


TATA
TATA CHEMICALS
Investors Communication

Quarter & Year Ended
Mar 2022 : Q4 FY22

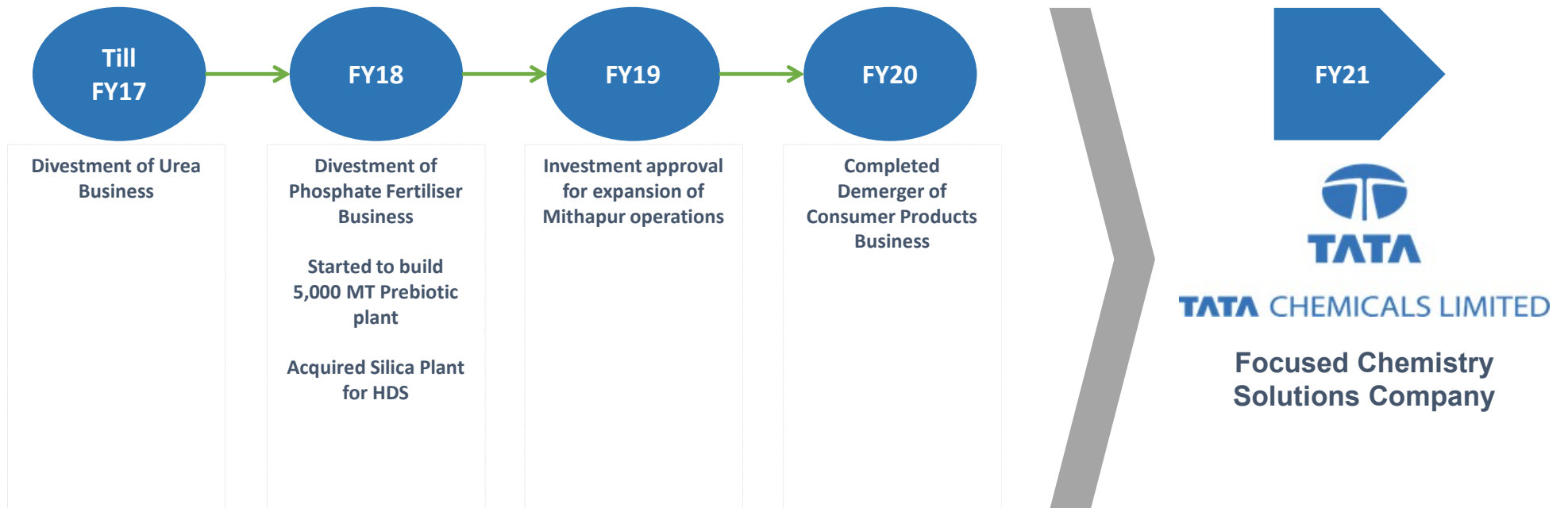
**Responsive.
Resilient.
Responsible.**



Safe Harbour Statement

“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”

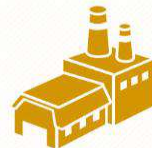
Journey So far



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*
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: 9,17,000 MTPA Bicarb: 105,500 MTPA Salt: 1,170,000 MTPA	Prebiotic: 5,000 MTPA Specialty silica:10,000 MTPA	
Location	Gujarat	Andhra Pradesh and Tamil Nadu	Maharashtra and Gujarat



Lote



Akola



Ankleshwar



Dahej

* 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



Rallis India R&D



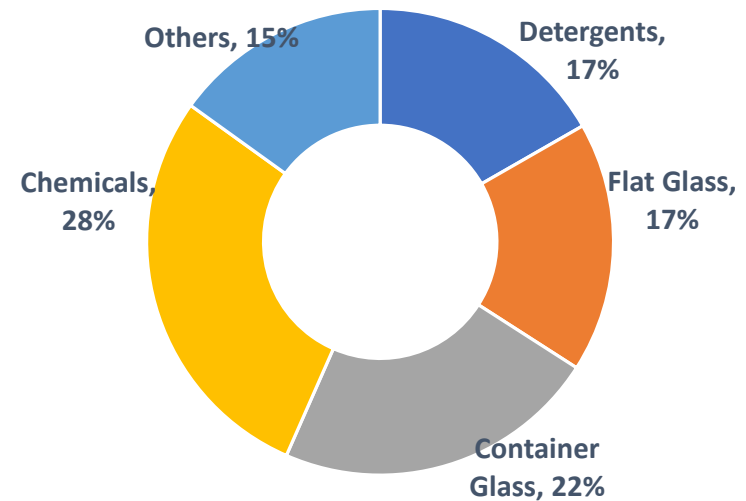
- 200+ Technically skilled Scientists in R&D
- 3 State-of-the-art innovation Centers
- Intellectual property | 177 patents held; 114 Active Applications

Soda Ash : Industry and Business Update

Demand and Supply Update

- ❖ Demand growth remains strong across all applications
- ❖ Global soda ash supply remained tight with all plants running at high operating rates
- ❖ Limited capacity addition expected in the near to medium term
- ❖ Energy and other input costs continue to be elevated
- ❖ Realisations largely driven by market dynamics and input costs

TCL Soda Ash : Market Applications



Excludes US exports as all US exports are sold to ANSAC

- ❖ Diversified end customer segment mix for TCL
- ❖ Glass remains the largest segment in US and Kenya units
- ❖ Detergents is the largest segment in India

Financial Highlights

Quarter & Year Ended
Mar 2022 : Q4 FY22

Performance Highlights Q4 Consolidated

Revenue

₹ 3,481 Cr

↑ ₹ 844 Cr vs. Mar21

EBITDA & margin

₹ 657 Cr (19%)

↑ ₹ 375 Cr vs Mar21

PAT & margin

₹ 470 Cr (14%)

↑ ₹ 441 Cr vs Mar21

Robust demand across product portfolio for all geographies

Consolidated Revenue grew by 32% vs PY and EBITDA grew by 133%

Standalone Revenue grew by 33% vs PY and EBITDA grew by 68%

Gross Debt as on Mar22 is ₹ 7,025 Cr

The Company proposed dividend of ₹ 12.5 per share (subject to approval of Shareholders at AGM)

Soda Ash Volumes

Q4 FY 22	937 Kts
Q4 FY 21	886 Kts

Salt Volumes

Q4 FY 22	417 Kts
Q4 FY 21	396 Kts

Net Debt

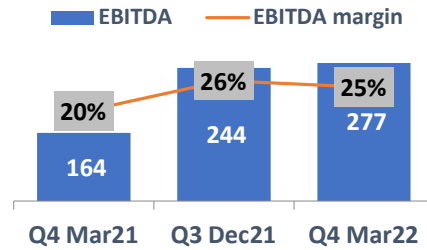
Mar22	4,233 Cr
Mar21	3,827 Cr

Financial Snapshot for the quarter ended Mar22

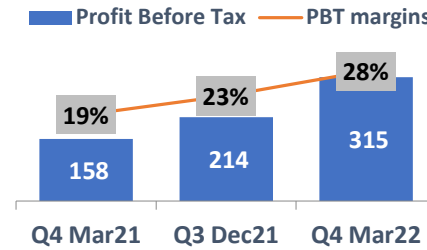
Standalone | ₹ Crore



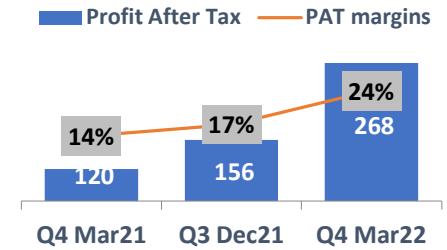
Revenue up by ₹ 273 Crore (↑33%)



EBITDA up by ₹ 112 Crore (↑68%)

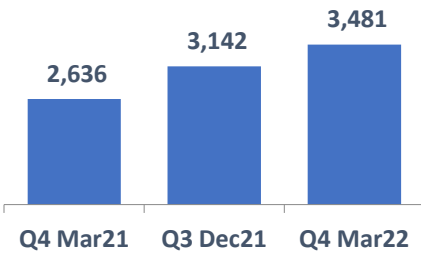


PBT up by ₹ 157 Crore (↑99%)

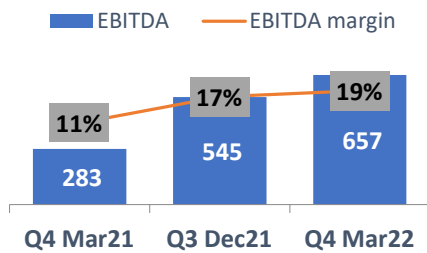


PAT up by ₹ 149 Crore (↑124%)

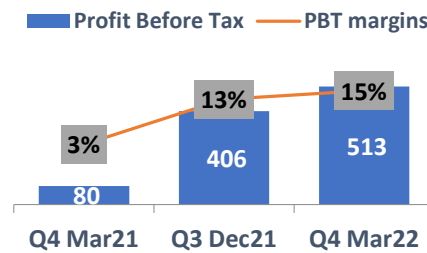
Consolidated | ₹ Crore



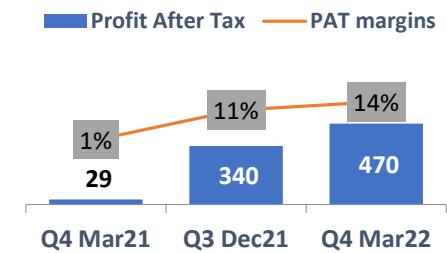
Revenue up by ₹ 844 Crore (↑32%)



EBITDA up by ₹ 375 Crore (↑133%)



PBT up by ₹ 433 Crore (↑538%)



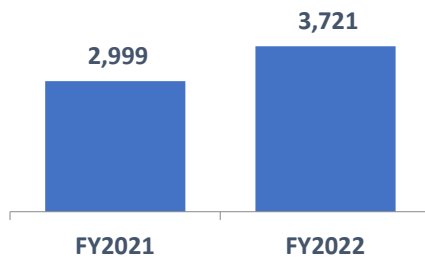
PAT up by ₹ 441 Crore (↑1507%)

Note: Change is vs PY quarter

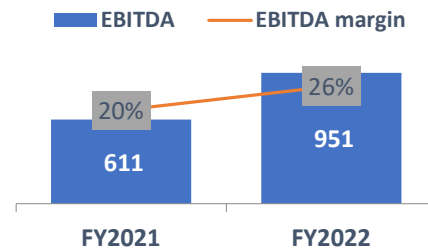
PBT & PAT includes Continuing operations, after Share in JV & associates & before NCI

Financial Snapshot for the Year Till Date Mar22

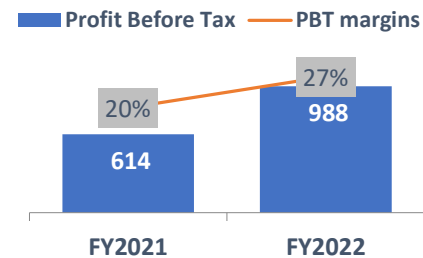
Standalone | ₹ Crore



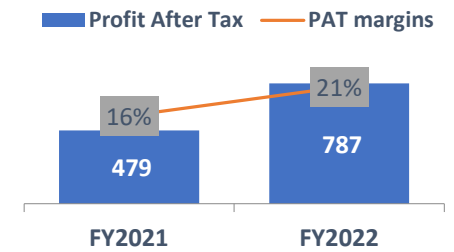
Revenue up by ₹ 722 Crore (↑24%)



EBITDA up by ₹ 340 Crore (↑56%)

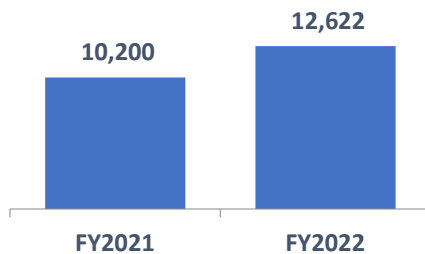


PBT up by ₹ 374 Crore (↑61%)

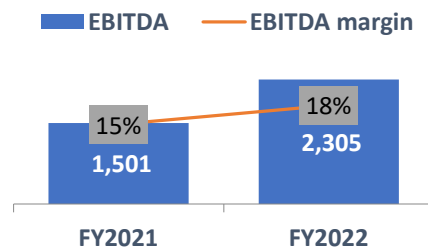


PAT up by ₹ 307 Crore (↑64%)

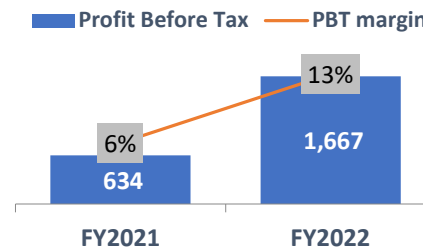
Consolidated | ₹ Crore



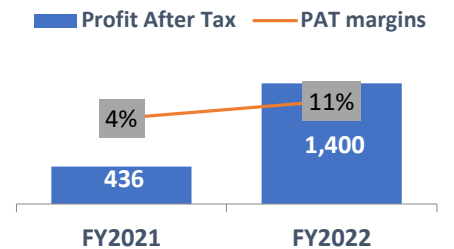
Revenue up by ₹ 2,422 Crore (↑24%)



EBITDA up by ₹ 804 Crore (↑54%)



PBT up by ₹ 1,033 Crore (↑163%)



PAT up by ₹ 964 Crore (↑221%)

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

Segment Revenues and Results

	₹ Crore	Consolidated				Standalone			
		Q4 Mar21	Q3 Dec21	Q4 Mar22	Variance	Q4 Mar21	Q3 Dec21	Q4 Mar22	Variance
Segment Revenues	Basic Chemistry Products	2,111	2,448	2,902	790	792	869	1,046	254
	Specialty Products	520	679	564	45	49	50	57	8
	Less: Inter Segment Revenue	(1)	(5)	(4)	(3)	-	-	-	-
		2,630	3,122	3,462	832	841	919	1,103	263
	Unallocated Revenue	7	20	19	12	1	13	11	11
	Total Segment Revenue	2,636	3,142	3,481	844	841	931	1,115	273
Segment Results	Basic Chemistry Products	167	345	516	349	185	237	267	82
	Specialty Products	(13)	40	(24)	(12)	(18)	(10)	(6)	12
	Segment Results	155	385	492	337	167	227	261	94
	Unallocated Expenses / (Income)	(1)	5	(66)	(65)	3	9	(60)	(63)
	Finance Costs	85	69	69	(16)	6	4	6	0
	Profit after exceptional items, before share of profit of joint ventures and tax	71	312	489	418	158	214	315	157

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

Input cost Update

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

₹ Crore	Consolidated			Standalone		
	Mar-21	Mar-22	Growth	Mar-21	Mar-22	Growth
Revenue from operations	2,636	3,481		841	1,115	
Cost of Production ¹	1,409	1,853		475	660	
Contribution	1,228	1,628	400	366	454	88
Contribution Margin	47%	47%		43%	41%	

Input Costs have gone up across units

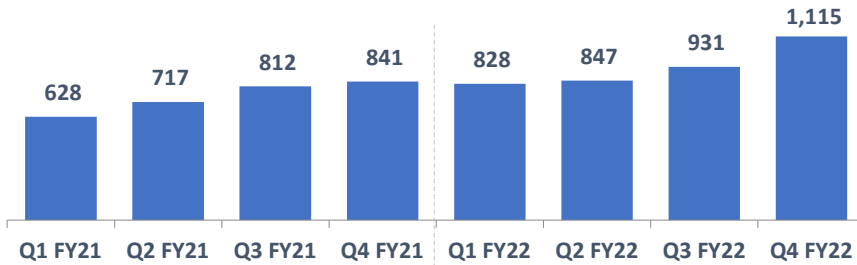
- Gas price spiked in Q4 and remains at elevated levels
- Coal and freight costs remain high compared to historical trends
- Carbon UK ETS prices up from GBP 25-30 per MT in Mar21 to GBP 70 per MT in Mar22

¹Cost 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

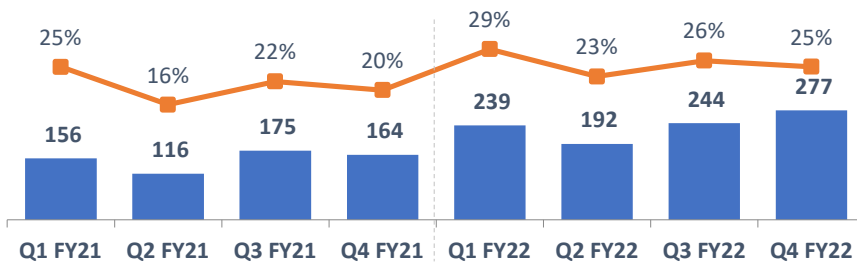
Historical Financial Trends

Standalone | ₹ Crore

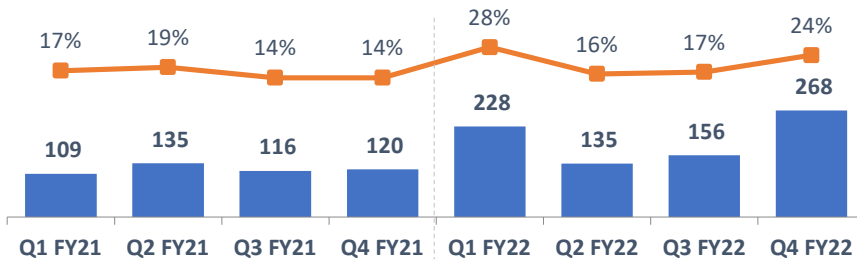
Revenue



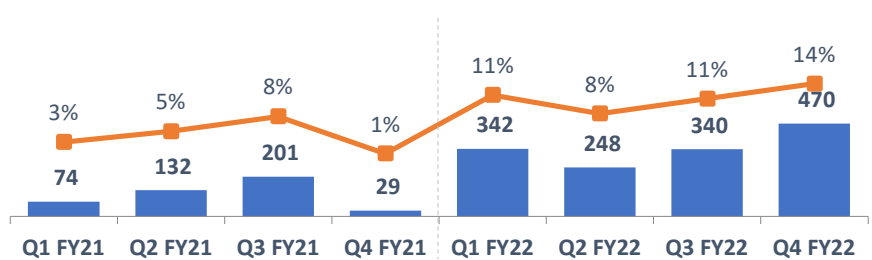
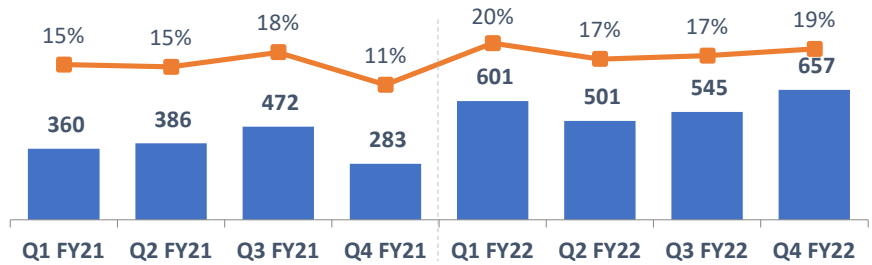
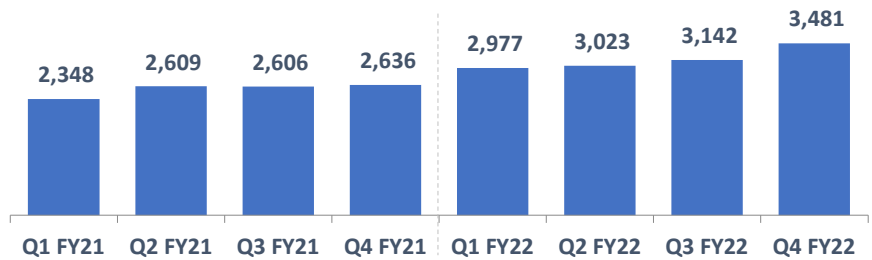
EBITDA & Margin



PAT & Margin



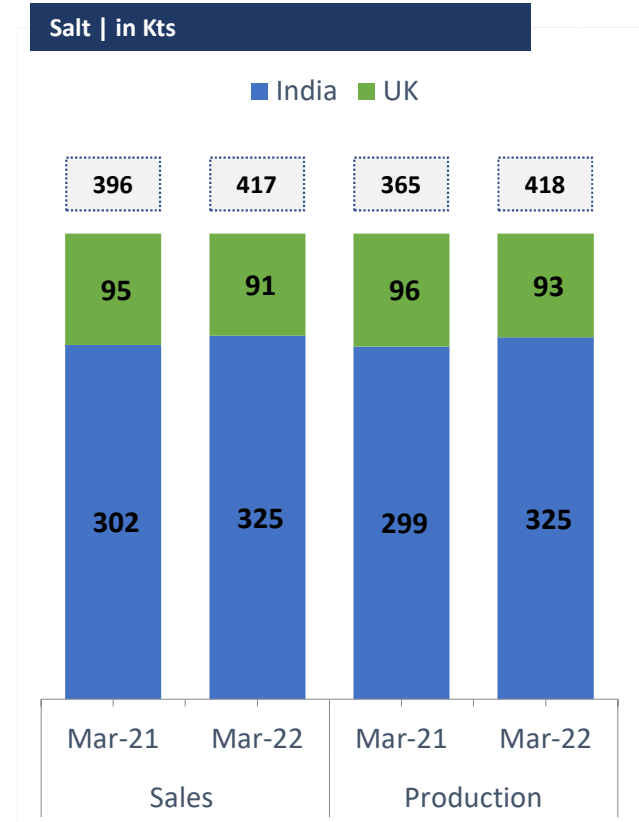
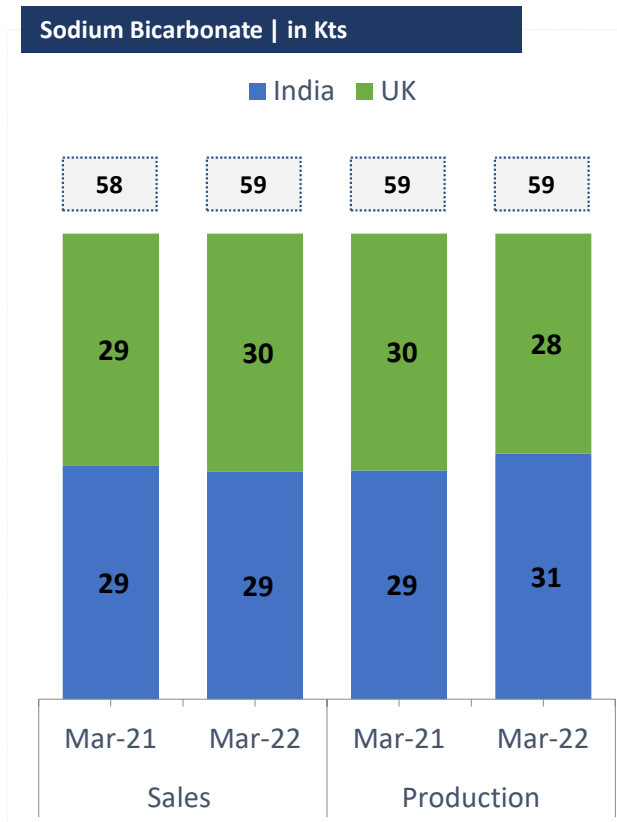
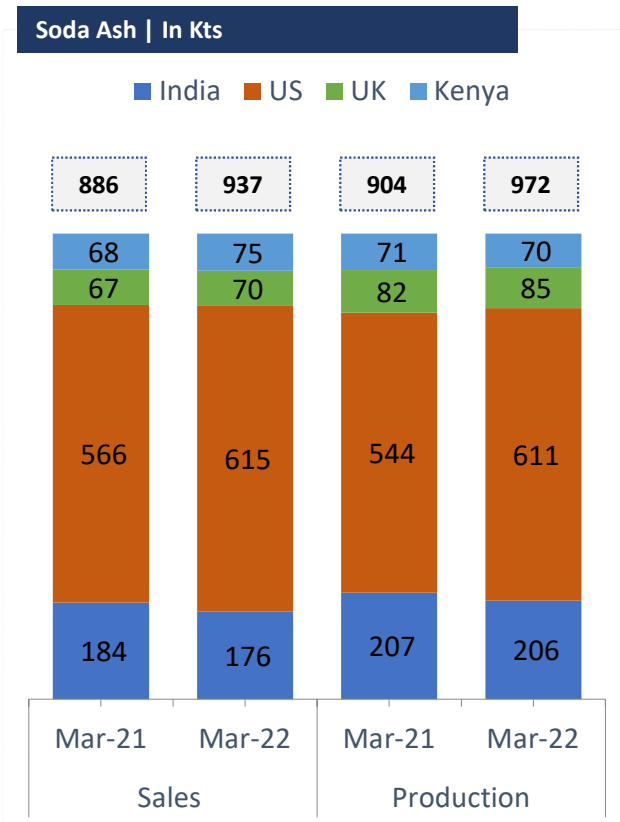
Consolidated | ₹ Crore



Balance Sheet as on Mar22

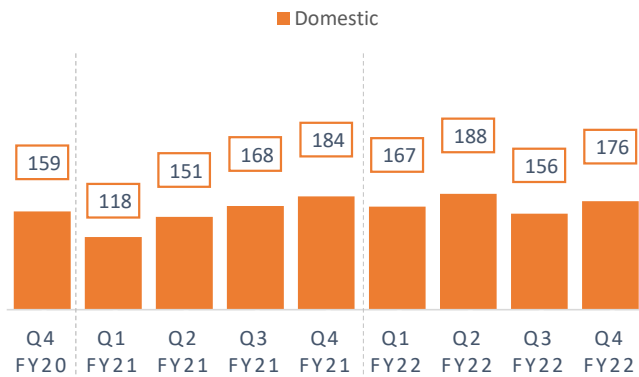
Rs Cr	Consolidated		Standalone	
	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22
Non - Current Assets	21,691	25,098	11,789	14,170
Inventories	1,687	2,294	522	880
Investments	1,563	1,325	1,282	1,113
Trade Receivables	1,397	1,933	145	182
Cash and Cash Equivalents	1,411	1,310	685	493
Others Current Assets	588	1,883	242	179
Total Assets	28,337	33,843	14,665	17,017
Equity & Reserves	14,290	18,253	13,257	15,342
Non - Controlling Interests	853	905	-	-
Non-Current Liabilities	3,343	3,729	364	543
Borrowings (Non-Current) / Lease Liabilities	5,388	3,861	5	0
Borrowings (Current)	1,544	3,164	4	3
Trade Payables	1,683	2,445	482	561
Others Current Liabilities	1,236	1,487	553	567
Total Equities and Liabilities	28,337	33,843	14,665	17,017

Quarterly Volumes | Key Products

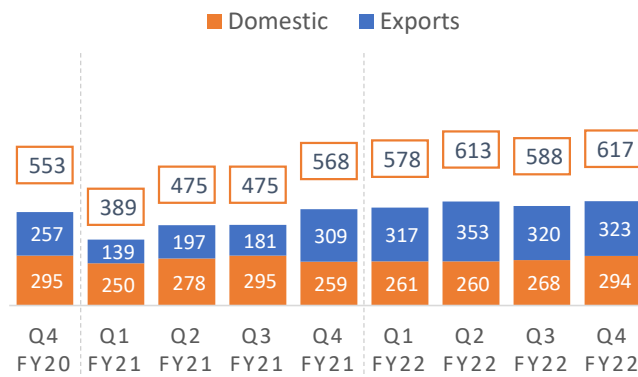


Soda Ash Volume Trends

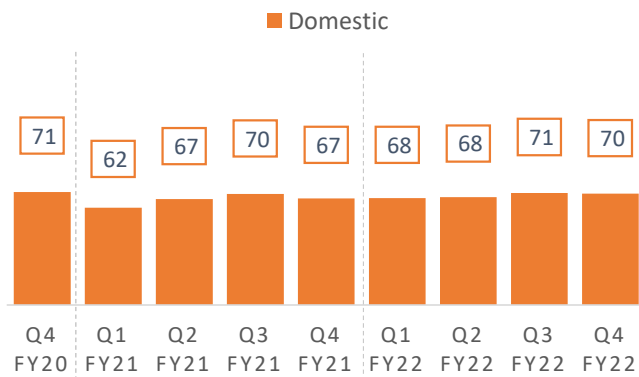
India | In Kts



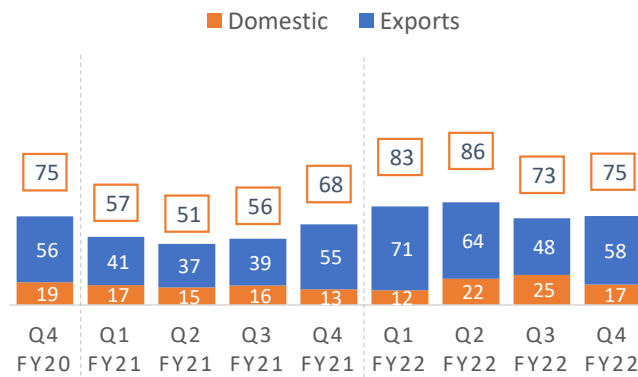
US | In Kts



UK | In Kts



Kenya | In Kts



- ❖ US delivers robust sales volumes on the back of strong export demand.
- ❖ India, UK and Kenya sales volumes remained steady

Q4 FY22 : India Business

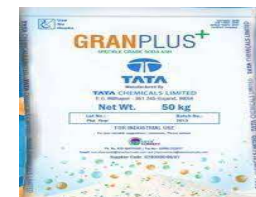
Entities	Key Highlights
TCL India	<ul style="list-style-type: none"> → Revenue for India business stood at ₹ 1,115 Cr (up 33%), EBIT was ₹ 218 Cr up (vs ₹ 112 Cr PY). → Robust performance delivered on the back of steady volumes and operational excellence and efficiencies
Rallis India Limited	<ul style="list-style-type: none"> → Revenue at ₹ 507 Cr vs ₹ 471 Cr and EBIT stood at ₹ (20) Cr vs ₹ 5 Cr PY → Revenue growth coming from domestic and International business. → Margins impacted due to higher input cost and one-time charges of slow-moving inventory



Basic Chemistry Products includes Soda Ash, Bicarb , Salt , Marine Chemicals and Other products

Q4 FY22: Overseas Business

Entities	Key Highlights
US	<ul style="list-style-type: none"> → Revenue at ₹ 1,092 Cr (up by 35%) and EBIT was ₹ 195 Cr (vs. ₹ (19) Cr PY) → US volumes remain strong with growth in domestic and export market. Export prices back to pre covid levels. Gas prices spiked during the quarter and remains at elevated levels.
UK	<ul style="list-style-type: none"> → Revenue at ₹ 576 Cr (up by 50%) and EBIT was ₹ 0 Cr (vs. ₹ (15) Cr PY). → UK soda ash volumes remains steady; Margins were impacted due to higher variable cost especially in carbon, gas and other raw materials.
Kenya	<ul style="list-style-type: none"> → Revenue at ₹ 171 Cr (up by 49%) and EBIT was ₹ 53 Cr (vs. ₹ 12 Cr PY). → Kenya operation maintained its steady performance with higher sales volume and higher export realisations. → Margins improved vs PY. Unit continues its focus to optimization cost and improve efficiencies.



Speciality Products Includes Nutritional Solutions, Silica and Rallis India

Unit wise Profit & Loss

Statement of Profit and Loss for the quarter ended Mar22

Units ₹ Cr	TCL India			US			UK			Kenya			Rallis			Consolidated		
	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var
Revenues	841	1,115	273	807	1,092	285	383	576	192	115	171	56	471	507	36	2,636	3,481	844
EBITDA	164	277	112	63	275	212	19	41	22	20	60	40	20	(0)	(21)	283	657	375
EBIT	112	218	107	(19)	195	214	(15)	0	15	12	53	41	5	(20)	(25)	91	452	361
PBT	158	315	157	(60)	171	231	(28)	(12)	16	10	51	41	12	(16)	(28)	80	513	433
PAT (before NCI)	120	268	149	(52)	174	227	(44)	(12)	32	10	51	41	8	(14)	(22)	29	470	441
PAT (after NCI)																12	463	451

Statement of Profit and Loss for the Year Ended Mar22

Units ₹ Cr	TCL India			US			UK			Kenya			Rallis			Consolidated ¹		
	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var	PY	CY	Var
Revenues	2,999	3,721	722	2,878	3,688	810	1,409	1,949	540	413	577	164	2,424	2,602	178	10,200	12,622	2,422
EBITDA	611	951	340	351	787	436	138	118	(20)	62	143	81	325	276	(49)	1,501	2,305	804
EBIT ²	414	729	315	26	464	438	0	(40)	(40)	28	114	86	261	201	(60)	741	1,499	757
PBT ³	614	988	374	(170)	338	509	(40)	(85)	(45)	20	94	74	303	222	(81)	634	1,667	1,033
PAT (before NCI)	479	786	307	(130)	336	466	(56)	(85)	(29)	20	94	74	229	164	(64)	436	1,400	964
PAT (after NCI) ⁴																256	1,253	996

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

1. Consolidated financials is after adjusting SPV & other adjustments , 2. EBIT excludes Other Income 3. PBT is after exceptional items & Share in JV and PAT (before NCI) 4. Rallis financials represent 100 % share. Consolidated numbers is after adjustment of Rallis India's NCI.

Strategic Priorities



- | | |
|--------|---|
| TCL | <ul style="list-style-type: none"> • Deliver consistent market and customer delivery performance • Deliver capacity expansions on schedule - First phase of Soda Ash, Bicarb & Salt expansion on stream by FY23 • Continue focus on costs • Qualification with customers on Prebiotics & Silica |
| Rallis | <ul style="list-style-type: none"> • Extend Portfolio offerings: New product introductions, plug portfolio gaps by leveraging Rallis multiple chemistry competencies • Strengthen Manufacturing: Invest for future across manufacturing, R&D and registrations • Widen Reach: Leverage Rallis brand power, deep rooted connect with farmers. Expand distribution reach |



- | | |
|-------|---|
| US | <ul style="list-style-type: none"> • Maximize plant output & Ensure customer demand is fully met • Complete ANSAC exit through own supply chain & sales network • Generate cash and repay debt |
| UK | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Sustain volume delivery to customers • Continuous cost focus • Generate cash and deleverage |

Invest and grow in India

Focus on cash generation across geographies

Deleverage international debt

Sustainability and Employee Engagement

ESG initiatives



	Priorities	Focus Areas
Climate Change	Signed SBTi and taken absolute carbon emission reduction target	<ul style="list-style-type: none"> Fuel Change, Energy efficiency, renewable energy & CCU & usage.
Circular Economy	Water Neutrality, zero solid waste and recycle	<ul style="list-style-type: none"> Water harvesting and conservation Solid waste recycle & cement plant consumed waste utilising waste material at Mithapur
Biodiversity	Preserve Natural Capital, conservation & restoration of biodiversity	<ul style="list-style-type: none"> Mangroves plantation in and around Mithapur Whale shark conservation Water harvesting for farm lands



Carbon Capture Utilisation Unit in UK commissioned in current year and operating well.

Employee Safety and Health

Mock Drill at Cuddalore



Fire Fighting Training Mambattu



Safety communication to contractors Mithapur



TCML Mock Fire Drill



Expansion Plan on track

Phase I expansion (current)						
Products	Capacity (Lacs MT)		H1 FY23	H2 FY23	H1 FY24	H2 FY24
	Current	Additional				
Soda Ash	9.17	2.30		0.45		1.85
Bicarb	1.05	0.70			0.70	
Salt	11.70	3.30		3.30		

Phase II expansion (planned)	
Products	Incremental Capacity (after Phase I)
Soda Ash	~30%
Bicarb	~40%
Silica	5x



~ Rs 2,000 Cr over 5 years



Awards and Recognitions



Tata Chemicals bagged the award in circular economy and carbon neutrality innovations category at the 15th edition of Quality Innovations Awards 2021.



CEAT Ltd. Confers Tata Chemicals with “Innovation Award” for HDS



Tata Chemicals along with TCPL, Tata Insights and Quants bagged Best Corporate Award at the 8th International Conference on Business Analytics and Intelligence (ICBAI) organized by the Operational Research Society of India Bangalore Chapter (ORSI-BC), Department of Management Studies-Indian Institute of Science (IISc) and Analytics Society, IIM Bangalore

Thank You

For any queries please contact below :

Sridhar Radhakrishnan

rsridhar@tatachemicals.com

Sameer V Kulkarni

sakulkarni@tatachemicals.com

Gavin Desa

gavin@cdr-india.com

Suraj Digawalekar

suraj@cdr-india.com

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