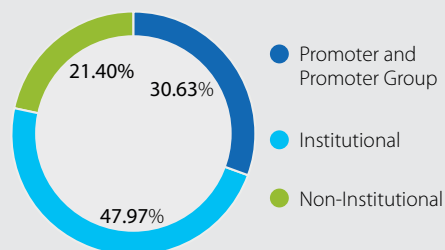
Consolidated

₹11,296 Cr.



Our Ownership Structure

Shareholding

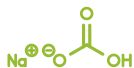


Our Diversified Science Led Portfolio



3rd largest

Soda Ash manufacturer in the world



6th largest

Sodium Bicarbonate manufacturer in the world*



Market leader

in Salt in India (Sales)



India's 1st

National pulses brand



Tata Salt

2nd most trusted food brand in India**



Pioneer

in FOS/GOS products in India

*IHS Chemical Sodium Bicarbonate Chemical Economics Handbook

**ET Brand equity results



Basic Chemistry Products

Category	End-user segments
Soda Ash	Detergent Float glass – construction and housing; commercial, office and retail space and the automotive sector, Container Glass - soft drinks, Indian-made foreign liquor, pharmaceuticals, tableware, glass etc., detergent chemicals - Sodium Bicarbonate, sodium silicates, other chemicals, dyes and intermediaries
Bicarb	Pharma (US Pharmacopoeia and British Pharmacopoeia), Pharmaceutical (Indian Pharmacopoeia), Food Animal and poultry feed, Foodgrade dust, Explosion suppressant, Haemo Dialysis, Flue Gas Treatment
Cement	Construction
Salt	Food Processing, industrial salt, de-icing, dairy products, water softening and industrial applications
Marine Chemicals	Agro Chemicals, Pesticides, Pharma Intermediaries, Fire Retardants
Crushed Refined Soda	Manufacturing of Sodium Silicate, Animal feed additive, Mining applications, Effluent treatment, Flue gas treatment, Compost heap treatment, battery manufacturing industry



Consumer Products

Category	Product profile
Salt	Vacuum evaporated salt, rock salt, black salt, crystal salt, low sodium salt, double fortified salt, solar salt, cooking soda, flavoured salt, herbal salt ¹
Pulses and besan	Unpolished dals - high protein dals range of 19 variants, Besan - low oil absorb besan, Organic dals range, Jeera Sattu flour ¹
Ready-to-cook mix	Range of mixes ² (khichdi mix, multigrain chilla mix, Low oil absorb pakoda mix, moong dal chilla mix, multi dal chilla mix)
Spices	Pure spices, blended spices
New products	Range of chutneys ² (spicy tomato chutney, chinese chutney and tamarind-date chutney), red rice poha ¹ , bran rich basmati rice ¹ , dal based snacks ¹ , 100% pure natural unrefined cold pressed extra virgin coconut oil ¹
Home care and fabric care	Detergents ¹



Specialty Products

Category	Product profile
Food	Nutritional solutions, Tata Nx brand, wellness foods, prebiotic products, Stevia based sweetener made of all natural ingredients
Wellness	Prebiotics: Fructo-Oligosaccharide (FOS), Galacto-Oligosaccharide (GOS), Animal feed supplements: FOS-based formulations
Agricultural	Crop protection solutions (herbicides, fungicides, insecticides), organic manure, seeds, plant growth nutrients (PGNs) and other agri-input solutions through Rallis
Advanced materials	Nano Zinc Oxide, Highly Dispersible Silica

1. Pilot stage in select markets and will be scaled up /continued if pilots successful

2. Successfully completed pilots and started scaling up

Brands/Products

DetMate

Dense Soda Ash, Light Soda Ash

Pharmakarb, Medikarb, Sodakarb, Alkakarb, Dessikarb, Hemokarb, Briskarb

Tata Shudh

Glacia, Granulite, Magadi Moore, Nyama and Magadi Moore Maziwa

Liquid Bromine

Crushed Refined Soda

Brands/Products

Tata Salt, Tata Salt Lite, Tata Salt Plus, Tata Salt Crystal, I Shakti, Flavoritz

Tata Sampann

Tata Dx

Brands/Products

Tata Nx

Gossence™, Fossence™, Gut Shakti

GeoGreen, Tata Metri, Tarak, Tata Panida, Contaf, Contaf Plus, Taqat, Ergon, Tata Master, Sultaf, Tata Asataf, Applaud, Takumi, Hunk, Nagata, Origin, Reeve 5, Sedna, Sonic Flo, Tata Mida, Zeeny, Rilon, Anant, Summit, Ralligold WP, Ralligold, Gr, Tata Bahaar, Uphaar, Solubor, Glucobita, Tracel, Surplus

Nano Zinc Oxide, Highly Dispersible Silica

**We are present in every 5th Indian vehicle**

The glass window in every 5th Indian vehicle is made from our Soda Ash

**We are a preferred choice for Indian detergent manufacturers**

Every month 47 million households use detergents made from our Soda Ash

**We fortify iron and iodine sufficiency among Indians**

Every year 170 million households in India consume iron and iodine fortified Tata Salt

**We are present in the biscuits you eat and make them healthy**

Our Sodium Bicarbonate and FOS are used by India's biggest biscuit manufacturers

**We strive for farmer prosperity**

We cover 80% of India's districts with 13 million farmer contacts through our Specialty Products

**We facilitate in improving nutrition and health**

We provide an innovative range of prebiotics, healthier alternatives of sugar, high protein unpolished dals, low oil absorb besan and healthy ready-to-cook nutrimixes

Performance Highlights for FY 2018-19



Financial capital[#]

Financial capital represents the pool of funds, including both debt and equity finance, that is available to our organisation. We rely on multiple sources of funds and put them to use for the acquisition of manufactured capital to strengthen the balance sheet.

EBITDA

₹2,095 Cr.

₹2,191 Cr.
FY 2017-18

PBT

₹1,742 Cr.

₹1,620 Cr.
FY 2017-18

PAT

₹1,395 Cr.

₹1,560 Cr.
FY 2017-18

Market capitalisation*

₹15,000 Cr.

₹17,251 Cr.
FY 2017-18

[#]For continuing operations only

*As on March 31, 2019



Manufactured capital

Manufacturing capital represents our plants, warehouses, logistics facilities and all the physical assets that we use for producing basic and agro chemicals, consumer food, nutritional products and seeds. We continue to invest in the manufactured capital to build capacities and enhance operational efficiency.

Soda Ash production

3,634 KT

Sodium Bicarbonate production

220 KT

Branded salt production*

1,131 KT

Cement production

409 KT

* includes I Shakti Salt



Intellectual capital

Intellectual capital represents our scientific knowledge, research & development capabilities and innovation quotient which is core to our business. We have put a strong emphasis on R&D to come up with new and better products that enhance our competitiveness.

Investment in R&D

₹38 Cr.

Patents filed

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