



**TATA CHEMICALS**  
**Investors Communication**

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Quarter & Half Year ended  
September 2022 : Q2 FY23



**Chemistry of Resilience**

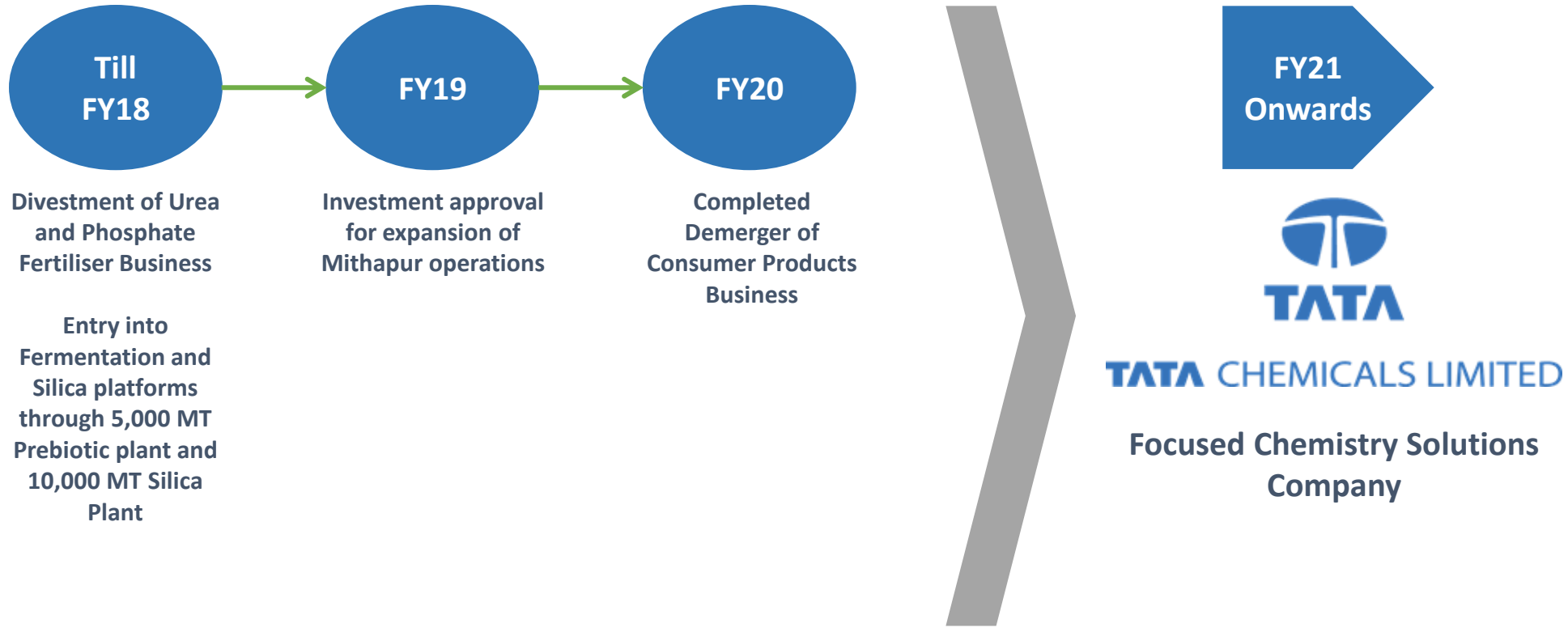
# Safe Harbour Statement

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“This Presentation, except for the historical information, may contain statements, including the words or phrases such as ‘expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should’ and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise of Tata Chemicals Limited, its direct and indirect subsidiaries and its associates. Actual results might differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include, among others, economic conditions affecting demand / supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government policies and regulations, tax laws, and other statutes and incidental factors. You are urged to view all statements contained herein with caution. Tata Chemicals Limited does not undertake any obligation to update or revise forward look statements, whether as a result of new information, future events or otherwise”

# **Tata Chemicals - Overview**

# Journey So far



Footprint across 4 Continents



Employing ~5,000 people



With 13 Manufacturing units



Supported by 3 R&D centers with 200 + Scientists

# Our Facilities | India Operations

	India	India	Rallis India Limited <sup>1</sup>
Major Products	Soda ash, Bicarb, Salt, Marine chemicals and Cement	Prebiotics Specialty silica	Crop Care, Crop Protection and Seeds (herbicides, fungicides and insecticides, etc)
Installed Capacity *	Soda Ash: 1,091,000 MTPA Bicarb: 150,000 MTPA Salt: 1,600,000 MTPA	Prebiotic: 5,000 MTPA Specialty silica:10,000 MTPA	
Location	Gujarat	Andhra Pradesh and Tamil Nadu	Maharashtra and Gujarat



\* Includes capex investments underway

1.TCL holds 50.06% Stake in Rallis India Limited

# Our Facilities | International Operations

	US	UK	Kenya
Major Products	Soda Ash	Soda Ash, Bicarb, Salt	Soda Ash
Installed Capacity	2,540,000 MTPA	Soda Ash: 400,000 MTPA Bicarb: 130,000 MTPA Salt: 430,000 MTPA	350,000 MTPA
Location	Wyoming, US	Lostock & Winnington, Middlewich, UK	Magadi, Kenya



# Our Facilities | R&D Facilities

TCL Innovation Centre



- ◇ 200+ Technically skilled Scientists in R&D
- ◇ 3 State-of-the-art innovation Centers
- ◇ Intellectual property | 180 patents held; 114 Active Applications

Rallis India R&D



# Financial Highlights

Quarter & Half Year ended  
September 2022 : Q2 FY23



# Performance Highlights : Q2 Consolidated

**Revenue ↑ 40%**

₹ 4,239 Cr (CY) vs ₹ 3,022 Cr (PY)

**EBITDA ↑ 84%**

₹ 920 Cr (CY) vs. ₹ 501 Cr (PY)

**PAT ↑ 176%**

₹ 685 Cr (CY) vs ₹ 248 Cr (PY)

◇ Robust soda ash demand continues across all geographies and applications, pricing stable

◇ Input costs mainly energy continue to remain at elevated levels

◇ EBITDA growth amidst a favorable market environment and a challenging cost situation

**Gross Debt**

₹ 7,024 Cr  
(Mar 22)

648

₹ 6,376 Cr  
(Sept 22)

**Net Debt**

₹ 4,232 Cr  
(Mar 22)

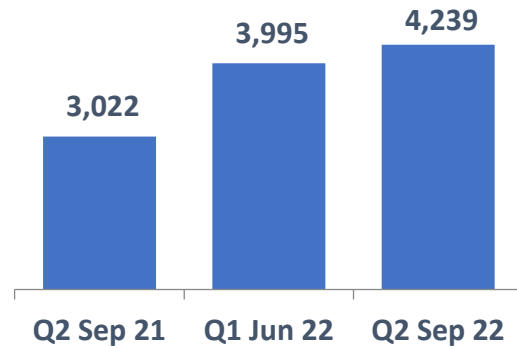
177

₹ 4,409 Cr  
(Sept 22)

◇ Gross debt lower due to prepayment of debt \$ 125 Mn in overseas units during H1

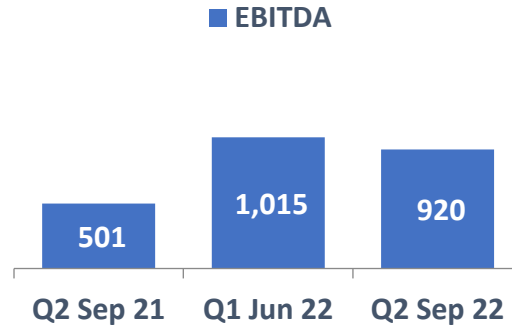
# Financial Snapshot for the quarter ended Sep 22

## Consolidated | ₹ Crore



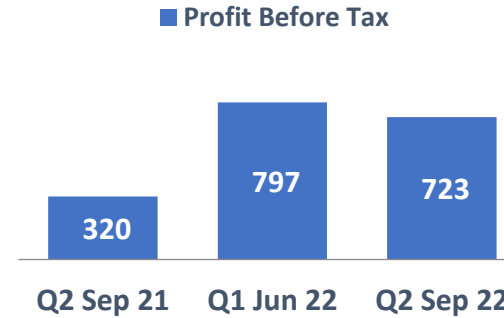
Revenue up by ₹ 1,217 Crore (↑40%)

### EBITDA



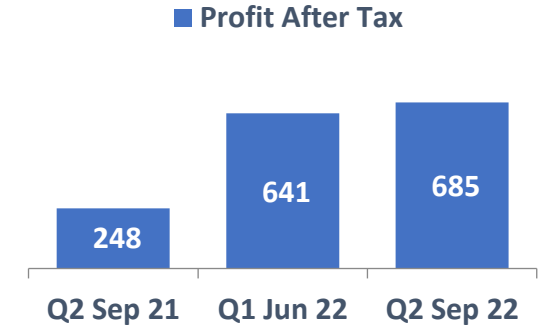
EBITDA up by ₹ 419 Crore (↑84%)

### Profit Before Tax



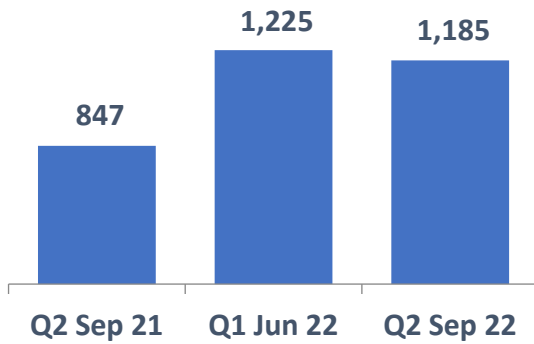
PBT up by ₹ 403 Crore (↑126%)

### Profit After Tax



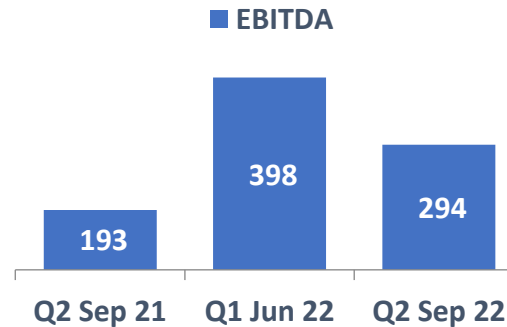
PAT up by ₹ 437 Crore (↑176%)

## Standalone | ₹ Crore



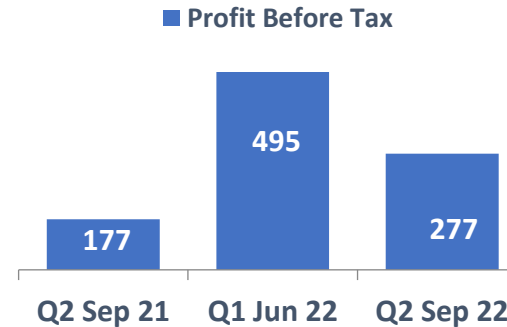
Revenue up by ₹ 338 Crore (↑40%)

### EBITDA



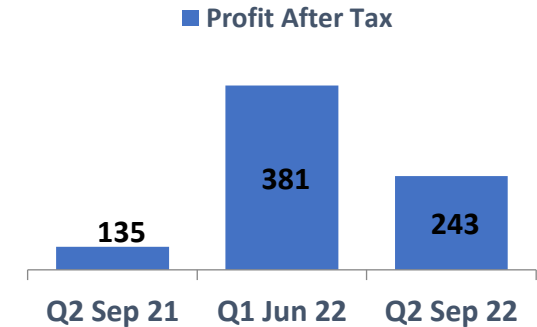
EBITDA up by ₹ 101 Crore (↑52%)

### Profit Before Tax



PBT up by ₹ 100 Crore (↑56%)

### Profit After Tax

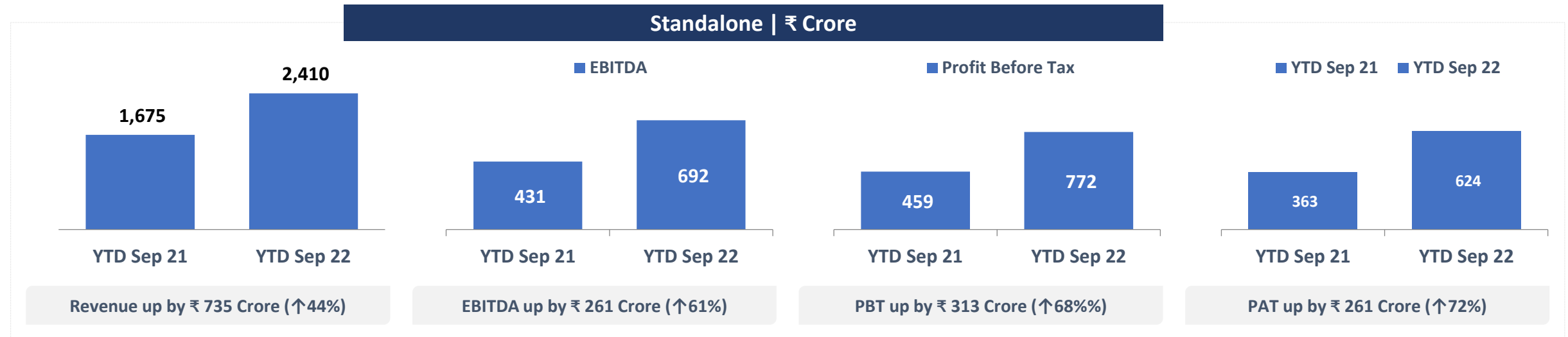
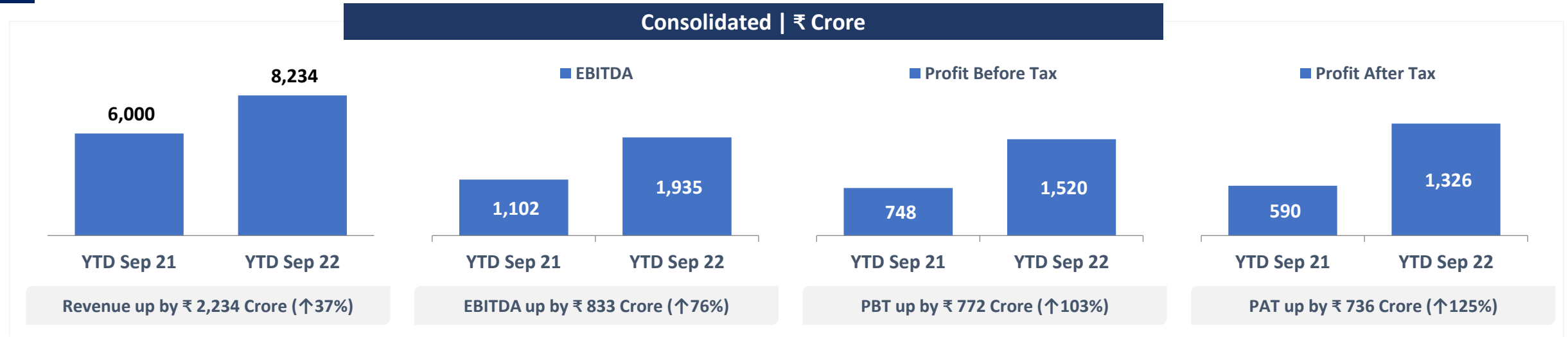


PAT up by ₹ 108 Crore (↑80%)

Note: Change is vs PY quarter

PBT & PAT includes continuing operations, after share in JV & associates & before Non-Controlling Interest

# Financial Snapshot for the Year Till Date Sep 22



Note: PBT & PAT includes Continuing operations, after Share in JV & associates & before NCI

# Q2 : Financial Performance

India	PY	CY
<b>Vol In '000MT</b>		
Soda Ash	178	154
Bi Carb	31	28
Salt	320	303
<b>₹ Cr</b>		
Revenue	847	1,185
EBITDA	193	294
PAT	135	243

UK	PY	CY
<b>Vol In '000 MT</b>		
Soda Ash	68	69
Bi Carb	25	30
Salt	82	84
<b>₹ Cr</b>		
Revenue	416	651
EBITDA	(18)	142
PAT	(67)	99

US	PY	CY
<b>Vol In '000 MT</b>		
Soda Ash	617	561
<b>₹ Cr</b>		
Revenue	867	1,179
EBITDA	196	211
PAT	66	82

Kenya	PY	CY
<b>Vol In '000 MT</b>		
Soda Ash	86	73
<b>₹ Cr</b>		
Revenue	140	251
EBITDA	33	134
PAT	11	154

Rallis	PY	CY
<b>₹ Cr</b>		
Revenue	727	951
EBITDA	87	118
PAT	56	71

## Highlights

- Soda Ash demand supply situation continues to remain in balance
- Volumes were steady across all units except for some planned and extended shutdown
- Costs, especially energy and inputs costs, remain at elevated levels
- Higher profits across all Units
- US Unit finalized multi-year logistics agreement with ANSAC

# Segment Revenues and Results

	₹ Crore	Consolidated				Standalone			
		Q2 Sep 21	Q1 Jun 22	Q2 Sep 22	Variance	Q2 Sep 21	Q1 Jun 22	Q2 Sep 22	Variance
Segment Revenues	Basic Chemistry Products	2,233	3,060	3,242	1,009	792	1,154	1,137	345
	Specialty Products	787	934	999	212	58	71	48	(10)
	Less: Inter Segment Revenue	(2)	(5)	(9)	(7)	-	-	-	-
		<b>3,018</b>	<b>3,989</b>	<b>4,232</b>	<b>1,214</b>	<b>850</b>	<b>1,225</b>	<b>1,185</b>	<b>335</b>
	Unallocated Revenue	4	6	7	3	(3)	-	-	3
	<b>Total Segment Revenue</b>	<b>3,022</b>	<b>3,995</b>	<b>4,239</b>	<b>1,217</b>	<b>847</b>	<b>1,225</b>	<b>1,185</b>	<b>338</b>
Segment Results	Basic Chemistry Products	279	765	645	366	195	391	290	95
	Specialty Products	58	78	91	33	(12)	(11)	(7)	5
	<b>Segment Results</b>	<b>337</b>	<b>843</b>	<b>736</b>	<b>399</b>	<b>183</b>	<b>380</b>	<b>283</b>	<b>100</b>
	Unallocated Expenses / (Income)	(10)	(5)	(26)	(16)	1	(119)	(2)	(3)
	Finance Costs	84	80	86	2	5	4	8	3
	<b>Profit after exceptional items, before share of profit of joint ventures and tax</b>	<b>263</b>	<b>768</b>	<b>676</b>	<b>413</b>	<b>177</b>	<b>495</b>	<b>277</b>	<b>100</b>

Basic Chemistry Products includes Soda Ash, Bicarb , Salt , Marine Chemicals and Other products  
Speciality Includes Nutritional Solutions, Silica and Rallis India

# Unit wise Profit & Loss

## Statement of Profit and Loss for the quarter ended Sep 22

Units ₹ Cr	Consolidated			TCL India			US			UK			Kenya			Rallis		
	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var
Revenues	3,022	4,239	1,217	847	1,185	338	867	1,179	312	416	651	236	140	251	111	727	951	224
EBITDA	501	920	419	193	294	101	196	211	15	(18)	142	160	33	134	101	87	118	31
PAT (before NCI)	248	685	437	135	243	108	66	82	16	(67)	99	166	11	154	143	56	71	15
PAT (after NCI)	201	633	432															

## Statement of Profit and Loss for the Half year ended Sep 22

Units ₹ Cr	Consolidated			TCL India			US			UK			Kenya			Rallis		
	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var
Revenues	6,000	8,234	2,234	1,675	2,410	735	1,705	2,298	594	822	1,182	360	274	497	223	1,468	1,814	346
EBITDA	1,102	1,935	833	431	692	261	369	487	118	11	240	229	58	253	195	209	231	22
PAT (before NCI)	590	1,326	736	363	624	261	117	223	105	(86)	148	234	27	265	238	139	139	-
PAT (after NCI)	489	1,226	737															

Note: Above financials are for Continuing Operations; NCI : Non-controlling Interest

1. Consolidated financials is after adjusting SPV & other adjustments 2. Rallis financials represent 100 % share. Consolidated numbers is after adjustment of Rallis India's NCI.

# Balance Sheet as on Sep 22

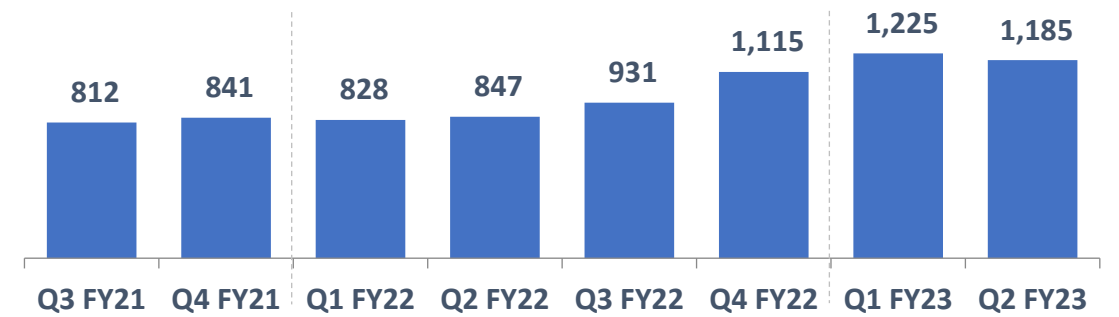
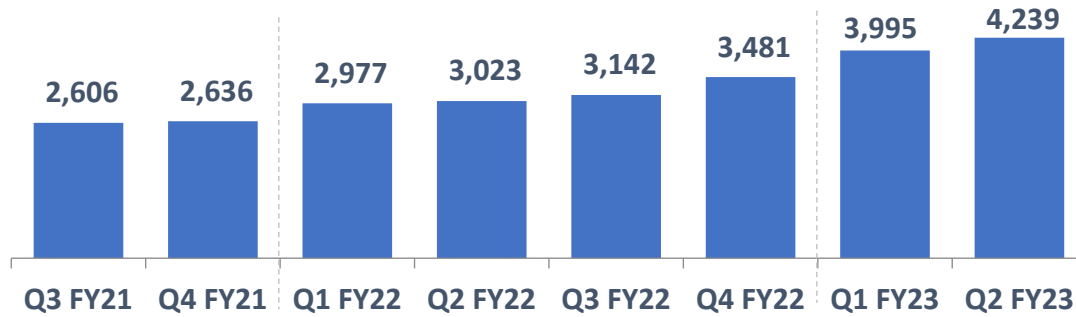
Rs Cr	Consolidated		Standalone	
	31-Mar-22	30-Sep-22	31-Mar-22	30-Sep-22
Non - Current Assets	25,098	26,324	14,170	14,771
Inventories	2,294	2,532	880	1,115
Investments	1,325	1,189	1,113	1,141
Trade Receivables	1,933	2,538	182	179
Cash and Cash Equivalents	1,311	645	493	91
Others Current Assets	1,882	1,130	179	179
<b>Total Assets</b>	<b>33,843</b>	<b>34,358</b>	<b>17,017</b>	<b>17,476</b>
Equity & Reserves	18,253	19,191	15,342	15,819
Non - Controlling Interests	904	943	-	-
Non-Current Liabilities	3,730	3,873	543	571
Borrowings (Non-Current) / Lease Liabilities	3,860	5,037	0	2
Borrowings (Current)	3,164	1,338	3	1
Trade Payables	2,445	2,466	560	477
Others Current Liabilities	1,487	1,510	568	606
<b>Total Equities and Liabilities</b>	<b>33,843</b>	<b>34,358</b>	<b>17,017</b>	<b>17,476</b>

# Historical Financial Trends

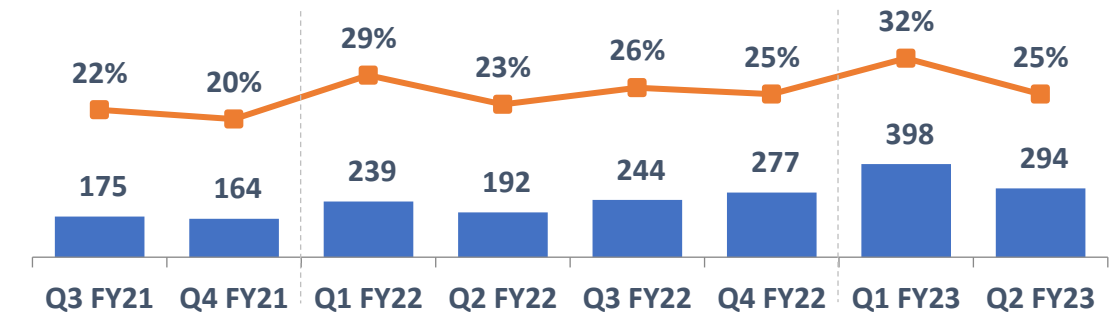
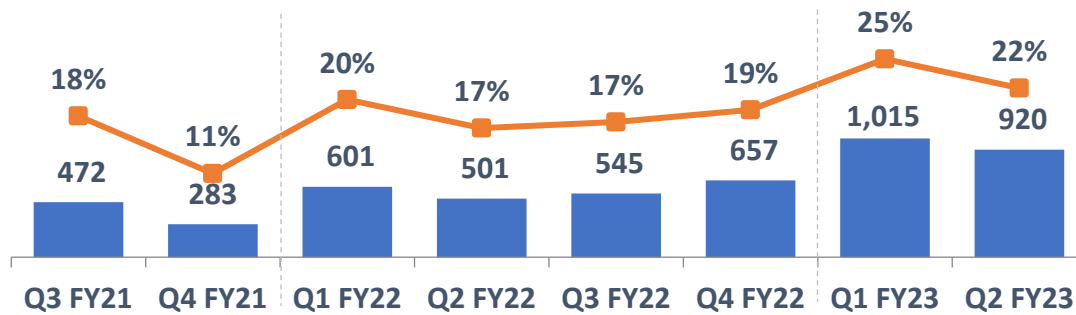
Consolidated | ₹ Crore

Standalone | ₹ Crore

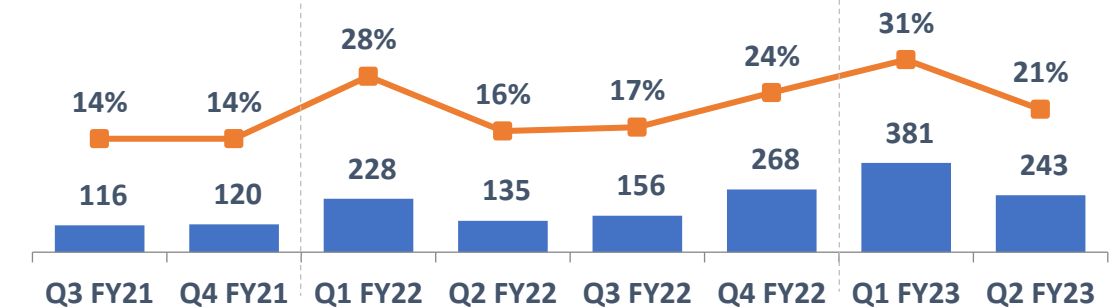
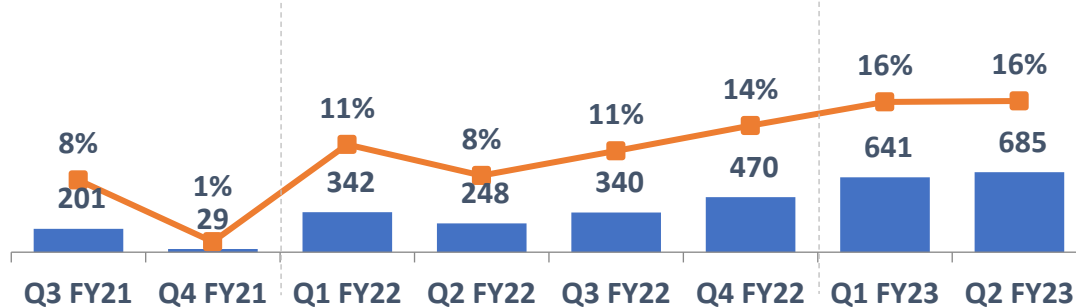
Revenue



EBITDA & Margin



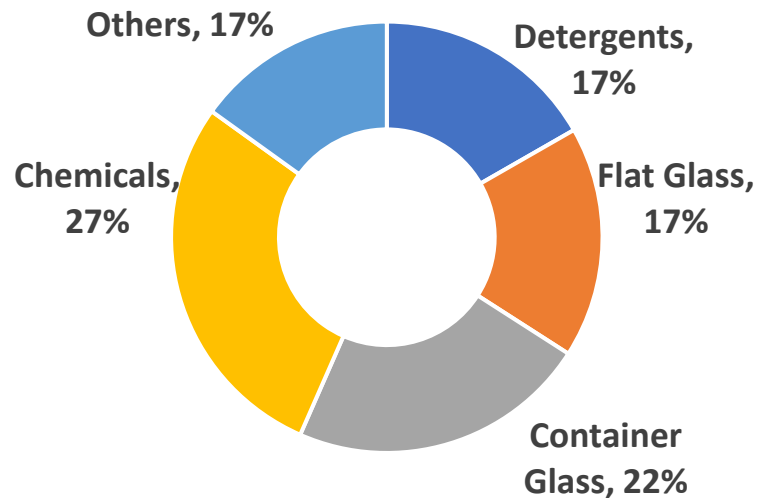
PAT & Margin





# Market Segment and Input Cost Update

## Tata Chem Soda Ash : Market Applications



- ◇ Diversified end customer segment mix for TCL
- ◇ Glass remains the largest segment in US, UK and Kenya
- ◇ Detergents is the largest segment in India

Pie represents FY 22 & excludes US exports as all US exports are sold to ANSAC

## Input Costs

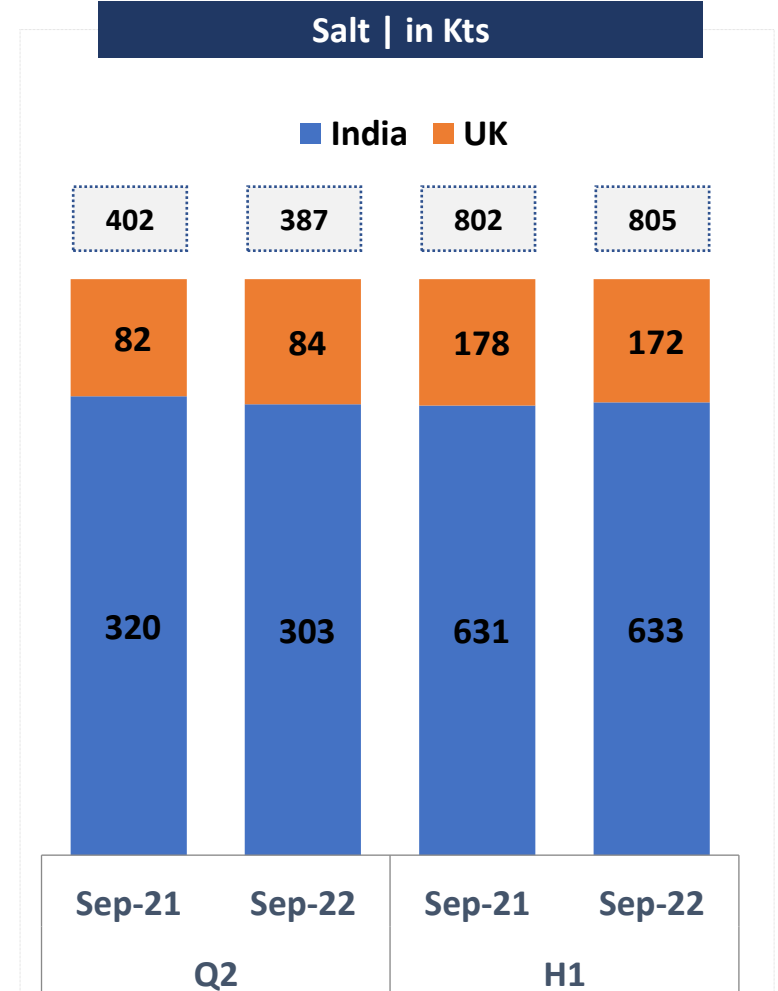
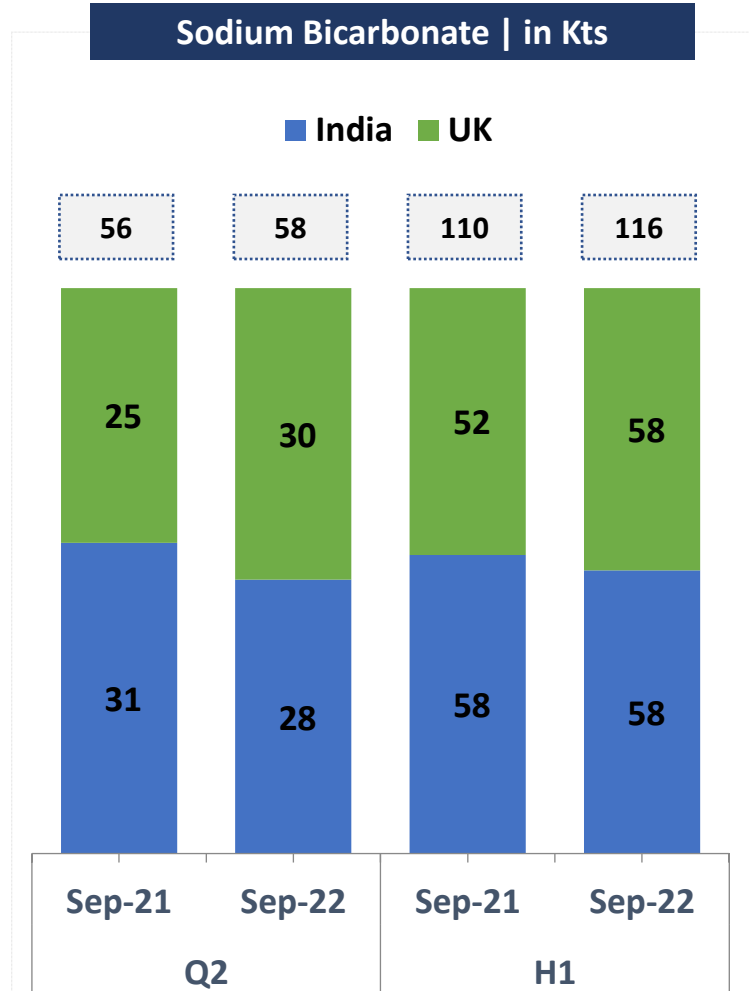
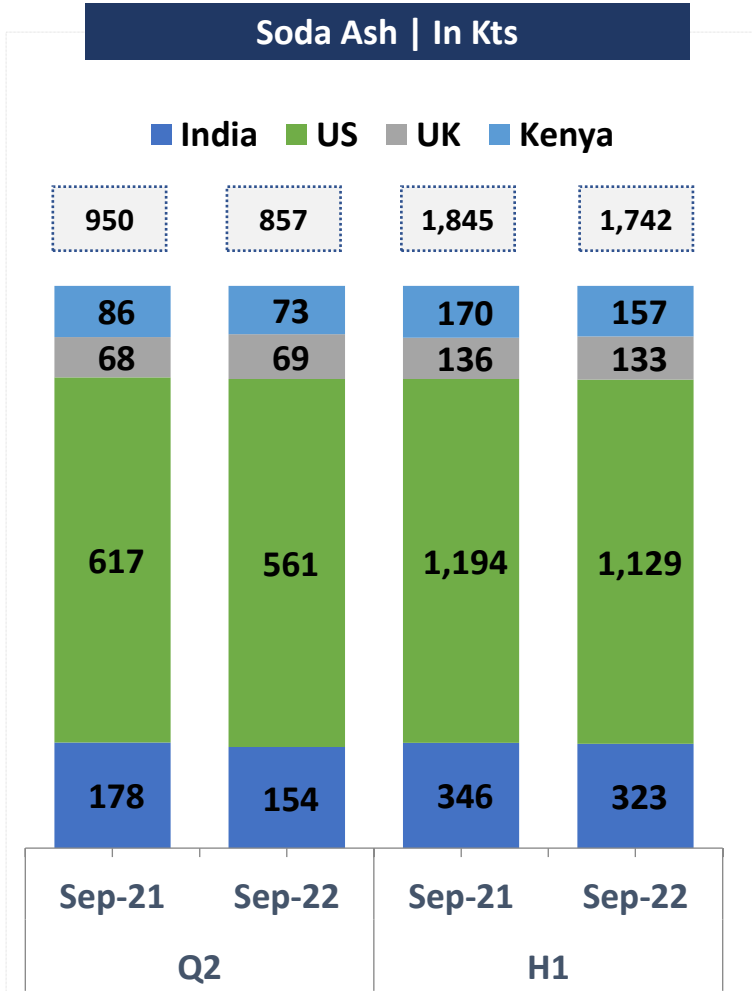
₹ Crore	Consolidated			Standalone		
	Sep-21	Sep-22	Growth	Sep-21	Sep-22	Growth
Revenue	3,022	4,239		847	1,185	
Cost of Production <sup>1</sup>	1,620	2,235		476	701	
Contribution	<b>1,402</b>	<b>2,004</b>	<b>602</b>	<b>371</b>	<b>484</b>	<b>113</b>
<b>Contribution Margin</b>	<b>46%</b>	<b>47%</b>		<b>44%</b>	<b>41%</b>	

- ◇ Gas, coal and freight costs, though at higher levels, are stabilizing
- ◇ Carbon UK ETS prices up from GBP 70 per MT in Mar 22 to GBP 83 per MT in Sep 22.
- ◇ Limestone, coke and raw salt prices have increased
- ◇ Higher contribution margins in overseas units due to improved realizations

Energy Inputs	Material	India	US	UK	Kenya
	Coal	✓	✓		
	Gas		✓	✓	
	Heavy Fuel Oil (HFO)				✓

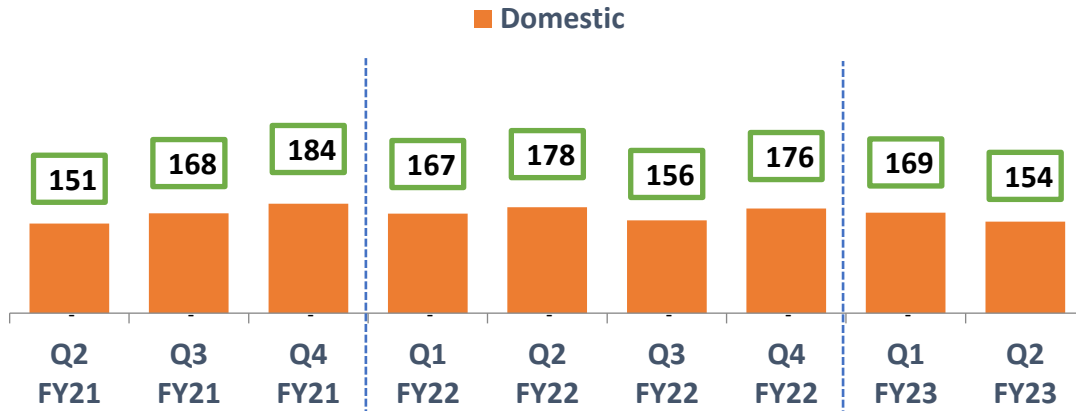
<sup>1</sup> Cost of production includes the following heads under the SEBI financial statements (a) cost of raw materials (b) change in inventory (c) purchase of stock in trade (d) power & fuel (e) freight and forwarding charges

# Sales Volumes | Key Products

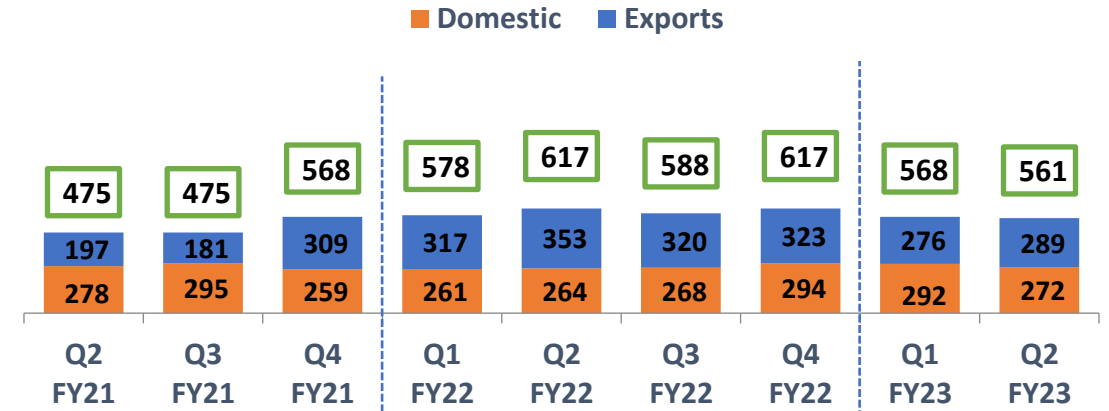


# Soda Ash Sales Volume Trends

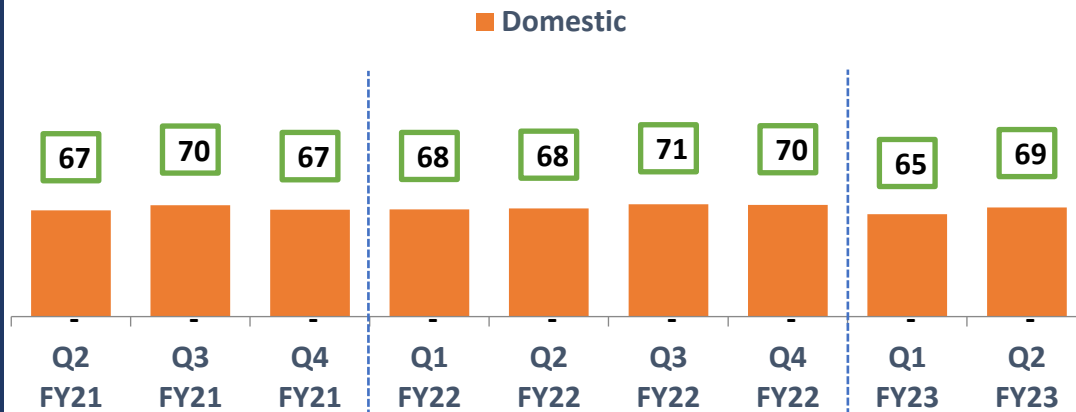
India | In Kts



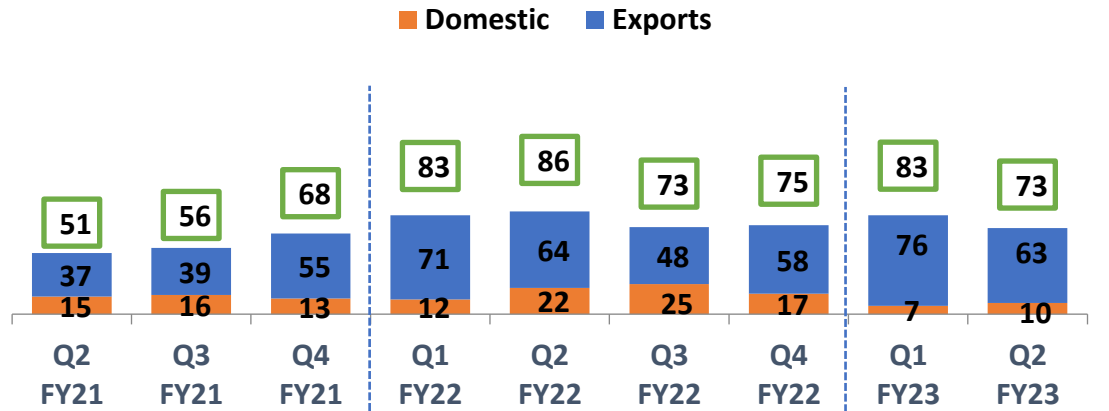
US | In Kts



UK | In Kts



Kenya | In Kts



# Strategic Priorities



- TCL
- Deliver consistent market and customer delivery performance through customer engagement
  - Deliver capacity expansions on schedule - Soda Ash, Bicarb & Salt expansion on stream by FY23 & FY24
  - Continue focus on cost management

- Rallis
- Extend Portfolio offerings: New product introductions, plug portfolio gaps
  - Strengthen Manufacturing: Invest in manufacturing and registrations

- US
- Maximize plant output & ensure customer demand is fully met
  - Generate cash and repay debt



- UK
- Maximize volumes and ensure operating performance is in line with market dynamics
  - Operational efficiencies and cost structure rationalization
  - Manage energy & carbon cost pressures and continuous cost focus

- Kenya
- Sustain volume delivery to customers
  - Continuous cost focus
  - Generate cash

**Grow the core**

**Focus on cash generation across geographies**

**Deleverage international debt**

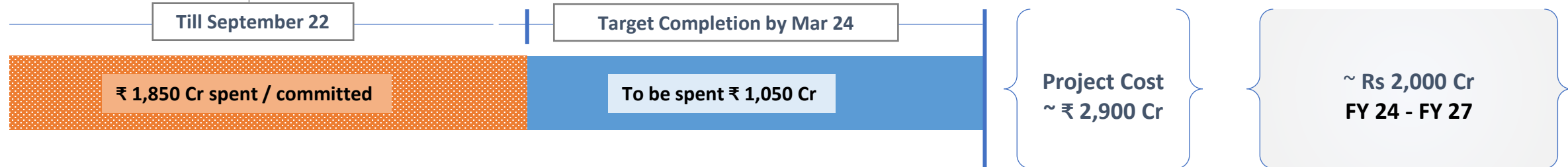
# Expansion Plan on track

## Expansion - Ongoing

Products	Capacity (Lacs MT)	H1 FY23	H2 FY23	H1 FY24	H2 FY24
	Expansion				
Soda Ash	2.3		0.45		1.85
Bicarb	0.7			0.70	
Salt	3.3		3.30		

## Expansion - Planned

Products	Incremental Capacity (beyond Ongoing Expansion)
Soda Ash	~30%
Bicarb	~40%
Silica	5x



### Current Status



# Sustainability

## ESG initiatives



	Priorities	Focus Areas
<b>Climate Change</b>	Carbon Emission Reduction	<ul style="list-style-type: none"> <li>CCU unit in UK operational</li> <li>Solar Power transition at Mithapur and Magadi under planning stage</li> <li>Energy audit and efficiency initiatives under implementation at Mithapur</li> <li>Piloting Concentrated Solar Thermal at Rallis</li> </ul>
<b>Circular Economy</b>	Water Neutrality, zero solid waste and recycle	<ul style="list-style-type: none"> <li>Water harvesting and conservation projects on track</li> <li>Planning to increase Plastic waste Recycling</li> </ul>
<b>Biodiversity</b>	Preserve Natural Capital, conservation & restoration of biodiversity	<ul style="list-style-type: none"> <li>Indigenous flora conservation – 170 acres of Biodiversity reserve area</li> <li>Mangroves plantation around Mithapur and Sundarbans</li> <li>Coral Reef Recovery project at Mithapur - ~3,600 Sq. Mtr.</li> </ul>

## Employee Safety and Health

**Safety Training to Contract Employees – Mambattu**



**Covid-19 Booster Dose Driven at Site – Cuddalore**



**Basic Fire fighting training - Mithapur**



**Fire Mock Drill -Magadi**



# Awards and Recognitions



Tata Chemicals receives award for The Economic Sustainable Organizations - 2022



Tata Chemicals Anali Limestone Mine Awarded Five-Star Rating by GOI for the fourth year in a row



Rallis India Limited has received Indian Chemical Council (ICC) K. V. Mariwala award 2021 for “Effective chemical Industry-Academia Partnership” to Lote plant



Rallis India Limited bags two awards in CII digital transformation DX Award 2022 Ceremony for “Most Innovative Category”

# Thank You

For any queries please contact below :

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