

**Tata Chemicals Limited**

Regd. Office: Bombay House, 24 Homi Mody Street, Mumbai - 400 001

**Consolidated Unaudited Financial Results for the quarter and half-year ended 30th September, 2011**

(₹ in lakhs)

Particulars	Quarter ended 30th September, 2011	Quarter ended 30th September, 2010	Half-year ended 30th September, 2011	Half-year ended 30th September, 2010	Year ended 31st March, 2011 (Audited)
1 a) Sales / Income from Operations (Note 3)	360836	298607	658284	551209	1110240
Less : Excise Duty	6852	5862	11933	10471	20778
Net Sales/ Income from Operations	353984	292745	646351	540738	1089462
b) Other Operating Income (Note 4)	3112	5608	6140	9956	16553
	357096	298353	652491	550694	1106015
2 Expenditure					
a) Decrease/(Increase) in Stock-in-trade and Work in progress	(22766)	(3497)	(55102)	(43251)	(4664)
b) Consumption of Raw Materials	105194	83184	193563	152408	305007
c) Purchase of Traded Goods	70263	54999	118126	122509	144884
d) Employees Cost	22282	19769	45509	39281	81971
e) Stores, Spare Parts and Consumables	12374	10844	25185	20280	42948
f) Power and Fuel	35088	28834	69039	54922	117779
g) Freight and Forwarding Charges	32411	29503	64307	55796	113107
h) Depreciation and amortisation	12504	10948	24994	21853	45105
i) Other Expenditure	34846	31876	71783	54141	118632
Total Expenditure (2a to 2i)	302196	266460	557404	477939	964769
<b>3 Profit from Operations before Other Income, Interest and Exceptional Items (1-2)</b>	<b>54900</b>	<b>31893</b>	<b>95087</b>	<b>72755</b>	<b>141246</b>
4 Other Income					
a) Profit on sale of long term investments (Note 1b)	3051	-	3051	-	1675
b) Others	5126	2793	6913	4771	7944
	8177	2793	9964	4771	9619
<b>5 Profit before Interest &amp; Exceptional Items (3+4)</b>	<b>63077</b>	<b>34686</b>	<b>105051</b>	<b>77526</b>	<b>150865</b>
6 Interest	10156	9882	19510	18774	35083
<b>7 Profit after Interest but before Exceptional items (5-6)</b>	<b>52921</b>	<b>24804</b>	<b>85541</b>	<b>58752</b>	<b>115782</b>
8 Exceptional Items:					
a) Notional Exchange Loss/(Gain) on restatement of long term borrowings (net)	4727	(197)	5263	1572	3
b) Impairment of assets	-	-	-	-	1008
c) Voluntary Retirement Scheme cost	99	-	229	-	2675
	4826	(197)	5492	1572	3686
<b>9 Profit before tax (7-8) (Notes 1 &amp; 2)</b>	<b>48095</b>	<b>25001</b>	<b>80049</b>	<b>57180</b>	<b>112096</b>
10 Tax Expense	13569	6546	19915	13277	27492
<b>11 Net Profit after tax but before minority interest (9-10) (Notes 1 &amp; 2)</b>	<b>34526</b>	<b>18455</b>	<b>60134</b>	<b>43903</b>	<b>84604</b>
12 Minority Interest	6983	5745	12604	9596	19257
<b>13 Net Profit for the Group (11-12) (Notes 1 &amp; 2)</b>	<b>27543</b>	<b>12710</b>	<b>47530</b>	<b>34307</b>	<b>65347</b>
14 Paid up Equity Share Capital (Face value : ₹ 10 per Share)	25482	25482	25482	25482	25482
15 Reserves excluding Revaluation Reserves					519687
<b>16 Earnings - ₹ per Share (Notes 1 &amp; 2)</b>					
- Basic	<b>10.81*</b>	<b>5.11*</b>	<b>18.66*</b>	<b>13.95*</b>	<b>26.10</b>
- Diluted	<b>10.81*</b>	<b>5.11*</b>	<b>18.66*</b>	<b>13.95*</b>	<b>26.10</b>
17 Debt Service Coverage Ratio (Note 6)			5.56	2.68	3.49
18 Interest Service Coverage Ratio (Note 6)			5.56	4.66	4.79
19 Public Shareholding					
- Number of Shares	17,55,92,872	17,48,12,758	17,55,92,872	17,48,12,758	17,51,96,923
- Percentage of shareholding	68.93%	68.62%	68.93%	68.62%	68.77%
20 Promoters and promoter group Shareholding					
a) Pledged/Encumbered					
- Number of Shares	7,69,276	1,53,85,522	7,69,276	1,53,85,522	1,53,85,522
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.97%	19.25%	0.97%	19.25%	19.34%
- Percentage of shares (as a % of the total share capital of the company)	0.30%	6.04%	0.30%	6.04%	6.04%
b) Non-encumbered					
- Number of Shares	7,83,94,130	6,45,57,998	7,83,94,130	6,45,57,998	6,41,73,833
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.03%	80.75%	99.03%	80.75%	80.66%
- Percentage of shares (as a % of the total share capital of the company)	30.77%	25.34%	30.77%	25.34%	25.19%

\* Not Annualised

**Tata Chemicals Limited**  
**Consolidated Unaudited Segmentwise Revenue, Results and Capital Employed**

(₹ in lakhs)

Particulars	Quarter ended 30th September, 2011	Quarter ended 30th September, 2010	Half-year ended 30th September, 2011	Half-year ended 30th September, 2010	Year ended 31st March, 2011 (Audited)
<b>1 Segment Revenue</b>					
a. Inorganic Chemicals	163820	128760	317787	258090	541951
b. Fertilisers	141602	124501	244179	220082	429434
c. Other Agri Inputs	49351	38779	85890	61917	117443
d. Others	2016	1379	3509	2070	5114
Less: Inter Segment	2805	674	5014	1421	4480
<b>Total Segment Revenue</b>	<b>353984</b>	<b>292745</b>	<b>646351</b>	<b>540738</b>	<b>1089462</b>
<b>2 Segment Result</b>					
a. Inorganic Chemicals	35105	18866	66209	43254	89020
b. Fertilisers	15434	6337	24375	23341	42847
c. Other Agri Inputs	9446	8791	13989	10921	19220
d. Others	(1699)	(716)	(3014)	(1123)	(3172)
Total	58286	33278	101559	76393	147915
Less :					
(i) Interest	10156	9882	19510	18774	35083
(ii) Net Unallocated Expenditure	35	(1605)	2000	439	736
<b>Profit before Tax</b>	<b>48095</b>	<b>25001</b>	<b>80049</b>	<b>57180</b>	<b>112096</b>
<b>3 Capital Employed</b>					
a. Inorganic Chemicals	884788	719732	884788	719732	789972
b. Fertilisers	108626	105194	108626	105194	143062
c. Other Agri Inputs	107056	64042	107056	64042	85821
d. Others	16480	10046	16480	10046	13295
e. Unallocated	(441518)	(318177)	(441518)	(318177)	(446336)
<b>Total</b>	<b>675432</b>	<b>580837</b>	<b>675432</b>	<b>580837</b>	<b>585814</b>

**Tata Chemicals Limited**  
**Consolidated Unaudited statement of Assets and Liabilities**

(₹ in lakhs)

Particulars	As at 30th September, 2011	As at 30th September, 2010	As at 31st March 2011 (Audited)
<b>1 SHAREHOLDERS' FUNDS</b>			
a. Capital	25482	25482	25482
b. Reserves and Surplus	604193	517463	519687
<b>2 MINORITY INTEREST</b>	45757	37892	40645
<b>3 DEFERRED CAPITAL GRANT</b>	-	234	-
<b>4 LOAN FUNDS</b>	600130	467387	569974
<b>5 FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE</b>	-	507	-
<b>6 DEFERRED TAX LIABILITY (net)</b>	12609	18418	16787
<b>Total</b>	<b>1288171</b>	<b>1067383</b>	<b>1172575</b>
<b>7 FIXED ASSETS</b>	466874	388740	449047
<b>8 GOODWILL ON CONSOLIDATION</b>	613270	535116	563242
<b>9 INVESTMENTS</b>	71845	121205	44790
<b>10 FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE</b>	6386	-	-
<b>11 DEFERRED TAX ASSET (net)</b>	11667	18239	16347
<b>12 CURRENT ASSETS, LOANS AND ADVANCES</b>			
a. Inventories	190925	149587	114559
b. Sundry Debtors	223188	127379	136535
c. Cash and Bank Balances	121186	72682	134504
d. Loans and Advances	76438	71301	78194
<b>13 Less: CURRENT LIABILITIES AND PROVISIONS</b>			
a. Liabilities	368987	297699	232634
b. Provisions	124621	119167	132009
<b>Total</b>	<b>1288171</b>	<b>1067383</b>	<b>1172575</b>

## NOTES TO CONSOLIDATED UNAUDITED FINANCIAL RESULTS:

1. Figures of the corresponding period in previous year are not comparable for the following reasons:
  - a. In January 2011, the Company, through its wholly-owned overseas subsidiaries, acquired 100% stake of British Salt Limited, UK ("BSL"). Net Profit of the Group after minority interest for the quarter and half-year ended 30<sup>th</sup> September, 2011 includes ₹ 2726 lakhs and ₹ 4949 lakhs respectively (corresponding previous periods include ₹ Nil and for the year ended 31<sup>st</sup> March, 2011 ₹ 1049 lakhs), on account of BSL.
  - b. Results for the quarter and half-year ended 30<sup>th</sup> September, 2011 are higher due to the profit on sale of long term investments of ₹ 3051 lakhs.
2. The actuarial gains and losses on the funds for employee benefits (pension plans) of the overseas subsidiaries have been accounted in "Reserves and Surplus" in the consolidated financial statements in accordance with the generally accepted accounting principles applicable and followed in the respective country of incorporation. The Management is of the view that due to volatility and structure of the overseas pension funds, it is not considered practicable to adopt a common accounting policy and deviation is as permitted by AS 21. Had the practice of recognising the actuarial gains and losses of pension plans of the overseas subsidiaries in the Profit and Loss Account been followed, the consolidated net profit before tax and net profit after tax and minority interest would have been higher/(lower) by amounts as per table below:

(₹ in lakhs)

Sr. No.	Impact on :	Quarter ended 30 <sup>th</sup> September, 2011	Quarter ended 30 <sup>th</sup> September, 2010	Half-year ended 30 <sup>th</sup> September, 2011	Half-year ended 30 <sup>th</sup> September, 2010	Year ended 31 <sup>st</sup> March, 2011 (Audited)
1.	Consolidated Net profit before tax	(4464)	1209	(6672)	(3344)	2233
2.	Consolidated Net profit after tax & minority interest	(3320)	974	(4970)	(2201)	303

The Statutory Auditors have invited attention to this Note in their review report.

3. For the quarter and half-year ended 30<sup>th</sup> September, 2011, the Company has not recognised subsidy income of ₹ 1399 lakhs and ₹ 4491 lakhs respectively, on Opening stock as on 1<sup>st</sup> April, 2011 of Raw Materials for Phosphatic & Potassic Fertilisers, in accordance with the Office Memorandum dated 11<sup>th</sup> July, 2011 issued by the Department of Fertilisers (DOF) which provides for the Subsidy on such Opening Stocks at old rates applicable to F.Y. 2010-11.

Based on the legal opinion made available, the said Office Memorandum is being represented against / contested. Had the Company recognised the subsidy income from sales made from such Opening Stocks as per the prevalent Nutrient Based Subsidy (NBS) policy without giving effect to the said Office Memorandum, the Sales / Income from operations and Net profit of the Group after minority interest would have been higher by ₹ 1399 lakhs and ₹ 1039 lakhs respectively for the quarter and ₹ 4491 lakhs and ₹ 3325 lakhs respectively for the half-year ended 30<sup>th</sup> September, 2011.

4. For the quarter and half-year ended 30<sup>th</sup> September, 2011, other operating income includes ₹ Nil (corresponding quarter and half-year in previous year ₹ 1788 lakhs and ₹ 3535 lakhs respectively and for the year ended 31<sup>st</sup> March, 2011 ₹ 3609 lakhs) as estimated insurance claim for loss of profit pertaining to Company's Fertiliser Plant at Babrala (on account of temporary disruption due to fault in Synthesis Converter in the ammonia plant upto 31<sup>st</sup> August, 2010).

5. In September 2011, the Company, through its wholly-owned step down overseas subsidiaries, acquired equity stake of 25.70% and share purchase warrants, which entitles holder to subscribe equity shares until September 2012, in EPM Mining Ventures Inc. ("EPM"), a company listed on the Toronto Stock Exchange in Canada, for a total consideration of USD 37 million (approx ₹ 166 crores). Upon exercise of the above share warrants, the overall stake of the Group in EPM will increase to 30.60%. Acquisition being recent, and considering the scale of operations of EPM, during the current quarter the same has not been considered for consolidation.
6. Ratios are based on standalone financial results. Formula used for calculation of ratios are as below:
- a) Debt Service Coverage Ratio = Profit before Depreciation, Interest and Tax / (Interest + Principal repayment of long term loans)
- b) Interest Service Coverage Ratio = Profit before Depreciation, Interest and Tax / Interest
7. The standalone audited financial results of the Company for the quarter and half-year ended 30<sup>th</sup> September, 2011 are as follows:

(₹ in lakhs)

	Quarter ended 30 <sup>th</sup> September, 2011	Quarter ended 30 <sup>th</sup> September, 2010	Half-year ended 30 <sup>th</sup> September, 2011	Half-year ended 30 <sup>th</sup> September, 2010	Year ended 31 <sup>st</sup> March, 2011
Turnover (net of excise)	196473	167555	354103	310336	622527
Profit before Tax	18529	7334	33560	27315	55870
Net Profit after Tax	13762	5072	24845	20196	40849

8. Status of investor complaints for the quarter ended 30<sup>th</sup> September, 2011:

Opening - 4 ; Received - 7 ; Resolved - 11 ; Closing - 0

9. The standalone financial results of the Company are available for investors at [www.tatachemicals.com](http://www.tatachemicals.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).
10. The previous period figures have been regrouped / rearranged wherever necessary.
11. The above results were reviewed by the Audit Committee and approved by the Board of Directors and the same have been reviewed by the Statutory Auditors.

TATA CHEMICALS LIMITED

RATAN N. TATA  
CHAIRMAN

Place: Mumbai

Date: 11<sup>th</sup> November, 2011