August 14, 2017

The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Scrip Code: **500770**

The Manager, Listing Department
The National Stock Exchange of India Ltd
Exchange Plaza
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051
Symbol: **TATACHEM**

Dear Sir, Madam,

Sub: Annual Report under Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015")

Pursuant to Regulation 34 (1) of the Listing Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2016-17.

This is for your information and records.

Thanking you,

Yours faithfully,
FOR TATA CHEMICALS LIMITED

RAJIV CHANDAN
GENERAL COUNSEL & COMPANY SECRETARY

Encl: As above

TATA CHEMICALS

TATA

Reimagine life

78th Annual Report
2016-17

Reimagine life

About this Report

The Company continues to lay emphasis on making voluntary disclosures to keep its stakeholders fully informed on all aspects of its business. In keeping with the same, the Company has made an effort to further enhance the disclosures and information provided in its annual report (Page 1-48) to align with the Integrated Reporting <IR>, the framework by International Integrated Reporting Council (IIRC) and SEBI circular dated 6 February, 2017. Readers are requested to note that the non-financial data in the IR are management estimates and may change subsequently in its Sustainability Report for FY2016-17 to be published shortly.

Our guiding philosophy is to use the prowess of Science for improving the quality of life for everyone. As a business which develops products and solutions that are essentials for LIFE – broadly categorised as **L**iving Essentials, **I**ndustry Essentials and **F**arm **E**ssentials – innovation has been an invariable part of the journey. We could excel in all our businesses because we could constantly innovate and rediscover ourselves in each of our business segments.

After our pioneering efforts of developing the market for iodised salt in India, our Living Essentials business kept broadening its horizons – starting from pulses, spices to water purifiers. The social enterprise model for Tata Swach has been exemplary in the way we reach out to the masses by revamping conventional marketing.

With years of experience, scientific expertise and deep understanding of today's consumers' nutrition and health requirement, we are now offering a range of Nutritional Solutions. This bears a testimony to how we reinvigorate our business aligning ourselves with our consumers' priorities.

For our Industrial Essentials business as well, we have left a similar imprint. Being the world's second-largest producer of soda ash and fourth-largest producer of sodium bicarbonate, our products touch people's lives in innumerable ways . We provide essential inputs to diverse industries including: pharmaceuticals, glass, dyes, food, textiles, mining, to name a few. With our manufacturing facilities located across four continents of North America (TCNA), Europe (TCE), Africa (TCM) and Asia (TCL), we innovated and realigned our practices as per the specificities and uniqueness of every region.

Keeping Sustainability and Resource Optimisation at the forefront, our operations are setting industry benchmarks. Our Mithapur facility is a Zero Waste plant. Foraying into yet another technology enabled, differentiated business, Tata Chemicals will start its operations at Gujarat for manufacturing HDS (Highly Dispersible Silica), a versatile product with applications in many industries including rubber, coatings and agrochemicals. The technology for manufacturing HDS has been developed at our Innovation Centre in Pune.

The course of development for our Farm Essentials business is no different. Our agri-solutions to farmers include fertilisers, pesticides and specialty nutrients. Going beyond the provision of products, we share information with farmers on new and improved agronomic practices and use of agricultural inputs.

Through our businesses, we aim to build a happier and healthier life for our customers and our neighbouring communities. We endeavour to transform the life of our communities through concerted efforts towards empowerment, conservation of culture and conservation of nature.

At every stage of growth, we have tried to realign our practices, reinvigorate our businesses and rediscover ourselves. We are now ready for the next frontier of growth. Our phenomenal journey from being a chemicals company to a company which leverages science to provide innovative solutions for life; has been possible because we constantly endeavour to 'Reimagine LIFE'.

TCNA - Tata Chemicals North America; TCE - Tata Chemicals Europe;
TCM - Tata Chemicals Magadi; TCL - Tata Chemicals Limited

Contents

Tata Chemicals ***at a Glance***

At Tata Chemicals, we work to harness the fruits of science for goals that go beyond business. Part of the over $100 billion Tata Group, we serve customers across 5 continents. Our businesses focus on essentials for LIFE: Living, Industry and Farm Essentials:

LIVING ESSENTIALS

Through our Living Essentials products, we aim to provide nourishment and nutrition to millions of consumers across India. These include iodised & iron fortified salt, high protein unpolished pulses, aromatic spices as well as, nutritional products and ingredients Nx (low-calorie sugar substitute) and NQ range.

Tata Swach is an innovative, low-cost, nanotechnology based, offline water purifier providing safe water to the masses through a Social Enterprise model.

INDUSTRY ESSENTIALS

The Industry Essentials strives to provide sustainable inorganic chemistry solutions to customers across the globe. Our key products of Soda Ash & Sodium Bicarbonate are vital ingredients to diverse industries including glass, detergents, sodium silicate, textiles, food, feed, mining and chemical processing. The business strategy is delivering value-added, differentiated products and solutions while driving cost competitiveness.

FARM ESSENTIALS

Our Farm Essentials business offers multiple farm inputs that are required to improve crop health and productivity. These include fertilisers, pesticides, specialty nutrients, seeds and agro-services.

Tata Kisan Sansar (TKS) and Rallis Kisan Kutumb (RKK) is a network that offer information on new and improved agronomic practices and facilitate use of agricultural inputs.



Mission: Serving Society through Science.

Our Mission, Vision and Values lay the blue-print of all our businesses.

Values: Safety, Passion, Integrity, Care and Excellence.

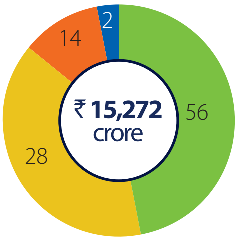
Vision: To be a sustainable company with deep customer insights and engaging relationships with all stakeholders in industrial chemicals, branded agri & consumer products.



Cultural Pillars

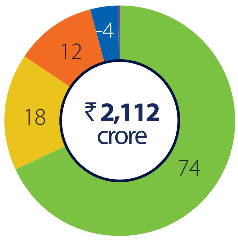
- ***Proactive Cost Focus***
- ***Agile Execution***
- ***Collaborative Innovation***
- ***Trusting Relationships***

Segmental Revenue (Consolidated) (%)



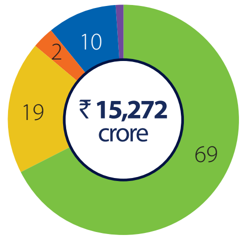
Inorganic chemicals | Other agri inputs | Fertilisers | Others | Unallocated (0.02)

Segmental Results PBIT (Consolidated) (%)



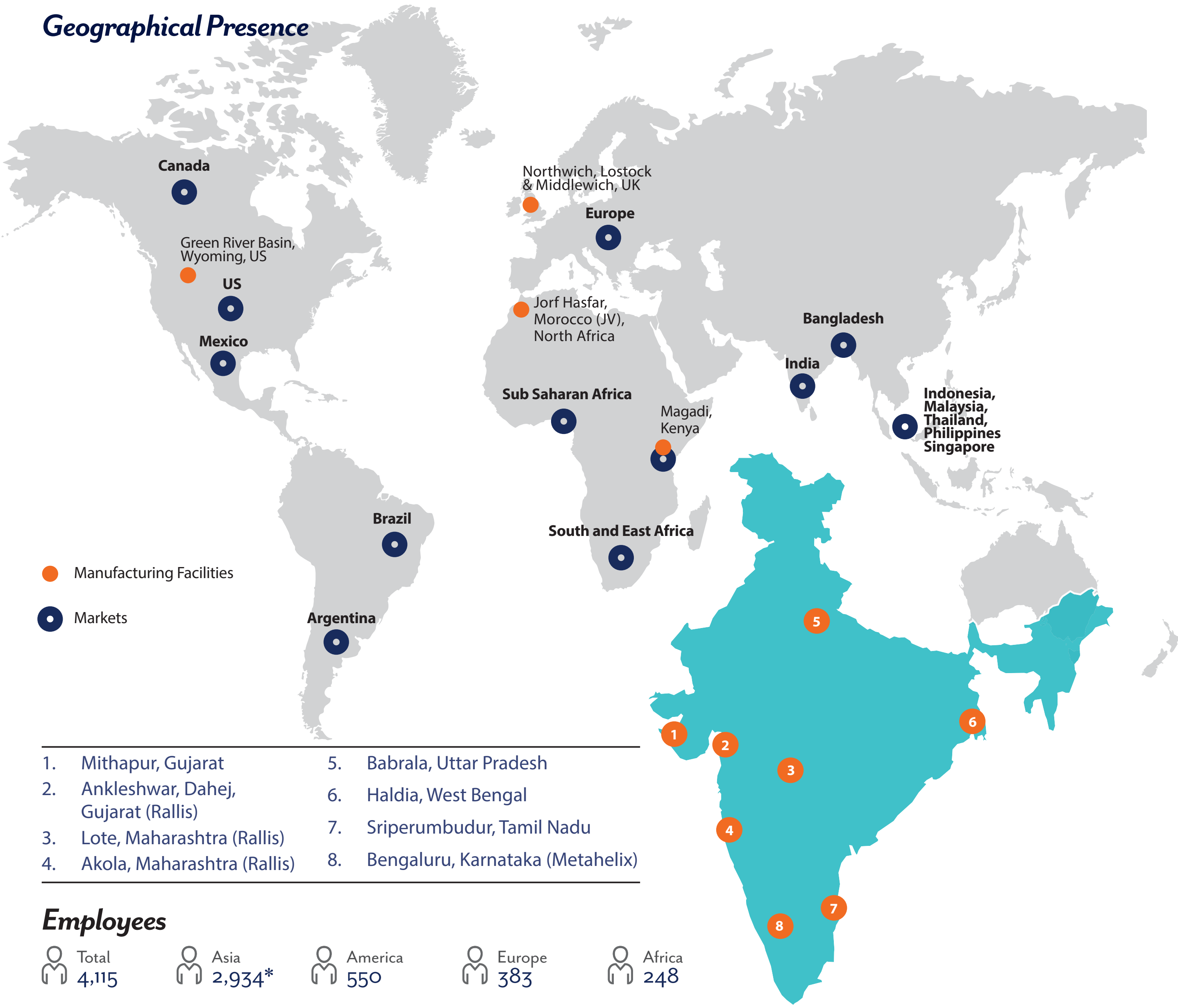
Inorganic chemicals | Other agri inputs | Fertilisers | Others | Unallocated (0.30)

Geographical Revenue (Consolidated) (%)



Asia | Africa | America | Europe | Others (0.04)

Geographical Presence



1. Mithapur, Gujarat
2. Ankleshwar, Dahej, Gujarat (Rallis)
3. Lote, Maharashtra (Rallis)
4. Akola, Maharashtra (Rallis)
5. Babrala, Uttar Pradesh
6. Haldia, West Bengal
7. Sriperumbudur, Tamil Nadu
8. Bengaluru, Karnataka (Metahelix)

Employees

Total	Asia	America	Europe	Africa
4,115	2,934*	550	383	248

* Excluding Rallis and Metahelix

Map not to Scale

Board of ***Directors***

Strong leadership and effective corporate governance practices have been the Company's hallmark and it has inherited these from the Tata culture and ethos.

Mr. Bhaskar Bhat

NON-EXECUTIVE DIRECTOR

Mr. Bhat is a non-executive director, of Tata Chemicals Limited. He has an extensive experience and expertise in sales and marketing. He is the Managing Director of Titan Company Ltd. At Titan, he has handled several portfolio like sales and marketing, HR, international business and has been responsible for the outstanding growth of the company. He is also a member of the governing council at the TA Pai Management Institute, Manipal, and the SDM Institute of Management and Development, Mysore. He is a Distinguished Alumnus of IIT Madras.

2 4

Mr. Nasser Munjee

INDEPENDENT DIRECTOR

Mr. Munjee is an independent director on the board of Tata Chemicals Limited since 2006. In the past, he served HDFC bank for over 20 years and was an Executive Director there. He was a Managing Director at IDFC and a technical advisor on the World Bank's Public Private Partnership Infrastructure and Advisory Fund. He is also associated with several public and private institutions in leading positions such as a chairman, a member of the board or as a trustee. He holds a master's degree in economics from the London School of Economics.

1 4 6

Dr. YSP Thorat

INDEPENDENT DIRECTOR

Dr. Thorat, is an independent director on the board of Tata Chemicals Limited since 2010. He has been a chairman of the National Bank of Agriculture and Rural Development (NABARD) and executive chairman of the Dryland Farming Commission. He has chaired the Agriculture Universities Recruitment Board, Government of Maharashtra and is actively associated with various academic institutes. He has significantly contributed to the field of policy support for agriculture finance, supervision and export credit. A university rank holder in political science, Dr. Thorat has a degree in law, a doctorate in economics and is a D.Lit. He is a recipient of the prestigious Gopal Krishna Gokhale Award.

1 2 4 6

Chairman Member

1 Audit Committee

2 Executive Committee of the Board (Non-Statutory)

3 Stakeholders' Relationship Committee

4 Nomination and Remuneration Committee

5 CSR, Safety and Sustainability Committee

6 Risk Management Committee (Non-Statutory)

Ms. Vibha Paul Rishi

INDEPENDENT DIRECTOR

Ms. Rishi is an independent director on the board of Tata Chemicals Limited since 2014. She is an experienced marketing professional with stints in Indian and international markets, coupled with an abiding passion for people. Her last role was as the executive director, brand and human capital of Max India, prior to which she was the director, marketing and customer strategy at the Future Group. She has been with PepsiCo for 17 years in leadership roles in the areas of marketing and innovation in India, US and UK. She serves on the boards of several reputed companies and is also on the board of Pratham, an NGO that works for educating underprivileged children. She holds a BA degree in economics from Delhi University and a master of business administration degree from the Faculty of Management Studies, New Delhi.

3 5

Mr. S. Padmanabhan

NON-EXECUTIVE DIRECTOR

Mr. Padmanabhan is currently the executive chairman, Tata Business Excellence Group and has recently been given additional responsibility as Head of Group HR for Tata Sons. He is also on the board of Tata Power, Infiniti Retail and The Associated Building Company and is Non-Executive Chairman of Tata Consulting Engineers. His career with Tata group of companies spans over 34 years and began with Tata Consultancy Services, where he held several senior positions. He was also the Executive Director-Operations of Tata Power and was responsible for the profitable and sustainable operations of the company. He is a Glaxo Marketing Scholar Medallist, a Distinguished Alumnus from IIM Bangalore, and a Gold Medallist and a Distinguished Alumnus from PSG College of Technology, Coimbatore. He has completed the Advanced Management Program at the Harvard Business School.

1 3 5 6

Mr. R. Mukundan

MANAGING DIRECTOR AND CEO

Mr. Mukundan is the Managing Director and CEO of Tata Chemicals. During his 27 year career with the Tata group, he has served across the chemical, automotive and hospitality sectors of the group. An engineer from IIT Roorkee, he joined the TAS in 1990, after completion of MBA. He is an alumnus of Harvard Business School.

2 3 5 6

Mr. Ratan N. Tata

CHAIRMAN EMERITUS

Mr. Tata was the chairman of Tata Sons, the holding company of the Tata Group, from 1991 till his retirement on December 28, 2012. Thereafter, he has been conferred the honorary title of chairman Emeritus of Tata Sons, Tata Industries, Tata Motors, Tata Steel and Tata Chemicals. Mr. Tata was the chairman of the major Tata companies and during his tenure the group's revenues grew manifold, totaling over $ 100 billion in 2011-12. Mr. Tata serves on the international advisory boards of Mitsubishi Corporation, JP Morgan Chase and Rolls-Royce. He is the chairman of the Tata Trusts which are amongst India's oldest, non-sectarian philanthropic organisations that work in several areas of community development. He is the chairman of the Council of Management of the Tata Institute of Fundamental Research and also serves on the board of trustees of Cornell University and the University of Southern California. Mr. Tata joined the Tata Group in 1962. After serving in various companies, he was appointed Director-in-Charge of the National Radio & Electronics Company Limited in 1971. In 1981 he was named chairman of Tata Industries, the group's other holding company, where he was responsible for transforming it into a group strategy think- tank, and a promoter of new ventures in high technology businesses. Mr. Tata received a B.Arch. degree from Cornell in 1962. He completed the Advanced Management Program at Harvard Business School in 1975. The Government of India honored Mr. Tata with its second-highest civilian award, the Padma Vibhushan, in 2008.

Management Team

CORPORATE

MR. R. MUKUNDAN
MANAGING DIRECTOR & CEO

MR. JOHN MULHALL
CHIEF FINANCIAL OFFICER

MR. ZARIR LANGRANA
PRESIDENT, GLOBAL CHEMICALS BUSINESS

MR. R. NANDA
CHIEF HUMAN RESOURCES OFFICER

MR. RAJIV CHANDAN
GENERAL COUNSEL AND COMPANY SECRETARY

INDIA OPERATIONS

DR. ARUP BASU
PRESIDENT, NEW BUSINESS AND INNOVATION CENTRE

MR. SANJIV LAL
CHIEF OPERATING OFFICER, INDIA CHEMICALS OPERATIONS

MR. D. K. SUNDAR
CHIEF OPERATING OFFICER, UREA BUSINESS

MR. ASHVINI HIRAN
CHIEF OPERATING OFFICER, PHOSPHATIC & AGRI TRADING BUSINESS

MS. RICHA ARORA
CHIEF OPERATING OFFICER, CONSUMER PRODUCTS

INTERNATIONAL OPERATIONS

MR. MARTIN KEIGHLEY
MANAGING DIRECTOR, TATA CHEMICALS NORTH AMERICA

DR. MARTIN ASHCROFT
MANAGING DIRECTOR, TATA CHEMICALS EUROPE

MR. JACKSON MBUI
MANAGING DIRECTOR, TATA CHEMICALS MAGADI

Other Information

AUDITORS
Deloitte Haskins & Sells LLP
Chartered Accountants

SOLICITORS
AZB & Partners
Mulla & Mulla & Craigie, Blunt & Caroe
Shardul Amarchand Mangaldas
Cyril Amarchand Mangaldas

REGISTRAR & TRANSFER AGENTS
TSR Darashaw Limited
6-10 Haji Moosa
Patrawala Industrial, Estate,
20, Dr. E. Moses Road, Mahalaxmi,
Mumbai 400 011

ANNUAL GENERAL MEETING
Wednesday, 9 August, 2017 at 3:00 p.m.

Venue:
Birla Matushri Sabhagar,
19, Sir Vithaldas Thackersey Marg,
Mumbai 400 020

Managing Director's *Message*

Dear Shareholders,

It gives me immense pleasure to share with you our performance for the year gone by and the journey ahead. The year gone by was marked by tumultuous changes and challenging business environment on several fronts. These changes, driven by forces of Sustainability, Digitisation and Technology will create exciting and transformative opportunities. I am truly energised by the strengths which our Company has built over the years and the transformation agenda in front of us. The theme of this year's annual report also is about transformation. Reimagine LIFE - Reimagine Living, Industry and Farm Essentials - as we continue to Serve Society through Science.

Overall business performance

FY2016-17 was an encouraging year for us. A year in which our businesses delivered excellent performance, including sustained profitability in our international businesses. The performance was led by the Chemicals business which remains the mainstay of our operations. Our India and US businesses delivered stable margins, with better volumes despite challenges in terms of rising energy costs. The performance of our UK business was robust, owing to consistent focus on cost rationalisation. Our Kenyan business successfully overcame its quality challenges during the year.

Tata Salt maintained its No1. position in the Food Category in the Brand Equity Survey. We continued to build our Consumer Food business on that foundation, while we did pause our pulses business, for some time, due to government price intervention, structurally, we see a lot of potential in this space; and we will enhance our focus on value-addition with a range of besan, protein rich mixes and other products. At the same time, our spices continue to gain market share in the three regions even as we prepare to enter the South Indian market. Our Innovation Centre in Pune also launched the TATA Nx sweeteners (Zero Sugar and Lite & Sweet).

During the year, our revenue from continuing operations was ₹ 13,288.92 crore against ₹ 15,220.23 crore last year. The decline was due to a management decision to run the Phosphate fertilisers business to maximise cash generation. This led to improved profitability and PAT sharply up by 29%, over the previous year.

The robust cash flow of our businesses enabled us repay our ECB loan and achieve significant reduction in working capital borrowings and strengthened our balance sheet.

Going Forward - Our Strategy

Our strategy is to maintain our strengths in Chemicals Business while growing the Specialty Business and Consumer Food Business, even as we focus on the Farm Business through our subsidiaries Rallis and Metahelix. We have a unique combination of a Farm business in Rallis, having the Farmer connect and a Food business in Tata Chemicals Limited having the Household connect.

Our decision to exit the Urea Business was a critical move in line with our strategy. The Specialty Business and Consumer Business are going to be our future growth catalysts. We are investing in manufacturing facilities in Gujarat and Andhra Pradesh to develop scale in Specialty Businesses of New Materials like HDS and Nanomaterials and New Nutrition and Foods such as Oligosaccharides and Polyols.

Emerging as future ready

We are focusing our Sustainability efforts around FEW (Food, Energy and Water) challenges facing the world while we continue driving resource optimisation and utilisation in our operations, launching innovative nourishing products and enabling self-reliance amongst farmers and the community.

Our investments in our Food, Farm and Materials technology laboratories in Pune and Bengaluru are yielding several new innovative solutions and products, much of which is highlighted in the annual report.

Our digital initiatives are having a positive impact on our balance sheet. In FY2016-17, we put in place Digitisation agenda and IT infrastructure for integrating our operations, particularly in the domains of Supply Chain management, Customer and Employee engagement. During the year, Digital Projects in Chemicals, Food and Farm businesses were initiated which will enable us to automate processes, improve data quality and predictive analytics, and promote innovation.

In Conclusion

I would like to thank all our Shareholders, including our promoter and principal Shareholder, Tata Group for their support, especially during difficult times few quarters ago, which only reinforced our commitment and our deep belief in our Values and Purpose and the very Principles on which Tata Chemicals Limited and Tata group was founded. While Tata Chemicals Limited is on its way to celebrate 80 years in 2019, last year was 90 years of our founding as Okha Salt Works in Mithapur and next year will be 150 years of Tata Group, I want to thank all our stakeholders, who over the years have made this a memorable journey and we are committed to Serving Society through Science and Reimagining LIFE (Living, Industry and Farm Essentials) in all its facets.

I seek the support and guidance of all our stakeholders in this endeavour.

Best Regards,
R. Mukundan
Managing Director & CEO

Strategy Planning *Process*

The Strategy Planning Process (SPP) at Tata Chemicals emanates from our Mission, Serving Society through Science and our Vision. The process takes inputs from our long-term transformational aspirations (LEAP) and is underpinned by our cultural differentiators and our core values.

EMBEDDING OUR CULTURAL PILLARS

- **P** PROACTIVE FOCUS
- **A** AGILE EXECUTION
- **C** COLLABORATIVE INNOVATION
- **T** TRUSTING RELATIONSHIPS

LEAD

as a sustainable company with deep consumer insights & engaging relationships with all stakeholders in industrial chemicals branded agri & consumer products

ENGAGE

proactively with all our stakeholders: employees, customers, partners, community, shareholders, regulatory authorities

ASPIRE

for sustainable profitable growth

PERFORM

to achieve world-class efficiencies through operational excellence, customer centricity, focus on cost competitiveness, simplify processes & technology enabled differentiation

LEAP
LEAD | ENGAGE | ASPIRE | PERFORM
TRANSFORMING LIFE

DRIVEN BY OUR VALUES

- **S** SAFETY
- **P** PASSION
- **I** INTEGRITY
- **C** CARE
- **E** EXCELLENCE

The Strategy Planning Process also takes into account the requirements and inputs of our various stakeholders, both internal and external to the organisation.

SPP determines the growth roadmap of our Company, and serves as a mechanism to track changes in the external & internal environment

OUR PLANNING PROCESS HAS THREE TIME HORIZONS:

Horizon 3

(i.e. > 5 year horizon, more strategic oriented) focuses on aspects such as long-term vision, the role of innovation and business portfolio decisions, and hence is undertaken at the Enterprise level.

Horizon 2

(i.e. 2-3-year horizon depending on maturity of business) is more granular and addresses items such as revenue forecasts, growth dimensions and sustainability. Tools such as the BSC and the Long Term Strategic Plan are used for this purpose.

Horizon 1

(1 year horizon - which is more tactical in nature) is translated by the ABP and SDM from five year plans into specific actionable annual plans, including identification, prioritisation and allocation of resources.

The Seven Steps Strategy Planning Process is an elaborate exercise which identifies the strategic context (Strategic Advantages, Strategic Challenges, and Core Competencies) and helps set the strategic direction to achieve the organisational objectives.

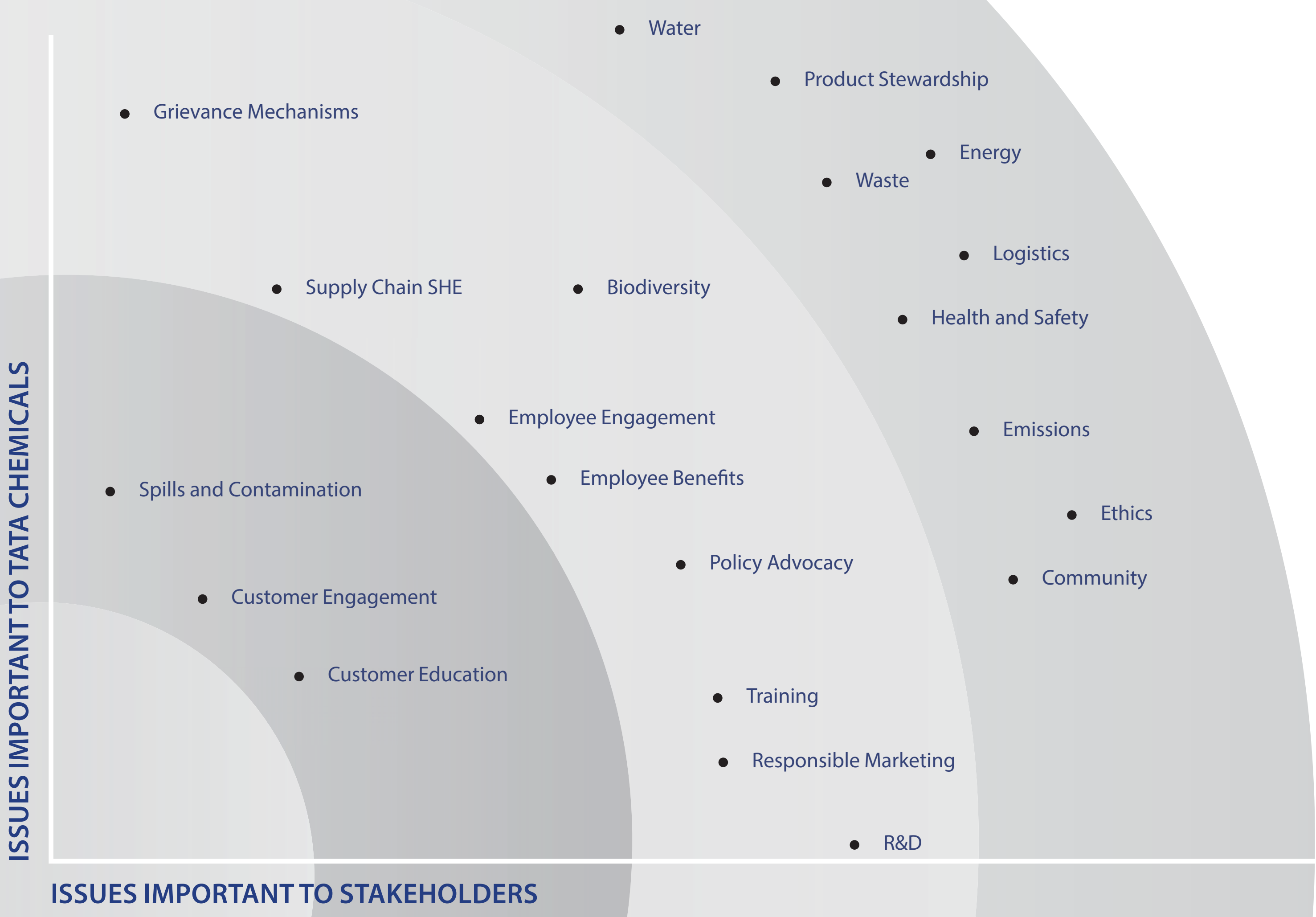
Environment Scanning	External Inputs from stakeholders and other formal or informal processes Analysis by SBU strategy team includes Market place changes, Major Technology shifts, regulatory changes, manpower requirements amongst others
Direction Setting	Strategic Challenges, Strategic Advantages and Core competencies are reviewed at the annual strategy workshop and LTSP workshop Leadership provides strategic directions to each of SBU, both short & long-term with targets, highlighting the boundary conditions, priorities & Stakeholder needs
Developing and aligning SBU/ Functional LTSP	SBUs develop their respective strategic plans and initiatives for a 5 year horizon The capital and manpower resources required are discussed among SBUs and Sustainability goals also decided. Strategic Business Units, Long Term Strategic Plans are then integrated
Enterprise LTSP	SBU LTSPs reviewed by Corporate Strategy and Finance teams Inputs provided to each LTSP to develop synergies
Strategy Deployment	BSC developed and cascaded down the organisation leading to individual goal plans
Strategy Review	We have a pyramid review structure of the BSC Accelerated growth plans are also reviewed by the Board
Evaluation and Improvement	Feedback from the Board, Senior Leadership Team members, Tata Business Excellence assessments, Best practices from Group companies and other internal and external stakeholders are imbibed to improve our Strategy Planning Process. Course corrections are made to the implementation roadmap during the quarterly and annual review

SBU - Strategic Business Unit; LTSP - Long Term Strategic Planning; BSC - Balanced Score Card;
ABP - Annual business plan; SDM - Strategic Deployment Matrix

Materiality ***Assessment***

Our material issues are those issues that may substantially impact our key business outcomes and may affect our ability to create value for our stakeholders in the short, medium or long-term if not addressed strategically.

The Top Material Issues identified are:



IDENTIFYING MATERIAL ISSUES

EVALUATING CURRENT STATUS OF MATERIAL ISSUES

MAPPING AMBITIONS FOR 2020 AGAINST MATERIAL ISSUES

IDENTIFY CRITICAL AND KEY ACTION AREAS BASED ON GAP TO BE COVERED

MATERIALITY ASSESSMENT PROCESS

In FY2014-15, we conducted a detailed materiality assessment. We followed a rigorous process of stakeholder engagement, reaching out to 286 of our stakeholders covering 3 business units across locations.

With detailed interviews of top management personnel and external stakeholder surveys, the key stakeholder priorities and the business priorities were identified.

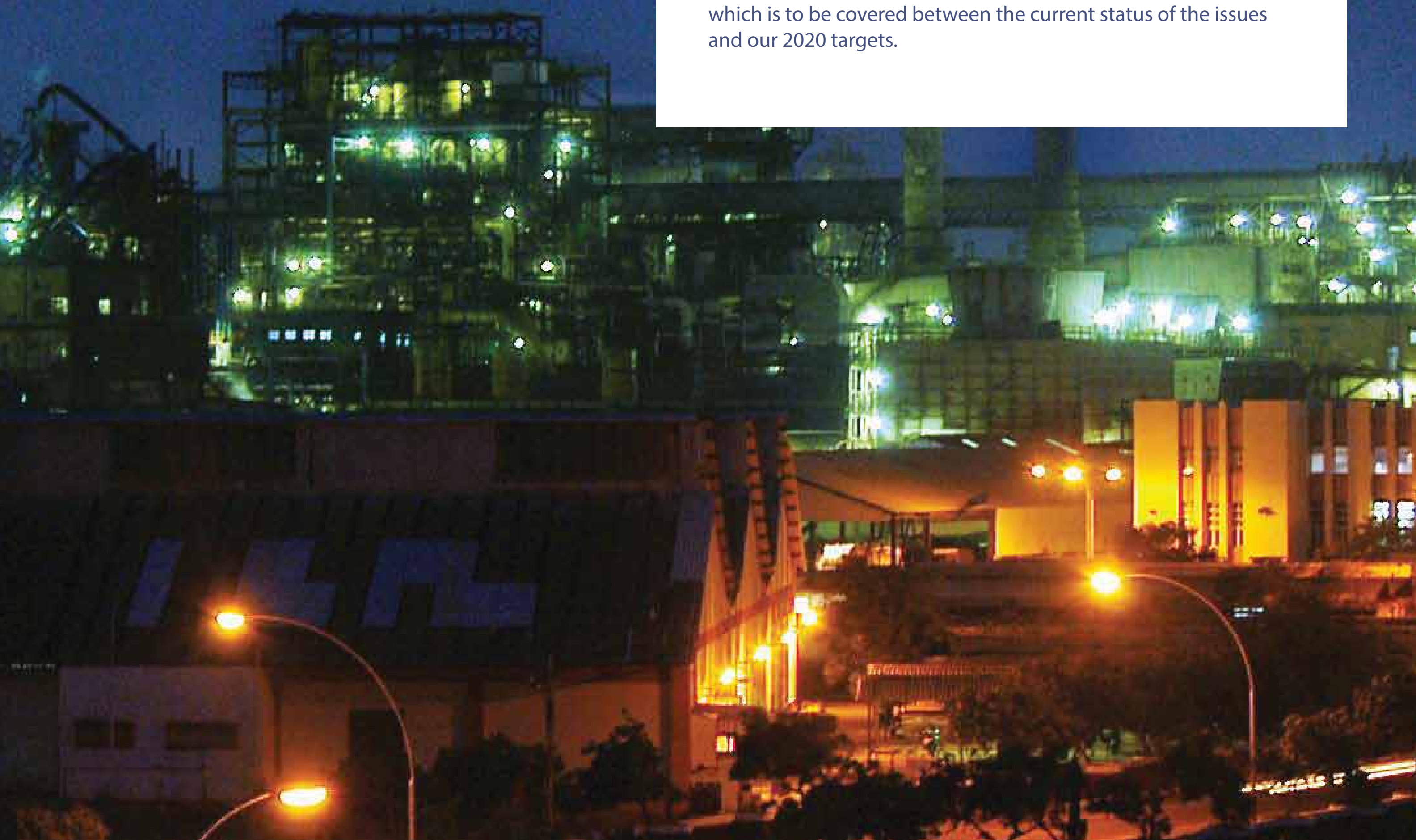
Following which the material issues were mapped against the internal business priorities. The Business Goals and Challenges were then reviewed to finalise the Materiality Matrix and Ambitions.

ACTION AREAS BASED ON MATERIALITY ASSESSMENT

Based on the assessment of current status of material issues and our long-term commitments, the key action areas were identified across three business lines. Critical Action Areas and Key Action Areas are those that will be monitored more closely and reported internally to evaluate progress.

The other areas will continue to be monitored periodically for reporting in the public domain.

The criticality of each of these action areas is based on the gap which is to be covered between the current status of the issues and our 2020 targets.



Risk Management *Process*

Our Risk Management Process is guided by the Risk Management Policy of the Company. The basic tenets of the policy include a proactive approach in reporting, evaluating and resolving risks associated with the business. The Risk Management process is summarised below:

Prioritisation and identification of risks include business risk environment scanning and Internal Risk factors

Analysis of the risks identified is carried out by way of focused discussion in empowered RMG (Senior Leadership team) and RMC (at Board level)

Identified risks are used as one of the key inputs for the development of strategy and business plan

Risk Response is crafted by the respective risk owner by selecting a series of actions to align risks with the Company's risk appetite and risk tolerance levels. The response aims reduce the potential impact of the risk, if it occurs, and/or to reduce the expected frequency of its occurrence

Mitigation plans are finalised, owners are identified and progress of mitigation actions are monitored and reviewed

Going beyond compliance, the Company has constituted a RMC to oversee the risk management efforts in the Company under the chairmanship of Dr. YSP Thorat, Independent Director. Risk assessment update is provided to the RMC on periodical basis. The Committee assists the Audit Committee and the Board of Directors in overseeing the Company's risks management.

ERM at Tata Chemicals Limited seeks to minimise adverse impact on the business objectives and enhance stakeholder value. ERM at TCL is ISO 31000:2009 compliant. ISO 31000:2009 is an International standard on Risk Management & provides principles, framework and process for managing Risk.

RMG - Risk Management Group;
RMC - Risk Management Committee;
ERM - Enterprise Risk Management

Key Risk Categories

- **Strategic Risk** – includes the range of external events and trends (like Government policy) that can adversely impact the Company's strategic growth trajectory and destroy stakeholder value.
- **Reputational Risk** – includes range of events that creates a mismatch between stakeholder expectations and his/her perception about Company's performance around those expectations
- **Operational Risk** – are those risks which are associated with operational uncertainties like failure in critical equipment, attrition.
- **Regulatory & Compliance Risk** – Risks due to inadequate compliance to regulations, contractual obligations and intellectual property violations leading to litigation and loss of reputation.
- **Financial Risk** – This covers financial risks facing the organisation in terms of internal systems, planning, funding.

KEY COMPONENTS OF RISK MANAGEMENT FRAMEWORK

KEY RISK CATEGORIES

Strategic

Reputational

Operational

Regulatory & Compliance

Financial

IMPACT OF RISK ON KEY BUSINESS OBJECTIVES

DIMENSIONS OF KEY BUSINESS OBJECTIVES

Financial

Customer

Operational Excellence

Drive Innovation

RISK GOVERNANCE STRUCTURE

Board of Directors

Risk Management Commitee of Board

Risk Management Group

RMG at SBU/ Subsidiary level

Risk Owners

KEY RISK MANAGEMENT PROCESS

Risk Identification and Assessment

Integration with Strategy and Business Plan

Risk Reporting and Disclosures

Risk Handling/ Response

Avoidance

Acceptance

Reduction

Sharing

Risk Mitigation and Monitoring

SBU- Strategic Business Unit; RMG - Risk Management Group

RISK ENTITY LEVELS

Enterprise Level

Risk Aggregation

Risk Inheritance

SBU/Subsidiary Level

Stakeholder *Value Creation*

The business of Tata Chemicals is to harness the prowess of Science not just for meeting its business goals but for creating value through its activities for all its key stakeholders.

We engage with all our stakeholders continually on different platforms, to understand their requirement and we cater to their requirement through response actions accordingly.

Shareholders

Why we engage

- To provide accurate, transparent and timely information to all our shareholders and investors & enable informed investment decisions
- To ensure long-term business decisions are taken considering interests of the shareholders

Key Focus Areas

- Delivering strong PAT and Cash Generation
- Ensuring sustained and robust dividends
- Creating sustainable long-term growth
- Maintain market leadership

How we respond

- Annual 'Long-term strategic planning' cycle to create and review sustainable growth plans
- Focus on operational excellence and cost efficiency to drive profitability
- Adherence to corporate governance principles

PAT - Profit After Tax

Customers & Partners

Why we engage

- To execute our commitment to the Tata group's ethos of Customer promise through the 3D's – Develop, Deliver, Delight
- To develop a long-term relationship which is mutually beneficial

Key Focus Areas

- Highest quality products and services
- Responsiveness to customer needs
- Sustained growth of business for partners
- Long-term security
- Timely payments

How we respond

- Continuous product innovation through our Innovation Centre and research partners
- Development of supply chain to ensure availability
- Ensuring compliance to all statutory requirements for our various product groups
- Long-term contracts with customers and partners
- Periodic customer satisfaction survey and channel partner surveys to assess engagement

Government

Why we engage

- For ensuring adherence to all industry standards, applicable regulatory and legal requirements
- To ensure a proactive approach towards compliance
- Setting industry benchmarks and engagement with authorities in policy making

Key Focus Areas

- Financial reporting and compliance under all applicable laws
- Corporate Sustainability
- Partnership in policy making
- Partnering with regulators to set smart regulations

How we respond

- Engagement in key government forums
- Partnership with public sector organisations
- IT enabled compliance management system
- Proactive engagement with Government on policy

Employees

Why we engage

- Human capital is critical to our transformational journey
- To ensure that we have a fully engaged and committed workforce, where the employees have opportunities of professional and career growth

Key Focus Areas

- SHE (Safety, Health & Environment) standards & processes
- Learning & Competency Development
- Performance management and Talent management
- Reward and recognition
- Quality of communication & engagement with employees

How we respond

- Continuous monitoring and improvement of Safety Health Environment practices across the organisation – targeting Zero Harm
- Multiple formal and informal communication channels for employee engagement
- Adaptive workplace policies to address changing needs of the workforce
- Learning and development programs conducted across levels
- Annual employee engagement surveys and participation in AON Hewit Best Employers surveys
- Platform for employees to deliver with high performance
- Celebrations and Fun at work

Community

Why we engage

- Community is one of the most critical stakeholders for our Company
- To ensure that there is an improvement in the quality of life of all communities impacted by our businesses

Key Focus Areas

- Environmental sustainability
- Protection of biodiversity
- Socio economic development of communities
- Green products & services

How we respond

- Sustainability reporting – Business Responsibility Report and Integrated Report as per SEBI guidelines
- Community development at all locations
- Biodiversity conservation projects across locations
- Signatory to the UN Global Compact that promotes ten principles in the areas of human rights, labour standards, environment and anti-bribery
- Carbon Disclosure project – continuous monitoring of carbon emissions at all sites & at enterprise level
- Diverse sustainability initiatives such as OKHAI, TCSRD, Uday Foundation among others. More details on our sustainability initiatives can be found at - http://sustainability.tatachemicals.com/

TCSRD - Tata Chemicals Society For Rural Development

Overview of **Capitals**

Our businesses create value by deploying different Capitals and transforming them by a series of activities, producing the outputs which further culminate into various outcomes. We are providing a combination of quantitative and qualitative information of the six capitals that we deploy in our operations.

We create value for all our stakeholders by adopting an integrated management approach for the six capitals and monitor our performance holistically:

Financial Capital

The pool of funds that is available to our organisation is our Financial Capital . This includes both debt and equity finance. Strengthening our balance sheet, we rely on varied source of funds. We put in use these funds for acquisition of manufactured or other forms of capital.

Manufactured Capital

Our manufacturing operations include our plants, our warehouses, our logistics facilities and all the physical assets that we use for the production of our chemicals, materials and goods. These form part of the Manufactured Capital.

Intellectual Capital

In line with our Mission, our scientific knowledge and research skills form the backbone of our business. Our Research & Development capabilities and Innovation Quotient are the intangibles which form our Intellectual Capital.

Human Capital

The knowledge, skills and experience of our strong workforce, put together enable Value creation and collectively form the Human Capital.

We invest in our employees' welfare and skills development to ensure sustaining outcomes. Going by our principle of being an equal opportunities employer, we encourage diversity in our workforce. Our primary focus is on maintaining a safe and healthy work environment for all our employees and contract workers.

Social and Relationship Capital

Carrying forward the ethos of Tata Group, Tata Chemicals always aims to become the 'neighbour of choice' for our communities. Not only complying with the regulations, we strive to go beyond and engage closely with our communities and invest in their development.

We also believe that sustainability of our business is dependent on long-term relationships with our supply partners and dealers. We work closely with our suppliers for sharing knowledge and capacity building.

Our product innovation keeps customer needs and requirements at the forefront. Gauging our customers' satisfaction is imperative for our businesses.

Natural Capital

All renewable and non-renewable natural resources, on which we are dependent comprise the Natural Capital. There is a whole host of raw materials which we extract from mines – e.g. coal, limestone, among other minerals. Apart from this we also depend on the natural stock of resources like water and land.

Financial Capital

	UoM	FY15*	FY16	FY17
Capex	₹ crore	606	689	645
Capital Expenditure represents funds we use to acquire or upgrade physical assets for our operations.				
ROIC #	%	8	9	9
This represents the efficiency with which we are deploying our capital and indicates how are we creating long-term shareholder value				
Dividends per Share	₹	12.5**	10	11
This represents the total dividends paid out by a Company divided by the number of outstanding ordinary shares issued.				

*2014-15 numbers are as per I GAAP and 2015-16 and 2016-17 are as per Ind AS
** Includes platinum jubilee year special dividend of ₹ 2.50 per share
# ROIC - Return On Invested Capital

Intellectual Capital

	UoM	FY15	FY16	FY17
Innovative ideas from employees	No.	1,591	1,731	2,746
Sales from New products as % of revenue*	%	1.5	0.8	1.6

*New Products include offerings from Chemicals, Consumer Products and Nutritional Solutions Business

Natural Capital

	UoM	FY15	FY16	FY17
Fresh Water Consumption*	Kl/MT	1.1	1.1	1.1
Utilisation of Renewable Energy*	GWh	59,777	82,109	81,710
Responsible Care*	%	88	88	88

*Tata Chemicals Limited

Manufactured Capital

Facilities, location and key equipments

Business	Location	Product / Plant / Services	Key Equipments used
Living Essentials	Mithapur, India	Salt	Centrifuge & Body Evaporator, DCS, Heaters, Cooling Towers, Fluidised Bed Dryer
	Sriperumbudur, India	FOS	Bio-reactors, Spray Dryers
Industry Essentials	Mithapur, India	Synthetic soda ash	Compressors, Steam Tube Dryer, DCS, Absorber, Kilns, Carbonating Towers
		Bi-carb	Wet Calciner, Filters, Tanks, Carbonating Tower, Centrifuge
	Northwich (Winnington & Lostock), United Kingdom	Soda Ash	Absorbers, Distillers, Kilns, Carbonation Towers, Filters, Secheurs, Dryer, Packing Machines
		Bi-carb	
	Middlewich, United Kingdom	Salt	Brine Purification, Boilers, 6-Effect Evaporator Train, Fluid Bed Driers, Centrifuges, Pack-lines, DCS, Compactors
	Wyoming, United States	Natural soda ash - Mined	Bore & Continuous Miner, Calciner, Evaporator, Dryer
	Magadi, Kenya	Natural soda ash - Dredged	Rotary Kilns, Centrifuge, Dredges
Farm Essentials	Haldia, India	SSP	Mixer, Den, Ball Mills, Scrubber
		DAP / NPK	Granulator, Pulverizer, Rotary Dryer, Hot Air Generator
	Ankleshwar, Gujarat (Rallis)	Fungicides	WDG Plant, Cryogenic Brine, Glass lined and SS Reactors, FBD's, Rotary Vacuum Driers, centrifuges, Ionisation filter, continuous fluid bed driers, RO plants, Effluent treatment plant
		Other Products	Glass Lined and SS Reactors, Glass Lined Columns
	Lote, Maharashtra (Rallis)	Insecticides	Driers, SS and Glass Lined Reactors, Centrifuges, Fractionating Columns, Effluent treatment
	Dahej, Gujarat (Rallis)	Herbicides and Fungicides	Glass Lined and SS Reactors, Effluent Treatment
	Akola, Maharashtra (Rallis)	Fungicide , Insecticide, Plant Growth Nutrients	Reactors , storage Tank, sparkler filters Automatic filling machines, labelling machines, printers, melter

FOS - Fructooligosaccharides; SSP - Single Superphosphate; DAP - Di-Ammonium Phosphate; NPK - Nitrogen, Phosphorous & Potassium; DCS - Distributed Control System

Human Capital

	UOM	FY15	FY16	FY17
Employees covered under functional capability programme*	%	61.70%	60.40%	61.50%
Diversity - Based on women employees in workforce##	%	5.70%	6.00%	6.30%
Employee Health Index – Representing overall health condition of employees at the plant^	%	70.30%	72.60%	70.30%
Training days per employee#	No.	5.01	4.23	3.4
Employee Engagement Scores – Based on employee survey carried out by external partner**	%	70	-	68
Voluntary attrition*	%	7.60%	7.20%	9.60%
Black & Green Belt certified employees###	No.	252	314	321
Doctorates in R&D roles###	No.	58	60	70

* TCL India
** Employee engagement survey conducted every two years, by our partner Aon Services India Pvt Ltd. Scores excludes Rallis and its subsidiaries
^ Employees at Mithapur plant
\# Conscious effort has been made to move to digital mode of training delivery however details are not captured here
\## TCL India, TCNA, TCE, Metahelix, Rallis, TCM, TCIPL
\### TCL India, TCNA, TCE, Metahelix, Rallis, TCM

Social and Relationship Capital

	UoM	FY15	FY16	FY17
Total children covered under capacity building and education programme*	No.	44,944	23,584	20,137
Community Satisfaction Index#	No.	4.04	4.08	4.06
Supplier Satisfaction Index##	No.	88.0	88.0	–
Customer Satisfaction Index - Consumer Products				
TCL-Distributor	No.	81	79	71
TCL-Stockist	No.	78	68	73
TCL-Retailer	No.	68	65	75

* TCL India and Rallis
\# It is an internal assessment to measure the impact of initiatives taken by TCL for our communities and understand their requirements to serve them better
\## The Supplier Satisfaction survey methodology is currently under revision to cover all our vendors holistically. The survey would be completed by the end of September 2017

Interlinkage of **Capitals**

Interlinkages and spend between the 6 capitals in FY2016-17

Financial Capital

Revenue Earned
Standalone: ₹ 8,454 crore
Consolidated: ₹ 15,272 crore

Manufactured Capital

Capex as % of Revenue
Standalone: 3%
Consolidated: 4%

Intellectual Capital

0.5% of Revenue*
Spent on R&D and innovation
(*for TCL Standalone)

Human Capital

5% of Revenue (Standalone)
10% of Revenue (Consolidated)
On Employee Cost* : Expenses towards wages, salaries and other benefits

* Employee Costs do not include non-permanent labour

Social and Relationship Capital

2.16% of PAT*
on CSR spent

* CSR spent is calculated on average profit for last 3 financial years as per Companies Act, 2013

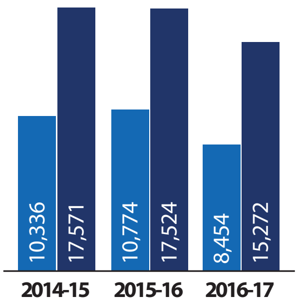
Natural Capital

22% of Revenue (Standalone)
17% of Revenue (Consolidated)
on Raw Materials

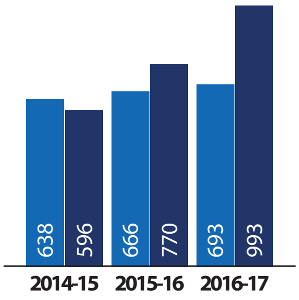
Performance ***Highlights***

FINANCIAL CAPITAL

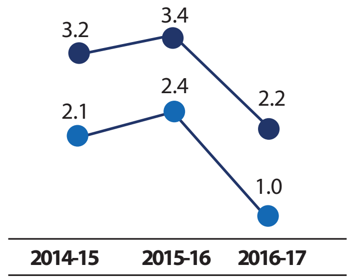
Standalone Consolidated



Total Revenue from Operations* (₹ in crore)

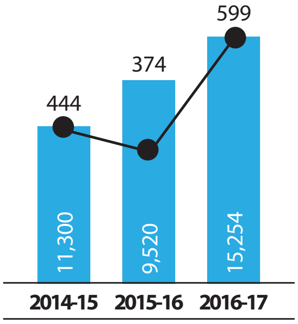


Profit After Tax* (₹ in crore)



Net Debt/EBITDA*

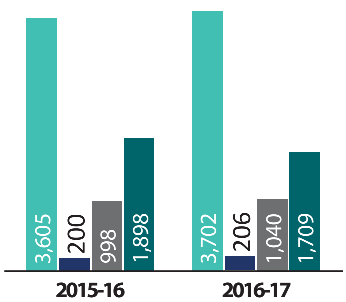
* FY2014-15 numbers are as per I GAAP, FY2015-16 & FY2016-17 are as per Ind AS



— Share Price (₹/ share)

Market Cap (₹ in crore)

MANUFACTURED CAPITAL

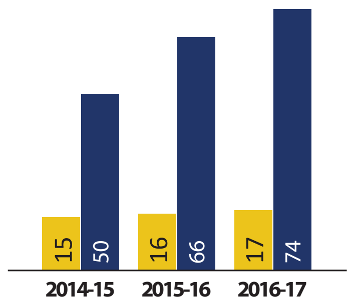


Production Volume (in KT)

Soda Ash | Sodium Bicarbonate

Branded Salt | Fertilisers

INTELLECTUAL CAPITAL*

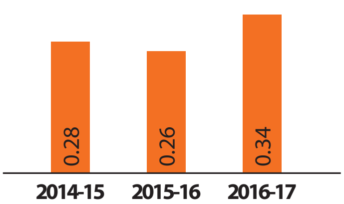


Cumulative Patents Granted

Cumulative Patents Applied

* Tata Chemicals Innovation Centre

HUMAN CAPITAL

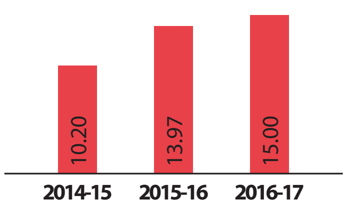


Employee Productivity - PBT/employee * ## (₹ in crore)

* TCL India

\## Data for FY2016-17 is as per Ind AS and FY2014-15 and FY2015-16 is as per I GAAP

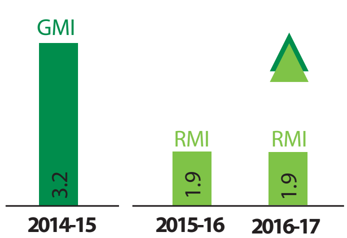
SOCIAL & RELATIONSHIP CAPITAL



Expenditure on CSR* (₹ in crore)

* TCL India

NATURAL CAPITAL



TCL - Responsible Manufacturing Index*

*We measure our Natural Capital using an internal tool - RMI (Responsible Manufacturing Index) to monitor key indicators across the geographies such as energy, water, recycle waste, climate change, renewable energy, product rejection, etc. basis their importance to respective operations. Transition of GMI (Green Manufacturing Index) to RMI (Responsible Manufacturing Index) occurred in FY2014-15

LIVING *Essentials*

Our Living Essentials business aims to reach out to every household in the country – providing our customers with healthy and nutritious consumer products. We have proven to be the pioneers in terms of introducing high quality, nutrition fortified consumables ranging from, salt, pulses, Besan (Gram Flour) to rich aromatic spices. Our constant quest for innovation and improvisation based on consumer requirements have led to the evolution of high-end low cost solutions like Tata Swach – water purifiers. Reaching out to millions of households in the country, we aim to meet their every day needs

Through the Iodised Vacuum Dried Tata Salt which is a household name today we are leading the market in India's branded Iodised salt segment. The brand has two other variants: Tata Salt Lite (low sodium salt) and Tata Salt Plus (iron-fortified salt), and reaches out to almost 600 milllion consumers.

Through the Tata Sampann umbrella brand we focus on providing everyday nourishing food to consumers for a healthy living. The brand houses unpolished high protein pulses range, low absorb Besan made from 100% chana dal and the uniquely developed range of spices for today's homemakers who are looking to provide wholesome food to their family without compromising on taste.

For our innovative, low-cost, nanotechnology based, offline water purifier - Tata Swach, we adopted an unconventional Social Enterprise model. This made affordable, safe drinking water accessible to the masses.

In line with our focus on health and nutrition, we have developed a range of nutritional solution.

Our Nutritional Solutions business caters to businesses through its umbrella brand NQ. Our authentic and scientifically backed ingredients provide targeted nutritive and health benefits to meet customer's needs. We also have a consumer arm and have launched Tata Nx Zero Sugar for diabetics and Lite & Sweet for the calorie conscious.

143 million households

Tata Salt reaches 143 million households across the country annually. It is the largest distributed brand with a reach of 16.7 lakh retail outlets acrossa India. The Tata Chemicals salts business (Tata Salt and I-Shakti Salt brands) commands a market share of 29.4% in overall powdered salt market. The Salt business continues to pioneer the cause of Iodisation in India.

Business Value Chain

	SALT	PULSES + BESAN	SPICES	NUTRITIONAL SOLUTIONS
Raw Material	Sea Salt / Brine access / procurement	Sourcing of Pulses: 1. Farm 2. Mandi	Sourcing as per stringent quality standards	
Processing	Vacuum Evaporation (VE) / Third Parties Refining	Milling / Processing Operations Outsourced	Processing Operations with Business Partners	Sucrose, other processing aids
Product	Iodised VE / Solar Salt Tata Salt, Tata Salt Lite, Tata Salt Plus, Tata Salt Crystal, Flavoritz, Rock Salt, Black Salt, I-Shakti Salt, I-Shakti Cooking Soda	Unpolished Dals/ Low Oil Absorb Besan Toor Dal, Moong Dal, Masoor Dal, Chana Dal, Urad Dal, Low Oil Absorb Besan, Fine Besan, Low Oil Absorb Pakoda Mix	Spices Chilli, Turmeric, Coriander, Shahi Lal Mirch, Punjabi Chole Masala, Dal Tadka Masala, Kitchen King Masala, Garam Masala, Meat Masala, Paneer Masala, Chicken Masala, Pav Bhaji Masala	Biotransformation, Purification Fossence™ Gossence™ Tata Nx Lite & Sweet is a substitute for regular sugar, with 50% less calories. Tata Nx Zero Sugar
Packaging	Multiple SKUs at CFAs under HACCP / FSSAI standards	SKUs of multiple sizes and dal types	Innovative 5 sachets in a pack format FSSAI compliant	Application development and efficacy of product
Logistics	Through Rail and Road	Reach CFA via Road	Reach CFA via Road	Warehouse
Distribution	1. Distributor → Stockist → Retailer 2. Institution	1. Distributor → Stockist → Retailer 2. Institution 3. Dal on Call	1. Distributor → Stockist → Retailer 2. Institution 3. Dal on Call	Warehouse
End Use	Households	Households	Households	Industry- Bakery, Dairy, Confectionary, Nutraceuticals

VE - Vacuum Evaporation; SKU - Stock Keeping Unit;
CFA - Clearing & Forwarding Agent ; FSSAI - Food Safety and Standards Authority of India; HACCP - Hazard analysis and critical control points

Low oil can **make a difference**

The besan market is estimated to be ₹ 20,000 crore, but the product is associated with guilt, because of its heavy usage in fried snacks. Around 40% of the besan is used in the making of fried snacks, such as pakoras, bhajjis, sev and gathiyas.

To make snacks crispier, they are often deep fried, which leads to higher oil absorption. This increases the chances of weight gain and other health issues. Therefore, consumers look forward to ways to prepare besan snacks with less oil, while retaining the same taste and crispiness.

QUALITY MATTERS

Our fine besan has smaller and more uniform particle size, leading to better particle-particle interaction, which in turn leads to homogeneous batter and uniform coating. Increased starch degradation results in repelling of oil particles into the core of the food. Therefore, our fine besan makes more pakodas and absorbs less oil, compared to other besan products sold in the market.

The besan market is largely unbranded in India and there is a significant opportunity to introduce superior branded variants by driving the 'Low Oil Absorb' differentiation. The differentiated offering commands up to 10-15% premium over ordinary unbranded besan.

Our portfolio consists of Tata Sampann Low Oil Absorb Besan and Tata Sampann Fine Besan. The business is focused on driving the 'Low Oil Absorb' differentiation through brand building initiatives and on ground activation.

STRONG MOMENTUM

At Tata Sampann, we believe in bringing moments of delight in every meal, packed with unique nutritional benefits. Our products are meant for contemporary Indians, who prefer delicious healthy food as a lifestyle choice. We are fast expanding the distribution of low oil absorb besan through multiple channels to be available at the right places and be in step with consumer aspirations. Since the launch of 'low oil absorb besan' in January 2016, we have achieved a volume of 13,000 tonnes.

Bringing natural **goodness to life.**

India has always been known for its spices, attracting traders and travellers from around the world. The total branded spices market in India is around ₹ 15,000 crore in size. Chilli, turmeric and coriander account for 80% of the pure spices market. The market is highly fragmented and commoditised with over 3,000 local brands. Garam masala, meat masala, chicken masala, kitchen king masala, among others are the popular blends across regions.

With Tata Sampann, we believe natural goodness is the way to go for a healthy balanced life. We spoke to consumers and our extensive research revealed the following: adulteration and inconsistency in the quality of pure spices; focus on taste and variety; lack of access to spices from the best source locations. We designed our products to satisfy the brand promise of delivering pure and authentic products with natural ingredients and nutrition.

Enriching India with flavour and taste

After the successful launch of our products in northern markets, we have extended our footprint across 16 states throughout the country in FY2016-17. Our spices have been launched across Gujarat, Maharashtra, West Bengal and Tripura during the year.

DEVELOPING INNOVATIVE PRODUCTS

We have developed a portfolio of four pures (chilli, turmeric, coriander, shahi lal mirch). Sourced from regions where climate and terrain benefit its natural flavour, Tata Sampann spices retain their natural volatile oils, giving a fuller aroma and taste. Our varieties comprise Salem Turmeric, Rajasthan Coriander, Teja and Byadgi chillies with promise of superior quality (Capsaicin Guarantee and Curcumin Guarantee). These products are 100% pure and unadulterated with guaranteed levels of active ingredients, thus ensuring the best quality for our consumers.

Our innovative blends portfolio has eight variants, comprising Punjabi Chole Masala, Dal Tadka Masala, Kitchen King Masala, Garam Masala, Meat Masala, Paneer Masala, Chicken Masala, Pav Bhaji Masala. Tata Sampann range of spices aims to set benchmarks through its superior product quality & differentiation of not using 'Spent' ingredients. The blended masalas are developed with pure, fresh, and authentic ingredients and formulated by renowned chef, Padmashri Sanjeev Kapoor. Our value proposition for spices also includes unique packaging in 5-in-1 sachets for maintaining the freshness of the product till the last use.

We will be available across the country, including the south of India by end of 2017. Our marketing campaigns demonstrate the differentiation between our products and the competition. Customised blends are being formulated to cater to regional preferences.

PROMISING POTENTIAL

Growing market opportunities enhances our optimism. Going forward, we plan to scale up the spices business by leveraging our distribution network and expanding our direct reach to outlets beyond current coverage. Foraying into global markets is also a priority for us, as the opportunity landscape is widening. New variants, product formats and customised offerings are consistently being developed. We are committed to partnering India in its journey towards better health and taste.

TATA sampann *Masale*

Our footprint

16 states

Enriching life **through science**

New India is radically changing from what the country was perhaps a decade ago. There is new ambition, aspirations and courage to bring change in every aspect of life. A natural consequence is that the lifestyle of a large proportion of the population is also evolving. Health needs are no longer the same and lack of exercise or irregular diet leads to deficiencies and illness. In addition, the Indian diet lacks certain critical nutritional values (macro and micronutrients), which are essential to remain healthy and active. This means that a frenetic life now demands a lot more from bodies; and the diet and nutritional products must be reimagined for a nation on the move.

The way forward for the country is not increasing medicine dependence, but becoming more nutrition based. And we are inspired to partner new India in that journey.

INSIGHTS TO INNOVATION

With Tata Nx, we focus our science and deploy our technology for better insights of the human body. The first major challenge is to closely study living conditions of the diverse Indian population, evolving food habits, genetic factors, stress levels, environmental impact, and other socio-cultural aspects. We then integrate the inputs from our research to develop nutritional solutions for the new-age Indian.

Scientists and food technologists at our Pune Innovation Centre are working on new and innovative formats to supplement the Indian diet with missing nutrients. We work on a unique delivery mechanism, 'BIO-EASY'. It enables the gut to absorb and assimilate nutrition optimally.

The next challenge is to bring innovation to the market with speed. Our agile stage-gate process and rapid prototyping enable us to bring end products into the market faster. Manufacturing and logistics also need to be carefully calibrated in line with market realities for seamless launch of products. We associate with trusted partners for manufacturing and logistical capabilities.

SAFE AND RELIABLE

Our offerings are 100% safe and we consistently work with regulatory agencies to introduce solutions that are beyond compliance. Our brands (Lite & Sweet and Zero Sugar) are preferred by a large cross-section of consumers. Over 3,500 units were sold in the first two months of launch. We are investing in a marketing strategy that involves a presence across major Modern Trade Format.

We are building products to tackle diabetes, fulfill protein and micro nutrient deficiencies and improve the gut health which is the central to whole body's health through very innovative formats. We are also working with some of the best laboratories in the country to develop products that lead the way in terms of innovation and health quotient.

Deepening our knowhow

Following the encouraging consumer response from our range of sweeteners, we are building on the **Fructooligosaccharides (FOS) platform**; and developing a range of nutritional products that cater to specific requirements to supplement Indian diet.

TATA NX is available on key online marketplaces (such as Amazon and Big Basket) and in major Modern Retails stores across Mumbai [such as Godrej Natures Basket, Hypercity, More (Aditya Birla Retail), Noble Pharma, Star Bazaar and Westside]

Essence of **good life**

Consumers nationally and internationally are looking for natural, convenient, safe and effective foods and supplements, which can support their lifestyle and deliver adequate nutrition. At Tata NQ, we are committed to providing innovative and science-backed nutritional ingredients and formulations in the areas of healthy sugar alternates, gut microbiota modulation, oxidative stress and anti-inflammation. At present, our key market is India. However, with more clinical studies and new capacities, our strategy will take our products to international markets, especially Asia Pacific, US and Europe.

We are pioneers of prebiotic and innovative sugar alternate solutions in India. We have also steadily enhanced our investments in creating awareness and innovative formats. The market for prebiotic, functional foods and nutraceuticals is growing rapidly. While there are several players in the global market, our competitive advantage lies in product differentiation. This happens through the application of appropriate science, technology adoption and a strong culture and infrastructure of quality control. Backed by strong IPR clinical trials and a hybrid model of in-house development and open innovation, we are well poised to emerge as a significant player in our product categories.

Our strategy is based on consistent innovation, driven by emerging customer requirements. We constantly assess and deploy infrastructural and human resources to strengthen our business development, product portfolio and research and development capabilities.

IPR - Intellectual Property Rights

INFRASTRUCTURE AND TALENT

Our greenfield plant at Sriperumbudur, Tamil Nadu, India is an HACCP and GMP certified facility. We have a team of biotechnologists, nanotechnologists, food technologists, chemical analysts and chefs, who work on different aspects of manufacturing and product technology. We also collaborate extensively with external laboratories and universities to develop innovative solutions. A unique aspect of our business is co-creation with customers. We collaborate with our customers on specific projects. This has led to the creation of new categories and product applications.

FAST MOVER ADVANTAGE

Our business model is unique and revolves around the credo of 'fail fast, learn faster'. This is an asset-light approach and is driven in collaboration with renowned global partners in technology and related product categories.

In prebiotics, FOSSENCE™, a sweet prebiotic fructooligosaccharide, is our flagship product. It is available in liquid and powder form with assay ranging from 55% to 95%. GOSSENCE™, a highly bifidogenic range of galactooligosaccharides, is a stable prebiotic with wide applications in infant and dairy products.

In sugar alternatives, we offer customised solutions to food and supplements industry through our range of healthy sugar alternates. Our asset-light and innovation led model minimises risks and maximises opportunities. Global competition and stringent regulatory requirements pose a constant challenge to new players in the industry. However, high consumer demand and emerging areas of science like gut microbiome present an attractive opportunity to offer multiple products through common platforms including fermentation, gut health and sugar alternates.

We follow a segment-wise differentiated approach (food versus nutraceuticals, India versus regulated international markets). Our key customer, productivity and developmental metrics are arrived at and tracked regularly through structured organisational processes and systems.

ROAD AHEAD

Our innovative products have huge potential in global markets. We will continue to invest in targeted clinicals and platform technologies to offer solutions in the areas of gut microbiota modulation, anti-inflammation and oxidative stress. We will continue to drive our progress through strategic innovations and partnerships.

Remarkable performance

Pilot plant was successfully commissioned - ₹ 26 crore revenue

TATA NQ is marketed in more than 90 cities across India with a distribution network covering all the major states

We are **foraying into new markets**; and several innovative products are launched by our customers.

The Board has approved ₹ 270 crore for greenfield project at Nellore, Andhra Pradesh.

INDUSTRY *Essentials*

With a capacity of approximately 4.3 million MT of Soda ash & 0.2 million MT of Sodium Bicarbonate across manufacturing facilities in India, UK, Kenya and US, Tata Chemicals has a competitive advantage of being the world's most geographically diversified soda ash company. Almost 70% of the Soda ash capacity is manufactured via natural route.

The plants at Mithapur (India), Wyoming (US), Northwich (UK) and Magadi (Kenya), have their own unique operational philosophy.

At all our operations, we ensure profitability by focussing on sustainable access to strategic raw materials, continuous focus on variable & fixed costs, and lean supply chain practices. Apart from profitability, Sustainability continues to drive our business strategy and is central to all our manufacturing operations.

Our customers span more than 40 countries spread over globally. While the channel of catering to our customers' requirements may differ based on the scale & industry, what remains consistent is the promise of:

- **Developing deep understanding of the unique needs of our customers**
- **Delivering pioneering products and services of outstanding quality and value**
- **Delighting our customers with great experiences at every touch point**

Product mix:

Soda Ash: *Basic inorganic chemical with use in glass, detergent & chemical manufacture. Produced either naturally [US & Magadi] or via synthetic route [India & UK]*

Sodium Bicarbonate: *Versatile Chemicals with use in animal feed, food, environmental solutions, pharmaceuticals, specialty chemicals. Manufactured at India & UK*

Cement: *The cement plant was setup at Mithapur, India in 1993 to convert solid wastes (generated as by-products of soda ash and fly ash from the captive power plant) into value-added products*

Business Value Chain

	SODA ASH [SYNTHETIC]	SODA ASH [NATURAL]	SODIUM BICARBONATE
PLANTS	**ICO, Mithapur/ TCE, Northwich**	**TCNA, Green River/ TCM, Magadi**	**ICO, Mithapur/ TCE, Northwich**
Raw Material	Limestone, Coke, Coal, Natural Gas, CO_2, Ammonia	Coal, Natural gas, HFO	Soda ash, CO_2
Processing	Adapted/ licensed from Solvay Process	Trona mining process [TCNA], Dredging [TCM]	Adapted/ licensed from Solvay Process
Product	Soda ash Light, Soda ash Dense, Soda speckles	Soda ash Dense, CRS	Technical grade, Refined grade, Alkakarb, Sodakarb, Pharma grades, Briskarb, Dessikarb
Packaging	Bags, Bulkers	Bags, Bulkers	Bags, Bulkers
Logistics	via Road, Rail and Sea	via Sea/ Rail and Road	via Rail and Road
Distribution	**Direct (73%) | Channel Partners (27%)**		
End Use	**Glass, Detergents, Silicates, Carbonates, Chemicals**		**Food, Animal feed, Environmental products, Pharmaceutical, Chemicals**

ICO - Indian Chemicals Operations; TCNA - Tata Chemicals North America; TCE - Tata Chemicals Europe; TCM - Tata Chemicals Magadi

More efficient. More eco-friendly.

The Mithapur plant of Tata Chemicals in Gujarat, India is an integrated inorganic chemicals complex, manufacturing soda ash, edible salt, sodium bicarbonate, cement, marine and caustic chemicals. Sustainable access to strategic raw materials, consistent focus on variable and fixed costs and lean supply chain practices are key to its profitability. Sustainability continues to drive the plant's business strategy.

QUALITY MATTERS

The plant handles more than 100 truck-load dispatches of chemicals daily. Traditionally, most of the powder chemicals were handled in packed bags, while corrosive chemicals, such as bromine were packed in glass bottles. Transporting chemicals through trucks involved not only high costs (there are multiple handling points), but also lost time, there were other challenges as well. At the plant, plastic HDPE bags needed to be sourced, materials needed to be packed, stored under controlled operations and loaded manually by labourers onto trucks. During movement, there was a risk of transit damage. Following the receipt of materials, customers also required additional workforce for unloading bags; and were also responsible for disposal of those bags.

At Tata Chemicals, we thought through the issue, carefully weighed the pros and cons of the entire exercise and reached a viable solution. We worked on a long-term plan and convinced customers to shift from bags to bulk dispatches. Such a strategy reduced bag usage and led to faster turnarounds, and helped reduce our carbon footprint. There was an acute need for additional infrastructure at customers' sites to manage the entire set of operations. Therefore, we worked with customers and helped them to set up relevant infrastructure in line with our operational matrix. Our customers were encouraged, because it offered significant cost savings.

We also strengthened our infrastructure at Mithapur to make the entire process seamless and sustainable.

Given the hazardous nature of bromine, transportation in bottles requires stringent protocols to be followed. We recognised the challenge and undertook an exercise to convert 100% of bromine dispatches from manual filling and handling of one litre glass bromine bottles to bulk transportation in ISO road tankers. Today, one ISO tanker transports 18 MT of bromine, which is more than thrice the quantity that can be transported through a standard truck. The usage of ISO tankers has streamlined the manual interventions, reducing a 16-step process to a 7-step process. Moreover, safety hazards associated with truck loading and unloading bromine have also been minimised by a considerable extent. We also focused on the creation of tank and filling infrastructure, and indenting bulker from industry technology leader. Such a strategy enabled us to cater to the requirements of a wide cross-section of customers. Our marketing team also worked hard to change the customer mix and interface to deliver full tanker loads of 18 MT, shifting from spot to long-term contracts. Our supply chain was not restricted to customers of a particular geographical area.

MEASURABLE OUTCOMES

During the financial year 2016-17, our nine bulk transports delivered more than 13,000 MT of soda ash. This translated into significant cost savings for Tata Chemicals and our customers. We also reduced our emission levels; an annual reduction of 6,000 MT of carbon dioxide was recorded. Going forward, we are planning to double our bulk movement of chemicals.

Almost 90% of our bromine dispatches are now through ISO tankers. This strategy shift has resulted in annual savings of 300 MT of carbon dioxide. During the financial year 2016-17, our two ISO tankers completed more than 100 trips.

During the financial year 2016-17, our nine bulk transports delivered more than 13,000 MT of soda ash. This translated into significant cost savings for Tata Chemicals and our customers, while reducing carbon dioxide emissions by 6,000 MT annually.

HDPE - High Density Polyethylene; ISO - International Organisation for Standardisation; MT - Metric Tonnes

Picture credit: Abbey Logistic Group

Benefitting life through ***bicarbonate offerings.***

Sodium bicarbonate. The name may not sound familiar to many of us. What if we told you that the chemical that helps in sustainable food generation, quality healthcare and a cleaner planet is also the same chemical that helps to bake your cake? Sodium bicarbonate is one of the world's most versatile chemicals with varied applications in food, animal feed, pharmaceuticals and environmental solutions, among others.

2,00,000 MTPA

high-quality sodium bicarbonate manufactured by Tata Chemicals

MTPA - Metric Tonnes Per Annum

VERSATILE CHEMICAL

Tata Chemicals is the world's fourth largest manufacturer of sodium bicarbonate. At Tata Chemicals, we manufacture over 2,00,000 MTPA of high-quality sodium bicarbonate in India and the UK. Even though as the chemical offers high versatility, our R&D teams continuously strive to tailor the product to its varied intended applications. A range of grades, based on particle size and physical properties have evolved into globally recognised brands over time.

Here is a brief overview of the grades:

ALKAKARB: Our animal feed grade sodium bicarbonate caters primarily to the poultry and livestock. It increases the feed conversion ratio (FCR) in broilers, increases egg-shell strength in poultry and alleviates heat stress in livestock.

SODAKARB: Our food grade sodium bicarbonate is manufactured under the most stringent food safety regulations for bakery, biscuit, confectionery and beverage manufacturers. It is pertinent to mention in this context that particle size defines grades.

PHARMACEUTICAL GRADE: The best quality of sodium bicarbonate with industry-leading purity and accompanying services are used in excipients, APIs and dialysis concentrates.

BRISKARB: This is used in flue gas desulphurisation systems. It is manufactured by Tata Chemicals, Europe.

35%

of Indian volumes constitute application branded sales

CUSTOMER-CENTRIC PHILOSOPHY

Our range of bicarbonate products is the outcome of pragmatic strategies and smart execution of our experienced teams. Technical, sales and commercial experts try to understand customer expectations and enable us to deliver accordingly. We have instituted practices, such as key account workshops, regular audits by customers, industry body interactions to serve our customers in an efficient and effective manner.

Our application branded sales constitute more than 35% of Indian volumes and over 50% of the European volumes. Our investments in the development of new application-oriented and industry specific specialty brands will continue to grow, as we move towards customising over 50% of our global bicarbonate offerings.

Enduring brand promise

Our customers span more than 40 countries globally. While the channel of catering to our customers' requirements may differ, what remains consistent is the promise of:

Developing deep understanding of the unique needs of our customers

Delivering pioneering products and services of outstanding quality and value

Delighting our customers with great experiences at every touch point

Our global triumphs

With a capacity of approximately 4.3 million MT soda ash and 0.2 million MT sodium bicarbonate, Tata Chemicals is the world's most geographically diversified soda ash company. Almost 70% of the soda ash capacity is manufactured through the natural route.

Each of our global plants has its own unique operational philosophy:

Mithapur, India: It is an integrated inorganic chemicals complex, manufacturing soda ash, edible salt, sodium bicarbonate, cement, marine and caustic chemicals.

Wyoming, US: Tata Chemicals North America's (TCNA) manufacturing facility consists of an underground trona mine and a surface refining plant that processes the ore into soda ash.

Northwich, UK: Tata Chemicals Europe (TCE) is one of the continent's leading producers of sodium carbonate, salt, sodium bicarbonate and other products.

Magadi, Kenya: Tata Chemicals Magadi (TCM) is Africa's largest soda ash manufacturer and one of Kenya's leading exporters. At the facility, soda ash is obtained by washing and calcining trona, a naturally occurring form of sodium sesquicarbonate, extracted from Lake Magadi in Kenya.

FARM *Essentials*

In our consistent endeavour to provide science led innovative products and solutions, our Farm Essentials business develops advanced crop specific solutions for key field and cash crops, while leveraging insights from more than a million farmers. We deliver customised solutions aimed at improving productivity and quality of farm produce and thus improving life of farmers.

Rallis India, a subsidiary of Tata Chemicals, is India's leading crop care company with a portfolio in crop-protection chemicals, seeds, plant growth nutrients, soil conditioners and agri services that complement our offerings to the India's farmers. Rallis is known for its deep understanding of Indian agriculture, sustained contact with farmers, quality agrochemicals, branding and marketing expertise and its strong product portfolio of comprehensive crop care solutions. Rallis is closely connected to over 1 Million farmers through Rallis Kisan Kutumb programme.

Rallis also has a presence in hybrid seeds market through its subsidiary, Metahelix. Metahelix is an agricultural biotechnology company focusing on the development of crop traits and technologies for crop protection, improved productivity and commercialisation. Metahelix also provides customised research to select global Agricultural-biotech businesses using its proprietary technologies in crop transformation and functional genomics.

HIGHLIGHTS FY2016-17

PBIT grows to

₹641 crore

1.3

million farmers database

Tata Chemicals is a key producer of phosphatic fertilisers and has significant interest in imports and trading of fertilisers and specialty nutrients. Tata Paras is one of the leading brands in fertiliser segment in India.

PBIT - Profit Before Interest & Tax

Business Value Chain

	Crop Nutrition	Crop Protection & Seeds
Plants	TCL Haldia	Rallis & Metahelix
Raw Material	Ammonia, Phosphoric Acid, Sulphuric Acid, MOP	DMPAT, Acetic Anhydridem 4 Nox / Nax Solvent, CIX, NMP
Processing	Granulation	Formulation and Processing Chemistry and others
Products	**Macronutrient fertiliser** - DAP, NPKs, SSP, MOP Tata Paras DAP Tata Paras NPK 10 26 26 Tata Paras NPK 12 32 16 Tata Paras SSP Tata Paras MOP Tata Paras range of specialty fertilisers	**Organic Fertiliser :** GeoGreen **Herbicides:** Tata Metri, Tarak, Tata Panida **Fungicides:** Contaf, Contaf Plus, Taqat, Ergon, Tata Master, Sultaf **Insecticides:** Tata Asataf, Applaud, Takumi, Hunk, Nagata, Origin, Reeva 5, Sedna, Sonic Flo, Tata Mida, Zeeny, Rilon, Anant, Summit **Plant growth Nutrients:** Ralligold WP, Ralligold Gr, Tata Bahaar, Uphaar, Solubor, Glucobita, Tracel, Surplus **Seeds:** Hybrid Paddy, Hybrid Millet, Hybrid Maize, BT Cotton and Vegetables
Packaging	50 KG Bags	10 GM to 200 KG SKUs
Logistics	By Rail, by Road, by Sea	By Road, by Air, by Sea
Distribution	Dealers, Retailers and TKS	Direct (74%) Channel Partners (26%)
End Use	Farmers	

Enhancing farm **productivity**

For a country with over 1.2 billion people, chemical fertilisers are critical to achieve and maintain food security sustainably. India is among the top five producers, consumers and importers of fertilisers in the world. The demand for fertilisers depends on crop pattern, monsoon, percentage of irrigated land and commodity prices, among others. The phosphates business comes under subsidy via the Nutrient Based Subsidy scheme (NBS). While the maximum retail price is fixed by the marketers, the Government of India ensures reasonable prices of fertilisers. The government monitors the supply and availability through planned movement in each state up to district level through a digitised system (iFMS).

At Tata Chemicals, our objective is to enhance farm productivity and improve the earning capacity of farmers. Our macro nutrient fertilisers contribute towards achieving this objective. The manufactured and imported fertilisers are supplied through a distribution network consisting of wholesalers, retailers and Tata Kisan Sansars outlets. This is supported by our efficient supply chain from plant and port through strategically located warehouses.

THINKING BEYOND CHALLENGES

There are challenges for sustainable growth of fertiliser business like, our Haldia operations witness erratic profitability due to fluctuating prices of imported raw materials and imported fertiliser prices. In addition, the investment for working capital is significant owing to high receivables from the market and the government. This is addressed through efficient operations, meticulous market management and processes focused on government receivables. We are also leveraging Information and Communication Technology (ICT) for further strengthening customer services.

Our strategy is to maintain plant sustainability and reliability, while at the same time keeping a relentless focus on cost discipline. We are also conducting farmer education programmes to strengthen our brand loyalty and recall. The outcome of our initiatives is encouraging. During FY2016-17, the performance of the phosphates business improved vis-a-vis the preceding year, through management of product portfolio, leveraging PARAS brand and continued engagement with farmers. This was also supported by lower input prices and good monsoon.

WAY FORWARD

We will continue our focus on innovation, enhancing our brand equity and farmer engagement which will further strengthen our phosphates business.

We will always leverage the Government impetus on a series of measures to modernise agricultural practices and empower farmers, as close to 58% of the population depends on agriculture as their principle means of livelihood. The government is also focusing on benefiting farmers directly through Direct Benefit Transfer (DBT). The Government's vision is to double the income of farmers by 2022. The total allocation in the Union Budget for rural, agricultural and allied sectors for FY2017-18 has been increased by 24% year-on-year to ₹ 1,87,223 crore (US$ 28.1 billion) (source IBEF). Eastern India, the core command area of Haldia operations, is expected to contribute significantly to the country's future food security.

Macro Nutrient Fertilisers
Our manufactured fertilisers comprise DAP, NPKs and SSP
Our imported fertilisers comprise DAP and MOP

A harvest of **hope.**

Feeding a growing global population with fewer resources and lesser land available is among the most critical challenges of the 21st century. Within individual crops, the major focus of countries and governments is to double the production of rice – the staple diet of over half the world by 2050. However, there are multiple constraints to achieving this objective. One of the major impediment to increasing rice production is rice blast, the most devastating fungal disease worldwide. It increases production costs and adversely impacts yields. This fungal disease affects plant at different growth stages, starting from the nursery stage up to seed harvesting, resulting in loss of yield of 50% or more.

CHALLENGES DRIVE INNOVATION

Farmers usually combat the menace by using fungicides. Another approach involves the introduction of resistance genes through conventional plant breeding tools. Although these methods are effective, the fast evolving rice blast fungus and intensive monoculture often break down such resistance. Therefore, the challenge is to strengthen the in-built tolerance of rice plants against blast.

At Metahelix, our scientists first studied all aspects of the rice crop and its vulnerabilities at the genetic level. The next step was to prepare a viable action plan by deepening our knowhow and conducting more meticulous research. Years of research finally led to an encouraging outcome. Our scientists have succeeded in piloting gene based, in-built tolerance in rice plants against blast. In the event of an attack, these plants do not allow fungus to survive on them and cause disease. Contrary to available solutions, this model has the potential to produce blast strain non-specific and durable tolerance.

The blast tolerant rice plants that we have developed are in a technology ready stage. Following regulatory approvals, the confined field trials need to be conducted in hot spots to evaluate their performance in a natural environment.

In this context, it is pertinent to mention that a well-designed regulatory framework for environmental release of genetically modified (GM) crops is the biggest hurdle in many countries of the world, including India. In India, the regulatory framework for GM technology is still evolving.

Hurdles of environmental release, however, can be addressed by licensing the technology to other countries where deregulation process is in place or leveraging the knowledge to develop topical application solutions.

Designed rice plants, showed satisfactory level of blast tolerance against different strains of blast-causing fungus in nursery trials. The plants did not just withstand the attack, but also kept growing.

Every innovation needs to have a robust economic rationale to be commercially viable. Blast is the primary cause for the significant demand of fungicide in the market. Addressing this problem has the potential to increase hybrid rice cultivation acreage and market. The economic and financial benefits of this initiative can be judged from the scale of the Indian fungicide market targeted to address blast.

We are constantly upgrading our capabilities and adapting to changes in the regulatory environment. Although the commercialisation of GM crops is subject to regulatory approvals, it is believed that the opportunity landscape will widen.

The world is now ready for a large scale genetic revolution in food crops to feed the hungry and we are geared to be a part of it.

METAHELIX Germinating Hope

Metahelix Life Sciences Limited

A TATA Enterprise

Reality Check

Demonstration of blast tolerance in rice using multiple target genes

Pyramiding of genes to enhance disease tolerance potential

The genetic elements are being used to expand the application to neck blast- a serious threat to rice production

Fruitful **enterprise**

Around 2.1 lakh acres are dedicated to India's grapes cultivation, of which 90% is cultivated in Maharashtra. This fruit, preferred by many nationally and internationally, is also a major source of income to farmers. However, the facts are not very encouraging when we look closely at the entire spectrum of grapes cultivation in India.

Uncertainty around climatic conditions and lack of knowledge are translating into average quality and yield loss. Hailstorms, unseasonal rains and improper application of plant growth regulators (PGR) are some of the impediments that grape farmers grapple with. The result is growing cost of cultivation, which could have been avoided. Therefore, grape growers seek a trustworthy source of weather information and advisory that will result in fast and sound decision-making.

Application in a nutshell

SK Application is a unique solution that provides localised weather forecast with 80%+ accuracy. The solution also provides disease forecasting to optimise cost and enhance yield. The reliable advisory at the right time, right stage and with the right product makes an enormous difference to grapes cultivation.

BENEFITTING FARMERS

The challenges of grape growers encouraged the ICAR, NRCG, MRDBS, Crop tech and Rallis India Limited to work with innovative technologies to support them. Rallis is one of India's leading crop care companies that provides consultancy to grape growers. The requirement was to provide farmers with real-time, location-specific agriculture and weather related information, which could really benefit them.

The outcome of this collaboration and knowledge share is the SK Application, a comprehensive solution for grape growers. It marks a huge leap from traditional farming to a digital application for crop care. It is a pioneering endeavour to provide localised weather forecast with over 80% accuracy.

3,150 plots

registered up to March 2017

At Rallis, our deep understanding of Indian agriculture, sustained interaction with farmers and partnerships to gain technology competence have enabled us to create relevant digital solutions to help farmers combat agricultural challenges. Our present portfolio comprises localised weather forecast, diseases forecast and disease solution system. We are also building a pipeline of customised notification, insect forecast system, and nutrition and irrigation management based on soil type.

DIGITAL DRIVE

Our application was launched in July 2015 and registered 2,100 plots up to March 2016. Last year, we addressed over 3,100 plots with 21% of our wallet share. The application reduced cultivation cost by 12% and improved quality yield by 13%.

As India turns digital, agriculture needs to be increasingly technology enabled to generate optimal returns for farmers and other stakeholders. **Besides, rapid rollout and low cost of high-end mobile technology is creating more opportunities for digital agriculture solutions and best practices.** Obvious road blocks to digital farming solutions include poor literacy levels of farmers and low awareness of digital technologies. Only 10% farmers have wide-ranging knowledge of best farming practices. However, a large section of the farming population is now showing willingness to adopt digital applications for best practices. This optimism inspires us to work harder and develop smarter solutions.

SK Application is today recommended by NRCG scientists as the most trusted source of weather forecasts, disease forecast and disease solution system. We are upgrading our services in line with demands of farmers and suggestions provided by our partners.

Rallis is amongst the leading companies in India, which works with knowledge partners for the welfare of grape growers. We analyse our services annually and proactively handle uncertainties.

ICAR - Indian Council of Agriculture Research; NRCG - National Research Centre for Grapes; SK - Samrudh Krishi; MRDBS - Maharashtra Rajya Draksha Bagaitdar Sangh

Corporate Social ***Responsibility***

We live by our core values of improving the quality of life for our communities and building trust. To uphold the legacy of Tata group, we invest in varied community development programmes across geographies. Over the years, we have established several not for profit organisations, which are working closely with our communities on the ground.

The organisations we established include Tata Chemicals Society of Rural Development (TCSRD), Uday Foundation, Tata Chemicals Golden Jubilee Foundation, Magadi Soda Foundation and Okhai-Centre for Empowerment – all of these organisations help us improve our reach.

Community Development Interventions across the Globe:

TATA CHEMICALS EUROPE

The Company engages closely with the community and carries out several activities for charities and education establishment. During the year, the Company:

- Contributed £10,000 to St Luke's Cheshire Hospice, in Winsford
- Sponsored the 'Make it in Manufacturing' event, where around 100, 13-14 year old children learnt about career options in manufacturing sector
- Employees volunteered for environmental causes like habitat conservation

TATA CHEMICALS NORTH AMERICA

The Company works for different societal and environmental issues. Some activities include:

- Engaging with community organisations like Wyoming Mining Association, United Way, Chambers of Commerce, environmental conservation groups, and local communities' boards and groups
- Donation of 2,00,000 USD annually to local food banks and volunteer organisations
- Employee volunteering for community events, projects, programs

TATA CHEMICALS MAGADI

The Company works towards community development for causes like education, health, women empowerment. Some of the highlights during the year include:

- Community engagement for Lake Magadi Loita Hills Conservation Project
- Development of the SWOT memorandum & capacity building workshops on strategic CSR
- Bursaries for community health including development of mother and child care centre at Magadi hospital

Our Approach towards CSR

We follow an integrated approach in carrying out our CSR interventions and we work on layering of different initiatives so that each one further consolidates the development achievements of the communities we work with.

This integrated approach helps towards long-term sustainable development of the community and environment. Over and above this, TCL continues its focus on inclusion and empowerment of women and the socially backward communities. Our key areas of intervention are divided into Blossom, Enhance, Aspire, Conserve and Nurture.

SOME OF OUR KEY INTERVENTIONS IN EACH OF THESE AREAS IN INDIA ARE LISTED BELOW FY2016-17:

BLOSSOM: Capacity building and empowerment of local communities through sustainable and replicable handicraft development model

Expenditure - ₹ 128 lakh

TCL is promoting handicraft products under the brand OKHAI in all locations with the objective of keeping alive the traditional skills while providing sustainable livelihood to the artisans. Currently we are working with 900 artisans across sites - through the cluster development program and have been able to generate business turnover of ₹ 2.21 crore.

All the products developed by the artisans are linked to Okhai which provides a strong marketing platform.

CONSERVE - Maintain ecological balance and conserve natural resources through participatory approach for environmental sustainability

Expenditure - ₹ 265 lakh

We have several on-going projects for nature and biodiversity conservation like - Whale Shark conservation, Coral Reef restoration, Mangrove plantation, Biodiversity reserve plantation, Marine Turtle monitoring, Community conserved wetland, Monitoring of birdlife, Eco Clubs Program and Organic Waste Converter - in Mithapur. In Mithapur, Babrala & Haldia, TCSRD is also working with the Eco Clubs in schools. During the year, 79 Whale Sharks caught accidentally in the fishing nets along the Saurashtra coast were rescued and released taking the total rescue figure since the inception of the campaign to 670. Apart from this, projects undertaken are Land development, Water management and conservation, energy efficient cook stoves and bio-gas plants.

ENHANCE: Enhance income of households in surrounding community

Expenditure - ₹ 241 lakh

Agriculture Development Program: We undertake programs that include capacity building of farmers, crop demonstration, crop diversification, promotion of organic farming, introduction of improved agriculture practice like SRI. We also support through agri-equipment and seeds. During the year approximately 5,000 farmers were directly benefited from various interventions across locations. We have also started three Agriculture Information Centres in three villages of Mithapur.

Animal Husbandry: In the financial year 2016-17, 1.31 lakh cattle were covered from different interventions like health check-up in OPDs, vaccination for FMD & HS, Artificial Insemination. Under Agri allied promotion work, we supported 121 families for fish culture and 86 households for poultry farming in Haldia.

NURTURE: Improve the health status of community through preventive and curative measures

Expenditure - ₹ 325 lakh

Health Care: We support healthcare of our neighbouring communities through Mithapur hospital, mobile clinic services, health and eye camps and OPD centres. We also focus on prevention through nutrition, awareness, training and monitoring programs.

Sanitation: We have collaborated with WASMO at Mithapur and during the year, 1,285 households were provided tap connection for supply of water and 521 households were supported with construction of toilets. In Barbala 63 and in Haldia five sanitation units were constructed.

ASPIRE: Facilitate and empower local communities to seek functional education and skills to enable sustainable socio-economic development

Expenditure - ₹ 306 lakh

Education: To ensure zero drop-out of students at all levels of education starting from pre-primary education, we have started various education programmes. The programmes undertaken during the reporting year include : E- Library, Learning Enhancement Program (LEP), Teacher training, Scholarships, Child learning and Improvement. The programmes benefitted more than 20,000 children across the three sites.

Vocational skills: TCSRD is running the skill development program in Mithapur, Babrala, Haldia and Sriperumbudur to train unemployed youth and facilitate their employment or entrepreneurship development. During the year 2,434 youth were trained on different vocational skills like mobile & computer repairing, electrical fitting, nursing.

EMPOWERMENT: TCL works by empowerment of the marginalised section of the community that includes SC/ST community and women in all the programs. There are specific programs to reach out to such sections at remote locations such as Sundarbans (West Bengal), Kutch and Banaskantha districts (Gujarat).

Expenditure - ₹ 157 lakh

Relief Programs: Tata Chemicals provided relief support during floods in Assam.

Expenditure - ₹ 31 lakh

R&D and *Innovation*

The innovation thrust at Tata Chemicals aims at developing products and services which draw from a multi-disciplinary scientific approach, including biotechnology and nanotechnology. Our research and innovation efforts are around food and fuel, energy and environment, and water and wellness.

Our various arms of research look at particular areas.

INNOVATION CENTRE (IC)

Innovation Centre was set up in 2004 to seed new businesses using principles of sustainability and green chemistry. The Nutritional Solutions (food formulations) and Specialty Chemicals (nano formulations) lines of businesses are outcomes of this process. In addition, IC provides application development, IP and regulatory support to business units in TCL and the Tata Group based on domain expertise. Approved by DSIR, this centre aims to evolve into an autonomous and self-reliant basic and applied sciences unit serving the needs of TCL and Tata Group.

DSIR - Department of Science and Industrial Research

Area of interest	Key Initiatives
INNOVATION, COLLABORATION AND TECHNOLOGY SPANNING THREE DOMAINS - FOOD, FARM AND MATERIALS	Food formulations, nano materials, biotechnology, agri-technology, fuel cell, coating technology and bio fuel/catalysis areas

Patents filed & granted (till 31 March, 2017)

Total patents filed - 74
Patents granted - 17

Total No. of Research Professionals

74

Innovation Centre, Pune

THE RALLIS RESEARCH CENTRE (RRC)

RRC develops new products which are being introduced in the country and overseas. These products enable expansion in Contract Manufacturing. Several Multinational Companies explore RRC's R&D facility to evaluate potential Contract Manufacturing and alliance opportunities. This year contract manufacturing was carried out for two products on Pilot and Commercial level in the Dahej manufacturing facility.

Areas of Interest	Key Initiatives
SOIL HEALTH MANAGEMENT	Development of Organic products to improve soil health
PLANT NUTRITION	Development of eco-friendly products to improve crop productivity
PLANT PROTECTION	Development of novel and environmental friendly formulations
CONTRACT MANUFACTURING	New process development for potential Contract Manufacturing projects

Patents filed & granted (2011 onwards)

Total patents filed - 8

Total No. of Research Professionals

53

MICRONUTRIENT FORMULATION:

Micronutrient deficiency in soil & crops is a global concern. The current marketed formulations either suffer from low plant absorption (metal salts) or are highly expensive (chelated micronutrients), hence leading to general neglect of micronutrients. To address these issues, scientists at the Innovation Centre of Tata Chemicals, over a period of 5 years of research, have developed a cutting-edge nanotechnology based mixed micronutrient formulation. This technology was transferred to

Rallis in 2015, which was subsequently launched as a product under the brand name of SURPLUS in November 2016. Since each geographical region has a different requirement of micronutrients, the formulations are tested and made correspondingly different. This product has also been validated by Agricultural universities. The product demonstrates superior performance as it works at half the dosage of salt formulation and shows at par performance with chelated nutrients, that too at a lower manufacturing cost.

METAHELIX LIFE SCIENCES

Metahelix Life Sciences Ltd. focuses on improvement of crop traits by using the latest technologies through breeding and biotechnological tools. The breeding team plays a key role in developing hybrid seeds in crops such as Rice, Maize, Cotton and Vegetables (Tomato, Chillies, Okra) depending on the new market segment requirements and also develops new products to manage product life cycle. The biotech group uses either the genetic modification (GM) route or Marker Assisted Selection for improving the crop traits. Metahelix has been recognised for its innovation culture and innovative products by TATA Innovista, a platform in Tata Group to promote innovation in the year 2015 for MC-13 (the rice hybrid in the poha segment) and in 2017 for developing Blast resistant rice (Global finalist under piloted technologies).

Areas of Interest

HYBRID SEEDS WITH HIGHER YIELD IN RICE, MAIZE, COTTON, PEARL MILLET, VEGETABLES (TOMATO, OKRA, CHILLI)

CROP BREEDING AND BIOTECHNOLOGY FOR IMPROVING TRAITS

Patents filed & granted (till 31 March, 2017)	Total No. of Research Professionals
Total patents filed - 4 Total patents granted - 2	122

Sustainability

Tata Chemicals is committed towards inclusive growth by delivering sustainable value to all stakeholders. Sustainability is an integral part of our strategy and our efforts are aimed at addressing sustainability issues both within and outside the fence of our organisation.

Resource optimisation is of great importance to us. We focus on energy efficiency and natural resources conservation to reduce our environmental impacts. Some of our key business activities towards this, are as follows:

EFFLUENT MANAGEMENT

Our Urea and Nutritional Solutions plant do not discharge any effluent outside the fence. Both these plants internally re-use the effluent water in operation, horticulture. On the other hand, our Chemical plant at Mithapur, use zero ground water since many years and determines to do so in the coming future as well. We recycle more than 90% of the water in our chemicals operation to minimise the impacts of our operations on the society.

RECYCLE PRODUCTS & WASTE

We always emphasise 'adding value to the waste'. Our Cement operation is an example of a value-added product which uses the waste generated from our integrated chemicals plant. Creating Brick out of sulphur based flyash is also an example of how we add value to waste. In FY2016-17 we replaced 84.88% of virgin limestone with recycled material including limestone fines, fly ash and effluent solids. Our continuous efforts towards resource optimisation, has presented several new business opportunities.

SULPHUR

The Sulphur sludge generated in Sulphuric acid manufacturing plant is used as filler in Single Super Phosphate. It reduces virgin material consumption, silver sand, as well as providing additional nutrient to plants as elemental Sulphur. Utilisation of molten Sulphur reduces an equivalent quantity of imported Sulphur from Middle East countries.

100% of urea dust is recovered from wet de-dusting units installed in conveyor systems and product packaging plant and is recycled back in urea manufacturing. 100% recycling of all waste generated in the plant by mixing back in feed. Most of our hazardous waste is recyclable and sent to Ministry of Environment and Forests (MoEF) approved recyclers.

SUSTAINABLE SOURCING

The Company has developed a supplier sustainability code and has established a process for vendor selection. These include principles and guidelines from Tata Code of Conduct, Global Reporting Initiative, United Nations Global Compact, Social Accountability-8000, ISO certification. For sustainable transportation the following interventions have been taken up: efficient fleet access, full load based transportation

BIODIVERSITY CONSERVATION AND CLIMATE CHANGE

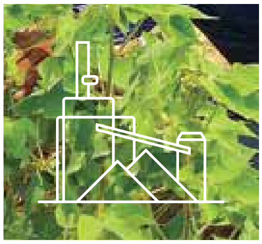
These are two major issues which have compelled countries across the globe to come together and work for concrete and measurable action to address these issues which threatens the very survival of life on earth.

The 'TREE IDIOTS PROGRAM' and related biodiversity conservation activities launched by Tata Chemicals as part of Tata Volunteering Week-6, is a unique multi-purpose initiative which aims to work in this direction through creation of conservation awareness; direct participation of employees, family members and the community in conservation action; establishment of local biodiversity database; and networking for information collection and knowledge sharing. The program features a tree biodiversity mapping exercise for Mithapur township; raising a plantation of endangered Gugal (Commiphora wightii) plant; and conservation awareness and wildlife habitat protection drive.

Key Sustainability Activities

1 MW wind mill
at Chemicals plant and exploring solar plant feasibility as per RPO

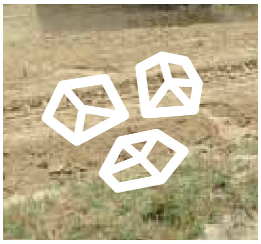
150 KW
solar PV plant at Urea plant



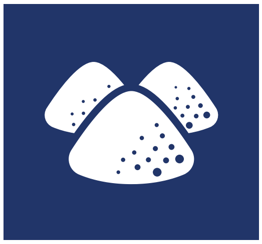
Use of Biomass
in Hot air gas generator in complex fertiliser plant

C

Carbon sequestration
to produce low carbon products



Low carbon mixed products
in focus such as Solar salt and customised fertiliser



Greening of Salt Pan
initiative taken up to support the biodiversity around the chemicals business

Organic Produce
promoting Bio-fertiliser to support Organic produce, Neem coated Urea to promote pesticides free Agri-produce as well as to mitigate Green House Gas (GHG) emissions

C

Carbon neutral village in Mithapur community

Natural Capital & Biodiversity baseline study
Study conducted for CNAB business identified improvement areas to sensitise the supply chain through supplier sustainability program

RPO - Renewable Purchase Obligation; CNAB - Crop Nutrition & Agri Business; PV - Photo Voltaic

The Organisation has also adopted Tata Group initiative on valuation of natural capital program for Chemicals business to pilot the protocol developed by Natural Capital Coalition.

People **Practices**

People are at the heart of Tata Chemicals vision of being a sustainable company with deep consumer insights and engaging relationships. We have continued to invest in building capabilities for better understanding of our customers, in research and development of innovative solutions, digital marketing and to provide collaborative platforms for employees to engage and share ideas.

Learning, **I**nclusiveness & Trust, **F**un and **E**mpowerment are elements of **LIFE** that are embedded in our people practices and initiatives.

Learning extends beyond the classroom through on-the-job trainings, exposure to latest technology, networking opportunities in trade and professional bodies, access to online learning platforms and nurturing internal trainers. For identification of leadership capabilities we use the Corporate Executive Board (CEB) framework of ability, engagement & aspiration. Leadership capabilities are enhanced using the 3E framework of Experience, Education and Exposure. Our internal Management Development Programme (MDP) is one of the mediums to provide a structured learning environment to build these skills using a blended approach of classroom training, simulations, action projects and e-learning. Safety continues to be our focus area and besides investing significantly on Safety programs, we built stronger commitment to safety by linking variable pay to safety record of the business for the year.

An underlying philosophy that shapes our employee policies is that we trust our people to do the right thing. Recent changes to policies includes flexi-time, work from home, auto approval of leave, quick reimbursements of claims and new initiatives like unsupervised pantry are some of our practices. To reinforce the ethical behaviour expected from our employees we annually conduct an ethics month celebration with the theme 'Ethics Begins with ME'. Last year we introduced a third party ethics helpline and Anti-Bribery and Anti-Corruption Policy.

We have adopted a Diversivty Policy with focus on 4 pillars of Disadvantaged Communities, Disadvantaged Regions, Gender and Differently Abled.

Extended maternity leave as well as flexible work hours for new mothers are some of our key initiatives for retention of women. Seamlessly Harnessing Internal Expertise (SHiNE+) is our Internal Job Posting cum Employee Referral Programme which also articulates the push towards diversity.

We have many collaborative platforms for creating an environment of fun. Oorja, our annual cultural festival, Stepathlon team based wellness initiative and Employee Volunteering Programmes are a few examples of such initiatives. To promote balanced work environment, we have transitioned to a 5 and half day week for all our plants and have adopted a new business casual uniform to make it more appealing to our millennial workforce at our sites. All major festivals are celebrated with a lot of gusto in our offices and townships bringing together people.

Cascading of organisational goals using the Balanced Scorecard - Strategic Deployment Tool (BSC-SDM) helps to bring in role clarity and alignment at all levels, creating an empowering work environment. We provide employees opportunities to explore career mobility options within the organisation and within the Tata Group. There is exposure to latest technology and forums for networking to strengthen subject matter expertise. Simpli5, is an initiative which focuses on innovative practices to reduce complexities in the process and improve productivity at the workplace. Last year we introduced flexi-benefits allowing employees to choose pay components to suit their lifestyle.

Results at a **Glance**

₹ in crore

	Tata Chemicals Standalone		Tata Chemicals Group	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations	6,470.92	8,469.50	13,288.92	15,220.23
Profit before tax				
- Continuing operations	794.03	767.12	1,456.60	1,180.33
- Discontinued operation	195.57	113.15	195.57	113.15
Profit after tax				
- Continuing operations	557.88	591.99	1,099.27	931.95
- Discontinued operation	134.83	74.21	134.83	74.21
Other comprehensive income	378.16	(249.84)	348.96	31.06
Other equity	8,600.63	7,831.43	7,653.42	6,599.50
Capital employed*	7,819.20	8,483.85	20,716.66	21,640.99
Net worth**	8,855.45	8,086.25	7,908.24	6,854.32
Gross debt	2,040.62	3,523.72	7,071.86	9,090.42
Cash and cash equivalents	1,097.38	586.72	1,451.45	1,246.69
	Ratio		Ratio	
Debt : Equity	0.23	0.43	0.89	1.33
	₹		₹	
Net worth per share as at year end	347.49	317.30	310.32	268.96
Earnings per share:				
Basic & Diluted				
- Continuing operations	21.90	23.24	33.69	27.34
- Discontinued operation	5.29	2.91	5.29	2.91
Basic & Diluted				
- Continuing and discontinued operations	27.19	26.15	38.98	30.25
Dividend proposed for the year per Ordinary share	11.00	10.00	11.00	10.00
Shareholders (Numbers)	1,81,055	1,81,264	-	-

* *Capital Employed: Total Assets minus Current Liabilities plus Short-term Borrowings plus current maturities of Long-term Debt and finance lease obligations minus investment in subsidiary companies (other than Rallis India Limited)*

** *Net worth: Equity share capital plus Other equity*

Statutory Reports and Financial Statements

Statutory Reports

Financial Statements

Standalone Financial Statements

Consolidated Financial Statements

Board's Report

TO THE MEMBERS OF TATA CHEMICALS LIMITED

The Directors hereby present their seventy eighth Annual Report together with the audited financial statements for the Financial Year (FY) ended 31 March, 2017.

FINANCIAL RESULTS

₹ in crore

Particulars	Standalone Year ended 31 March, 2017	Standalone Year ended 31 March, 2016	Consolidated Year ended 31 March, 2017	Consolidated Year ended 31 March, 2016
Revenue from operations	**6,470.92**	**8,469.50**	**13,288.92**	**15,220.23**
Profit from ordinary activities before depreciation and finance costs	**1,161.29**	**1,135.78**	**2,389.74**	**2,216.99**
Depreciation and amortisation expense	152.41	153.50	534.73	526.08
Profit from ordinary activities before finance costs	**1,008.88**	**982.28**	**1,855.01**	**1,690.91**
Finance costs	214.85	215.16	411.16	525.47
Profit before share of profit of an associate and joint ventures and tax	**794.03**	**767.12**	**1,443.85**	**1,165.44**
Share of profit / (loss) of an associate and joint ventures	-	-	12.75	14.89
Profit before tax	**794.03**	**767.12**	**1,456.60**	**1,180.33**
Tax expense	236.15	175.13	357.33	248.38
Profit for the year from continuing operations after tax	**557.88**	**591.99**	**1,099.27**	**931.95**
Profit from discontinued operation after tax	**134.83**	**74.21**	**134.83**	**74.21**
Profit for the year	**692.71**	**666.20**	**1,234.10**	**1,006.16**
Attributable to:				
- Equity shareholders of the Company	692.71	666.20	993.11	770.58
- Non-controlling interests	-	-	240.99	235.58
Other Comprehensive Income ('OCI')	378.16	(249.84)	348.96	31.06
Total Comprehensive Income	**1,070.87**	**416.36**	**1,583.06**	**1,037.22**
Balance in Retained earnings at the beginning of the year	**3,714.09**	**3,437.15**	**996.00**	**586.98**
Profit for the year (attributable to equity shareholders of the Company)	692.71	666.20	993.11	770.58
Remeasurement of defined employee benefit plans	(32.52)	(8.95)	(165.24)	59.68
Dividends including tax on dividend	(301.67)	(380.31)	(306.62)	(383.23)
Acquisition of non-controlling interests	-	-	(7.86)	(31.70)
Transferred to General reserve	-	-	-	(6.31)
Balance in Retained earnings at the end of the year	**4,072.61**	**3,714.09**	**1,509.39**	**996.00**

DIVIDEND

For the year under review, the Directors have recommended a dividend of ₹ 11 per share (110%) on the Ordinary Shares of the Company (previous year ₹ 10 per share). If declared by the members at the ensuing Annual General Meeting (AGM), the total dividend outgo during FY 2017-18 would amount to ₹ 280.23 crore excluding dividend tax (previous year ₹ 254.76 crore excluding dividend tax).

PERFORMANCE REVIEW

The Company has entered into an Agreement with Yara Fertilisers India Private Limited ('Yara India') to transfer its urea and customised fertiliser business at Babrala, Uttar Pradesh, by way of a slump sale, on a going concern basis, for a consideration of ₹ 2,670 crore (subject to certain adjustments) through a Scheme of Arrangement. Final approval on the Scheme of Arrangement from the Hon'ble National Company Law Tribunal is awaited. The effect of the transfer will be reflected in the financial results of the period in which the deal is consummated post receipt of all the requisite regulatory and statutory approvals. Hence, urea and customised fertiliser business is classified as discontinued operation in the financial statements for the year ended 31 March, 2017.

Consolidated:
The consolidated revenue from the continuing operations decreased from ₹ 15,220.23 crore to ₹ 13,288.92 crore, a decrease of 12.69% over the previous year. Earnings before interest, tax, depreciation and amortisation ('EBITDA') from continuing operations has increased from ₹ 2,091.73 crore to ₹ 2,223.62 crore, an increase of 6.31% over the previous year. Profit before tax from continuing operations has increased from ₹ 1,180.33 crore to ₹ 1,456.60 crore, an increase of 23.41% over the previous year. Profit after tax from the continuing operations has increased from ₹ 931.95 crore to ₹ 1,099.27 crore, an increase of 17.95% over the previous year. Profit for the year (continuing operations and discontinued operation) has increased from ₹ 1,006.16 crore to ₹ 1,234.10 crore, an increase of 22.65% over the previous year. Profit for the year attributable to equity shareholders of the Company has increased from ₹ 770.58 crore to ₹ 993.11 crore, an increase of 28.88% over the previous year.

Standalone:
The revenue from the continuing operations decreased from ₹ 8,469.50 crore to ₹ 6,470.92 crore, a decrease of 23.60% over the previous year. EBITDA from continuing operations has increased from ₹ 971.41 crore to ₹ 984.37 crore, an increase of 1.33% over the previous year. Profit before tax from continuing operations has increased from ₹ 767.12 crore to ₹ 794.03 crore, an increase of 3.51% over the previous year. Profit for the year (continuing operations and discontinued operation) has increased from ₹ 666.20 crore to ₹ 692.71 crore, an increase of 3.98% over the previous year.

Tata Chemicals Limited's ('TCL' or 'the Company') operation is organised under four segments i.e. (1) Inorganic Chemicals comprising Soda Ash, Salt, Sodium Bicarbonate, Marine Chemicals, Caustic Soda and Cement, (2) Fertilisers comprising Fertilisers and other traded products, (3) Other Agri-inputs including Rallis India Limited's operations and (4) Others comprising Pulses, Spices, Water Purifier, Nutritional Solutions. Performance review of these businesses is as under:

1. INORGANIC CHEMICALS SEGMENT

1.1 INDIA OPERATIONS:

During the year, the Inorganic Chemicals business posted a revenue on standalone basis of ₹ 3,556.83 crore against ₹ 3,638.06 crore in the previous year, down by 2.23%.

The Indian Chemical Operations registered another year of healthy financial performance with profit before tax higher than the previous year, in a mixed business environment. An increased focus on cost, driven through several operational efficiency programs, enabled this performance in an environment characterised by pricing pressures.

The production volumes of all major products; soda ash, sodium bicarbonate and salt exceeded previous year levels. However, increased imports and domestic capacity addition led to soda ash prices coming under pressure during the year. Operational costs, both fixed and variable cost, were kept under strict control. Higher manufacturing volumes and lower costs helped overcome pricing pressure in the market and led to an overall improvement in the profitability levels.

Soda Ash

In contrast to almost flat demand witnessed in FY 2015-16, the soda ash domestic market grew at ~ 7% during the year under review, driven by the two key consuming industries of glass and detergents. The manufacturing volumes at Mithapur also went up marginally from 8.10 lakh tonnes per annum to 8.16 lakh tonnes per annum. The soda ash production volume at Mithapur was supplemented by sourcing from TCL group companies and others leading to a total sales volume of 7.08 lakh tonnes per annum for the year under review (part of the domestic production was also used for conversion into sodium bicarbonate at Mithapur). Prices remained under pressure due to higher import and domestic volumes.

Sodium Bicarbonate

The Company believes in the long-term volume and value growth potential of the domestic sodium bicarbonate market. The demand is estimated to have grown by ~ 7% in FY 2016-17, consistent with its long-term growth trend. Sodium bicarbonate production at Mithapur rose from 97,555 tonnes to 1,01,210 tonnes for the year. Sales volume of 94,338 tonnes for the year under review showed a similar trend which helped the Company maintain its market share in excess of 50%. Although sodium bicarbonate prices were under pressure during the year, the Company continues to focus on value-driven growth by expanding its portfolio of value added offerings for high-end applications in the domestic market.

Cement

The business environment for cement continued to remain challenging during the year with subdued demand growth and pricing pressures resulting in downward pressure on both the sales volume and realisations throughout the year. Cement production volumes were at 5,15,685 tonnes for the year against 5,27,232 tonnes during the previous year. Cement sales during the year were at 5,17,721 tonnes against 5,34,230 tonnes during the previous year. However, the Company's continued focus on driving profitability in this business by strict cost control and operating in low freight zones would assist in driving superior performance going forward.

Salt

Iodised salt production in Mithapur was 9,19,850 tonnes, up by 7.34% over the previous year. Overall, branded salt sales grew by 2.30% over the previous year and stood at 10,73,215 tonnes in FY 2016-17.

Tata Salt grew by 4.27% in sales volume over the previous year to reach sales volume of 9,04,158 tonnes in FY 2016-17. It continues to be the largest distributed brand with a reach of 16.7 lakh retail outlets across India.

Tata Salt Lite grew by 10.65% in sales volume and achieved volumes of 19,619 tonnes in FY 2016-17.

I-Shakti salt continued to address the iodisation movement, complimenting Tata Salt with a sale of 1,20,194 tonnes in FY 2016-17.

1.2 OVERSEAS OPERATIONS

1.2.1 Tata Chemicals North America Inc. (TCNA)

TCNA production volumes were higher by 4.43% during the year due to reliability programme initiated at the site. Sales volumes were higher by 6.11% during the year. TCNA posted gross revenue of US$ 476.11 million (₹ 3,193.48 crore) for the year ended 31 March, 2017 against US$ 460.47 million (₹ 3,014.66 crore) in the previous year. Revenue increased during the year due to higher sales volumes partially offset by adverse sales mix and pricing.

TCNA registered EBITDA of US$ 95.85 million (₹ 642.91 crore) against US$ 98.10 million (₹ 642.25 crore) in the previous year. Favourable sales and production volumes and favourable plant costs were offset by adverse sales price and mix.

Profit before tax and profit after tax and non-controlling interest for the year were at US$ 67.15 million (₹ 450.40 crore) and US$ 31.56 million (₹ 211.69 crore) respectively against US$ 68.50 million (₹ 448.46 crore) and US$ 33.48 million (₹ 219.19 crore) respectively during the previous year.

1.2.2 Tata Chemicals Europe Holdings Limited (TCEHL)

TCEHL is the holding company for Tata Chemicals Europe Limited with operations in soda ash, sodium bicarbonate and energy businesses as well as British Salt Limited which carries on the business of manufacturing and sale of industrial salt.

TCEHL's overall turnover for the year was GBP 180.22 million (₹ 1,578.21 crore) against GBP 167.40 million (₹ 1,652.93 crore) in the previous year. The group companies maintained their share of UK markets in all key products during the year. Production of soda ash and sodium bicarbonate increased by 2.59%, continuing the positive trend seen in recent years and accompanied by improved manufacturing efficiencies. Sales volume of soda ash were down by 2.24%, sodium bicarbonate up by 5% and salt up by 2.45%. Export sales volume were below 2016 levels but margins improved due to the weakness of Sterling against Euro and US Dollar. Electricity sales were higher as a result of the full year contribution from the new steam turbine commissioned in the third quarter of 2016. The businesses also benefited from the successful delivery of the final phase of a fixed cost reduction programme which was launched in 2014. The defined benefit pension scheme of Tata Chemicals Europe Limited was closed to future accrual in May, 2016.

EBITDA for the year was GBP 26.83 million (₹ 234.95 crore) against GBP 17.72 million (₹ 174.97 crore) in the previous year, up by 51.41% mainly due to underlying profitability improvements across the product range. The profit on ordinary activities before taxation was GBP 11.28 million (₹ 98.78 crore) against loss of GBP 4.61 million (₹ 45.52 crore) in the previous year after taking into account credits in respect of derivative mark-to-market adjustments of GBP 2.47 million (₹ 21.63 crore) against charges of GBP 3.12 million (₹ 30.81 crore) in the previous year.

While there was no current tax charge for the year (2016: Nil) but movements in deferred tax resulted in a charge of GBP 2.21 million (₹ 19.35 crore) against credit of GBP 0.95 million (₹ 9.38 crore) in the previous year.

The profit after tax was GBP 9.07 million (₹ 79.43 crore) against the loss of GBP 3.66 million (₹ 36.14 crore) in the previous year.

1.2.3 Tata Chemicals Magadi Limited (TCML)

During the year, TCML soda ash production volume and sales volume were both down by 3.54% and 11.40% respectively.

TCML posted total sales of US$ 59.77 million (₹ 400.90 crore) against US$ 74.05 million (₹ 484.80 crore) during the previous year.

TCML achieved gross profit of US$ 35.75 million (₹ 239.79 crore) for the year against US$ 43.48 million (₹ 284.66 crore) in the previous year. EBITDA for the year was US$ 5.70 million (₹ 38.23 crore) against US$ 17.55 million (₹ 114.90 crore) in the previous year. The major contributing factors for the lower EBITDA performance were mainly lower sales volume, selling prices, product quality challenges and poor plant efficiencies.

The year under review registered a profit after tax of US$ 1.08 million (₹ 7.22 crore) compared to US$ 10.52 million (₹ 68.87 crore) in the previous year.

1.2.4 Tata Chemicals International Pte Limited (TCIPL)

TCIPL is a wholly owned subsidiary of Tata Chemicals Limited based in Singapore. The primary activities of the company constitute of trading and holding investments in overseas subsidiaries. TCIPL is trading soda ash of different grades in South East Asia and Middle East and also exploring opportunities in allied products in these markets.

During the year under review, TCIPL expanded its business portfolio by engaging in procurement of coal from Indonesia. During the year, TCIPL's revenue was US$ 78.18 million (₹ 524.39 crore) and other income includes dividend from wholly owned subsidiary of US$ 10.73 million (₹ 71.97 crore). TCIPL's profit after tax for the year was US$ 2.55 million (₹ 17.11 crore).

2. FERTILISER SEGMENT

CROP NUTRITION AND AGRI BUSINESS (CNAB)

CNAB, which is part of our Farm Essentials business has two fertiliser manufacturing units; Babrala plant; manufacturing Urea and Customised Fertiliser and the Haldia plant; producing Phosphatic Fertilisers such as Di-ammonium Phosphate (DAP), NPK and Single Super Phosphate (SSP). In addition to these facilities, the Company imports and sells bulk fertilisers like DAP and Muriate of Potash (MOP). The Company also supplies other products like Specialty Fertilisers, Organic Fertilisers, Seeds and Pesticides.

During the year, the CNAB posted sales of ₹ 2,288.33 crore against ₹ 4,113.03 crore in the previous year. Sales revenue of discontinued operation (urea and customised fertiliser business) for the year was ₹ 1,982.96 crore against ₹ 2,304.07 crore in the previous year.

The unfavourable cost structure at Haldia, when compared to imported alternatives as well as the delay in finalising phosphatic acid prices during first half of the year, impacted the performance of Haldia plant.

While the revenue was down, EBITDA grew to ₹ 376.50 crore during the year from ₹ 283.36 crore in the previous year. The PBT grew sharply to ₹ 160.57 crore for the year from ₹ 6.81 crore in the previous year despite tough market conditions.

Urea

The Urea manufacturing plant at Babrala produced 12,13,843 tonnes in FY 2016-17 against 12,30,819 tonnes, lower by 16,976 tonnes compared to the previous year. Lower production is attributed to 20 days annual turnaround. The specific energy consumption level of the plant was 5.164 GCal / tonnes against 5.170 GCal / tonnes in the previous year.

Complex Fertilisers (DAP / NPK / SSP)

The Phosphatic fertilisers manufacturing facility at Haldia achieved a combined production volume of 4,95,299 tonnes of DAP, NPKs and SSP during the year against the previous year's production of 6,66,731 tonnes, lower by 25.71%. This was primarily due to non-finalisation of phosphatic acid prices in the first half and partial shutdown for re-routing of the Ammonia pipeline. The Ammonia Pipeline shifting project has been successfully completed.

The sales of DAP, NPKs and SSP from the Haldia plant was 5,18,020 tonnes against 7,25,852 tonnes in the previous year, down by 28.63%.

Imported Products (DAP / MOP)

To fulfill market demand, the Company sold 2,08,820 tonnes of imported DAP during the year against 4,15,145 tonnes in the previous year. Considering the price volatility and exchange rate fluctuations, the Company has reduced its exposures to DAP imports. MOP sales were at 83,107 tonnes against the previous year's sale of 1,10,986 tonnes.

Specialty Crop Nutrients and Agri Inputs

During the year, Specialty Crop Nutrients and other Agri Inputs recorded revenues of ₹ 527.92 crore against ₹ 689.34 crore in the previous year.

The performance of traded business was in line with the strategy to scale down the business.

Customised Fertilisers

The customised fertiliser manufacturing plant at Babrala manufactures three grades of fertilisers applicable to Paddy, Potato and Sugarcane. The sales of customised fertilisers during the year were 16,461 tonnes against 23,327 tonnes in the previous year. Customised fertiliser being a new concept, needs to be promoted in a phased manner and will gradually gain acceptance.

3. OTHER AGRI INPUTS

3.1 During the year, the other agri-inputs recorded revenues on standalone basis of ₹ 316.39 crore against ₹ 410.82 crore in the previous year, down by 22.99%.

3.2 Rallis India Limited (Rallis)

Rallis achieved a total revenue of ₹ 1,782.98 crore compared to ₹ 1,627.79 crore in the previous year. The Company's profit before exceptional items and tax was ₹ 221.56 crore compared to ₹ 186.11 crore in the previous year, registering an increase of 19%. Exceptional items of ₹ 158.39 crore comprises profit on assignment of leasehold rights to a plot of land in the MIDC area, Turbhe, Navi Mumbai. Rallis earned a net profit of ₹ 138.68 crore (excluding exceptional item of ₹ 158.39 crore), down 5.72% compared to a net profit of ₹ 147.09 crore in the previous year.

Rallis' Domestic Formulations Business achieved a revenue growth of 8% during the year with a higher increase in the underlying volume growth. In response to market changes and to meet farmers' expectations for advanced chemistries and new technologies, the unit introduced three new products during the year; Epic, an improved and advanced Water Dispersible Granules (WDG) formulation of Hexaconazole, launched in paddy; Summit, an advanced new generation insecticide, effective against thrips and almost all caterpillar pests; and Neonix, the first ever seed treatment product in India to control both soil insects and soil borne diseases in groundnut and wheat crops.

Rallis' International Business division achieved a revenue growth of 10.19% during the year, growing to ₹ 440.83 crore, against ₹ 400.05 crore for the previous year. Ten new registrations were obtained during the year and the company commercialised three products in different geographies. In agri services, sales of GeoGreen increased by about 10% over the previous year. A new product GeoGreen P plus was introduced during the year, which has been well accepted by the market. Sales were impacted in Southern India due to severe drought conditions. Metahelix Life Sciences Limited, a 100% subsidiary of Rallis achieved a revenue of ₹ 286.55 crore, up 13.30% over the previous year and clocked a net profit of ₹ 32.34 crore during the year.

4. OTHERS

During the year, the 'Others' segment including pulses, spices, water purifiers, nutritional solutions achieved a total revenue of ₹ 374.83 crore against ₹ 458.15 crore in the previous year, down by 18.19%.

Pulses

Tata Sampann pulses business faced a downward trend in the commodity cycle due to the Government interventions in regulating stock movement and pricing restrictions. The business increased its focus on Tata Sampann Low Oil Absorb Besan in FY 2016-17 as well as high margin value added products with a pilot launch of Tata Sampann Pakoda Mix in three cities.

Spices

After the successful launch in northern markets, Tata Sampann spices has expanded its footprint across 16 states throughout the country in FY 2016-17. Tata Sampann spices launched across Gujarat, Maharashtra, West Bengal and Tripura in the year with a portfolio of 8 blended spices and 4 pure spices.

Water Purifier

The water purifier business continues to expand its footprint in affordable drinking water segment through alternate marketing channels including NGOs and with introduction of more cost effective products.

Nutritional Solutions

FY 2016-17 was the second full year of operations of the greenfield proof-of-concept manufacturing unit at Sriperumbudur, near Chennai. During the year, the unit produced several grades of Fructo-oligosaccharides (FOS) and FOS based formulations and sold a total of 680 tonnes of FOS across India. Although a new product, it garnered wide acceptance as a prebiotic healthy sweetener for categories such as dairy, bakery and confectionery. Based on market requirements and formulation capabilities, the Company has introduced new variants of healthier and natural sweeteners that are alternatives to cane sugar for both institutional and retail segments. Additionally, at the request of key customers and to leverage synergies with company manufactured products and formulations, complementary products were added to the product portfolio.

In FY 2016-17, the business achieved a sales turnover of ₹ 26.95 crore against ₹ 8.10 crore during the previous year.

During the year, the Board has sanctioned an investment of ₹ 270 crore for a greenfield commercial-scale manufacturing unit for FOS and Galacto Oligosaccharide (GOS) at Nellore district in Andhra Pradesh. The Company has also initiated research at Yale University to clinically understand the mechanisms and pathways through which FOS and GOS improves human health.

FINANCE

During the year under review, the Company repaid, upon maturity, external commercial borrowing of US$ 60 million (₹ 325.17 crore), raised during FY 2011-12.

Working capital funding requirements were met through a mixture of buyers' credit, suppliers' credit, commercial paper and working capital demand loans. The outstanding balance of subsidy receivables as on 31 March, 2017 was ₹ 1,684.40 crore (including discontinued operation) (31 March, 2016: ₹ 1,901.33 crore). As a result of the Special Banking Arrangement (SBA) announced by the Department of Fertilisers, Government of India, during fourth quarter of the Financial Year, the Company had availed loans against subsidy receivables for an aggregate amount of ₹ 456.66 crore.

The outstanding balance of working capital borrowings including loans under SBA as on 31 March, 2017 aggregated to ₹ 893 crore (31 March, 2016: ₹ 1,566 crore).

Through various initiatives, the Company has been able to achieve a significant reduction in the levels of net working capital during the year. This, coupled with funding from competitive sources, has supported a reduction in interest costs during the year.

Rallis, a subsidiary of the Company and IMACID, a joint venture, paid dividends of ₹ 24.34 crore (FY 2015-16: ₹ 14.60 crore) and ₹ 21.02 crore (FY 2015-16: ₹ 19.25 crore) respectively to the Company. Tata Chemicals North America Inc., step down subsidiary of the Company, paid a dividend of US$ 10 million (₹ 67.07 crore) (FY 2015-16: ₹ 130.94 crore) which has been mainly utilised towards operational requirements and to pay external finance costs at TCIPL, Singapore.

As on 31 March, 2017, the Company had the following credit ratings, standing at levels similar to 31 March, 2016:

- A Corporate Family Rating of Ba1/Stable from Moody's Investors Service.
- Foreign Currency Long-Term Issuer Default Rating (IDR) of BB+ with Stable outlook from Fitch Ratings.
- INR denominated Non-Convertible Debentures of ₹ 250 crore are rated at CARE AA+ by CARE Ratings and BWR AA+ (Stable) by Brickwork Ratings.
- Long term bank facilities (i.e. fund based working capital facilities) of ₹ 1,005 crore and short term bank facilities of ₹ 3,340 crore are rated at CARE AA+ and CARE A1+, respectively, by CARE Ratings.
- Short term debt programme (including Commercial Paper) of ₹ 600 crore is rated at CRISIL A1+ by CRISIL Ratings.

TCNA had the following credit ratings outstanding as on 31 March, 2017:

- A Corporate Family Rating of Ba3/Stable from Moody's Investors Service.
- A Corporate credit rating of B+/ Positive (Outlook revised from 'Stable' to 'Positive' during July 2016) from S&P Global.

Indian Accounting Standards

The Ministry of Corporate Affairs ('MCA'), vide its notification in the official gazette dated 16 February, 2015, has made applicable the Indian Accounting Standards ('Ind AS') to certain classes of companies. For the Company, Ind AS is applicable from 1 April, 2016 with a transition date of 1 April, 2015. The financial results have been prepared in accordance with the recognition and measurement principles laid down under Ind AS as presented under Section 133 of the Companies Act, 2013 ('the Act') read with the relevant rules issued thereunder and the other accounting principles generally accepted in India as applicable.

CORPORATE GOVERNANCE

Your Company evolves and follows corporate governance guidelines and best practices sincerely, not just to boost long-term shareholder value, but also to respect minority rights. The Company considers the same as its inherent responsibility to disclose timely and accurate information regarding its operations and performance, as well as the leadership and governance of the Company.

During the second half of the year under review, the Company faced challenges owing to leadership change at Tata Sons Limited (Promoter of the Company). The Board would like to impress upon the members that the Company has robust systems and processes in place to ensure compliance with applicable rules and regulations. The Board confirms that your Company has acted in accordance with the applicable regulatory framework at all times.

Certain allegations were made against the Company in relation to the acquisition of the soda ash operations of the Brunner Mond Group in Europe and Africa. Further, questions were raised about financial support by the Company to its overseas businesses and assets.

In this regard, the Directors would like to place on record that as per the corporate governance practice of the Company, the Risk Management Committee, Audit Committee and Board of Directors of the Company reviews and evaluates the risk associated with its investments and all operating entities on a regular basis and discusses steps to mitigate the risks. Actions are taken to mitigate the risks as per discussions with the committees and the Board of Directors. The Company's Annual Report 2015-16 specifically dealt with the risks associated with each of its business and business entities. The risks associated with all the businesses, including those of Europe and Africa were periodically reviewed, evaluated and discussed in detail at the Risk Management Committee meetings. Additionally, the Board of Directors at their meetings while discussing the performance of each operating business entities also reviewed the risks pertaining to those business entities. Major restructuring activities undertaken at Europe and Africa operations have started showing positive operating and financial results in recent times.

In addition to the above, the Directors would like to reiterate that the accounting policies of Tata Chemicals are in due compliance with the relevant accounting standards under IGAAP and Ind AS. These are regularly reviewed by the Audit Committee and Statutory Auditors of the Company and are appropriately disclosed in the financials of the Company.

The Board of Directors closely monitored the events that unfolded during the leadership transition and the allegations that followed. The Audit Committee of the Board ('Committee') reviewed the aforementioned issues including the correspondence between the Regulators and the Company and the queries raised in the representations made by Mr. Cyrus P. Mistry and Mr. Nusli N. Wadia in terms of Section 169 of the Act. The Committee also reviewed the Company's interventions, the processes implemented and followed with respect to various compliances and disclosures and the rigour applied when such strategic investment decisions were taken. After due deliberations with relevant stakeholders and review of relevant documents, the Committee expressed its confidence in the Company's processes to ensure compliance with the provisions of SEBI rules and regulations related to Stock Exchanges. The Committee noted that appropriate procedures were followed by your Company in preparing its financial statements and addressing the business risk issues and that there has been compliance with all legal requirements and corporate governance standards. It follows, therefore, that the aforesaid allegations in the various proceedings, representations and public statements against your Company were incorrect and such statements were made without exercising proper and due care.

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Corporate Governance Report and the Auditor's Certificate regarding compliance of conditions of Corporate Governance are part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report initiatives taken from an environmental, social and governance perspective in the prescribed format is available as a separate section of this Annual Report and also available on the Company's website www.tatachemicals.com.

RELATED PARTY TRANSACTIONS

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approvals are granted by the Audit Committee for related party transactions which are in repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of the Act read with the Rules issued thereunder and the Listing Regulations. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the internal audit team and a statement giving details of all related party transactions is placed before the Audit Committee on a quarterly basis.

All related party transactions entered into during FY 2016-17 were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the Listing Regulations.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the Company's website at the link: http://tatachemicals.com/upload/content_pdf/tcl_rpt_policy.pdf There are no transactions to be reported in Form AOC-2.

The details of the transactions with related parties are provided in the accompanying financial statements.

RISK MANAGEMENT POLICY

The Risk Management policy of the Company lays down the framework of Risk Management promoting a proactive approach in reporting, evaluating and resolving risks associated with the business. Mechanisms for identification and prioritisation of risks include scanning the business environment and Internal risk factors. Analysis of the risks identified is carried out by way of focused discussion at the meetings of the empowered Risk Management Group (Senior Leadership team) and Risk Management Committee of the Board.

Identified risks are used as one of the key inputs for the development of strategy and business plan. The respective risk owner selects a series of actions to align risks with the Company's risk appetite and risk tolerance levels to reduce the potential impact of the risk should it occur and/or to reduce the expected frequency of its occurrence. Mitigation plans are finalised, owners are identified and progress of mitigation actions are monitored and reviewed.

Although non-mandatory, the Company has constituted a Risk Management Committee (RMC) to oversee the risk management efforts in the Company under the chairmanship of Dr. Y.S.P. Thorat, Independent Director. Risk assessment update is provided to the RMC on periodical basis. RMC assists the Audit Committee and the Board of Directors in overseeing the Company's risk management processes and controls. Some of the risks identified are set out in the Management Discussion and Analysis which forms part of this Annual Report.

DIVIDEND DISTRIBUTION POLICY

SEBI vide its notification dated 8 July, 2016 has inserted Regulation 43A in Listing Regulations and has made it mandatory for the top 500 listed entities, based on market capitalisation, as on 31 March of every financial year to formulate a Dividend Distribution Policy ('Policy') and disclose the same in the Annual Report and on the website of the Company at http://www.tatachemicals.com/upload/content_pdf/tcl-dividend-distribution-policy.pdf.

Accordingly, the Board of Directors of the Company has adopted the Policy which endeavours for fairness, consistency and sustainability while distributing profits to the shareholders. The Policy is attached to this Annual report as **Annexure 1** and same is available on the Company's website under the 'Investors' section.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR, Safety and Sustainability Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ('CSR Policy') indicating the activities to be undertaken by the Company as approved by the Board.

The Company has taken up specific need based CSR activities with the goal of sustainable development in the neighbouring area and ensuring participation of key stakeholders like community, NGOs, government departments etc. The Company also reaches out to remote geographic areas which are underdeveloped and require immediate attention in the development parameters like education, health, environment etc.

The Company's overall CSR initiatives called BEACoN focusses on the following sectors and issues:

Blossom	:	Promotion and development of traditional handicrafts to create employment opportunities for women artisans
Enhance	:	Poverty Alleviation, livelihood enhancement and infrastructure support to improve quality of life of people
Aspire	:	Education programs to ensure zero dropout and vocational skill development programs for providing employment opportunities to unemployed youth
Conserve	:	Environment sustainability by investing in bio-diversity, natural resource management and mitigation of climate change impacts
Nurture	:	Health care, nutrition, sanitation and safe drinking water

In addition, the Company will promote inclusion of marginalised population and women's empowerment along with responding to any disasters, depending upon where they occur and its ability to respond meaningfully.

The CSR policy is available on the Company's website at http://sustainability.tatachemicals.com/assets/pdf/csr-policy_20161012071424.pdf.

The Annual Report on CSR activities is annexed as **Annexure 2** to this report.

WHISTLEBLOWER POLICY AND VIGIL MECHANISM

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Protected disclosures can be made by a whistleblower through several channels. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The details of the policy are given in the corporate governance report and also posted on the website of the Company viz. www.tatachemicals.com.

PREVENTION OF SEXUAL HARASSMENT (POSH)

The Company is conscious about gender diversity and promotes equal opportunity employment to have a work where employees hold their head high with dignity.

The Company has zero tolerance towards sexual harassment at workplace and gives minor to major recommendations for action against the accused persons to the senior management, depending on the severity of the issue. The Company has adopted a Policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

Five complaints of sexual harassment were received during the year for which the Company has taken appropriate actions ranging from minor (counselling) to major actions (including terminations). More than 50 POSH classroom training sessions were conducted across locations covering over 2,000 permanent, contractual / third party employee / interns. Two sessions were conducted for capability building of POSH committee members.

TATA CODE OF CONDUCT

During a routine review of operating processes, the Company observed potential breaches of the Tata Code of Conduct relating to the effectiveness of Sales Promotion expenses. Management has completed a detailed review of the issues raised and initiated appropriate changes in its business processes. The investigation, reviewed by the Audit Committee of the Board, revealed instances of inappropriate conduct and ethical breaches by some employees and channel partners, which have been dealt with in accordance with the Company's HR policies - actions ranging from minor (counselling) to major (terminations). The breaches were assessed as not material in relation to the overall financial performance of the Company, as defined in the Company's Policy on Determination of Materiality for Disclosures of events or information. The Company has taken appropriate action and reaffirms its commitment to uphold the highest standards of ethical conduct.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans during the year. The details of investments made during the year are given hereunder –

Sr. No.	Name of the Party	Nature of Transaction	(₹ in lakh)
1.	Global Innovation & Technology Alliance	Investment in Equity Shares	50.00

During the year, the Company did not provide any additional corporate guarantees.

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiaries for FY 2016-17 are prepared in compliance with the applicable provisions of the Act, and as stipulated under Regulation 33 of Listing Regulations. The audited consolidated financial statements together with the Auditor's Report thereon form part of this Annual Report.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

The annual accounts of the subsidiaries and related detailed information will be kept at the registered office of the Company, and also at the registered offices of the respective subsidiary companies and will be available to investors seeking information till the date of the AGM. The same will also be available at the venue of the AGM.

SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31 March, 2017, the Company had 41 (direct and indirect) subsidiaries (4 in India and 37 overseas) and 4 joint venture companies.

During the year, General Chemical Canada Holding Inc. was dissolved with effect from 25 July, 2016.

The Company's policy on material subsidiaries, as approved by the Board, is uploaded on the Company's website at http://tatachemicals.com/upload/content_pdf/material_subsidiary.pdf

A report on the financial position of each of the subsidiaries and joint venture companies as per the Act is provided in Form AOC-1 attached to the Financial Statements.

SCHEME OF ARRANGEMENT

In pursuance of the strategic directions set by the Board of Directors for the Company, the Board at its meeting held on 10 August, 2016 had approved the sale of urea and customised fertiliser business to Yara India, a subsidiary of Yara International ASA, Norwegian multinational fertiliser company subject to requisite regulatory and other approvals and sanction by the Hon'ble National Company Law Tribunal (NCLT).

Accordingly, the Company had entered into an Agreement with Yara India on 10 August, 2016 for sale of urea and customised fertiliser business as a going concern, on a slump sale basis. The urea and customised fertiliser business along with the assets, liabilities, contracts, deeds etc. shall be transferred and vested with Yara India pursuant to the Scheme becoming effective on a slump sale basis in exchange of a lump sum consideration to be paid by Yara India to the Company, on the terms and conditions as agreed by the Company and Yara India. The transaction is to be implemented through a Scheme of Arrangement ('Scheme') under Sections 230 to 232 and other applicable provisions of the Act. Yara India will pay the lump sum consideration of ₹ 2,670 crore to the Company pursuant to the Scheme being approved subject to certain adjustments after closing, as agreed between the parties in terms of the definitive agreements and the Scheme.

The Scheme was approved by the Equity Shareholders of the Company by requisite majority at their Meeting held on 8 May, 2017. The Company Petition has been filed with the NCLT and the final order of the NCLT for approval of the Scheme is awaited.

DETAILS OF SIGNIFICANT MATERIAL ORDERS

No significant and material orders were passed by the regulators or the courts or tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well-defined delegation of authority with specified limits for approval of expenditure, both capital and revenue. The Company uses an established ERP system to record day to day transactions for accounting and financial reporting.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal auditors and statutory auditors to ascertain, *inter-alia*, their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed.

Details of internal control system are given in the Management Discussion and Analysis Report, which forms part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

In accordance with the Tata Group retirement policy for the Board of Directors, Mr. E. A. Kshirsagar, Independent Director on the Board, retired on 10 September, 2016, after attaining the retirement age of 75 years. The Board of Directors placed on record their sincere appreciation for the contributions made by Mr. Kshirsagar as a Director of the Company.

Dr. Nirmalya Kumar, Non-Executive Director of the Company, resigned from the services of the Company with effect from 31 October, 2016. Also, Mr. Bhaskar Bhat, Non-executive Director of the Company, resigned from the services of the Company with effect from 10 November, 2016.

Mr. Cyrus P. Mistry resigned as Chairman and Director from the Board of the Company with effect from 19 December, 2016.

Based on the requisition of the promoter company, Tata Sons Limited, an Extraordinary General Meeting ('EGM') of the Company was convened on 23 December, 2016 at which the members passed a resolution for removal of Mr. Nusli N. Wadia as the Director. Accordingly, Mr. Nusli N. Wadia ceased to be the Director of the Company with effect from 23 December, 2016.

At the EGM of the Company held on 23 December, 2016, Mr. Bhaskar Bhat and Mr. S. Padmanabhan were appointed as Non-Executive Directors of the Company by the shareholders pursuant to Section 160 of the Act.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. S. Padmanabhan, Non-Executive Director of the Company, retires by rotation at the ensuing AGM, and being eligible, has offered himself for re-appointment.

Independent Directors

The Independent Directors hold office for a fixed term of five years or until their completing 75 years, whichever is earlier and are not liable to retire by rotation in terms of Section 149 (13) of the Act. In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and the Listing Regulations.

Details of the Familiarisation Programme for Independent Directors are provided separately in the Corporate Governance Report.

Key Managerial Personnel (KMP)

Pursuant to the provisions of Section 2(51) and Section 203 of the Act, Mr. R Mukundan, Managing Director & CEO, Mr. John Mulhall, Chief Financial Officer and Mr. Rajiv Chandan, General Counsel & Company Secretary are the KMP of the Company.

Governance Guidelines

The Company has adopted the Tata Group Guidelines on Board Effectiveness ('Governance Guidelines') to fulfil its corporate governance responsibility towards its stakeholders. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director remuneration, subsidiary oversight, code of conduct, Board effectiveness review and mandates of Board committees.

Procedure for Nomination and Appointment of Directors

The Nomination and Remuneration Committee (NRC) is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing the profiles of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

Criteria for Determining Qualifications, Positive Attributes and Independence of a Director

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and the Listing Regulations. The relevant information has been given in **Annexure 3** which forms part of this report.

Board Evaluation

The Board has carried out the annual performance evaluation of its own performance, and that of its Committees and Individual Directors for the year pursuant to the provisions of the Act and the corporate governance requirements prescribed under the Listing Regulations.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the directors. The criteria for performance evaluation of the Board was based on the Guidance Note issued by SEBI on Board evaluation which included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long term strategic planning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The criteria for performance evaluation of the committees was based on the Guidance Note issued by SEBI on Board evaluation which included aspects such as composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors and performance of the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

REMUNERATION POLICY

The Company has in place a Remuneration Policy for the Directors, KMP and other employees pursuant to the provisions of the Act and the Listing Regulations which is set out in **Annexure 4** which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s), including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the FY 2016-17.

Accordingly, pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INFORMATION TECHNOLOGY (IT)

The Company's IT infrastructure is continuously reviewed and renewed in line with the business requirements and technology enhancements. The Company has implemented common Enterprise Resource Planning (ERP) system across all its wholly owned operating subsidiaries. Various digitisation initiatives are taken by the Company to focus on improve efficiency, enhance stickiness with customer and have better informed analytics. A Customer Relationship Management (CRM) and Document Management System (DMS) are being implemented for chemicals business to enhance customers experience. A restructuring of the business intelligence data warehouse to support business decision making is also being implemented.

To support growth of consumer business, the Company has taken various initiatives like warehouse management system and dealer management system. The Company has implemented a cloud based collaboration platform across the enterprise for its employees.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to the provisions of Section 134 of the Act read with the Companies (Accounts) Rules, 2014, are provided in **Annexure 5** to this report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure 6** to this report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. Further, the Report and the Accounts are being sent to the members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement is open for inspection at the Registered Office of your Company. Any members interested in obtaining such particulars may write to the General Counsel & Company Secretary at the Registered Office of the Company.

AUDITORS

I. Auditors and their report:

As per the provisions of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the term of office of Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W/W-100018), as Statutory Auditors of the Company will conclude from the close of the forthcoming AGM of the Company. The Board of Directors places on record its appreciation for the services rendered by Deloitte Haskins & Sells LLP as the Statutory Auditors of the Company. Subject to the approval of the members, the Board of Directors of the Company has recommended the appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration Number 101248W/W-100022) as the Statutory Auditors of the Company pursuant to Section 139 of the Act.

The Company has received a written consent and certificate from B S R & Co. LLP, confirming that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The report given by Deloitte Haskins & Sells LLP, Chartered Accountants, on the financial statement of the Company for FY 2016-17 is a part of the Annual Report. There has been no qualification or adverse remarks in their report.

II. Cost Auditors and Cost Audit report:

The Board on the recommendation of the Audit Committee has appointed D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) and Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) as the Cost Auditors of the Company for FY 2017-18 under Section 148 and all other applicable provisions of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

D. C. Dave & Co. and Ramanath Iyer & Co., have confirmed that they are free from disqualification specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Act and that their appointment meets the requirements of Section 141(3)(g) of the Act. They have further confirmed their independent status and an arm's length relationship with the Company. N I Mehta & Co., Cost Accountants (Firm Registration No. 000023), who were earlier the Cost Auditors of the Company have given their 'No Objection' for the appointment of D. C. Dave & Co., Cost Accountants (Firm Registration No. 000019), as the Cost Auditors for the FY 2017-18.

The remuneration payable to the Cost Auditors is required to be placed before the members in a general meeting for their ratification. Accordingly, a Resolution for seeking members' ratification for the remuneration payable to D. C. Dave & Co., Cost Auditors and Ramanath Iyer & Co., Cost Auditors, is included at item No. 5 of the Notice convening the AGM.

III. Secretarial auditor

In terms of Section 204 of the Act and Rules made there under, Parikh & Associates, Practicing Company Secretaries, have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure 7** to this report. The report is self-explanatory and do not call for any further comments.

DISCLOSURES

I. Details of Board meetings

During the year, 9 (nine) Board meetings were held and the details of which are provided in the Corporate Governance Report.

II. Composition of Audit Committee

The Audit Committee comprises 3 (three) Members out of which 2 (two) are Independent Directors and 1 (one) is a Non-Executive Director. During the year, 10 (ten) Audit Committee meetings were held and the details of which are provided in the Corporate Governance Report.

III. Composition of CSR, Safety and Sustainability Committee

The Committee comprises 3 (three) Members out of which 1(one) is an Independent Director. During the year, 3 (three) CSR, Safety and Sustainability Committee meetings were held and the details of which are provided in the Corporate Governance Report.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT 9 is enclosed as **Annexure 8** to this report.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the continued support and co-operation by Financial Institutions, Banks, Government authorities and other stakeholders. Your Directors also acknowledge the support extended by the Company's Unions and all the employees for their dedicated service.

On behalf of the Board of Directors

Bhaskar Bhat Director	**R. Mukundan** Managing Director & CEO

Mumbai, 26 May, 2017

Annexure 1

DIVIDEND DISTRIBUTION POLICY

Scope and Purpose

Tata Chemicals Limited ('the Company') shares are listed on the BSE Limited and The National Stock Exchange of India Limited. The Securities and Exchange Board of India ('SEBI') vide its notification dated 8 July, 2016 has inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has made it mandatory for the top 500 listed entities, based on market capitalisation, as on 31 March of every financial year to formulate a Dividend Distribution Policy ('Policy'). The Board of Directors of the Company at its Meeting held on 29 March, 2017 has adopted the Policy which endeavours for fairness, consistency and sustainability while distributing profits to the shareholders.

Objective

The Policy defines the conditions for paying a dividend. The Board of Directors will recommend any annual dividend based on this Policy as well as any specific financial or market conditions prevailing at the time. The intention of the Policy is to set out the broad criteria to be considered when determining what dividend to declare or not to declare to the shareholders of the Company.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

Parameters adopted with regards to various classes of shares	The Company has one class of equity share and no preference share capital. Any declared dividend will be divided equally among all shareholders, on the record date.
Frequency	Dividends will generally be declared once a year after the announcement of full year results but before the Annual General Meeting. In years of exceptional gains or other events a special dividend may be declared.
Internal and External Factors	When determining the annual dividend, the Company will consider, amongst other matters: ● The level of dividends paid historically ● Actual results for the year and the outlook for business operations ● Providing for anticipated capital expenditures or acquisitions, to further enhance shareholder value or meet strategic objectives ● Setting aside cash to meet debt repayments ● Retaining earnings to provide for contingencies or unforeseeable events ● The overall economic environment ● Changes in the cost and availability of external financing ● Changes in government policy, industry rulings and regulatory provisions
Financial Parameters	As in the past, subject to the provisions of the applicable law, the Company's dividend pay-out will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Based on the above, the Company will endeavour to maintain the steady level of dividend per share over the medium term.
Utilisation of retained earnings	● Capital expenditure ● Organic/Inorganic growth ● General corporate purposes, including contingencies ● Investments in the new/existing business ● Any other permitted use under the Companies Act, 2013

Disclosure

The Board of Directors will review the policy annually. Any revisions in the Policy will be communicated to shareholders in a timely manner. The Policy shall be disclosed in the Annual Report and on the website of the Company i.e. www.tatachemicals.com.

Disclaimer

The Policy does not constitute a commitment regarding the future dividends of the Company, but only represents a general guidance regarding dividend policy. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the Dividend to be distributed in the year and the Board reserves the right to depart from the policy as and when circumstances so warrant.

On behalf of the Board of Directors

Bhaskar Bhat
Director

R. Mukundan
Managing Director & CEO

Mumbai, 26 May, 2017

Annexure 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 ('Act') & Rules made thereunder)

A. CSR REPORT:

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Tata Chemicals Limited (the 'Company') is committed to upholding the highest standards of CSR. We endorse the Tata Group purpose of improving the quality of life of the communities we serve through long term stakeholder value creation. We believe in positively impacting the environment and supporting the communities we operate in, focusing on sustainability of our programs and empowerment of our communities. The Company has framed a CSR Policy in compliance with the provisions of the Act, which is available on the Company's website and the web link for the same is http://sustainability.tatachemicals.com/assets/pdf/csr-policy_20161012071424.pdf.
2.	The Composition of the CSR Committee.	i. Mr. S. Padmanabhan (Chairman) ii. Ms. Vibha Paul Rishi iii. Mr. R. Mukundan
3.	Average net profit of the Company for last three financial years.	₹ 695.76 crore (as per Section 198 of the Act)
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above).	₹ 13.92 crore
5.	Details of CSR spent for the financial year:	
	a. Total amount spent for the financial year	₹15.00 crore
	b. Amount unspent, if any:	NIL
	c. Manner in which the amount spent during the financial year:	The manner in which the amount spent is detailed in Part B to the Annexure.
6.	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.	NA
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.	The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

B. CSR EXPENDITURE FOR FY 2016-17

Sr. No	CSR project / Activity Identiified	Sector in which the project is covered	Location of the projects or programs	Amount Outlay and Budget (₹ in lakh)	Amount spent on projects or programs (₹ in lakh)	Cummulative Expenditure upto reporting period (as on 31 March, 2017) (₹ in lakh)	Amount spent
			Local Area/ District & State		Direct on project / overheads		Direct by Organisation / Implementing agency
1.	Okhai and Cluster development program	Promotion and development of traditional handicrafts	Mithapur: Devbhoomi Dwarka, Gujarat Babrala: Sambal, Uttar Pradesh Haldia: Midnapur, West Bengal	157.00	127.53	127.53	**Amount spent through the following channels:** • Direct, Internal and External Implementation Agencies **Direct:** • Tata Chemicals Limited **Implementation Agencies Internal:** • Tata Chemicals Society for Rural Development (TCSRD) • OKHAI- Centre for Empowerment • UDAY Foundation • Tata Chemicals Golden Jubilee Trust (TCGJT) • Employee volunteers **Implementation Agencies External:** • Government agencies • Local Panchayats • NGOs Community based organisation • Skill development agencies • Environment Conservation Groups • Other Resource agencies
2.	Poverty alleviation programs	Poverty alleviation, livelihood enhancement & infrastructure support	Mithapur: Devbhoomi Dwarka, Gujarat Babrala: Sambal, Uttar Pradesh Haldia: Midnapur, West Bengal Mumbai: Maharashtra NCR: Delhi	137.04	135.29	135.29	
3.	Infrastructure support program			72.00	105.24	105.24	
4.	Education & vocational skill development programs	Education and vocational skill development	Mithapur: Devbhoomi Dwarka, Gujarat 6 districts, Gujarat Babrala: Sambal, Uttar Pradesh Haldia: Midnapur, West Bengal Bhopal: Madhya Pradhesh, Mumbai: Maharasthra, Patna: Bihar, Ahmedabad: Gujarat, Bengaluru: Karnataka	263.95	306.21	306.21	
5.	Natural Resource Management & Dharti Ko Arpan	Environmental Sustainability	Mithapur: Devbhoomi Dwarka, Gujarat Babrala: Sambal, Uttar Pradesh Haldia: Midnapur, West Bengal Mumbai : Maharashtra NCR: Delhi	308.65	265.38	265.38	
6.	Health care, drinking water & sanitation projects	Health care, nutrition, sanitation and safe drinking water	Mithapur: Devbhoomi Dwarka, Gujarat Babrala: Sambal, Uttar Pradesh Haldia: Midnapur, West Bengal Mumbai: Maharashtra NCR: Delhi	312.38	324.79	324.79	
7.	Affirmative action for the socially backward communities & self- help group promotion	Inclusive Growth & Empowerment	Mithapur: Devbhoomi Dwarka, Gujarat Babrala: Sambal, Uttar Pradesh Haldia: Midnapur, West Bengal	129.98	156.82	156.82	
8.	Need Based (Disaster & other relief) / donations	-	-	75.00	31.00	31.00	
9.	Administration & Miscellaneous Expenses	-	-	44.00	48.10	48.10	
TOTAL				**1,500.00**	**1,500.36**	**1,500.36**	

R. Mukundan
Managing Director & CEO

S. Padmanabhan
Chairman - CSR, Safety and Sustainability Committee

Mumbai, 26 May, 2017

Annexure 3

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS

1. Definition of Independence

- A director will be considered as an 'independent director' (ID) if the person meets with the criteria for 'independent director' as laid down in the Companies Act, 2013 ('the Act') and Listing Regulations, 2015.
- The definition of Independence as provided in the Act and Listing Regulations, 2015 is as follows:

  "An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director -

  (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

  (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

  (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

  (c) who has or had no pecuniary relationship with the company, its holding subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

  (d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

  (e) who, neither himself nor any of his relatives-

  (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

  (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -

  (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

  (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

  (iii) holds together with his relatives 2% or more of the total voting power of the company; or

  (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;

  (v) is a material supplier, service provider or customer or a lessor or lessee of the company;

  (f) who is not less than 21 years of age."

- Current and ex-employees of a Tata company[1] may be considered as independent only if he/ she has or had no pecuniary relationship with any Tata company (due to employment/ receipt of monthly pension by way of Special Retirement Benefits/ holding consultant or advisor positions) during the two immediately preceding financial years or during the current financial year.

2. Qualifications of Directors

- Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- It is expected that boards have an appropriate blend of functional and industry expertise.

[1] *'Tata Company' shall mean every company in which Tata Sons Limited or Tata Industries Limited or any company promoted by Tata Sons Limited or Tata Industries Limited is promoter or a company in which such companies whether singly or collectively hold directly or indirectly 26% or more of the paid-up equity share capital OR in which the shareholding of such companies represents the largest Indian holding apart from holdings of financial institutions/ mutual funds OR a company which is permitted by Tata Sons Limited to use the Tata brand name.*

- While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ('NRC') consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
- ID's ideally should be thought/ practice leaders in their respective functions/ domains.

3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1) "Act in accordance with the articles of the company.
2) Act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3) Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
4) Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
6) Not assign his office."

Additionally, the Directors on the Board of a Tata Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgment.

IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to section 149(8) of the Act and adopted by the Board. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

"An independent director shall:

1) uphold ethical standards of integrity and probity;
2) act objectively and constructively while exercising his duties;
3) exercise his responsibilities in a bona fide manner in the interest of the company;
4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7) refrain from any action that would lead to loss of his independence;
8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9) assist the company in implementing the best corporate governance practices."

On behalf of the Board of Directors

Bhaskar Bhat
Director

R. Mukundan
Managing Director & CEO

Mumbai, 26 May, 2017

Annexure 4

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The philosophy for remuneration of directors, Key Managerial Personnel ('KMP') and all other employees of Tata Chemicals Limited ('the Company') is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ('Act') and Listing Regulations, 2015. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ('NRC') has considered the factors laid down under Section 178(4) of the Act, which are as under:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

Key principles governing this remuneration policy are as follows:

➢ **Remuneration for independent directors and non-independent non- executive directors**

- Independent directors ('ID') and non-independent non-executive directors ('NED') may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.

- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).

- Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.

- Overall remuneration practices should be consistent with recognised best practices.

- Quantum of sitting fees may be subject to review on a periodic basis, as required.

- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

- The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.

- In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organised by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

➢ **Remuneration for managing director ('MD')/ executive directors ('ED')/ KMP/ rest of the employees**

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be-

- Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)

- Driven by the role played by the individual
- Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay
- Consistent with recognised best practices and
- Aligned to any regulatory requirements

In terms of remuneration mix or composition,

- The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
- The company provides retirement benefits as applicable.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
- The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

➢ **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

a) The services rendered are of a professional nature; and

b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

➢ **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

On behalf of the Board of Directors

Bhaskar Bhat
Director

R. Mukundan
Managing Director & CEO

Mumbai, 26 May, 2017

Annexure 5

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

(i) Steps Taken or Impact on Conservation of Energy:

- Reduction in 450# steam consumption in Soda Ash at Mithapur
- Reduction of Salt Wastage in all Make up Water (MUW) plants at Mithapur
- Reduction of Soda Ash wastages at Mithapur
- Reduction of Compressed Air Consumption in Cement Plant at Mithapur
- Boiler Feed Water Heat Recovery improvement at Mithapur
- Utilisation of solar power having 10KWH for street lighting at Innovation Centre, Pune
- Replacement of low efficiency High Pressure Sodium Vapour (HPSV) and Plug in light fittings with efficient LED light fittings at Babrala
- Replacement of energy efficient motors (more than 100 HP) for improving reliability and energy cost at Haldia
- Replacement of Mercury-Vapour lamp with LED lamp which provide savings of 45 watt from each fitting at Haldia
- Replacement of super heater heating coils at Sulfuric Acid Plant (SAP2) which increases around 150-200 unit more power generation at Haldia
- Installation of additional 2 capacitor bank (11KV) resulting in improving efficiency and energy cost at Haldia
- Use of Medium Pressure steam from Sulfuric Acid Plant (SAP1) in Turbo Generator (TG) motive section by modification of Pressure Reducing Device System (PRDS) loop resulting in increase of around 50-100 units more power generation in TG at Haldia
- Reduction in ground water source usage by putting secondary RO unit to recycle first stage RO rejected water at Sriperumbudur
- Resin wash water recovery system to recycle used water in cooling tower to reduce ground water source usage at Sriperumbudur
- Replacement of old conventional Diesel Generator (DG) with New technology DG (Cummins) to reduce diesel consumption at Sriperumbudur

(ii) Steps taken by the Company for utilising alternate sources of energy:

- Solar lighting
- Wind mill
- Furnace oil heating has been converted into steam heating system resulting into reduction of 65% of power consumption
- Solar power having 10 KWH are used for street lights

(iii) Capital Investment on Energy Conservation Equipment:

Sr. No.	Description	Investment (₹ in lakh)
1.	2 Diesel Generators	61.21
2.	Water Recovery System	1.35
3.	Steam Heater	0.40
4.	MUW-4 Reconfiguration Phase II and III	3,418.72
5.	Revamping of B&W boiler phase I	93.68
6.	Revamping of IBIL boiler phase I	97.30
7.	Steam Jet Refrigeration-2 Condenser Replacement	182.40
8.	Bicarb plant plate heat Exchanger and Cyclone	106.70
9.	Overhauling of Topper Turbine-5 Turbine	48.17
10.	Energy conservation equipments	115.40
	Total	**4,125.33**

(B) TECHNOLOGY ABSORPTION

(i) Efforts made towards Technology Absorption:

- Nano-magnesium hydroxide lab and pilot test
- Commissioning of Alkali Bag House for Cement Plant
- Sugar loading activity converted into semi - automatic conveying system

(ii) Benefits derived such as product improvement, cost reduction, product development or import substitution:

- Direct manpower cost saved
- Data generation for process scale up and commercial plant feasibility evaluation
- R&D efforts to attain objectives of cost reduction, energy conservation, waste minimisation / recycling and reuse, related value added products, reduction in carbon footprints and environmental improvement

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

(a)	The details of technology imported	Bicarb Pelletizer by Concetti
(b)	The year of import	2015
(c)	Whether the technology been fully absorbed	Yes
(d)	If not fully absorbed, areas where absorption has not taken place and the reasons thereof	NA

(iv) Expenditure incurred on Research and Development:

₹ in crore

	2016-17	2015-16
Capital expenditure	4.50	8.35
Revenue Expenditure	34.96	30.62
	39.46	**38.97**
Total R&D expenditure as a percentage of net sales	**0.48%**	**0.37%**

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows:

₹ in crore

Sr. No.		2016-17	2015-16
1.	Foreign Exchange Earned	55.51	65.79
2.	Outgo of Foreign Exchange	1,777.44	3,192.42

On behalf of the Board of Directors

Bhaskar Bhat
Director

R. Mukundan
Managing Director & CEO

Mumbai, 26 May, 2017

Annexure 6

DISCLOSURE OF MANAGERIAL REMUNERATION

[Pursuant to Section 197 of the Companies Act, 2013 ('Act') and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the FY 2016-17 as well as the percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary is as under:

Name of Director	Ratio to median remuneration	% increase in remuneration over previous year
Non-Executive Directors		
Mr. Cyrus P. Mistry	0.47:1	(35.71)$
Mr. Nusli N. Wadia	0.40:1	(94.09)^
Mr. Nasser Munjee	12.86:1	20.75
Mr. E. A. Kshirsagar	4.37:1	(43.40)#
Dr. Y. S. P. Thorat	9.91:1	26.29
Ms. Vibha Paul Rishi	4.35:1	17.76
Dr. Nirmalya Kumar	0.31:1	@
Mr. Bhaskar Bhat	5.61:1	*
Mr. S. Padmanabhan	1.92:1	@
Executive Directors		
Mr. R. Mukundan, Managing Director & CEO	88.91:1	15.40
Key Managerial Personnel		
Mr. John Mulhall, Chief Financial Officer	-	*
Mr. Rajiv Chandan, General Counsel & Company Secretary	-	7.37

Note: *Remuneration of Directors includes sitting fees and commission. Commission relates for FY 2016-17, which will be paid during FY 2017-18*

$ *Includes only sitting fees. Mr. Cyrus P. Mistry resigned w.e.f. 19 December, 2016*

^ *Since Mr. Nusli N. Wadia ceased to be a Director pursuant to the resolution passed by the members under Section 169 of the Act for his removal at the EGM held on 23 December, 2016, the Board of Directors decided not to pay commission to him for FY 2016-17*

Mr. E. A. Kshirsagar retired w.e.f.10 September, 2016

* *Mr. Bhaskar Bhat and Mr. John Mulhall were appointed w.e.f. 20 October, 2015 (part of the year) and hence, percentage increase in remuneration is not reported*

@ *Dr. Nirmalya Kumar and Mr. S. Padmanabhan were appointed during the year and hence, percentage increase in remuneration is not reported*

B. Percentage increase in the median remuneration of employees in the FY 2016-17: 4.29%

C. Number of permanent employees on the rolls of the Company as on 31 March, 2017: 2,931

D. Comparison of average percentile increase in salary of employees other than the managerial personnel and the percentile increase in the managerial remuneration:

	% change in remuneration
Average increase in salary of employees (other than managerial personnel)	8.57
Average increase in remuneration of managerial personnel	15.40

E. Affirmation:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Bhaskar Bhat
Director

R. Mukundan
Managing Director & CEO

Mumbai, 26 May, 2017

Annexure 7

FORM NO. MR-3

Secretarial Audit Report
for the financial year ended 31 March, 2017

[Pursuant to Section 204 (1) of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
TATA CHEMICALS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tata Chemicals Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2017, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31 March, 2017 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- **(Not applicable to the Company during the audit period);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- **(Not applicable to the Company during the audit period);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **(Not applicable to the Company during the audit period); and**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **(Not applicable to the Company during the audit period).**

(vi) Other laws applicable specifically to the Company namely:

1. Food Safety and Standards Act, 2006, rules and regulations thereunder;

2. Legal Metrology Act, 2009 and rules and regulations thereunder;

3. The Fertiliser Control Order, 1985;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited and The National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the Minutes of the Meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations guidelines etc.

We further report that during the audit period the following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

The Board of Directors at their meeting held on 10 August, 2016 had approved the sale of Urea and Customised Fertiliser Business to Yara Fertilisers India Private Limited, a subsidiary of Yara International ASA, Norwegian multinational fertiliser Company subject to requisite regulatory and other approvals and sanction by the National Company Law Tribunal (NCLT).

The Scheme of Arrangement under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 for the above transaction was approved by the Equity Shareholders of the Company in the Meeting held on 8 May, 2017 by requisite majority. Sanction of the NCLT on the Scheme of Arrangement is awaited.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date : 26 May, 2017

P. N. Parikh
Partner
FCS No: 327 CP No: 1228

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,
The Members
TATA CHEMICALS LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date : 26 May, 2017

P. N. Parikh
Partner
FCS No: 327 CP No: 1228

Annexure 8

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

as on the financial year ended on 31 March, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 ('Act') and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.	**Registration and Other Details**	
i)	CIN	L24239MH1939PLC002893
ii)	Registration Date	23 January, 1939
iii)	Name of the Company	TATA CHEMICALS LIMITED
iv)	Category / Sub-Category of the Company	Public Company/ Limited by shares
v)	Address of the Registered Office and contact details	Bombay House 24, Homi Mody Street, Fort Mumbai – 400 001 Telephone: + 91 22 6665 8282 Fax: +91 22 6665 8144 email: investors@tatachemicals.com website: www.tatachemicals.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar & Share Transfer Agents (RTA)	TSR Darashaw Limited Unit: Tata Chemicals Limited 6 – 10 Haji Moosa Patrawala Industrial Estate 20 Dr. E Moses Road Near Famous Studio Mahalaxmi, Mumbai – 400 011 Telephone: +91 22 6656 8484 Fax: +91 22 6656 8494 email: csg-unit@tsrdarashaw.com website: www.tsrdarashaw.com
II.	**Principal Business Activities of the Company**	
	All the business activities contributing 10 % or more of the total turnover of the Company shall be stated	As per Annexure A
III.	**Particulars of Holding, Subsidiary and Associate Companies**	As per Annexure B
IV.	**Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)**	As per Annexure C
i)	Category-wise Shareholding	
ii)	Shareholding of Promoters	
iii)	Change in Promoters' Shareholding (please specify, if there is no change)	
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	
v)	Shareholding of Directors and Key Managerial Personnel	
V.	**Indebtedness**	As per Annexure D
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	
VI	**Remuneration of Directors and Key Managerial Personnel**	As per Annexure E
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	
B.	Remuneration to other Directors	
C.	Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Director	
VII	**Penalties / Punishment/ Compounding of Offences**	As per Annexure F

Annexure A

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Diammonium Phosphate (DAP)	20123	18
2.	Soda Ash	20122	24
3.	Vacuum and Iodised Salt	08932	19

Note: Urea business is classified as discontinued operation and hence not reported in the table above

Annexure B

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Rallis India Limited (Rallis) 156/ 157, 15th Floor, Nariman Bhavan 227, Nariman Point, Mumbai - 400 021	L36992MH1948PLC014083	Subsidiary	50.06	2(87)(ii)
2.	Bio Energy Venture -1 (Mauritius) Pvt. Ltd., IFS Court TwentyEight, Cybercity, Ebene, Mauritius	Not applicable	Subsidiary	100	2(87)(ii)
3.	Homefield Pvt. UK Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
4.	Tata Chemicals Africa Holdings Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
5.	Tata Chemicals South Africa (Pty) Limited 140 Johnstone Road, Maydon Wharf Durban 4001, South Africa	Not applicable	Subsidiary	100	2(87)(ii)
6.	Tata Chemicals Magadi Limited Mond House Winnington, Northwich, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
7.	Magadi Railway Company Limited PO Box 1, Magadi, Lake Magadi, Kenya	Not applicable	Subsidiary	100	2(87)(ii)
8.	Homefield 2 UK Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
9.	Tata Chemicals (Europe) Holdings Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
10.	Cheshire Salt Holdings Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
11.	Cheshire Salt Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
12.	British Salt Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
13.	Brinefield Storage Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
14.	Cheshire Cavity Storage 2 Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
15.	Cheshire Compressor Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
16.	Irish Feeds Limited Sinclair Wharf, Stormont Road,Belfast,BT3 9AA	Not applicable	Subsidiary	100	2(87)(ii)
17.	New Cheshire Salt Works Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
18.	Brunner Mond Group Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
19.	Tata Chemicals Europe Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
20.	Winnington CHP Limited Mond House, Winnington, Northwich Cheshire, UK, CW8 4DT	Not applicable	Subsidiary	100	2(87)(ii)
21.	Brunner Mond Generation Company Limited, Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
22.	Brunner Mond Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
23	Northwich Resource Management Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
24.	Gusiute Holdings (UK) Limited Mond House, Winnington, CW8 4DT, UK	Not applicable	Subsidiary	100	2(87)(ii)
25.	Valley Holdings Inc. 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	100	2(87)(ii)
26.	Tata Chemicals North America Inc. 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	100	2(87)(ii)
27.	TCNA (UK) Limited 21 , Holborn, Viaduct London EC1A 2DY, UK	Not applicable	Subsidiary	100	2(87)(ii)
28.	General Chemical International Inc. 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	100	2(87)(ii)
29.	NHO Canada Holdings Inc. 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	100	2(87)(ii)
30.	TCSAP Holdings* 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	75	2(87)(ii)
31.	TCSAP LLC 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	75	2(87)(ii)
32.	Tata Chemicals (Soda Ash) partners (TCSAP)* 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	75	2(87)(ii)

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
33.	Tata Chemicals International Pte. Ltd 78 Shenton Way, # 17-01/02, Singapore (079120)	Not applicable	Subsidiary	100	2(87)(ii)
34.	Grown Energy Zambeze Holdings Pvt. Ltd. IFS Court TwentyEight, Cybercity, Ebene, Mauritius	Not applicable	Subsidiary	100	2(87)(ii)
35.	Grown Energy (Pty) Limited 87 Michelle Avenue, Randhart, Alberton, 1450, South Africa	Not applicable	Subsidiary	100	2(87)(ii)
36.	Grown Energy Zambeze Limitada Beira, Praca do Municipio, 5º andar, Cidade da Beira, Mozambique	Not applicable	Subsidiary	94	2(87)(ii)
37.	Rallis Chemistry Exports Ltd@ 156/ 157, 15th Floor, Nariman Bhavan 227, Nariman Point, Mumbai - 400 021	U74990MH2009PLC193869	Subsidiary	100	2(87)(ii)
38.	Metahelix Life Sciences Ltd. (Metahelix) @ Plot No: 3, K.A.I.A.D, 4th Phase Bommasandra, Bangalore 560 099	U73100KA2000PLC028246	Subsidiary	100	2(87)(ii)
39.	PT Metahelix Lifesciences Indonesia# Rukan Thamrin Residence RB/15F, Jl. Kebon Kacang Raya, Kel. Kebon Melati Kec. Tanah abang, Jakarta Pusat	Not applicable	Subsidiary	65.77	2(87)(ii)
40.	Zero Waste Agro Organics Ltd @ Kapil Towers, First Floor, S. No. 40-1/B Near Sagam Bridge, Dr. Ambedkar Road, Pune 411 001	U01400PN2011PLC141307	Subsidiary	100	2(87)(ii)
41.	Alcad^ 100 Enterprise Drive, 7th Floor, Suite 701, Rockaway, New Jersey 07866, USA	Not applicable	Subsidiary	50	2(87)(ii)
42.	Indo Maroc Phosphore S.A. Immeuble OCP -1, Rue Alabtal Erraha, Casablanca, Maroc	Not applicable	Joint Venture	33.33	2(6)
43.	JOil (S) Pte. Ltd. 1 Research Link, Singapore 117604	Not applicable	Joint Venture	33.78	2(6)
44.	The Block Salt Company Limited & Harvey Softeners Limited, Hipley Street, Old Woking, Surrey, GU22 9LQ	Not applicable	Joint Venture	50	2(6)
45.	Natronx Technologies LLC$ Princeton South Corporate Park, 500 Charles Ewing Boulevard, Ewing, New Jersey 08628, USA	Not applicable	Joint Venture	33.3	2(6)

* *a general partnership formed under the laws of the State of Delaware (USA)*

@ *Rallis is holding 100%*

\# *Metahelix, subsidiary of Rallis, is holding 65.77 %*

^ *TCSAP is holding 50%*

& *New Cheshire Salt Works Limited is holding 50%*

$ *TCSAP is holding 33.3%*

Annexure C

IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

(i) Category-wise Shareholding

Category code (I)	Category of Shareholder (II)	Number of shares held at the beginning of the year 1 April, 2016				Number of shares held at the end of the year 31 March, 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Promoters (including Promoter Group)**									
(1)	**Indian**									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	7,84,51,492	200	7,84,51,692	30.79	7,80,97,992	200	7,80,98,192	30.65	(0.14)
(e)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	- Trust	3,74,165	0	3,74,165	0.15	3,74,165	0	3,74,165	0.15	0.00
	Sub-Total (A) (1)	**7,88,25,657**	**200**	**7,88,25,857**	**30.94**	**7,84,72,157**	**200**	**7,84,72,357**	**30.80**	**(0.14)**
(2)	**Foreign**									
(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**7,88,25,657**	**200**	**7,88,25,857**	**30.94**	**7,84,72,157**	**200**	**7,84,72,357**	**30.80**	**(0.14)**
(B)	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	2,98,59,244	3,194	2,98,62,438	11.72	4,37,16,300	3,194	4,37,19,494	17.16	5.44
(b)	Banks / Financial Institutions	6,12,321	59,189	6,71,510	0.26	3,05,381	59,129	3,64,510	0.14	(0.12)
(c)	Central Government	13,59,186	0	13,59,186	0.53	13,59,086	0	13,59,086	0.53	0.00
(d)	State Governments(s)	0	71,598	71,598	0.03	0	71,598	71,598	0.03	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	3,44,73,317	401	3,44,73,718	13.53	2,06,39,526	401	2,06,39,927	8.11	(5.42)
(g)	Foreign Institutional Investors/ Foreign Portfolio Investors	5,48,75,304	2,600	5,48,77,904	21.54	4,43,17,189	2,600	4,43,19,789	17.40	(4.15)
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	- Foreign Nationals	30,402	0	30,402	0.01	30,402	0	30,402	0.01	0.00
	- Foreign Companies / OCBs	6,290	0	6,290	0.00	65	0	65	0.00	0.00
	- Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B) (1)	**12,12,16,064**	**1,36,982**	**12,13,53,046**	**47.63**	**11,03,67,949**	**1,36,922**	**11,05,04,871**	**43.38**	**(4.25)**
(2)	**Non-Institutions**									
(a)	Bodies Corporate									
i.	Indian	32,44,706	75,600	33,20,306	1.30	1,64,93,244	72,400	1,65,65,644	6.50	5.20
ii.	Overseas	0	0	0	0.00	0	0	0	0.00	0.00

Category code (I)	Category of Shareholder (II)	Number of shares held at the beginning of the year 1 April, 2016				Number of shares held at the end of the year 31 March, 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(b)	Individuals -									
i.	Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,79,14,045	72,65,862	4,51,79,907	17.75	3,65,81,697	70,44,868	4,36,26,565	17.13	(0.62)
ii.	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	49,90,422	2,34,837	52,25,259	2.05	42,86,514	2,34,837	45,21,351	1.78	(0.27)
(c)	Any Other (Specify)									
	- Trust	8,51,617	209	8,51,826	0.33	1,05,2838	209	10,53,047	0.41	0.08
	- Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	- Foreign Portfolio Investors	77	0	77	0.00	77	0	77	0.00	0.00
	- Bodies Corporate/NBFC	0	0	0	0.00	12,366	0	12,366	0.00	0.00
	Sub-total (B) (2)	**4,70,00,867**	**75,76,508**	**5,45,77,375**	**21.43**	**5,84,26,736**	**73,52,314**	**6,57,79,050**	**25.82**	**4.39**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**16,82,16,931**	**77,13,490**	**17,59,30,421**	**69.06**	**16,87,94,685**	**74,89,236**	**17,62,83,921**	**69.20**	**0.14**
	TOTAL (A)+(B)	**24,70,42,588**	**77,13,690**	**25,47,56,278**	**100.00**	**24,72,66,842**	**74,89,436**	**25,47,56,278**	**100.00**	**0.00**
(C)	Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
1.	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2.	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	**24,70,42,588**	**77,13,690**	**25,47,56,278**	**100.00**	**24,72,66,842**	**74,89,436**	**25,47,56,278**	**100.00**	**0.00**

(ii) Shareholding of Promoters (Including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1 April, 2016			Shareholding at the end of the year 31 March, 2017			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / Encumbered to total shares	
1.	Tata Sons Limited (Promoter)	4,93,06,423	19.35	0.00	4,93,06,423	19.35	0.00	0.00
2.	Tata Investment Corporation Limited*	1,55,53,501	6.11	0.00	1,52,00,001	5.97	0.00	(0.14)
3.	Tata Global Beverage Limited*	1,11,85,522	4.39	1.46	1,11,85,522	4.39	0.00	0.00
4.	Ewart Investment Limited*	13,69,290	0.54	0.00	13,69,290	0.54	0.00	0.00
5.	Simto Investment Company Limited*	5,18,000	0.20	0.00	5,18,000	0.20	0.00	0.00
6.	Sir Dorabji Tata Trust*	2,59,425	0.10	0.00	2,59,425	0.10	0.00	0.00
7.	Voltas Limited *	2,00,440	0.08	0.00	2,00,440	0.08	0.00	0.00
8.	Tata Coffee Limited*	1,60,000	0.06	0.00	1,60,000	0.06	0.00	0.00
9.	Tata Industries Limited*	77,647	0.03	0.00	77,647	0.03	0.00	0.00
10.	Tata Motors Limited*	70,249	0.03	0.00	70,249	0.03	0.00	0.00
11.	Sir Ratan Tata Trust*	68,041	0.03	0.00	68,041	0.03	0.00	0.00
12.	J R D Tata Trust*	46,699	0.02	0.00	46,699	0.02	0.00	0.00
13.	Sheba Properties Limited*	10,060	0.00	0.00	10,060	0.00	0.00	0.00
14.	Titan Industries Limited*	560	0.00	0.00	560	0.00	0.00	0.00
	TOTAL	**7,88,25,857**	**30.94**	**1.46**	**7,84,72,357**	**30.80**	**0.00**	**(0.14)**

**Part of Promoter Group*

(iii) Change in Promoters (Including Promoter Group) Shareholding

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year (as on 1 April, 2016)		Date	Reason	Increase/decrease in shareholding		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company			No of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Tata Sons Limited (Promoter)	4,93,06,423	19.35	-	-	-	-	4,93,06,423	19.35
2.	Tata Investment Corporation Limited*	1,55,53,501	6.11	23 September, 2016	Sale of shares	(3,53,500)	(0.14)	152,00,001	5.97
3.	Tata Global Beverage Limited*	1,11,85,522	4.39	-	-	-	-	1,11,85,522	4.39
4.	Ewart Investment Limited*	13,69,290	0.54	-	-	-	-	13,69,290	0.54
5.	Simto Investment Company Limited*	5,18,000	0.20	-	-	-	-	5,18,000	0.20
6.	Sir Dorabji Tata Trust*	2,59.425	0.10	-	-	-	-	2,59.425	0.10
7.	Voltas Limited *	2,00,440	0.08	-	-	-	-	2,00,440	0.08
8.	Tata Coffee Limited*	1,60.000	0.06	-	-	-	-	1,60.000	0.06
9.	Tata Industries Limited*	77,647	0.03	-	-	-	-	77,647	0.03
10	Tata Motors Limited*	70,249	0.03	-	-	-	-	70,249	0.03
11.	Sir Ratan Tata Trust*	68,041	0.03	-	-	-	-	68,041	0.03
12.	J R D Tata Trust*	46,699	0.02	-	-	-	-	46,699	0.02
13.	Sheba Properties Limited*	10,060	0.00	-	-	-	-	10,060	0.00
14.	Titan Industries Limited*	560	0.00	-	-	-	-	560	0.00

**Part of Promoter Group*

(iv) Shareholding Pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of shareholders	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1.	**ICICI Prudential Mutual Fund**				
	At the beginning of the year	59,03,893	2.32	59,03,893	2.32
	Bought during the year	1,93,64,344	7.60	2,52,68,237	9.92
	Sold during the year	(72,15,044)	(2.83)	1,80,53,193	7.09
	At the end of the year	1,80,53,193	7.09	1,80,53,193	7.09
2.	**Icici Prudential Life Insurance Company Ltd**				
	At the beginning of the year	1,24,34,843	4.88	1,24,34,843	4.88
	Bought during the year	1,30,18,040	5.11	2,54,52,883	9.99
	Sold during the year	(1,27,94,412)	(5.02)	1,26,58,471	4.97
	At the end of the year	1,26,58,471	4.97	1,26,58,471	4.97
3.	**Franklin Templeton Investment Funds**				
	At the beginning of the year	1,14,19,547	4.48	1,14,19,547	4.48
	Bought during the year	0	0.00	1,14,19,547	4.48
	Sold during the year	(33,87,801)	(1.33)	80,31,746	3.15
	At the end of the year	80,31,746	3.15	80,31,746	3.15

Sr. No.	Name of shareholders	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
4.	**Government Pension Fund Global**				
	At the beginning of the year	84,45,814	3.32	84,45,814	3.32
	Bought during the year	22,171	0.01	84,67,985	3.33
	Sold during the year	(13,60,434)	(0.53)	71,07,551	2.80
	At the end of the year	71,07,551	2.80	71,07,551	2.80
5.	**Life Insurance Corporation Of India**				
	At the beginning of the year	96,15,310	3.77	96,15,310	3.77
	Bought during the year	46,847	0.02	96,62,157	3.79
	Sold during the year	(30,44,989)	(1.20)	66,17,168	2.59
	At the end of the year	66,17,168	2.59	66,17,168	2.59
6.	**Birla Sun Life Trustee Company Private Limited**				
	At the beginning of the year	59,96,614	2.35	59,96,614	2.35
	Bought during the year	24,48,394	0.96	84,45,008	3.31
	Sold during the year	(27,11,902)	(1.06)	57,33,106	2.25
	At the end of the year	57,33,106	2.25	57,33,106	2.25
7.	**UTI - Mutual Fund**				
	At the beginning of the year	39,83,199	1.56	39,83,199	1.56
	Bought during the year	20,83,594	0.82	60,66,793	2.38
	Sold during the year	(14,95,330)	(0.59)	45,71,463	1.79
	At the end of the year	45,71,463	1.79	45,71,463	1.79
8.	**General Insurance Corporation Of India**				
	At the beginning of the year	38,63,850	1.52	38,63,850	1.52
	Bought during the year	58,118	0.02	39,21,968	1.54
	Sold during the year	(3,21,963)	(0.13)	36,00,005	1.41
	At the end of the year	36,00,005	1.41	36,00,005	1.41
9.	**The New India Assurance Company Limited**				
	At the beginning of the year	35,17,850	1.38	35,17,850	1.38
	Bought during the year	0	0.00	35,17,850	1.38
	Sold during the year	(1,00,000)	(0.04)	34,17,850	1.34
	At the end of the year	34,17,850	1.34	34,17,850	1.34
10.	**Mirae Asset Mutual Fund**				
	At the beginning of the year	8,28,547	0.33	8,28,547	0.33
	Bought during the year	21,40,490	0.84	29,69,037	1.17
	Sold during the year	(1,00,000)	(0.04)	28,69,037	1.13
	At the end of the year	28,69,037	1.13	28,69,037	1.13

Note:

1. *The above information is based on the weekly beneficiary position received from the depositories*
2. *The date wise increase /decrease in shareholding of the top 10 shareholders is available on the website of the Company www.tatachemicals.com*

(v) Shareholding of Directors and Key Management Personnel

Sr. No.	Name of Directors/ KMP	Shareholding		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	**Mr. Cyrus P. Mistry***				
	At the beginning of the year	16,000	0.01	16,000	0.01
	19 December, 2016	16,000	0.01	16,000	0.01
2.	**Mr. R. Mukundan (Managing Director & CEO)**				
	At the beginning of the year	500	-	500	-
	At the end of the year	500	-	500	-

* *Mr. Cyrus P. Mistry resigned w.e.f. 19 December, 2016*

Note:

1. *Dr. Nirmalya Kumar, appointed as a Director w.e.f. 26 May, 2016 and who resigned w.e.f. 31 October, 2016, was holding 1,000 shares*
2. *Mr. Nasser Munjee, Dr. Y. S. P. Thorat, Ms. Vibha Paul Rishi, Mr. Bhaskar Bhat and Mr. S. Padmanabhan did not hold any shares of the Company during the year 2016-17*
3. *Mr. John Mulhall, Chief Financial Officer, and Mr. Rajiv Chandan, General Counsel & Company Secretary, the Key Managerial Personnel, did not hold any shares during FY 2016-17*

Annexure D

V Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	201.52	3,322.20	-	**3,523.72**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	-	82.85	-	**82.85**
Total (i+ii+iii)	**201.52**	**3,405.05**	**-**	**3,606.57**
Change in Indebtedness during the financial year *				
• Addition	566.66	2,160.36	-	**2,727.02**
• Reduction	198.71	3,652.05	-	**3,850.76**
Net Change	367.95	(1,491.69)	-	(1,123.75)
Indebtedness at the end of the financial year				
i) Principal Amount	569.47	1,841.85	-	**2,411.32**
ii) Interest due but not paid	-	-	-	**-**
iii) Interest accrued but not due	-	71.49	-	**71.49**
Total (i+ii+iii)	**569.47**	**1,913.34**	-	**2,482.81**

* *Includes interest accrued but not due*

Annexure E

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹)

Sr. No.	Particulars of Remuneration	Mr. R. Mukundan Managing Director & CEO
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,23,48,959
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	1,27,065
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-
2.	Stock Options	-
3.	Sweat Equity	-
4.	Commission	
	- as % of profit	-
	- others, specify….(Performance based)	2,80,00,000*
5.	Others (Contribution to PF)	10,42,554
	Total (A)	5,15,18,578
Ceiling as per the Act (@ 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013- in crore)		48.43

* *Commission relates to the FY 2016-17, which will be paid during FY 2017-18*

B. Remuneration to other Directors:

(₹)

Sr. No.	Particulars	Fee for attending Board/ Committee Meetings	Commission	Others, please specify	Total Amount
I.	**Independent Directors**				
1.	Mr. Nusli N Wadia	2,30,000	*	-	2,30,000
2.	Mr. Nasser Munjee	7,50,000	67,00,000	-	74,50,000
3.	Mr. E. A. Kshirsagar#	3,30,000	22,00,000	-	25,30,000
4.	Dr. Y. S. P. Thorat	7,40,000	50,00,000	-	57,40,000
5.	Ms. Vibha Paul Rishi	3,20,000	22,00,000	-	25,20,000
	Total (1)	**23,70,000**	**1,61,00,000**		**1,84,70,000**
II.	**Other Non Executive Directors**				
1.	Mr. Cyrus P. Mistry@	2,70,000	**	-	2,70,000
2.	Mr. Bhaskar Bhat	3,50,000	29,00,000	-	32,50,000
3.	Dr. Nirmalya Kumar@	1,80,000	**	-	1,80,000
4.	Mr. S. Padmanabhan^	1,10,000	10,00,000	-	11,10,000
	Total (2)	**9,10,000**	**39,00,000**	**-**	**48,10,000**
	Total Managerial Remuneration (1+2)	**32,80,000**	**2,00,00,000**	**-**	**2,32,80,000**
	Ceiling as per the Act (@ 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 – in crore)				**9.69**

* *Since Mr. Nusli N. Wadia ceased to be a Director pursuant to the resolution passed by the members under Section 169 of the Act for his removal at the EGM held on 23 December, 2016, the Board of Directors decided not to pay commission to him for FY 2016-17*

** *No commission was paid since Mr. Cyrus P. Mistry and Dr. Nirmalya Kumar were drawing remuneration from Tata Sons Limited*

\# *Mr. E. A. Kshirsagar retired w.e.f. 10 September, 2016*

@ *Dr. Nirmalya Kumar and Mr. Cyrus P. Mistry resigned on 31 October, 2016 and 19 December, 2016, respectively*

^ *Mr. S. Padmanabhan was appointed w.e.f. 23 December, 2016*

Note: *Ceiling limits are for FY 2016-17. Commission relates to FY 2016-17, which will be paid during FY 2017-18*

C. Remuneration to Key Managerial Personnel (KMP) other than Managing Director / Manager / Whole Time Director

(₹)

Sr. No	Particulars of Remuneration		Key Managerial Personnel	
			John Mulhall	Rajiv Chandan
			Chief Financial Officer	General Counsel & Company Secretary
1.	Gross Salary			
	(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,83,55,265	96,59,787
	(b)	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	24,79,839	2,40,240
	(c)	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2.	Stock Options		-	-
3.	Sweat Equity		-	-
4.	Commission		N.A.	N.A.
5.	Others (Contribution to PF and Superannuation)		4,84,352	6,50,592
	Total		**2,13,19,456**	**1,05,50,619**

Annexure F

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

On behalf of the Board of Directors

Bhaskar Bhat
Director

R. Mukundan
Managing Director & CEO

Mumbai, 26 May, 2017

Management Discussion and Analysis

BUSINESS ENVIRONMENT

Global Economic Outlook

Global economic environment remained challenging in 2016 although economic activity is expected to pick up in 2017 and 2018, especially in emerging markets and developing economies. International Monetary Fund (IMF) in its latest outlook has upped the world GDP growth projections from 3.1% in 2016 to 3.5% in 2017.

The real GDP growth in the United States dropped sharply to 1.6% in 2016 primarily on account of soft exports and declining investments. The growth is expected to rebound to 2.3% in 2017 and 2.5% in 2018 backed by expectations of fresh fiscal stimulus from the administration. Growth in 2017 is being led by cyclical recovery in inventory accumulation, rebounding consumer confidence and assumption of a looser fiscal policy stance. The anticipated shift in fiscal policy has buoyed financial markets and strengthened business confidence, which could strengthen the current momentum.

Real GDP growth in the Euro area declined to 1.7% in 2016 as exports and investments lost momentum. A modest recovery is projected to be supported by a mildly expansionary fiscal stance, accommodative financial conditions, a weaker euro and beneficial spillovers from a likely U.S. fiscal stimulus. However, risks associated with Brexit coupled with uncertainty arising from elections in several countries, will weigh down on the growth. Real GDP growth is expected to continue at 1.7% in 2017 and slow down marginally to 1.6% in 2018.

In the United Kingdom (UK), the magnitude of the impact of Brexit is yet to be determined completely following a stronger than expected performance in the second half of 2016, leading to a GDP growth of 1.8%. Real GDP growth is expected to improve marginally to 2.0% in 2017 but fall to 1.5% in 2018 as the impact of Brexit is projected to materialise more gradually than expected.

The Japanese economy grew at 1.0%, fueled by stronger-than-expected net exports in 2016. The momentum of the improving exports, a fiscal stimulus package and Tokyo Olympics (scheduled in 2020) related spending is expected to lead to an improved growth of 1.2% in 2017. Growth is expected to slow down to 0.6% in 2018 as the fiscal stimulus is withdrawn and imports recover.

The primary factor underlying the strengthening global outlook for 2017 over 2016 is the expected pickup in Emerging Markets and Developing Economies (EMDE) growth. EMDE is expected to grow at 4.5% in 2017 compared to 4.1% in 2016.

Growth in China is expected to reduce to 6.6% in 2017 compared to 6.7% in 2016. This continues the gradual slowdown of economic growth for China as the economy is rebalancing from industry to services. Services have now overtaken industry as the leading growth driver. However, continued reliance on policy stimulus measures, with rapid expansion of credit and slow progress in addressing corporate debt, raises the risk of a sharper slowdown or a disruptive adjustment. Capital outflows and depletion in foreign reserves have eased but remain a concern.

Industrial production growth in China has stabilised at around 6% year-on-year in 2016 despite concerns of sluggish activity due to widespread overcapacity. As overcapacity eased and prices of raw materials began to recover, producer price inflation, which has been negative since 2012 has also bottomed out. Accommodative monetary policy continues to fuel consumer spending and growth.

India's GDP is expected to grow by 7.2% in FY 2017-18 compared to 7.1% in FY 2016-17. With this growth rate, India is likely to remain the fastest growing major economy in the world. Consumption is expected to receive a boost from two sources: catch-up after the demonetisation induced reduction in the last two quarters of FY 2016-17 and cheaper borrowing costs.

The three key transitions that are likely to continue influencing the global outlook are:

i. Policy uncertainty in advanced economies particularly the United States and the Euro Area. The impact of Brexit and negotiations between the UK and European Union (EU) is yet to be understood in totality.

ii. Possible eruption of trade tensions amongst the major countries, triggered by geo-politics, currency movements or climate of protectionist tendencies in recovering advanced economies.

iii. High corporate debt, declining profitability, weak bank balance sheets and vulnerability of large emerging market economies to external shocks.

Domestic Economic Outlook

India's GDP is expected to expand at the fastest pace among major economies, according to the IMF World Economic Outlook, at 7.2% in FY 2017-18, compared to 7.1% in FY 2016-17. Large terms-of-trade gains, positive policy actions, structural reforms (the introduction of GST and formalisation of the inflation-targeting framework) and improved confidence are expected to support consumer demand and investment. In the near term, however, private investment will likely be constrained by weakened corporate and public bank balance sheets and after effects of temporary negative consumption shock induced by cash shortages and payment disruptions associated with the recent currency note withdrawal and exchange initiative.

Central Government measures such as the focus on tax compliance and increasing the tax base are expected to reduce the fiscal deficit and provide the Government the ability to deal with external shocks. The Government is targeting reduction in the fiscal deficit, which stood at 3.9% in FY 2015-16 and 3.5% in FY 2016-17, to 3.2% in FY 2017-18.

The Union budget remained focused on boosting personal consumption through a reduction in the tax rates at the lowest slabs and record high allocation towards Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), which is expected to increase the spending power of the salaried class and rural population.

Consumer Price Index based inflation is expected to remain below 5% in FY 2017-18 in view of decelerated wholesale and retail prices of key food items but remain at risk depending on global commodity prices.

The Indian FMCG market is showing healthy growth and is expected to grow at a CAGR of 20% till 2020 – from USD 49 billion in FY 2015-16 to USD 103.7 billion in FY 2019-20.

Key trends which are likely to continue impacting the consumer goods industry are:

i. Rapid growth of modern trade – Indian modern retail segment is expected to grow to 3 times its size from USD 60 billion in 2015 to USD 180 billion in 2020.

ii. Increase in overall spending power of rural markets.

iii. High growth for food, particularly organised and branded food, which accounts for 19% of the total FMCG category. Across categories there is a marked shift from unbranded to branded foods.

iv. Packaged foods are expected to reach an inflexion point post which growth rates can be significantly higher.

v. Evolution of Indian habits and values associated with foods, as good health and lifestyle elements become more important to the consumers.

COMPANY OVERVIEW AND SUSTAINABLE PROFITABLE GROWTH STRATEGY

Tata Chemicals Limited ('the Company' or 'TCL') is a global company with interests in businesses that focus on essentials for LIFE: Living, Industry and Farm Essentials. The story of the Company is about harnessing the fruits of science for goals that go beyond business.

Tata Chemicals started its journey in Mithapur, Gujarat in 1939 with a small plant that would raise a wealth of marine chemicals from the ocean. From these humble beginnings, Tata Chemicals has evolved into a market-leading international business, with operations across four continents and businesses that touch the lives of millions across the globe. The Company is the world's second largest producer of soda ash, reaches over 143 million households through its Tata Salt brand and touches 85% of India's arable land through its agri business, together with its subsidiaries Rallis India Limited (Rallis) and Metahelix Life Sciences Limited (Metahelix). TCL's Innovation Centre in Pune, today, is home to world-class R&D capabilities in nanotechnology and biotechnology.

Sustainability as a practice is at the core of all of Tata Chemicals' activities, including TCL's social responsibility initiatives, and is intricately woven into all of the Company's business functions.

The Company continues to transform itself from a commodity and an inorganic chemicals manufacturer towards providing wellness solutions, with a focus on consumer, agri and specialty businesses while further strengthening its core. TCL is making significant progress in its transformation journey of LEAP – Lead, Engage, Aspire and Perform by focusing on building brands through greater customer centricity and technology led differentiation.

The Company, in each of the businesses, is addressing requisite capability building to meet the critical success factors based on long term value creation.

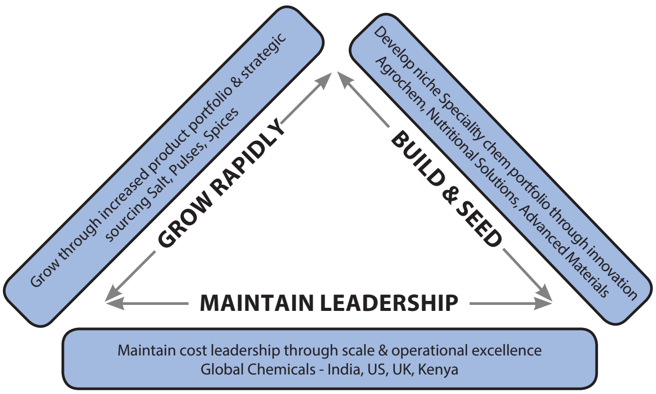
In the inorganic chemicals business, global pricing volatility persisted throughout the year under review due to fluctuations in demand, shipping and energy costs, exchange rates and other geopolitical considerations. The UK business showed significant improvement and will continue to focus on sustaining the same. Overall inorganic chemicals business will focus on maintaining cost leadership and scale through operational excellence.

Tata Salt was voted in the top 10 of India's most trusted brands (source: ET Brand Equity India's Most Trusted Brands 2016) and the Company launched new products such as Rock salt crushers under the salt portfolio.

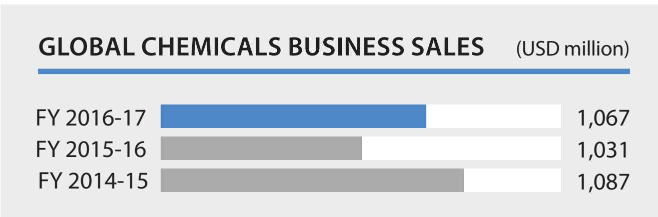
The consumer products portfolio witnessed strong growth through relentless focus on customer centricity and brand. Under the Tata Sampann umbrella brand, the Company launched new products like 'Low Oil Absorb' besan which provide differentiation through scientific innovation. Looking ahead, the business will further improve the reach of salt and build scale for pulses, besan and spices, with focus on value added products. The business aims to delight consumers by offering wholesome everyday nourishing foods.

During the year, the Company has entered into an agreement with Yara Fertilisers India Private Limited for the sale of the urea and customised fertiliser business, on a slump sale basis, subject to regulatory and statutory approvals. The agri business will continue its efforts to make its Haldia unit profitable and further build the specialty agro chemicals and seeds portfolio through its subsidiaries, Rallis and Metahelix. Anticipating a normal monsoon in the year ahead, the Company plans to leverage its strong farmer connect and digitisation initiatives to provide enhanced solutions to improve productivity and profitability of farmers.

The Innovation Centre in Pune will continue supporting the diverse needs of TCL's businesses along with synergistic programs with the Tata Group companies. The Nutritional Solutions unit, operating as a start-up, will focus on building scale in specialty businesses. An MoU was signed with the Government of Andhra Pradesh to invest ₹ 250 crore for a greenfield biotechnology manufacturing unit for food ingredients and formulations developed at TCL's innovation centre. During the year, the IC developed a highly dispersible silica formulation suitable for tyre applications and the Company is planning to manufacture precipitated highly dispersible silica in Gujarat.



BUSINESS UNITS
INORGANIC CHEMICALS



Industry Structure and developments

The Company is an integrated manufacturer of basic and value-added chemicals, key among them being soda ash and sodium bicarbonate.

The Company has a total capacity of 4.3 million tonnes, which accounts for 6% of the global capacity, and is spread across India, UK, Kenya and USA. 70% of the Company's capacity is natural soda ash based, which helps provide the Company with a low energy and environmental footprint manufacturing process. Natural soda ash operations are located at Tata Chemicals North America, Green River Basin, Wyoming, in the USA, where the world's largest known deposits of trona are found, and at Tata Chemicals Magadi, Lake Magadi in Kenya. The geographical spread of the manufacturing facilities allows the Company to efficiently serve customers across the globe.

Soda Ash

Emerging economies, especially China, have been the primary growth driver for soda ash over the past decade with increasing glass and detergent usage. However, 2016 witnessed demand slowdown in China with an estimated growth rate of less than 1%. Several other regions including the developed markets of North America and Europe however, showed relatively healthy growth during the year. Global soda ash demand in 2016 is estimated to have grown by ~1.9% to reach 56.6 million tonnes. Going ahead, global demand is expected to grow at 2.1% p.a. through 2021.

The Indian market demand growth increased by ~7% in FY 2016-17 after almost flat volumes in the previous year. North American volumes are expected to be flat with the exception of incremental demand from Mexico's container glass industry. US exports are likely to face stiff competition from new production from Turkey and Russia. The UK market remained reasonably flat for the year with Tata Chemicals Europe retaining its market leadership leveraging production based out of both the UK and US manufacturing facilities. Demand growth in key markets of the Company's African operation remained mixed.

Global soda ash capacity is estimated to have grown marginally by ~0.5 million tonnes p.a. during the year. Regional over-capacity and tightening governmental policies resulted in continued consolidation in China leading to capacity remaining almost flat in FY 2016-17. However, capacity addition occurred in other regions including Indian subcontinent, the Middle East and Central Europe. Global capacity is expected to grow at 2.1% p.a. through 2021, with Turkey leading this capacity addition.

India continues to be a significant importer of soda ash with 0.75 million tonnes of imports in FY 2016-17. The Company believes in delivering value to its customers by assuring competitive supplies in a fair trade market. While the Indian market is supplemented by soda ash from US and Kenya, UK demand is also catered to by substantial imports from US.

Globally, pricing volatility persisted through the year due to fluctuations in demand, shipping and energy costs, exchange rates and other geo-political considerations. Chinese prices fell during the first half of the year due to weak domestic sentiments and surplus exports before rising during the second half of the year. US prices remained largely firm with strong export sales. While regional price variations and supply-demand gaps will persist, it is expected that the global prices will reflect movement in global GDP growth rates and broad energy price cycles.

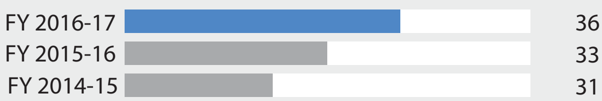
Sodium Bicarbonate

Sodium bicarbonate is commonly used as an ingredient in leather tanning, dyes and textiles, food additives, animal feed, pharmaceuticals and air pollution control. The Company is the world's fourth largest producer of sodium bicarbonate with about ~6% capacity share and is the market leader in India and UK.

Indian sodium bicarbonate demand grew by ~7% in FY 2016-17 against ~4% growth in the previous year. The key drivers of demand included the food, feed and other industrial applications. The Company continues to believe in the long term sound fundamentals of this business and continues to maintain market share in excess of 50%. Going forward, the Company is focused to develop and deliver new value added offerings to its customers.

Tata Chemicals Europe retained its market share in UK with increasing exports volumes, which was also helped by the weakening Sterling during the year.

BRANDED BICARB VOLUMES AS A % OF TOTAL BICARB VOLUMES (INDIA)



Cement

In addition to soda ash and sodium bicarbonate, the Company also manufactures cement. The cement plant was setup in 1993 to convert solid wastes (generated as by-products of soda ash and fly ash from the captive power plant) to value-added products. Demand and price pressures were prevalent for most of FY 2016-17 in the target markets. The Company is focused on driving profitability in this business by focusing on stringent cost control measures and consciously operating in low freight zones.

Business Performance

India Chemical Operations continued strong focus on operational efficiencies contributed to improved profitability of the business in a mixed business environment.

Following up from last year's 'Suraksha Jyot' program, the Company's continued focus on safety was demonstrated by institution of other structured initiatives like 'daily safety walks' by senior plant management to further accelerate sustained positive behavioural change. On the sustainability front, the Company believes in 'Sustainability driving Strategy' and hence strives to move beyond compliance to betterment of the community and ecology. Accordingly, usage of fresh water for process has been reduced to zero. Similar efforts have been made around efficiency improvement in filtration and recycling of soda ash solids in cement and utilisation of fly ash touching 100%.

Production levels of most key products were higher than the record levels of the previous year including soda ash and sodium bicarbonate. Operational efficiencies continue to be driven by focus on planned maintenance and rigorous implementation of continuous improvement programs. Supply chain supported the operations with similar performance through record evacuation of products through multi-modal channels. Increased rail movement, innovation around bulk transport of soda ash, safe transportation of bromine in ISO tankers and exploration of coastal dispatch options are few highlights during the year.

Tata Chemicals North America's (TCNA) sales volume increased during the year with higher export volumes offsetting lower sales volumes in North America. The impact on net revenue of the higher sales volumes were offset by adverse sales mix and pricing.

Tata Chemicals Magadi Limited (TCML) profits declined for the year on account of lower sales volumes and realised prices. These unfavourable variances were partly offset by efficient performance driven by low operating costs, lower sea freight and costs rationalisation. TCML continued its focus on improving its cash flow position through several measures including aggressive working capital management.

For Tata Chemicals Europe (TCE), after achieving the highest ever output last year since 2012, plant operation at Lostock was steady throughout the current year. The site also celebrated an exceptionally good environmental performance in the year and safety metrics have improved during the year despite a difficult incident in November 2016. The modified sodium bicarbonate at Winnington has run strongly and reliably enabling steady customer service delivery during the year. Salt continued its strong market share throughout the period and was able to deliver a strong EBITDA margin improvement. TCE closed the Defined Benefit pension scheme in May 2016 and delivered the targeted fixed expense reduction through good cost control.

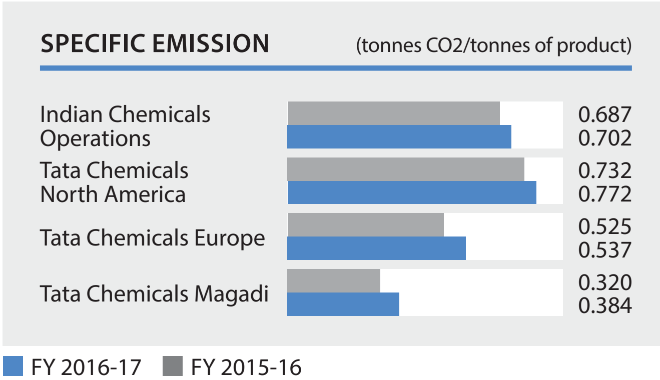
Outlook for business

The addition of significant domestic and global capacity (especially in Turkey) along with expiry of existing anti-dumping duties on soda ash in 2017 for India is likely to exert some pressure in the short-term. However, given the positive long-term favourable macro-economic trends in emerging economies, higher infrastructure investment and increasing disposable income; the Company continues to believe in the long term fundamentals of the soda ash and sodium bicarbonate industry. In the backdrop of this long-term positive business outlook, the Company is focusing on executing its LEAP strategy (Lead, Engage, Aspire and Perform).

SOLID WASTE RECYCLED FOR INDIAN CHEMICALS OPERATIONS (%)

The Indian soda ash demand is expected to maintain its growth momentum of around 4-5% p.a. for the next few years. However, the projected increase in domestic demand is expected to be largely offset by potential increase in domestic capacity. More than 0.5 million tonnes of domestic capacity increase is expected to be added over the next 2-3 years in addition to ~0.4 million tonnes added during the year. Pricing pressure is expected to continue in the medium term. In light of the on-going review of anti-dumping duties, the Company is committed to a logical and fair trade market.

Sodium bicarbonate continues to offer immense potential as the domestic industry matures. Growth rates of 6-8% p.a. are anticipated for the next 5 years with increased focus on value-addition and branding. Apart from the traditional sectors of food and animal feed, development of applications in fuel gas treatment and pharmaceuticals are expected to generate value.



Outlook for TCNA remains positive with soda ash manufacturing continuing to remain sold out. Aggressive pricing from competitors, increased global capacity and strengthened US dollar can impact domestic pricing. The Company's continued efforts and emphasis will be to stabilise the cost base.

The soda ash demand for TCML is expected to remain balanced in FY 2017-18 with no new major capacities targeted. Competitiveness will be derived by price and quality which means strategic market mixes will determine gains or losses. Africa has shown indications of growth and this will remain key to TCML's growth.

TCE plans to consolidate its major advances in FY 2016-17 through FY 2017-18, though acknowledging headwinds from higher inflation and anticipated increase in competition for soda ash.

Risks and Opportunities

The India market scenario presents some key opportunities which are being addressed. The business is strengthening the product portfolio with value added and branded product variants especially for sodium bicarbonate. These variants would help meet unique requirements of high-end applications. The business is also leveraging digitisation to establish stronger customer connect and improve ease of doing business through creation of new IT platforms. Increasing production volumes is being evaluated to strengthen market leadership in key products.

At TCNA, the focus is on continuation of production stabilisation started in FY 2016-17, cost reduction and business optimisation. Business optimisation measures include reducing outage time due to acid washing, review of coal contracts, and investigation of future port strategy and potential soda ash common railcar fleet.

At TCML, the focus is largely centred on the growth of value added products and cash flow improvement. Developing alternative sources of energy, utilisation of six sigma and lean manufacturing will help reduce cost and improve efficiency. Growth opportunities in emerging markets are being targeted for growth.

At TCE, there is a long pipeline of projects driving towards increasing diversity, cost competitiveness and customer service, which are likely to be brought forward to FY 2017-18 for commencing implementation. Growth opportunities for sodium bicarbonate/salt in Asian market are being followed up actively.

In India, any potential adverse impact on domestic price realisations due to removal of anti-dumping duties will be mitigated through even greater focus on cost reduction by increasing our operational efficiencies and improving our fixed cost structure. The business is also working to ensure adequate supply of cost competitive raw materials by increasing captive production and entering into competitive sourcing arrangements.

Rigorous project management and continued engagement with all stakeholders are critical to manage risks in TCNA due to aggressive pricing from competitors as a result of worsening global conditions and strong dollar, tightening regulatory and environmental legislation. There is a potential business risk arising from uncertainty around plans of new administration in the US.

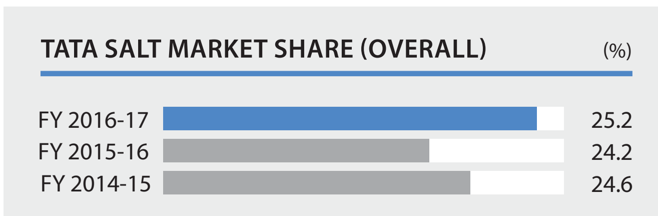
At TCML operations, key risks remain poor trona quality, siltation in Lake Magadi, deteriorating road infrastructure, water scarcity and land and environmental pressures. Concerted efforts, including technical collaboration with third parties, greater engagement with local and national stakeholders and focused cost control measures are underway.

The TCE operations face key risks related to volatility of exchange rates and energy costs post Brexit and uncertainties around General Elections. Contractual arrangements to address volatility and engagement with relevant stakeholders are underway to manage other risks.

Salt

The estimated annual consumption of edible salt in India is 6 million tonnes^. Demand for edible salt is expected to grow at a rate of ~1.5%^. The market continues to move towards a higher share of branded salt with the continuing awareness of better product quality, visible purity and iodine content. Specialty salts like rock salt and black salt have increased presence in modern format stores.

^Source: Estimation shared by ISMA and Salt Commissionerate.



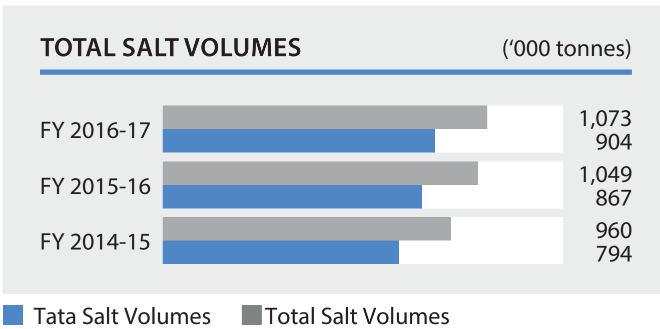
Performance of Salt and Related Products

The salt portfolio consolidated its leadership position in the market. Tata Salt continues to be the leader in the national branded salt segment and 'I-Shakti' is the third largest brand in terms of market share. Tata Salt Lite continues to be the leading brand in the low sodium salt segment and Tata Salt Crystals leads in the Crystal salt segment. Salt sales volumes have grown by 2.3% over FY 2015-16 primarily driven by the flagship brand Tata Salt which has grown by 4.28%.

This has been achieved through driving supply chain efficiencies and enhanced use of IT and analytics, along with distribution and branding. Tata Salt continues to be the largest distributed brand with a reach of 16.7 lakh retail outlets across India (source: Nielsen retail audit data). In addition to this, constant brand building efforts through building visibility at retail, consumer activations and support through both traditional and digital media, have helped strengthen the Tata Salt brand amongst consumers. The 'Namak ke waastey' campaign garnered support for the Indian contingent in the Rio Olympics by getting more than 5 million interactions across multiple media platforms. Campaigns like Home to Home purity drives, 'Shudh bhojan ki shuruvat' and 'Sehat ki chuski', reached out to more than 5 million consumers across India with the Tata Salt health and purity message.

As the brand continues to grow, a number of products designed to cater to specific needs of the consumer have been added to the portfolio in recent years such as Tata Salt Lite, Tata Salt Plus and Sprinklers. In FY 2016-17, the Company launched rock salt and black salt in attractive crusher formats which were well received in the launch markets.

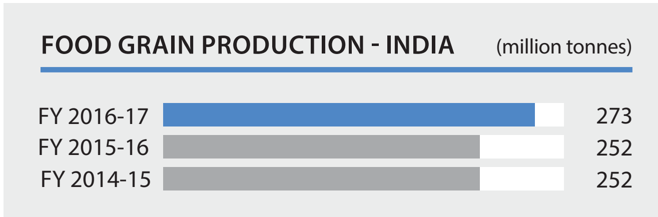
The details of business outlook, threats, opportunities, risks and concerns of salt and related products are covered with other consumer product portfolio under the head 'Others'.



FERTILISER BUSINESS AND OTHER AGRI INPUTS

Industry structure, developments and performance

After two years of deficit, India experienced a normal monsoon in 2016 with the country receiving about 97% of Long Period Average rainfall, compared to 85% and 87% experienced in the preceding two years (according to the IMD). The uneven spread of the rainfall left some pockets of distress, such as Gujarat, Karnataka, Kerala and parts of Punjab. Post the southwest monsoon, there were similar expectations from the northeast monsoon, but those were belied as there was a serious shortfall with states like Tamil Nadu facing a 41% deficit (source: IMD reports) Nonetheless, the favourable southwest monsoon helped in boosting the food grain production. The food grain production for FY 2016-17 was 272 million tonnes, surpassing the previous record of 265 million tonnes in FY 2013-14.



Fertiliser consumption, however, exhibited a contrary trend. The primary sales in FY 2016-17 of all the major fertilisers have been lower than FY 2015-16. A caution on imports helped in limiting the impact of this. The reduction in primary sales could be attributed to various reasons, mainly among them being retailers gradually shrinking their inventory, heavy inventory overhang and neem coating of Urea.

Urea

The domestic production for Urea in FY 2016-17 at 24.2 million tonnes was marginally lower than previous year's production of 24.5 million tonnes. However, there was a sharp fall in the imports, the import volume falling to 5.5 million tonnes compared to 8.5 million tonnes in the previous year. The sales of Urea dropped to 29.6 million tonnes in FY 2016-17 from level of 32 million tonnes in the previous year. Industry inventory stock was 1.3 million tonnes at year end, an increase of 0.4 million tonnes over the previous year.

Complex Fertilisers (DAP, NPK, SSP)

FY 2016-17 showed that the producers still have a confidence in DAP to temper the market. DAP production at 4.3 million tonnes was about 13% higher than the previous year while Complexes production at 7.9 million tonnes was about 5% lower than the previous year. Owing to the high opening inventory, FY 2016-17 witnessed a sharp correction in imports. The import of DAP was 4.4 million tonnes, a reduction of 27% over the previous year. The total sales of DAP at 8.8 million tonnes was about 10% lower than the previous year, while the sales of Complexes at 8.4 million tonnes was about 5% lower.

The only segment to witness growth was Potash, however, that could be attributed to supply disruptions in FY 2015-16. The sale of MOP for FY 2016-17 was 2.8 million tonnes, a growth of about 15% over the previous year.

Internationally, the prices of DAP and MOP witnessed progressive corrections in FY 2016-17. The reported India CFR prices of DAP went down from US$ 360 levels in the beginning of the year to about US$ 310 levels by December. Thereafter, it has regained the opening levels, but the transactions have been limited post December. The lag between correction of DAP and Phosphoric Acid prices continued to plague the domestic DAP manufacturers. The farmers benefited from the softening international prices as all manufacturers and importers reduced the market price around July / August 2016.

Exchange rates continued to be volatile. While it was range bound between 66.5 and 67.5 INR/USD for the initial part of the year, the rupee suddenly started weakening around first week of November and touched the lowest of level of 68.8 by third week of November. Thereafter, it started strengthening and by the close of year, it was at about 64.8.

SPECIFIC EMISSION HALDIA (tonnes CO2/tonnes of product)

Subsidy payments

The lower gas price helped the Government to reduce the subsidy burden to some extent. However, much like the previous years, FY 2016-17 ended with almost ₹ 30,000 crore of unpaid subsidies being carried forward to the next year. This has resulted in additional working capital during the year. The Government facilitated a SBA (Special Banking Arrangement) for ~ ₹ 10,000 crore, which did give some relief to the industry before the year end. Out of this, ₹ 2,000 crore was for P & K Fertilisers (under NBS) and the balance was for Urea.

De-regulated portfolio

The Company along with its subsidiary Rallis offers a unique and diverse product portfolio in non-regulated branded agri inputs space ranging specialty nutrients, pesticides, seeds and farm services. Products are aimed at increasing the land productivity through nutrient management of the soil.

The deficiency level of secondary and micro nutrients in Indian soils has reached a critical level. Low organic carbon content of Indian soils has started affecting the nutrient use efficiencies. Better yields can be achieved only by better nutrient management practices viz. use of high nutrient efficient fertilisers like water soluble fertilisers, plant growth regulators (PGRs), secondary and micro nutrients and soil amelioration methods using organic manures. The seed replacement rates and use of hybrid seeds are showing an increasing trend. The decreasing availability of agricultural labour is causing an increase in usage of herbicides.

Customised Fertilisers

With the Government giving emphasis on balanced nutrition, customised fertilisers are gaining relevance as products. Customised fertilisers are crop and region specific fertilisers carrying macro and micro nutrients aimed at improving soil health.

The Company has so far got four grades registered/approved for major crops like paddy, wheat, potato and sugarcane for Western Uttar Pradesh. Even though the product has received a favourable feedback from farmers with respect to convenience of use, increased yield as well as improved quality of the produce, sales have been low due to the repeated correction in the prices of other de-controlled fertilisers and initial hesitation in adopting a new fertiliser application practice.

During the year, the Company has entered into an agreement for the transfer of the urea and customised fertiliser business, located in Babrala, Uttar Pradesh, by way of a slump sale to Yara Fertilisers India Private Limited subject to regulatory and statutory approvals.

Tata Kisan Sansar (TKS) and Rallis Kisan Kutumb

TKS is aimed at providing a trustworthy store offering 'One Stop agri input and services' to farmers. It is a dedicated franchisee retail network model for distribution of agri inputs and also offers farm advisory services, subsidised Soil Testing, Smart Krishi- service offered to the farmer for certain critical farm operations with the use of latest technology and well researched farm practices. TKS provides direct connect with the farmers to understand their changing needs and tailor products and services accordingly. Currently, there are more than 800 TKS in operation.

Outlook

The Government has committed to double the farmer's income by the year 2022. Accordingly, it continues to maintain its emphasis on agriculture and rural sectors. The Union Budget 2017-18 proposes expansion in credit flow to the farmers, enhancing irrigation coverage, revamping the Soil Health card programme and increasing the allocation for Fasal Bimal Yojana, focus on digitisation, etc.

The budget did not have any mention on reforms in the fertiliser sector or any relief on account of subsidy allocation. Given that the fertiliser sector is facing substantial uncertainty on account of an inverted duty structure under GST and also a similar uncertainty on Direct Benefit Transfer (DBT) scheme, the industry was hoping for a higher subsidy allocation which would clear the current backlog and also give a confidence of timely payment of subsidy under DBT. Unfortunately, the subsidy allocation remained quite unchanged at ₹ 70,000 crore, which after adjusting for the backlog and amount paid out under SBA would leave only ₹ 40,000 crore for FY 2017-18. Thus, the industry is not expected to get subsidy beyond the first half of the year.

As regards the monsoon, while IMD has predicted a normal monsoon, other agencies do not appear to share the same view. The primary sales may also get impacted by the DBT mechanism, the exact contours of which are still not known.

Opportunities and threats

The DBT proposal has the potential to disrupt some of the distribution setup being followed by the industry. While on one hand it could help in the rise of the serious brands and retailers, it could also lead to release of blocked working capital in general. FY 2017-18 is expected to provide opportunities for growth in de-regulated segment, as the demand of higher quality agri produce is expected to grow. The increasing need for mechanisation also remains an opportunity. New start-ups are entering into agri-machinery and agri-input supplies.

FY 2017-18 has opened with an inventory overhang with the companies, which could pose a challenge in terms of selling prices and credit terms. But trade is wary of creating stocks at their end in view of DBT and prices. In view of this, the caution on imports is expected to continue.

Risks and concerns

There are challenges for sustainable growth of fertiliser business like our Haldia operations witnessed erratic profitability due to fluctuating prices of imported raw materials and imported fertiliser prices. In addition, the investment for working capital is significant owing to high receivables from the market and the Government.

Rallis

After two years of drought, there was a pick-up in agricultural growth on the back of an improved southwest monsoon. The agro-chemicals market in FY 2016-17 is estimated to have grown by 8-10% over the previous year. Agriculture and allied sectors also showed growth over the previous year, with an increase in acreages and production. Growth was, however, not uniform across India due to differential rainfall across regions. Growth has come from the Northern, Eastern and Western parts of India, while South India suffered severe drought conditions because of the failure of North-East monsoon.

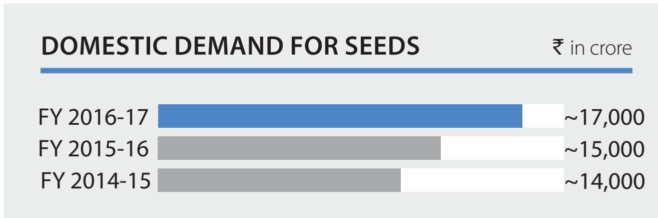
Despite challenges, Rallis achieved a revenue growth of 8% in the domestic formulations business over the previous year with a higher increase in the underlying volume growth. It introduced three new products during the year, in response to market changes and to meet farmers' expectations for advanced chemistries and new technologies.

The global market for seeds is estimated to have grown at a rate of 4% annually in last 5 years (Global Seed Market Industry Developments, Philip McDougall). Indian seed industry is estimated to have grown at 11% for the past five years with the future projection also showing a healthy trend. Rallis had a healthy seed revenue growth in FY 2016-17 over the previous year. It launched a new product, 'Akshada' for cotton during the year.

To support sustainable agriculture, Rallis is increasing its focus on plant growth nutrients. It has a wide range of specialty nutrient products and is focused on greener and cleaner products to address sustainable agriculture. These products are geared to address the concerns of deteriorating soil health and crop health concerns, and also serve the needs of small and marginal farmers. Revenues in plant growth nutrients increased 15% during FY 2016-17 over the previous year. It launched a new product, 'Surplus', during the year.

Rallis' Mission is to create value for farmers by enhancing productivity and farm income through end-to-end Agri Solutions. This initiative has been branded as Rallis Samrudh Krishi. The initiative demonstrates cultivation practices in the form of Package of Practices (PoP) and one-stop solution for farmers to get maximum yield with reduced cost of cultivation. The Integrated Crop Management initiative provides complete solution from land preparation to harvesting, to address production constraints. During FY 2016-17, defined approach has been tested and tried in 200+ locations, covering 17 crops in Kharif and Rabi seasons. The results achieved are very encouraging and farmers are satisfied with the approach and execution of the concept.

Rallis is also focusing on building a business platform on Contract Manufacturing for leading global players. During the year, discussion and activities with some leading companies progressed well. There are several projects which are at various phases of evaluation, with a couple of these being qualified for commercial orders going forward.

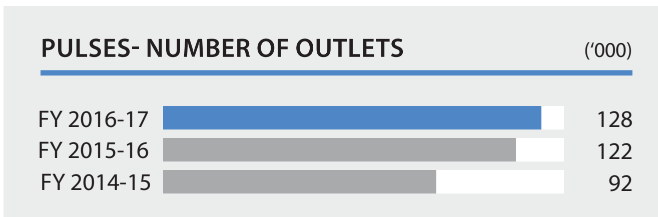


OTHERS

Industry structure and developments

Pulses

The Pulses market in India is largely unbranded. However, many business houses have entered the market in the last couple of years. Due to the Government policy changes of regulating stock movement and pricing restrictions, there was a downward trend in the pulses commodity cycle in 2016, because of which branded players suffered adversely. The Company has taken necessary steps to eliminate such risks in the future.



Spices

Although almost 75% of the spices market is unbranded, the branded segment is growing rapidly, driven by increasing need for convenience and hygiene. Tata Sampann range of spices aims to set benchmarks through its superior product quality and differentiation of not using 'Spent' ingredients. Additionally, the Company is creating and offering products catering to regional tastes. Our value proposition for spices includes unique packaging in multiple sachets for maintaining the freshness and guaranteeing active ingredients like Curcumin and Capsaicin for the straight spices.

Product-wise performance

Pulses

Tata Sampann increased its focus on Tata Sampann Low Oil absorb Besan in FY 2016-17. Tata Sampann also opened its foray into high margin value added products with pilot launch of Tata Sampann Pakoda Mix in three cities i.e. Mumbai, Delhi and Chennai. In FY 2016-17, the brand was available at 1,28,000 outlets pan India against 1,22,000 outlets previous year.

Spices

The product portfolio for Tata Sampann spices increased to 8 blended and 4 pure spices in the year, with the product launches receiving encouraging response from trade as well as consumers. The business has created a benchmark by providing products with assured international quality markers like Curcumin and Capsaicin. Sourced from regions where climate and terrain benefit its natural flavor, Tata Sampann spices retain their naturally available volatile oils, giving fuller aroma and taste. The blended masalas are developed with pure, fresh, and authentic ingredients chosen by Chef Sanjeev Kapoor and come in a unique 5-in-1 pack. Successful marketing campaigns like 'Aaj Ka Masaledar Sach' and 'Sampann Surprise' were run to create awareness and establish the superiority of the product.

NUMBER OF PRODUCTS IN CPB PORTFOLIO

Outlook for the business

The Company has identified opportunities around salt and related products, new packaging formats and tapping unmet consumer health needs. While the salt business continues to be the mainstay in terms of revenue generation, the growing foods portfolio is expected to contribute significantly to the overall business by the end of FY 2019-20. The outlook for the business continues to be positive, as the business continues to work on distribution expansion, brand building initiatives and strengthening of supply chain. In terms of reach, the business intends to expand its retail footprint to 25 lakh outlets by FY 2019-20. This is being done through greater use of small SKUs, along with new go-to-market models. In addition to the growing retail network, the business is also focused on modern trade and non-traditional channels such as e-commerce, to ensure availability at a multitude of consumer touch points. Going forward, the Tata Sampann brand is looking at building a robust value added product portfolio pipeline to deliver higher contribution products.

Opportunities and Threats

The business is preparing to address opportunities offered by new consumer needs on the back of its robust supply chain and distribution network. Premium product offerings and new go-to-market models are being developed to strengthen modern format stores and alternate distribution channels.

The Tata Salt franchise is being leveraged in select international markets as well.

Differentiated product offerings and targeted communication will address the threat from the unbranded segment and from regional and local brands.

Risks and concerns

The business has put policies in place to mitigate risks from changes in the regulatory environment which might limit realisations. There are continuous improvement efforts to exploit efficiencies in the supply chain network to mitigate rising costs of labour and fuel.

Nutritional Solutions

The Nutritional Solutions Business unit offers optimal nutrition through dietary solutions in the form of highly differentiated, science-based innovative ingredients and formulations. Our bio-easy platform brings together the know-how of biogenomics, food technology, material sciences and biotechnology to ensure that the right nutrient is delivered in the right way to the consumer. This involves collaboration and co-creation with customers in a project mode.

FY 2016-17 was the second full year of operations of the greenfield proof-of-concept manufacturing unit at Sriperumbudur, near Chennai. During the year, the unit produced several grades of Fructo-oligosaccharides (FOS) and FOS based formulations and sold a total of 680 tonnes of FOS across India. Albeit being a new product, it has garnered wide acceptance as a prebiotic healthy sweetener for categories such as dairy, bakery and confectionery. Based on market requirements and formulation capabilities, the business has introduced new variants of healthier and natural sweeteners that are alternatives to cane sugar for both institutional and retail segments. Additionally, at the request of key customers and to leverage synergies with company manufactured products and formulations, complementary products were added to the product portfolio.

In FY 2016-17, the business achieved a turnover of ₹ 26.95 crore, more than 300% increase over the previous year. During the year, the Board sanctioned an investment of ₹ 270 crore for a greenfield commercial-scale manufacturing unit for FOS and Galacto-oligosaccharides (GOS) at Nellore district in Andhra Pradesh.

During the year, the Company initiated critical clinical studies and technology ramp-up for downstream processing and spray drying. The business has also initiated market seeding with customers in USA to gain insights; this will aid business development efforts in anticipation of the upcoming commercial-scale 5,000 tonnes manufacturing unit at Nellore, Andhra Pradesh.

ANALYSIS OF FINANCIAL PERFORMANCE

Standalone performance for the year ended 31 March, 2017

Profit and Loss Analysis (Continuing Operations)

1 Revenue from operations:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Sale of products	6,443	8,419	(1,976)	(23)
Other operating revenue	28	51	(23)	(45)
Revenue from operations	**6,471**	**8,470**	**(1,999)**	**(24)**

Sales decreased due to lower sales volume of traded diammonium phosphate (DAP), traded muriate of potash (MOP), nitrogen phosphate potash (NPK) grades and pulses as well as lower realisation of soda ash, traded DAP, traded MOP and NPK gardes. The decrease in other operating revenue is mainly on account of lower scrap sales and lower receipt of market development and support fees.

2 Other income:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Other income	177	164	13	8

The increase in other income is mainly on account of higher interest on refund of taxes.

3 Cost of materials consumed:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Cost of materials consumed	1,394	2,041	(647)	(32)

Raw material consumption is lower due to decrease in production volumes of NPK grades leading to reduced consumption of phosphoric acid, MOP and ammonia. Further lower input prices of limestone, phosphoric acid, MOP and ammonia contributed to the overall reduction.

4 Purchases of stock-in-trade:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Purchases of stock-in-trade	1,457	2,300	(843)	(37)

Cost of traded goods purchased was lower mainly on account of reduced volumes of traded DAP, traded chemicals and pulses as well as lower input prices of DAP and MOP.

5 Power and fuel:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Power and fuel	404	400	4	1

The increase in power and fuel cost is mainly on account of increase in prices of coal and petcoke as well as increase in production volumes of soda ash and salt.

6 Freight and forwarding charges:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Freight and forwarding charges	575	694	(119)	(17)

The decrease in freight and forwarding charges is due to lower sales volumes.

7 Other expenses:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Other expenses	175	179	(4)	(2)

Balance Sheet Analysis

Balances as at 31 March, 2016 includes balances of discontinued operation.

8 Investments:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Investments in equity instruments in subsidairies	2,878	2,878	-	-
Investments in joint venture	166	166	-	-
Investments in preference shares in subsidiaries	973	994	(21)	(2)
Investment in other companies	2,231	1,823	408	22
Total Investment	**6,248**	**5,861**	**387**	**7**

Increase in the value of investments in other companies is due to changes in the fair value of such investments.

9 Inventories:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Inventories	612	1,095	(483)	(44)

Inventories are lower primarily due to decrease in the stock of traded goods - DAP and MOP as well as lower inventory of raw materials - phosphoric acid, MOP and rock phosphate.

10 Trade receivables:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Trade receivables	1,075	2,600	(1,525)	(59)
Less : Provision for doubtful debts	43	46	(3)	(7)
Net trade receivables	**1,032**	**2,554**	**(1,522)**	**(60)**

Trade receivables decreased mainly on account of higher collections from the debtors in agri business and pulses as well as subsidy.

11 Loans, Other financial assets, Advance tax assets and Other assets:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Loans	2	3	(1)	(33)
Other financial assets	49	172	(123)	(72)
Advance tax assets (net)	431	379	52	14
Other assets	199	404	(205)	(51)
Total	**681**	**958**	**(277)**	**(29)**

Decrease in Other financial assets is mainly due to reduction in mark to market value of various outstanding derivative financial instruments. Decrease in Other assets is mainly due to reduction in advance to suppliers.

12 Cash flow :

Net cash flow from operating activities: The net cash from operating activities is ₹ 2,393 crore during FY 2016-17 as compared to ₹ 1,125 crore during FY 2015-16. The cash operating profit before working capital changes and direct taxes during FY 2016-17 is ₹ 1,437 crore as compared to ₹ 1,408 crore during FY 2015-16. The change in working capital, during the financial year, is mainly due to decrease in trade receivables and inventories.

Net Cash flow from investing activities: The net cash outflow from investing activities amounted to ₹ 152 crore in FY 2016-17 as against an outflow of ₹ 120 crore in FY 2015-16. The outflow in FY 2016-17 is mainly on account of acquisition of Property, plant and equipment.

Net Cash flow from financing activities: The net cash outflow from financing activities is ₹ 1,731 crore during FY 2016-17 compared to outflow of ₹ 980 crore during FY 2015-16. The outflow in FY 2016-17 is mainly due to repayment of short-term borrowings.

13 Net debt:

₹ in crore

	FY 2016-17	FY 2015-16	Change	% Change
Borrowings - Non-current	1,084	1,541	(457)	(30)
Borrowings - Current	523	1,566	(1,043)	(67)
Current maturities of long term debt and finance lease obligations	434	417	17	4
Total debt	**2,041**	**3,524**	**(1,483)**	**(42)**
Less : Cash and Bank balances	1,112	600	512	85
Net debt	**929**	**2,924**	**(1,995)**	**(68)**

The total debt decreased mainly due to repayment of long term loans of ₹ 433 crore and reduction in buyer's credit of ₹ 1,294 crore.

Consolidated performance for the year ended 31 March, 2017

Profit and Loss Analysis (Continuing Operations)

1 Revenue from operations:

₹ in crore

Entity	FY 2016-17	FY 2015-16	Change	% Change
Tata Chemicals Limited	6,471	8,470	(1,999)	(24)
Tata Chemicals Europe and Tata Chemicals Africa	2,202	2,389	(187)	(8)
Tata Chemicals North America Inc ('TCNA')	3,242	3,063	179	6
Rallis India Limited ('Rallis')	1,783	1,628	155	10
Others and Eliminations	(409)	(330)	(79)	24
Total	**13,289**	**15,220**	**(1,931)**	**(13)**

Revenue from operations has decreased primarily due to:

a. Inorganic chemicals: Lower realisation and volumes of soda ash from India, Tata Chemicals Magadi Limited ('TCML') and Tata Chemicals Europe Limited ('TCEL') and exchange fluctuations primarily depreciating GBP against INR.

b. Fertilisers: Lower volumes of NPK grades, traded DAP and MOP, as well as lower realisation of DAP and NPK grades.

c. Rallis: Higher volumes of agri products.

2 Cost of materials consumed:

₹ in crore

Entity	FY 2016-17	FY 2015-16	Change	% Change
Tata Chemicals Limited	1,394	2,041	(647)	(32)
Tata Chemicals Europe and Tata Chemicals Africa	154	118	36	31
Rallis India Limited	756	721	35	5
Others and Eliminations	(34)	(12)	(22)	183
Total	**2,270**	**2,868**	**(598)**	**(21)**

Raw material consumption decreased primarily in fertilisers on account of lower production volumes of complex fertilisers viz. NPK grades as well as lower input prices.

3 Purchases of stock-in-trade:

₹ in crore

Entity	FY 2016-17	FY 2015-16	Change	% Change
Tata Chemicals Limited	1,457	2,300	(843)	(37)
Tata Chemicals Europe and Tata Chemicals Africa	391	494	(103)	(21)
Tata Chemicals North America Inc	22	25	(3)	(12)
Rallis India Limited	110	98	12	12
Others and Eliminations	(390)	(358)	(32)	9
Total	**1,590**	**2,559**	**(969)**	**(38)**

The cost of traded goods purchased has decreased primarily in India due to decrease in purchase of traded DAP, pulses as well as lower input prices of DAP and MOP and further depreciating GBP exchange rates for TCEL.

4 Power and fuel:

₹ in crore

Entity	FY 2016-17	FY 2015-16	Change	% Change
Tata Chemicals Limited	404	400	4	1
Tata Chemicals Europe and Tata Chemicals Africa	467	501	(34)	(7)
Tata Chemicals North America Inc	287	298	(11)	(4)
Rallis India Limited	42	47	(5)	(11)
Total	**1,200**	**1,246**	**(46)**	**(4)**

Decrease on account of lower input fuel cost and depreciating GBP exchange rates for TCEL.

5 Other expenses:

₹ in crore

Entity	FY 2016-17	FY 2015-16	Change	% Change
Tata Chemicals Limited	1,684	2,223	(539)	(24)
Tata Chemicals Europe and Tata Chemicals Africa	660	722	(62)	(9)
Tata Chemicals North America Inc	1,674	1,505	169	11
Rallis India Limited	361	301	60	20
Others and Eliminations	(18)	86	(104)	(121)
Total	**4,361**	**4,837**	**(476)**	**(10)**

Other expenses represent the following:

₹ in crore

Particulars	FY 2016-17	FY 2015-16	Change	% Change
Freight and forwarding charges	1,692	1,759	(67)	(4)
Packing materials consumed	368	385	(17)	(4)
Changes in inventories of finished goods, work-in-progress and stock-in-trade	285	519	(234)	(45)
Stores and spare parts consumed	260	248	12	5
Repairs	420	462	(42)	(9)
Royalty, rates and taxes	324	298	26	9
Sales promotion expenses	200	224	(24)	(11)
Others(*)	812	942	(130)	(14)
Total	**4,361**	**4,837**	**(476)**	**(10)**

(*) - Others include insurance charges, rent, professional fees, foreign exchange loss, travelling expense, provision for doubtful debts and advances, directors' fees/commission and other expenses.

The other expenses have decreased primarily due to:

a. Movement in changes in inventories of finished goods, work-in-progress and stock-in-trade is primarily on account of decrease in stock levels of traded fertiliser (DAP, MOP) as well as depreciating exchange rates.

b. Lower freight and forwarding expenses mainly in India on account of lower sales volumes of traded DAP.

c. Repair expenses lower at TCEL, TCML and TCNA.

d. Others mainly due to lower provision for doubtful debts in India on account of higher collections, lower travelling expenditure, professional fee, foreign exchange loss and decrease in other expenses of TCEL due to depreciating GBP exchange rates.

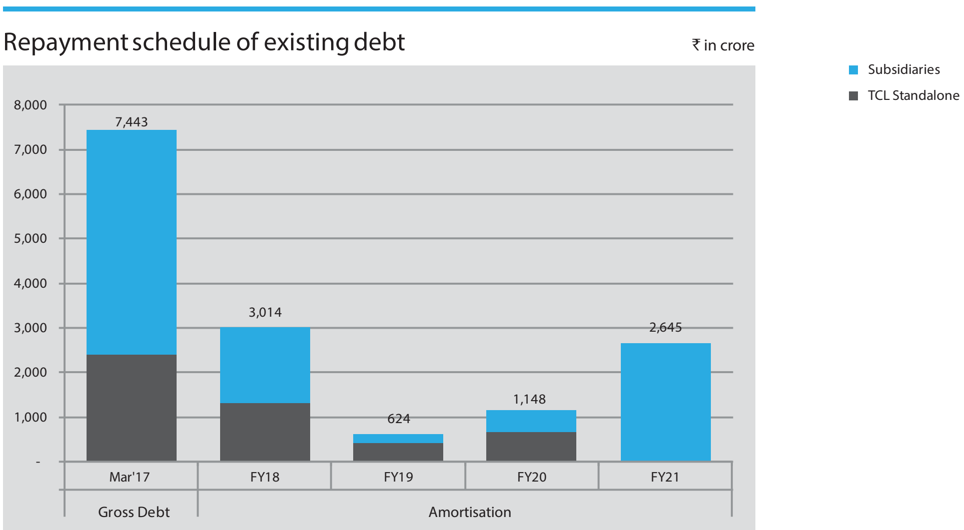
6 Finance costs:

₹ in crore

Entity	FY 2016-17	FY 2015-16	Change	% Change
Tata Chemicals Limited	215	215	-	-
Tata Chemicals Europe and Tata Chemicals Africa	69	178	(109)	(61)
Tata Chemicals North America Inc	103	90	13	14
Rallis India Limited	10	17	(7)	(41)
Others and Eliminations	14	25	(11)	(44)
Total	**411**	**525**	**(114)**	**(22)**

The decrease in finance cost in Rallis is on account of repayment of debt. Reduction in TCEL is on account of lower interest rates pursuant to refinancing of loan as well as gain in Interest Rate Swap as compared to loss in the previous year

Total Debt and Amortisation schedule



Notes :

1 Gross debt of ₹ 7,443 crore includes ₹ 1,092 crore of working capital loans.

2 Amortisation schedule for term loans has been prepared considering the existing repayment terms. Some of these loans/facilities would be refinanced, in full or in part, from time to time in future depending on the requirement and the business plans.

3 Working capital loans, being revolving in nature, although have been shown as repayment during FY 2017-18, actual repayment/ utilisation would depend upon the business requirements from time to time.

INNOVATION AND TECHNOLOGY

Innovation Centre (IC)

The Company established IC to undertake research in applied sciences with a view to seeding new businesses, using the principles of sustainability and green chemistry. Cumulatively IC has filed for 74 patents (8 in FY 2016-17) out of which 17 have been granted.

The IC continues to work with Tata Chemicals business units; particularly in the nutritional solutions segment and consumer products (where it developed the low fat absorbing besan offering); other Tata companies and third parties as well as carrying out its own independent research and development activities.

During the year, IC developed a highly dispersible silica formulation suitable for tyre applications, which is a superior alternative to carbon black and commercially available standard grades of silica. It is increasingly being adopted in applications that demand high performance. This project is yet another significant step in TCL's journey to build technology enabled and differentiated businesses leveraging its core strength.

The Company is planning to manufacture precipitated highly dispersible silica in Gujarat. This specialty chemical represents downstream value addition to its soda ash business.

HUMAN RESOURCES

The year under review witnessed many significant developments. While the Company continued to build on some of the core building blocks of talent, skills and capabilities, the announcement of the urea divestment did cause some initial anxiety in the workforce which had to be managed through frequent and open communication with the relevant teams.

The HR Function aligned its efforts towards helping employees cope up with the changes that arose even as the organisation focused on growth in the Nutritional Solutions and Consumer food space – a significant shift from the past decades.

Thus, the multiple elements of people management, from structuring the organisation, design of work processes, to sourcing, development and engagement of talent were synchronised to facilitate this change.

Our talent strategy is executed across five strategic thrusts:

- Securing the immediate and future talent needs of each of our businesses.
- Enhancing our professional capabilities across all parts of our value chain.
- Strengthening the engagement levels of employees.
- Continuing to build and nurture our 'TCL' culture.
- Increasing the efficiency and effectiveness of our HR systems to support growth.

Several actions have been initiated during FY 2016-17 to address these areas, however, the real impact of many of these will fructify only over a period of 2-3 years.

The restructuring of the Farm Business consequent to the divestment of the urea business is underway. Likewise the Company has also initiated a review of the organisation structure in other areas as the Company rationalises the organisation to align to the changing requirements. Going forward, the effort will continue to be in exploring opportunities where routine transactional and non-core areas can be effectively managed through specialist service providers allowing internal teams to direct their efforts in managing and directing the growth of the business.

Capacity Building:

Detailed manpower planning for each Business Unit helped identify talent needs for immediate and future requirements across domains and levels. As a policy, our first preference is to provide opportunities for internal candidates to move into new roles that are available through Shine+, our internal job posting program. Where this is not possible, the Company seeks talent from the wider Tata Group and / or the external talent market. Apart from general managerial talent, the Company has hired specialists with deep domain knowledge and technical skills that were essential in the areas like Food Sciences, Nutritional Solutions, Bio Informatics, digital technologies and Consumer Research & Insights.

In some pockets of the business, especially across the Chemicals and Phosphatic business, a significant population of the workforce is due to superannuate over the next few years and the Company is executing a plan to intake workforce with more diverse and higher technical skills that will help us move towards a new way of manufacturing in the years ahead. While shaping our workforce profile for the future, the Company is also equally laying emphasis on creating a truly diverse and inclusive organisation working on the four pillars of our diversity agenda.

Capability Building:

Our learning and development eco-system provides multiple opportunities for employees to enhance their skills and master new competencies through a combination of job rotations, internal redeployment, cross functional projects, e-learning supplemented with formal class room courses or participation in seminars /conferences.

The Company continued with its regular programmes like Campus-to Corporate, First Time Managers, Insights – a

Development Centre for senior executives, MDP etc. There has been progress in deployment of Individual Development Plans (IDP) developed for key talent under our 'SpringBoard' process as well. Where necessary, the Company also offers education assistance and sabbaticals to encourage employees take up courses that will help them enhance their knowledge and skills and propel them in their career growth.

Most of these programmes are designed to emphasise on workplace projects and demonstrated leadership behaviours on the job rather than classroom learning. These interventions are, therefore, fashioned more in the nature of long term journeys rather than short term events.

At the workmen level, programmes are being run for Operators, Supervisors and third party staff to upgrade their skills and build operational excellence across every level in TCL. When inducting fresh talent that replaces the retiring workforce, the Company ensures adequate overlap to ensure transfer of knowledge.

Build engagement and enthusiasm in the Team TCL:
Besides offering learning and development opportunities, HR also worked on other key drivers of employee engagement like career growth, rewards and recognition programmes, friendly people policies and wellness initiatives and a fair and transparent Performance & Reward Management System.

Enriching the employee experience has been the focal point in all our endeavours to nurture engagement levels. Thus, across the employee life cycle – right from pre-joining through on-boarding until the employee exits, the Company has designed interventions and processes aimed towards achieving this.

Our processes for new joinees have been revamped by digitising the same and making it simple and user-friendly. 'Lets Chat' is a forum where newly joined employees interact with senior leaders and share their experiences and feedback on many issues which helps us to make the necessary improvements in many of our HR and non HR processes.

SHINE, which is our internal job posting programme, provides visibility to roles which employees can opt for to improve their acumen and enrich their career besides mobilising talent for business needs. It also helps retention of talent.

The senior leadership team has visited almost all the major sites/offices multiple times during the year and has engaged with employees across levels and cadres to share information and also understand their views or address their concerns. Besides this, the MD's office has also been issuing quarterly updates on various programmes through the LEAP Post.

Town Halls, GET interactions, Quarterly results, Ethics month events, Off site meets, Family days, TCL Tube, Confluence, etc. are other means that help strengthen the employee connect and collaboration.

Our people policies and compensation practices are aligned to contemporary industry practices while adhering to the Values of the Tata Group and those of Tata Chemicals. Employee wellness events like Stepathalon, Annual Health checks, ergonomic studies and counselling, safety drills, regular celebrations at workplace, Volunteering programmes, competitions like LSS, all contribute towards making TCL 'a Company that Cares '.

The Company has had an excellent record of harmonious industrial relations of mutual cooperation and trust that has helped in sustaining productivity levels. Likewise, the Company has a good record on compliances as well.

Aligned to the organisation's thrust on customer delight and execution excellence, the HR function has initiated work towards deploying integrated HR systems, employee self-service and timely access to relevant/correct workforce data which will become our basic building blocks in our endeavour to partner with business.

Our success will depend on our ability to become lean, agile and innovative. The Human Resource team will work towards this. The Company will continue to evolve - Fast, Focussed yet Flexible and move forward together in the coming years.

Manpower strength as on 31 March, 2017 was 4,115, spread across 2,931 in India, 550 in North America, 383 in Europe and 248 in Kenya and 3 in Singapore.

SAFETY AND HEALTH

Safety is one of the core values at Tata Chemicals. The Company is committed to continuously improving its safety performance by targeting Zero Harm: Zero Harm to People, Zero Harm to Asset and Zero Harm to Environment, through world class safety practices. 'Target Zero Harm' continues to be the focus across geographies which helped us align the safety improvement initiatives to a common goal of Zero Harm.

The Company has a 'CSR, Safety and Sustainability Committee' of the Board for exclusive oversight in this area. The Board provides valuable direction and guidance to the management to ensure that Safety and Sustainability implications are properly addressed in all new strategic initiatives, budgets, audit actions and improvement plans. The senior leadership also plays a critical role in encouraging positive attitudes towards safety and help in creating an environment that fosters safety culture, by setting the direction, establishing clear and transparent policies such as the Corporate Sustainability Policy, SHE Policy, Cardinal Rules of Safety. The Company has adopted voluntary standards such as Tata Group Safety Standards, Responsible Care, OHSAS - 18001, ISO - 14001, Dupont Safety standards, British Safety Council guidelines, AIChE-CCPS Process Safety Management guidelines, to ensure continual improvement in the SHE performance. Senior managers seek to demonstrate effective safety and health leadership from line functions and have integrated the same with their responsibilities and daily duties.

From the past six years, the Company has been achieving the best Safety performance through 68% reduction in Recordable Injury Frequency rate. TCL's India operations have aligned their Safety & Health Management System with Tata Safety & Health Management Systems, released by Tata Group in December 2015. Considering the key Safety Challenges at sites specific programs like Suraksha Samvad at Mithapur, Process Safety Management at Babrala, HAZOP review at Haldia, standardisation of Safety practices at Sriperumbudur, Safety procedures review at TCE, Safety Charters at Magadi, and Safety tours at TCNA has contributed in continuous safety improvement.

For employees, regular health check-ups are conducted based on work area hazards, to monitor their occupational health. For non-site, a free medical check-up is available for employees above 40 years of age once every year. For employees between 30-40 years of age are also eligible for free health check-ups once every two years. During the year Ergonomic Survey and Accessibility Assessment for Persons with Disabilities of major sites and offices were conducted.

SUSTAINABILITY

Business Responsibility Report (BRR)

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the BRR initiatives taken from an environmental, social and governance perspective, in the prescribed format is available as a separate section of the Annual Report and also hosted on the Company's website www.tatachemicals.com.

Sustainability reporting

The Company strives to be a leader in corporate sustainability and continues to focus on the triple bottom-line. One of the key elements of sustainability is ensuring transparency and disclosures. The Company continues to use the GRI-G4 guidelines as a basis for informing all stakeholders our sustainability performance. Sustainability report 2015-16 covered only India Operations while strengthening the backend to cover all operations in FY 2016-17. The Company plans to publish its 8th Sustainability Report for FY 2016-17 in the public domain shortly. It will integrate reporting on sustainability from all geographies covering operations in India, US, UK and Kenya. The Company's 7th Sustainability Report can be viewed on our website www.tatachemicals.com.

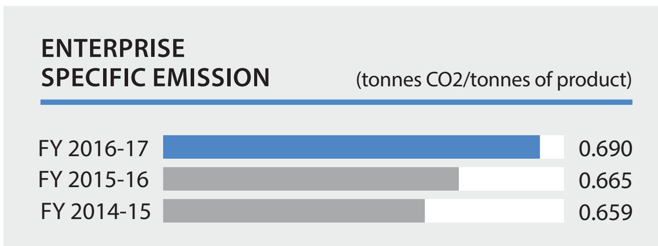
United Nations Global compact (UNGC)

The Company is a signatory to the UN global compact that promotes ten principles in the areas of human rights, labour standards, environment and anti-bribery. The Company has been preparing and uploading the Communication on Progress (COP) since 2005. The Company continues its commitment to the UN global compact and will submit its COP on the ten UNGC principles for FY 2016-17. The details of UNGC can be viewed on www.unglobalcompact.org and on the Company's website www.tatachemicals.com.

Carbon Disclosure Project (CDP)

CDP's carbon action initiative believes the Company's initiatives to implement cost-effective greenhouse gas emissions reductions are in line with the emerging best practice. It is becoming increasingly important that they are able to evaluate exposure of a specific company to the material risks and opportunities presented by climate change, both in its direct operations and in its value chain.

The Company uses the power of measurement and information disclosure to improve the management of environmental risk. The Company has been responding to CDP since FY 2008-09 and is consistently maintaining its position under the Carbon Disclosure Leadership Index (CDLI) since FY 2010-11. The Company commenced CDP water reporting in FY 2012-13. CDP's supply chain program enables organisations to implement successful supplier engagement strategies, reduce upstream emissions, control water impact and manage risk in a changing climate. Tata Chemicals achieved 'B grade' under performance management in CDP 16.



BUSINESS EXCELLENCE

The Company remains committed to continually raise the bar on performance in all aspects of the business. The Tata Business Excellence Model (TBEM) serves as a pivotal framework that allows the Company to gain insights into its performance and establish continuous improvement initiatives for attaining superior business results and maximising satisfaction and value to the customers. The TBEM framework covers six core aspects of the business: Leadership, Strategic planning, Customer focus, Measurement, Analysis and Knowledge Management, Workforce focus and Process Management. For a global organisation which has its manufacturing operations spread across four continents, with diverse business segments and employees from different cultures, TBEM serves as a platform to establish a common standard of excellence. The Company participates annually in the Tata Group level TBEM assessments, which provide valuable inputs into the strengths and areas of focus for the Company to strengthen the culture of excellence and progress towards becoming a world class organisation.

INTERNAL CONTROLS

The Company has robust systems for internal audit, risk assessment and mitigation and has an independent Internal Audit Department with well-established internal control and risk management processes both at the business and corporate levels. The Controller- Risk reports directly to the Chairman of the Audit Committee of the Board of Directors, which ensures process independence.

Internal Audit function plays a key role in providing to both the operating management and to the Audit Committee of the Board, an objective view and reassurance of the overall control systems and effectiveness of the Risk Management processes across the Company and its subsidiaries. Internal Audit also assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the operations.

The scope and authority of the Internal Audit Department is derived from the Audit Charter approved by the Audit Committee. Internal Audits are performed by an in-house team of multidisciplinary professionals. Reviews are conducted on an on-going basis, based on a comprehensive risk-based audit plan, which is approved by the Audit Committee at the beginning of the year. The internal audit department which operates on a decentralised basis continuously monitors the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements.

The Audit Committee meets on a quarterly basis to review and discuss the reports submitted by the Controller-Risk and also review closure of all agreed actions.

The Company believes that every employee has a role to play in fostering an environment in which controls, assurance, accountability and ethical behaviour are accorded high importance. To supplement the reviews carried out by the Internal Audit teams, the Company follows an elaborate system of Control Self Assurance (CSA) (self-audit) which is carried out during the year. The CSA coverage includes all critical departments in the organisation.

The IT enabled CSA process provides a good bottom-up approach and build up for the CEO/CFO certification as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, besides helping in awareness creation of controls across a wide segment of the Company employees. This complements the Internal Audits conducted to ensure total coverage during a year.

RISK MANAGEMENT FRAMEWORK

The following section discusses various dimensions of our enterprise risk management. The risk-related information outlined in this section is not exhaustive and is for information purposes only. The discussion may contain statements, which may be forward looking in nature.

Our business model is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements.

Overview

Risk Management and Internal Audit functions complement each other. Enterprise Risk Management (ERM) at TCL seeks to minimise adverse impact on the business objectives and enhance stakeholder value.

Over the years, the ERM process has evolved into a robust exercise entailing a balanced bottom up and top down approach covering all units, functions and departments of the Company and its subsidiaries. ERM at TCL is ISO 31000:2009 compliant. ISO 31000:2009 is an international standard on Risk Management & provides principles, framework and process for managing Risk.

The key components of the Risk Management framework is provided in the Integrated Report section.

RISK MANAGEMENT: GOVERNANCE STRUCTURE

The risk management framework works at various levels across the enterprise. The key roles and responsibilities regarding risk management in the Company are summarised as follows:

Level	Key roles and responsibilities
Board of Directors (Board)	• Reviewing and guiding risk policy of the company • Ensuring the integrity of the systems for risk management
Risk Management Committee (RMC) at Board	• Overseeing the Company's risk management process and controls • Setting strategic plans and objectives for risk management, risk philosophy and risk minimisation. • Reviewing compliance with policies implemented by the Company. • Reviewing risk assessment of the Company annually and exercising oversight of various risks including strategic risk, operational risks, market risk, etc. • Oversight of the Company's Risk tolerance and Risk appetite • Report and update to the Board periodically on various matters it has considered
Risk Management Group (RMG) at Senior Management level	• Identification and review of enterprise risks from time to time, initiating mitigation actions, identifying owners and reviewing progress • Identification and review of Risk appetite and Risk trigger (at Enterprise Level) • Implementation of Risk reduction strategies • Formulating and deploying Risk Management Policy • Deploying practices for identification, assessment, monitoring, mitigation and reporting of risks • Providing updates to RMC from time to time on the enterprise risks and actions taken
RMG at Business Unit (BU) / Subsidiary level	• Reviewing respective BU / Subsidiary risks from time to time, initiating mitigation actions, identifying owners and reviewing progress • Identification and review of Risk appetite & Risk trigger (at BU / Subsidiary Level) • Implementation of Risk reduction strategies • Deploying Risk Management Policy • Deploying practices for identification, assessment, monitoring, mitigation and reporting of risks • Providing updates to RMG and RMC level from time to time on the respective SBU Risks and actions taken
Risk Owners	• Responsible for developing and acting on risk mitigation plan • Providing periodic updates to RMC on risks with mitigation plan

Risk Categories

The following broad categories of risks have been considered in the risk management framework:

- **Strategic Risk –** includes the range of external events and trends (like Government policy) that can adversely impact the Company's strategic growth trajectory and destroy stakeholder value.
- **Reputational Risk –** includes range of events that creates a mismatch between stakeholder expectations and his/her perception about Company's performance around those expectations.
- **Operational Risk –** are those risks which are associated with operational uncertainties like failure in critical equipment, attrition etc.
- **Regulatory and Compliance risk –** Risks due to inadequate compliance to regulations, contractual obligations and intellectual property violations leading to litigation and loss of reputation.
- **Financial Risk –** This covers financial risks facing the organisation in terms of internal systems, planning, funding etc.

Cautionary statement

Statements in the Management Discussion and Analysis describing the objectives, projections, estimates and expectations of the Company, its direct and indirect subsidiaries and its associates, may be 'forward looking statements' within the meaning of applicable laws and regulations. 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 regulations, tax laws, and other statutes and incidental factors.

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

Strong leadership and effective corporate governance practices have been the Company's hallmark and it has inherited these from the Tata culture and ethos. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Director as well as for its Non-Executive Directors.

The Company has also adopted the Tata group Governance Guidelines for Board Effectiveness to fulfil its responsibilities towards its stakeholders. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS

Composition of the Board

The Company has an active, experienced and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

As on 31 March, 2017, the Board comprised six Directors, out of which five are Non-Executive Directors and one Managing Director. Out of the total strength, three (i.e. 50%) are Independent Directors (including one woman Independent Director). The composition of the Board of Directors of the Company is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act').

The Company currently has right mix of Directors on the Board who possesses the requisite qualifications and experience in general corporate management, finance, banking, marketing and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company. Detailed profile of the Directors is available on the Company's website at www.tatachemicals.com.

Board Procedure

The dates of the Board/Committee Meetings are agreed upon at the beginning of the year.

The agenda along with the detailed notes are circulated in advance to the Board members. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions and to discharge its responsibilities effectively. The Managing Director apprises the Board on the overall performance of the Company every quarter including the performance of the overseas operating subsidiaries. The Board periodically reviews the strategy, annual business plan and capital expenditure budgets and risk management, safety and environment matters. It also reviews the compliance reports of the laws applicable to the Company, internal financial controls and financial reporting systems, minutes of the Board Meetings of the Company's subsidiary companies, adoption of quarterly/half-yearly/annual results, transactions pertaining to purchase / disposal of property, major accounting provisions and write-offs/write backs, corporate restructuring, minutes of the meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, the Board is also kept informed of major events and approvals are taken wherever necessary.

The General Counsel & Company Secretary monitors the Board and Committee proceedings to ensure that terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions are tracked. Meeting effectiveness is ensured through clear agenda, pre-circulation of material in advance, detailed presentations at the meetings and tracking of the Action Taken Report (ATR). Additionally, based on the agenda, the Board/Committee meetings are attended by members of the senior leadership as invitees, which bring in the requisite accountability and also provide developmental inputs.

In order to reduce paper consumption and maximum utilisation of technology, the Company has adopted a web based application for transmitting the agenda and pre-reads for the Board and Committee meetings. The Directors receive the agenda and pre-reads in electronic form through the application which can be accessed through the iPads. The said application is highly secured.

Video conferencing facility is also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.

Meetings Held

The Board met 9 (nine) times during the Financial Year (FY) 2016-17 on 26 May, 2016, 22 July, 2016, 5 August, 2016, 10 August, 2016, 7 October, 2016, 10 November, 2016, 22 November, 2016, 8 February, 2017 and 29 March, 2017.

The gap between two meetings did not exceed one hundred and twenty days.

Board of Directors

The composition and category of Directors, their attendance at the Board Meetings and at the last AGM held during the FY 2016-17 and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31 March, 2017 are as follows:

Name of the Director	Category of the Director	Directors' Identification Number	Number of Board Meetings attended during the FY 2016-17	Whether attended AGM held on 11 August, 2016	Number of directorships in other public limited companies*		Number of committee positions held in other public limited companies**	
					Chairman of the Board	Board Member	Chairman of the Committee	Committee Member
Mr. Cyrus P. Mistry @	Chairman, Non-Independent, Non-Executive	00010178	7	Yes	N.A.	N.A.	N.A.	N.A.
Mr. Nusli N. Wadia ^	Independent, Non-Executive	00015731	5	Yes	N.A.	N.A.	N.A.	N.A.
Mr. Nasser Munjee	Independent, Non-Executive	00010180	8	Yes	2	7	4	1
Mr. E. A. Kshirsagar&	Independent, Non-Executive	00121824	4	Yes	N.A.	N.A.	N.A.	N.A.
Dr. Y. S. P. Thorat	Independent, Non-Executive	02652734	9	Yes	-	3	1	2
Ms. Vibha Paul Rishi	Independent, Non-Executive	05180796	8	Yes	-	8	-	5
Dr. Nirmalya Kumar&&	Non-Independent, Non-Executive	00364637	3	No	N.A.	N.A.	N.A.	N.A.
Mr. Bhaskar Bhat$	Non-Independent, Non-Executive	00148778	8	Yes	4	4	-	3
Mr. S. Padmanabhan#	Non-Independent, Non-Executive	00306299	2	NA	2	3	-	1
Mr. R. Mukundan	Managing Director & CEO	00778253	9	Yes	-	3	-	-

Notes:

* *Excludes directorships in associations, private limited companies, foreign companies, companies registered under Section 8 of the Act, Government Bodies and Alternate Directorships*

** *Represents Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee in listed as well as unlisted public limited companies*

@ *Mr. Cyrus P. Mistry resigned as a Chairman and Director w.e.f. 19 December, 2016*

^ *Mr. Nusli N. Wadia ceased to be a Director w.e.f. 23 December, 2016 pursuant to the resolution passed by the members under Section 169 of the Act for his removal at the Extraordinary General Meeting (EGM) held on 23 December, 2016*

& *Mr. E.A.Kshirsagar retired as a Director w.e.f. 10 September, 2016*

&& *Dr. Nirmalya Kumar was appointed as a Director w.e.f. 26 May, 2016 and resigned w.e.f. 31 October, 2016*

$ *Mr. Bhaskar Bhat resigned w.e.f. 10 November, 2016 and was again appointed as a Director w.e.f. 23 December, 2016 by the members at the EGM*

Mr. S. Padmanabhan was appointed as a Director w.e.f. 23 December, 2016 by the members at the EGM

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. None of the Directors of the Company is related to each other.

Shareholding of Directors

Name of the Director	No. of Ordinary shares held	% of Paid-up Capital
Mr. Cyrus P. Mistry (Chairman) @	16,000	0.01
Dr. Nirmalya Kumar *	1,000	0.00
Mr. R. Mukundan (Managing Director & CEO)	500	0.00

Notes:

@ *Mr. Cyrus P. Mistry resigned as a Chairman and Director w.e.f. 19 December, 2016*

* *Dr. Nirmalya Kumar was appointed as a Director w.e.f. 26 May, 2016 and resigned w.e.f. 31 October, 2016*

Apart from the above, no other Director is holding any shares in the Company. The Company has not issued any convertible instruments.

INDEPENDENT DIRECTORS

Meetings of Independent Directors

During the year, two meetings of Independent Directors of the Company without the presence of Non-Independent Directors and members of management were held on 10 November, 2016 and 29 March, 2017 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. At their meeting, the Independent Directors reviews the performance of Non-Independent Directors and the Board as a whole, performance of the Chairman and also assesses the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Composition and Attendance

Name of the Member	No. of meetings attended
Mr. Nusli N. Wadia @	1
Mr. Nasser Munjee	2
Mr. E.A. Kshirsagar #	-
Dr. Y.S.P. Thorat	2
Ms. Vibha Paul Rishi	2

Notes:

@ *Mr. Nusli N. Wadia ceased to be a Director w.e.f. 23 December, 2016*

Mr. E.A.Kshirsagar retired as a Director w.e.f. 10 September, 2016

Terms and conditions of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act, Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment have been disclosed on the website of the Company.

None of the Independent Directors on the Board serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit of Independent Directorships of listed companies as prescribed in Regulation 25 (1) of the Listing Regulations. The Managing Director of the Company does not serve as an Independent Director in any listed company.

Induction and Familiarisation Programme for Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. These includes orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuing basis. An induction kit is handed over to new Directors which includes the annual report, a CD containing overview of the Company and its operating subsidiaries, charters of the Company, annual Board/Committee calendar, Code of Conduct for Non-Executive Directors, Tata Code of Conduct for Prohibition of Insider Trading, etc. Meeting with Business /Functional Heads are organised to provide brief on the business/function.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes for its Directors including review of long-term strategy, industry outlook, regulatory updates at Board and Audit Committee Meetings, Presentations on Internal Control over Financial Reporting, Goods and Services Tax, Indian Accounting Standards, Risk Management Framework, Presentation on Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') and Controls at Registrar and Share Transfer Agent to the Stakeholders Relationship Committee, etc. Pursuant to Regulation 46 of the Listing Regulations, the details required are available on the website of the Company at the web link at http://tatachemicals.com/upload/content_pdf/familiarisation-programme-hours-2017.pdf.

Re-appointment of Director

As required under Regulations 26(4) and 36(3) of the Listing Regulations, particulars of the Director seeking re-appointment are given in the Explanatory Statement to the Notice of the AGM.

Code of Conduct

The Company has adopted the Tata Code of Conduct ('TCoC') for its Whole-time Directors, Senior Management Personnel and other Executives which is available on the website at http://tatachemicals.com/About-Us/Governance/Code-of-conduct. The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act (Code for Independent Directors) and Regulation 17(5) of the Listing Regulations and the same is available on the Company's website at http://tatachemicals.com/upload/content_pdf/TCOC-non-executive-directors.pdf.

All the Board members and Senior Management of the Company as on 31 March, 2017 have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Managing Director forms part of this report.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration that these Directors would be entitled under the Act as Non-Executive Directors, none of the Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates.

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

3. AUDIT COMMITTEE

The Audit Committee's role shall flow directly from the Board of Directors' overview function on corporate governance, which holds the Management accountable to the Board and the Board, in turn, accountable to the shareholders. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditors and the cost auditors and notes the processes and safeguards employed by each of them. The Audit Committee functions according to its charter that defines its composition, authority, responsibilities and reporting functions.

All the items listed in Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and in Section 177 of the Act are covered in the terms of reference.

Terms of Reference

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and, *inter-alia*, performs the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Discuss and review, with the management and auditors, the annual/quarterly financial statements before submission to the Board;
- Review of the Company's accounting policies internal accounting controls, financial and such other matters;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit, etc;
- Evaluate auditor's performance, qualification, independence and effectiveness of Audit process;
- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Review the adequacy of internal audit and risk management function;
- Review the adequacy of internal control systems and ensure adherence thereto;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Tata Code of Conduct for Prevention of Insider Trading;
- Scrutinise inter-corporate loans and investments;
- Review the Company's compliance with the legal and regulatory requirements and the Tata Code of Conduct and effectiveness of the system for monitoring the same;
- Review the functioning of Whistleblower Mechanism of the Company which shall include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Discussion with internal auditors of any significant findings and follow up there on;

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure and frequency of internal audit;

- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;

- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Board has adopted a charter of the Audit Committee for its functioning. The Audit Committee has been granted powers as prescribed under Regulation 18 (2) (c) of the Listing Regulations.

Meetings Held

During FY 2016-17, 10 (ten) meetings of the Audit Committee were held on the 20 April, 2016, 24 May, 2016, 15 July, 2016, 3 August, 2016, 10 August, 2016, 26 September, 2016, 9 November, 2016, 19 January, 2017, 7 February, 2017 and 21 March, 2017.

The gap between two meetings did not exceed one hundred and twenty days.

Composition and Attendance

Name of the Member	Category	No. of meetings attended
Mr. Nasser Munjee (Chairman)	ID	10
Mr. E. A. Kshirsagar*	ID	5
Dr. Y. S. P. Thorat	ID	10
Dr. Nirmalya Kumar^	NED	3
Mr. Bhaskar Bhat#	NED	1
Mr. S. Padmanabhan$	NED	1

ID - Independent Director; NED - Non-Executive Director

Notes:

* *Mr. E.A. Kshirsagar ceased to be a Member w.e.f. 10 September, 2016 upon retirement*

^ *Dr. Nirmalya Kumar was appointed as a Member w.e.f. 26 May, 2016 and ceased to be Member w.e.f. 31 October, 2016 due to his resignation as Director*

Mr. Bhaskar Bhat was appointed as a Member w.e.f. 1 November, 2016 and ceased to be a Member w.e.f. 10 November, 2016 due to his resignation as Director

$ *Mr. S. Padmanabhan was appointed as a Member w.e.f. 9 January, 2017*

Mr. Nasser Munjee is an eminent Economist and leading banker. All members of the Audit Committee are financially literate and have accounting and related financial management expertise.

The Company Secretary acts as the Secretary to the Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18 (1) of the Listing Regulations.

The Chairman of the Audit Committee has one on one meeting both with the internal audit head and the statutory auditors to discuss key concerns on a quarterly basis.

The Managing Director & CEO, Chief Financial Officer, Statutory Auditor, Controller - Risk and Vice President & Group Corporate Controller attend and participate at all the meetings of the Committee. The Chief Operating Officers and Chief Human Resources Officer attend the meetings where Internal Audit Reports are discussed. The Committee from time to time also invites such of the executives, as it considers appropriate, to be present at the meetings.

During the year, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems to the Committee. The Audit Committee also reviewed the reports on leadership of business ethics, reports on dealings under Insider Trading Regulations and related party transactions. The Audit Committee also reviewed the allegations that followed the leadership transition at Tata Sons Limited (Promoter of the Company) and the correspondence between the Company and the Regulators and the queries raised in the representations under Section 169 of the Act by Mr. Cyrus P. Mistry and Mr. Nusli N. Wadia. Please refer the Board's Report which has dealt with this matter in detail. The Chairman of the Audit Committee briefs the Board about the significant discussions at the Audit Committee meetings. The minutes of each of the Audit Committee are placed in the next meeting of the Board.

Mr. Nasser Munjee, Chairman of the Audit Committee, was present at the last AGM held on 11 August, 2016.

4. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The purpose of the NRC is to oversee the selection of members of the Board based on criteria related to the specific requirement of expertise, independence and execution. Further, the role of NRC is also to identify and select senior management personnel one level below the Board. The NRC shall also evaluate the performance of the board members, inclusive of the executive members based on the expected performance criteria.

Terms of Reference

The terms of reference of the NRC, inter-alia, are:

- Make recommendations to the Board regarding the setup and composition of the Board;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Formulate criteria for evaluation of Independent Directors and the Board;
- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;
- Devise a policy on Board diversity;
- Recommend to the Board the appointment or reappointment of Directors;
- Recommend to the Board, the appointment of KMP and executive team members;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;
- Review matters related to remuneration and benefits payable upon retirement and severance to the Managing Director/ Executive Director(s), KMP and executive team members;
- Oversee familiarisation programmes for Directors;
- Review HR and people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Provide guidelines for remuneration of Directors on material subsidiaries;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Perform other activities related to the charter as requested by the Board from time to time.

The Board has adopted a charter of the NRC for its functioning.

Meetings Held

During FY 2016-17, 3 (three) meetings of NRC were held on 26 May, 2016, 10 November, 2016 and 29 March, 2017.

Composition and Attendance

The composition and the terms of reference of the NRC are in compliance with the provisions of Section 178 (1) of the Act and Regulation 19 of the Listing Regulations.

Name of the Member	Category	No. of meetings attended
Mr. Nusli N. Wadia (Chairman) @	ID	2
Mr. Cyrus P. Mistry#	NED	2
Dr. Y.S.P. Thorat (Chairman) ^	ID	1
Mr. Nasser Munjee	ID	3
Mr. Bhaskar Bhat*	NED	2

ID - Independent Director; NED-Non-Executive Director

Notes:

@ *Mr. Nusli N. Wadia ceased to be Chairman and Member w.e.f. 23 December, 2016*

Mr. Cyrus P. Mistry ceased to be a Member w.e.f. 19 December, 2016 due to resignation

^ *Dr. Y.S.P. Thorat was appointed as Chairman w.e.f. 9 January, 2017*

* *Mr. Bhaskar Bhat was appointed as a Member w.e.f. 9 January, 2017*

Mr. Nusli N. Wadia, Chairman of the NRC, was present at the AGM of the Company held on 11 August, 2016.

Board and Director Evaluation

During the year, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process of the Board, its Committees and Directors. The criteria for Board Evaluation was based on the guidance note issued by SEBI and also included, inter-alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various committees, effectiveness of Board processes, information and functioning.

Criteria for Evaluation

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at the Board / Committee meetings and guidance / support to management outside the Board / Committee meetings. Criteria for evaluation of the Committees of the Board was based on the guidance note issued by SEBI and also included degree of fulfillment of key responsibilities, adequacy of committee composition and effectiveness of meetings.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Remuneration of Directors

The Company's philosophy for remuneration of Directors, KMP and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy. The principles governing the Company's Remuneration Policy is provided in the Board's Report.

Managing Director & CEO

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director & CEO. Annual increments are recommended by the NRC within the salary scale approved by the members of the Company and are effective 1 April each year. NRC recommends on the commission payable to the Managing Director & CEO out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the Managing Director & CEO.

Details of Remuneration:

Name of the Director	Salary (₹)	Perquisites and Allowance (₹)	Commission* (₹)	Total Remuneration (₹)
Mr. R. Mukundan - Managing Director & CEO	85,80,000	1,49,38,578	2,80,00,000	5,15,18,578

Notes:

**Commission relates to FY 2016-17, which will be paid during FY 2017-18*

Non-Executive Directors

During the FY 2016-17, the Company paid sitting fees of ₹ 30,000/- per meeting to the Non-Executive Directors for attending each meeting of the Board, Audit Committee and NRC; and ₹ 20,000/- per meeting for attending each meeting of Stakeholders Relationship Committee, Independent Directors Meetings, CSR, Safety and Sustainability Committee and Risk Management Committee.

The members have, at the AGM of the Company held on 26 August, 2013, approved the payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 1956. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at the meetings. The Company also reimburses the out-of-pocket expenses incurred by the directors for attending the meetings.

Details of Commission and Sitting Fees paid to the Non Whole-time Directors for the FY ended 31 March, 2017 is given below:

Name of the Director	Sitting Fees (₹)	Commission (for FY 2016-17 payable in FY 2017-18) (₹)
Mr. Cyrus P. Mistry	2,70,000@	*
Mr. Nusli N. Wadia	2,30,000@	**
Mr. Nasser Munjee	7,50,000	67,00,000
Mr. E. A. Kshirsagar ^	3,30,000	22,00,000
Dr. Y. S. P. Thorat	7,40,000	50,00,000
Ms. Vibha Paul Rishi	3,20,000	22,00,000
Dr. Nirmalya Kumar	1,80,000@	*
Mr. Bhaskar Bhat	3,50,000	29,00,000
Mr. S. Padmanabhan#	1,10,000	10,00,000
Total	**32,80,000**	**2,00,00,000**

* *No commission was paid since Mr. Cyrus P. Mistry and Dr. Nirmalya Kumar were drawing remuneration from Tata Sons Limited*

** *Since Mr. Nusli N. Wadia ceased to be a Director pursuant to the resolution passed by the members under Section 169 of the Act for his removal at the EGM held on 23 December, 2016, the Board of Directors decided not to pay commission to him for FY 2016-17*

Notes:

@ *Mr. Cyrus P. Mistry resigned as a Chairman and Director w.e.f. 19 December, 2016, Dr. Nirmalya Kumar resigned w.e.f. 31 October,* *2016 and Mr. Nusli N. Wadia ceased to be a Director w.e.f. 23 December, 2016*

^ *Mr. E. A. Kshirsagar retired as a Director w.e.f. 10 September, 2016*

Mr. S. Padmanabhan was appointed as a Director w.e.f. 23 December, 2016

As per the practice, commission to the Directors is paid after the annual accounts are adopted by the members at the AGM.

The Company has not granted any stock options to its Directors.

Service Contract, Severance Fees and Notice Period

Terms of Agreement of Managing Director & CEO	Mr. R. Mukundan
Period of Contract	5 years upto 25 November, 2018
Severance fees / notice period	The Contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance fees.

Retirement Policy for Directors

The Governance Guidelines on Board effectiveness adopted by the Company provides for the retirement age of Directors. As per the Governance Guidelines, the Managing and Executive Directors retire at the age of 65 years, Non-Independent Non-Executive Directors retire at the age of 70 years and the retirement age for Independent Directors is 75 years subject to the tenure specified under Section 149 of the Act.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are as under:

- To look into redressal of investors' complaints and requests such as transfer of shares / debentures, non-receipt of dividend, annual report, etc.
- To resolve the grievances of the security holders of the Company.

Meetings Held

During FY 2016-17, 1 (one) meeting of Stakeholders Relationship Committee was held on 29 March, 2017

Composition and Attendance

Name of the Member	Category	No. of meetings attended
Ms. Vibha Paul Rishi (Chairman)@	ID	1
Mr. S. Padmanabhan #	NED	1
Dr. Y. S. P. Thorat (Chairman)$	ID	-
Mr. R. Mukundan	MD	1

ID - Independent Director; NED - Non-Executive Director; MD - Managing Director & CEO

Notes:

@ *Ms. Vibha Paul Rishi was appointed as Chairman and Member w.e.f. 9 January, 2017*

Mr. S. Padmanabhan was appointed as Member w.e.f. 9 January, 2017

$ *Dr. Y.S.P. Thorat ceased to be a Chairman and Member w.e.f. 9 January, 2017*

Status of Investor Complaints as on 31 March, 2017 and reported under Regulation 13 (3) of the Listing Regulations is as under:

Complaints as on 1 April, 2016	:	1
Received during the year	:	27
Resolved during the year	:	25
Pending as on 31 March, 2017	:	3*

* *As on 26 May, 2017, 2 Complaints have been disposed off by SEBI based on the Action Taken Report uploaded on SCORES and 1 complaint was pending with SEBI for closure.*

The correspondence identified as investor complaints are letters received through statutory / regulatory bodies and letters pertaining to fraudulent encashment etc.

Name, designation and address of the Compliance Officer

Mr. Rajiv Chandan
General Counsel & Company Secretary
Tata Chemicals Limited
Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001
Tel. No.: +91 22 6665 8282
Fax No.: +91 22 6665 8144
Email- investors@tatachemicals.com

On the recommendations of the Committee, the Company has taken various investor friendly initiatives like sending reminders to the investors who have not claimed their dividends, encourage dematerialisation of shares, etc.

6. EXECUTIVE COMMITTEE OF THE BOARD

Terms of Reference

The terms of reference of the Executive Committee of the Board are as under:

- To periodically review the ongoing capital expenditure and the investments made by the Company;
- To examine new proposals for investments from the standpoint of their business and financial impact;
- To formulate the future strategic direction and business development of the Company.

In addition to the above terms of reference for this Committee, the Committee is expected to review the following items before they are presented to the Board:

- Business and Strategy of the Company;
- Long-term financial projections and cash flows;
- Capital and Revenue Budgets and Capital Expenditure programmes;
- Acquisitions, divestments and business restructuring proposals;
- Senior management succession planning;
- Any other item as may be decided by the Board.

Meetings Held

No Meetings were held during FY 2016-17.

Composition and Attendance

Name of the Member	Category
Mr. Cyrus P. Mistry (Chairman) @	NED
Mr. Nusli N. Wadia @	ID
Mr. Bhaskar Bhat ^	NED
Dr. Y. S. P. Thorat	ID
Mr. R. Mukundan	MD

ID - Independent Director; NED - Non-Executive Director; MD - Managing Director & CEO

Notes:

@ *Mr. Cyrus P. Mistry ceased to be Chairman w.e.f. 19 December, 2016 due to resignation and Mr. Nusli N. Wadia ceased to be a Member w.e.f. 23 December, 2016*

^ *Mr. Bhaskar Bhat was appointed as a Member w.e.f. 9 January, 2017*

7. CSR, SAFETY AND SUSTAINABILITY COMMITTEE

The main purpose of the CSR, Safety & Sustainability Committee is to review and monitor the corporate social responsibility programs, sustainable development, environmental, health and safety framework and activities of the Company and their implementation across Tata Chemicals Group.

Terms of Reference

The terms of reference of the CSR, Safety and Sustainability Committee are as under:

- Provide guidance to the management to ensure that all long-term strategic proposals made to the Board include safety, health, environment and sustainability implications;
- Review and monitor the sustainability, environmental, safety and health policies and activities across the Tata Chemicals Group;
- Investigate or cause to be investigated, any extraordinary negative sustainability, environment, health and safety performance or issues of asset integrity which can impact safety, health, environment and sustainability where appropriate;
- Formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act and have oversight over its implementation;
- Recommend the amount to be spent on CSR activities;
- Monitor the Company's CSR policy periodically.

The Board has adopted a charter for the Committee for its smooth functioning. The Board has also adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms a part of the Board's Report.

Meetings Held

During FY 2016-17, 3 (three) meetings were held on 28 July, 2016, 20 October, 2016 and 19 January, 2017.

Composition and Attendance

Name of the Member	Category	No. of meetings attended
Mr. S. Padmanabhan (Chairman) *	NED	-
Ms. Vibha Paul Rishi *	ID	1
Dr. Y. S. P. Thorat (Chairman)#	ID	2
Mr. Nasser Munjee ^	ID	2
Mr. Bhaskar Bhat ^	NED	1
Mr. R. Mukundan	MD	3

ID - Independent Director; NED - Non-Executive Director; MD - Managing Director & CEO

Notes:

* *Mr. S. Padmanabhan was appointed as the Chairman and Member and Ms. Vibha Paul Rishi was appointed as a Member w.e.f. 9 January, 2017*

Dr. Y. S. P. Thorat ceased to be Chairman and Member w.e.f. 9 January, 2017

^ *Mr. Bhaskar Bhat and Mr. Nasser Munjee ceased to be a Member w.e.f. 10 November, 2016 and 9 January, 2017 respectively.*

Chief-Safety and Chief-CSR & Sustainability are the permanent invitees to the meetings of the Committee. The General Counsel & Company Secretary attends the meetings.

8. RISK MANAGEMENT COMMITTEE (RMC)

Regulation 21 of the Listing Regulations mandates top 100 listed entities based on market capitalisation as at the end of the immediate previous financial year to constitute the RMC. Although non-mandatory, the Company has constituted a RMC of the Board in February 2015. The roles and responsibilities of the Committee are as per the charter adopted by the Board and includes monitoring and review of the risk management plan and reporting the same to the Board periodically as it may deem fit, in addition to any other terms as may be referred by the Board, from time to time.

RMC assists the Audit Committee and the Board of Directors in overseeing the Company's risk management processes and controls. RMC through the Enterprise Risk Management in the Company seeks to minimize adverse impact on the business objectives and enhance stakeholder value.

Terms of Reference

The terms of reference of the RMC are as under:

- Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management;
- Review and approve the Enterprise Risk Management (ERM) framework;
- Review the Company's risk appetite and strategy relating to key risks, including market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks;
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;
- Review and analyse risk exposure related to specific issues, concentrations and limit excesses, and provide oversight of risk across organisation;
- Review compliance with risk policies, monitor breach / trigger trips of risk tolerance limits and directs action;
- Nurture a healthy and independent risk management function in the Company.

The Board has adopted a charter for the functioning of the RMC in accordance with Regulation 21 of the Listing Regulations.

Meetings Held

During FY 2016-17, 6 (six) meetings were held on 13 April, 2016, 14 June, 2016, 2 September, 2016, 9 November, 2016, 13 December, 2016 and 19 January, 2017.

Composition and Attendance

Name of the Member	Category	No. of meeting attended
Dr. Y.S.P. Thorat (Chairman)*	ID	3
Mr. Nasser Munjee*	ID	2
Mr. E. A. Kshirsagar#	ID	3
Dr. Nirmalya Kumar^	NED	-
Mr. S. Padmanabhan*	NED	-
Mr. R. Mukundan	MD	6
Mr. John Mulhall	CFO	6

ID - Independent Director; NED - Non-Executive Director; MD - Managing Director & CEO; CFO - Chief Financial Officer

Notes:

* *Dr. Y.S.P. Thorat was appointed as Chairman and Member w.e.f. 7 October, 2016; Mr. Nasser Munjee was appointed as Member w.e.f. 7 October, 2016 and Mr. S. Padmanabhan was appointed as Member w.e.f. 9 January, 2017*

Mr. E.A. Kshirsagar ceased to be Chairman and Member w.e.f. 10 September, 2016 upon his retirement as Director

^ *Dr. Nirmalya Kumar was appointed as a Member w.e.f. 7 October, 2016 and ceased to be a Member w.e.f. 31 October, 2016 upon his resignation as Director*

The Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis Chapter of this Annual Report.

9. SUBSIDIARY COMPANIES

Regulation 16 of the Listing Regulations defines a 'material subsidiary' as subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Under this definition, the Company does not have any unlisted material subsidiary incorporated in India.

The subsidiaries of the Company function independently with an adequately empowered Board of Directors and sufficient resources. For more effective governance, Independent Directors have been appointed on the Board of key operating subsidiaries. The minutes of Board Meetings of subsidiaries are placed before the Board of the Company for its review on a quarterly basis and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are also placed before the Board.

Pursuant to the explanation under Regulation 16 (1) (c) of the Listing Regulations, the Company has formulated a policy for determining material subsidiaries which is disclosed on the Company's website at the following web link: http://tatachemicals.com/upload/content_pdf/material_subsidiary.pdf.

10. GENERAL BODY MEETINGS

Location, day, date and time of AGMs held during the last 3 years and special resolutions passed are given as below:

Year	Location	Day, Date and Time	Special Resolutions
2015-16	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020.	Thursday, 11 August, 2016 at 3.00 p.m.	There was no matter that required passing of Special Resolution
2014-15	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020.	Tuesday, 11 August, 2015 at 3.00 p.m.	There was no matter that required passing of Special Resolution
2013-14	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020.	Thursday, 21 August, 2014 at 3.00 p.m.	(i) Approve borrowing limits of the Company (ii) Creation of Charge on the assets of the Company (iii) Offer or invitation to subscribe to Non-Convertible Debentures on Private Placement

An Extraordinary General Meeting of the Company was held on 23 December, 2016 at 3:00 p.m. at Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020 on the requisition of Tata Sons Limited under Section 169 and other applicable provisions of the Companies Act, 2013 for removal of Mr. Nusli N. Wadia as a Director.

Postal Ballot

During FY 2016-17, no resolution was put through by postal ballot.

None of the businesses proposed to be transacted in the ensuing AGM requires the passing of a Special Resolution by way of postal ballot.

11. MEANS OF COMMUNICATION

All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges, where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems.

The quarterly / half-yearly / annual results were published atleast in one English newspaper on the next day of the meeting for that quarter i.e. for quarter and year ended 31 March, 2016, the results were published on 27 May, 2016, for the first quarter ended 30 June, 2016 the results were published on 6 August, 2016, for second quarter ended 30 September, 2016 the results were published on 11 November, 2016 and for the third quarter ended 31 December, 2016 the results were published on 9 February, 2017.

The quarterly results are published in the Indian Express (English), Business Standard (English), Business Line (English), Loksatta (Marathi), Free Press Journal (English) and Navshakti (Marathi).

The financial results are displayed under 'Investors' section of the Company's website viz., www.tatachemicals.com. They are also filed with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited through BSE Online Portal.

The Managing Director and Chief Financial Officer hold quarterly briefs with analysts, shareholders and major stakeholders, where Company performance is discussed. The official press releases, presentation made to the members at the AGM, the presentation made to the institutional investors and analysts and the transcripts of the call with analysts for quarterly/annual results are available on the Company's website under 'Investors' section.

Company's Website

The Company's website is a comprehensive reference on Tata Chemicals' management, vision, mission, policies, corporate governance, corporate sustainability, investors, updates and news. The section on 'Investors' serves to inform the members by giving complete financial details, annual reports, shareholding patterns, presentation made to institutional investors and analysts, corporate benefits, information relating to stock exchanges, Registrar and Share

Transfer Agents, etc. The section on 'Media' includes all major press releases, awards and campaigns.

Material events or information as detailed in Regulation 30 of the Listing Regulations are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE Limited through BSE Online Portal. They are also displayed on the Company's website under the 'Investors' section.

The Company has also uploaded the names of the members and the details of the unclaimed dividend by the members on its website. The members can log in and find out whether their dividend for any of the years is outstanding. The link for the same is - http://tatachemicals.com/html/Investors/unclaimed-dividends.html. Information about unclaimed/unpaid dividends and unclaimed shares to be transferred to IEPF is provided in the notes to the Notice of AGM.

12. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24239MH1939PLC002893.

Annual General Meeting date, time and venue

Date and Time : Wednesday, 9 August, 2017 at 3.00 p.m.

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

Financial Year : April to March

Book Closure Date : Wednesday, 2 August, 2017 to Wednesday, 9 August, 2017 (both days inclusive for the purpose of AGM and Dividend)

Dividend payment date : On or after Friday, 11 August, 2017

Listing on Stock Exchanges :

(a) The Company's Ordinary Shares are listed on the following Stock Exchanges:

(1) BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

(2) The National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.

(b) Non Convertible Debentures (NCDs)

The Company's NCDs are listed on the following Stock Exchange under Debt segment :

(1) The National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.

The Company has paid the Annual Listing fees to these Stock Exchanges for FY 2016-17.

Debenture Trustee : IDBI Trusteeship Services Ltd.

Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001.
Tel: +91 22 4080 7000, Fax: +91 22 6631 1776

Stock Code:

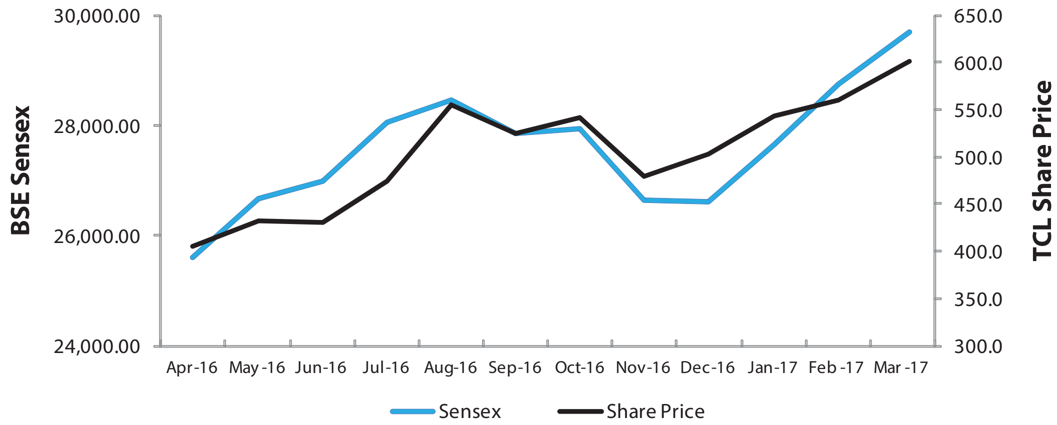
BSE Limited (Physical Segment)	: TATACHM770
BSE Limited (Demat Segment)	: 500770
The National Stock Exchange of India Limited	: TATACHEM EQ
International Securities Identification Number (ISIN) in NSDL and CDSL	: INE092A01019 (Ordinary Shares) : INE092A08055 (NCDs)

Market Price Data:

Market price data - monthly high / low of BSE / NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder:

Month	BSE (in ₹)		NSE (in ₹)	
	High	Low	High	Low
Apr-16	430.40	360.10	430.25	359.25
May-16	454.90	396.40	454.90	396.20
Jun-16	440.40	401.00	437.50	400.25
Jul-16	478.25	428.20	478.45	427.60
Aug-16	572.00	450.00	572.65	449.65
Sep-16	574.80	504.00	576.00	504.40
Oct-16	585.10	519.90	586.10	524.25
Nov-16	554.00	445.50	554.00	444.50
Dec-16	512.75	468.00	513.00	467.70
Jan-17	549.20	500.60	549.40	500.10
Feb-17	590.85	539.60	591.00	540.10
Mar-17	606.30	549.00	606.50	549.65

Graphical Representation of Performance of Tata Chemicals Limited's Share Price (average of closing price of BSE and NSE) in comparison with BSE Sensex.



Registrar and Share Transfer Agents

Members are requested to correspond with the Company's Registrar and Share Transfer Agents - TSR Darashaw Limited quoting their folio no. / DP ID and Client ID at the following addresses:-

(i) For transfer lodgement, delivery and correspondence:

TSR DARASHAW LIMITED
Unit: **Tata Chemicals Limited**
6-10 Haji Moosa Patrawala Industrial Estate,
20 Dr. E. Moses Road, Mahalaxmi,
Mumbai 400 011

Tel.: + 91 22 6656 8484 / 6617 8411/ 12/13/14
Fax: + 91 22 6656 8494
Email: csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

(ii) For the convenience of members based in the following cities, transfer documents and letters will also be accepted at the following Branch Offices/ agencies of TSR Darashaw Limited (TSRDL):

1. **TSR Darashaw Limited**
503, Barton Centre, (5th Floor),
84, Mahatma Gandhi Road,
Bengaluru 560 001.
Tel.: + 91 80 2532 0321
Fax: + 91 80 2558 0019
Email: tsrdlbang@tsrdarashaw.com

2. **TSR Darashaw Limited**
Tata Centre, 1st Floor,
43, J. L. Nehru Road,
Kolkata 700 071.
Tel.: + 91 33 2288 3087
Fax: + 91 33 2288 3062
Email: tsrdlcal@tsrdarashaw.com

5. **Agent of TSRDL**
Shah Consultancy Services Limited
3, Sumatinath Complex, 2nd Dhal,
Pritam Nagar, Ellisbridge,
Ahmedabad 380 006.
Telefax: + 91 79 2657 6038
Email: shahconsultancy8154@gmail.com

3. **TSR Darashaw Limited**
2/42, Ansari Road,
1st Floor, Daryaganj, Sant Vihar,
New Delhi 110 002.
Tel.: + 91 11 2327 1805
Fax: + 91 11 2327 1802
Email: tsrdldel@tsrdarashaw.com

4. **TSR Darashaw Limited**
'E' Road,
Northern Town, Bistupur,
Jamshedpur 831 001.
Tel.: + 91 657 242 6616
Fax: + 91 657 242 6937
Email: tsrdljsr@tsrdarashaw.com

Share Transfer Process

Shares in physical forms are processed by the Registrar and Share Transfer Agent within 15 days from the date of receipt, if the documents are complete in all respects. The Managing Director & CEO, General Counsel & Company Secretary and Head-Secretarial have been severally empowered to approve transfers.

Secretarial Audit

- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half- yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

- Mr. P. N. Parikh of Parikh & Associates, Practicing Company Secretaries, has conducted a Secretarial Audit of the Company for FY 2016-17. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report.

Distribution of Shareholding as on 31 March, 2017

Range of Holdings	Number of Shares	Amount (₹)	% to capital	Number of Shareholders	% of Shareholders
1 to 500	1,76,13,525	17,61,35,250	6.91	1,62,231	89.60
501 to 1,000	74,34,601	7,43,46,010	2.92	9,952	5.50
1,001 to 2,000	70,85,422	7,08,54,220	2.78	4,925	2.72
2,001 to 3,000	38,71,915	3,87,19,150	1.52	1,557	0.86
3,001 to 4,000	23,85,817	2,38,58,170	0.94	678	0.37
4,001 to 5,000	20,72,778	2,07,27,780	0.81	453	0.25
5,001 to 10,000	50,27,524	5,02,75,240	1.97	711	0.39
Above 10,000	20,92,64,696	2,09,26,46,960	82.14	557	0.31
Total	**2,54,756,278**	**2,54,75,62,780**	**100.00**	**1,81,064**	**100.00**

Category of Shareholding as on 31 March, 2017

Category	Number of Shares	Percentage
Promoter and promoter group	784,72,357	30.80
Resident Individuals	4,64,41,726	18.24
Foreign Holdings	4,60,56,523	18.08
Public Financial Institutions	2,08,16,825	8.18
Government / Government Companies	14,30,684	0.56
Other Companies, Mutual Funds	6,13,38,185	24.07
Nationalised Banks	1,87,612	0.07
Bodies Corporate-Non Banking Financial Company	12,366	0.00
Total	**25,47,56,278**	**100.00**

Dematerialisation of shares and liquidity
The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories, viz. NSDL and CDSL.

Percentage of Shares held in Physical form : 2.94
Electronic form with NSDL : 93.67
Electronic form with CDSL : 3.39

The Company's Ordinary shares are regularly traded on the BSE and NSE.

Plant Locations

Indian Locations:

Chemicals Division : Mithapur 361 345, Okhamandal, Gujarat

Fertiliser Division : (i) Indira Dham, P. O. Box No. 1, Babrala 202 521, Dist. Badaun, Uttar Pradesh
: (ii) P. O. Durgachak, Haldia, Dist. East Midnapore, West Bengal - 721 602

Nutritional Solutions Division : 317/2B, 317/2 C1, 317/2 C2, Vayalur Road, Kiloy Village, Sriperumbudur Taluk, Kancheepuram, Dist. - 602 105

Overseas Locations :

USA - Chemical Soda Ash : Tata Chemicals Soda Ash Partners, Green River Basin, Wyoming

UK - Chemicals : Tata Chemicals Europe :
(i) Northwich East (Lostock)
(ii) Northwich West
(iii) Middlewich

Kenya - Chemicals : Tata Chemicals Magadi Limited, Lake Magadi, Kenya

Address for correspondence : Tata Chemicals Limited, Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001. Email : investors@tatachemicals.com website: www.tatachemicals.com

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity - None

13. COMMODITY PRICE RISK/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Commodity price risk and hedging activities - Tata Chemicals Limited, India purchases a variety of commodities related to raw materials and finished products for trading. The Company manages the associated commodity price risks through commercial negotiation with customers and suppliers.

Foreign Exchange risk and hedging activities - Tata Chemicals Limited, India is exposed to foreign exchange risks on its imports of raw materials / trading goods / capital item purchases and borrowings denominated in foreign exchange. The Company has a robust internal policy, approved by its Audit Committee, to manage foreign exchange risks. Hedging is regularly carried out to mitigate the risks in line with the approved policy.

14. OTHER DISCLOSURES

Related Party Transactions

All related party transactions that were entered into during the FY 2016-17 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on related party transactions as approved by the Board is uploaded on the Company's website and the link for the same is http://www.tatachemicals.com/upload/content_pdf/tcl_rpt_policy.pdf.

Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by these authorities.

Whistleblower Policy and Vigil Mechanism

The Company has adopted a Whistleblower policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Conduct or Ethics policy. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. No personnel of the Company has been denied access to the Audit Committee.

Tata Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading, under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company.

Mr. Rajiv Chandan, General Counsel & Company Secretary, has been appointed as the 'Compliance Officer' for ensuring the compliance with and for the effective implementation of the Regulations and the Code across the Company. Mr. John Mulhall, Chief Financial Officer, has been designated as the 'Chief Investor Relations Officer' to ensure timely, adequate, uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information.

The details of dealing in the Company's securities by Designated Persons are placed before the Audit Committee on quarterly basis.

Anti-Bribery and Anti-Money Laundering Policy

The Company has, from time to time, taken important steps for establishing and reinforcing a culture of business ethics. In view of our increasing global footprint and align our work practices with regulations mandated for such multi-geography operations, the Board has during the year adopted the Anti-Bribery and Anti-Corruption Policy along with the Anti-Money Laundering Policy.

The above policies require the Company to appoint a senior official as the Compliance Officer who shall be responsible for implementation of the Policies. Under the above Policies, Compliance Officers have a functional reporting about any violation of the Policies to the Chairman of the Audit Committee. Aggravated cases of breach of the said Policies shall be escalated to the Board of Directors of the Company.

Policies under the Listing Regulations

Policy on Determination of Materiality for Disclosure as per Regulation 23 of the Listing Regulations and policy on Archival and Preservation of Documents as required under Regulation 9 of the Listing Regulations are available on the website of the Company.

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

CEO / CFO Certification

The Managing Director (CEO) and the Chief Financial Officer have certified to the Board in accordance with Regulation 17 (8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO / CFO certification for the Financial Year ended 31 March, 2017.

Mandatory Requirements

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

Non-Mandatory Requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27 (1) read with Part E of Schedule II of the Listing Regulations is as under:

- Chairman of the Board - The Non-Executive Chairman maintained a separate office, for which the Company did not reimburse expenses.
- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The position of the Chairman and the Managing Director remained separate.
- The Internal Auditor reports to the Audit Committee.

DECLARATION BY THE MANAGING DIRECTOR

I, R. Mukundan, Managing Director & CEO of Tata Chemicals Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26 (3) of the Listing Regulations for the year ended 31 March, 2017.

For Tata Chemicals Limited

R. Mukundan
Managing Director & CEO

Mumbai, 26 May, 2017

INDEPENDENT AUDITOR'S CERTIFICATE

TO THE MEMBERS OF
TATA CHEMICALS LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter reference no. SVP1516A dated 12 September, 2016.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Tata Chemicals Limited ('the Company'), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Managements' Responsibility

1. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

2. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

4. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2017.

7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)

Mumbai, 26 May, 2017

Business Responsibility Report For FY 2016-17

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company :** L24239MH1939PLC002893

2. **Name of the Company :** Tata Chemicals Limited

3. **Registered address:** Bombay House, 24 Homi Mody Street, Fort, Mumbai- 400 001

4. **Website:** www.tatachemicals.com

5. **E-mail id:** corporate_communications@tatachemicals.com

6. **Financial Year reported:** 1 April, 2016 – 31 March, 2017

7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Description
107	Processing of salt into food-grade salt
201	Manufacture of Chemicals and Fertilisers
239	Manufacture of Clinkers and Cement
089	Salt production by evaporation of sea water
081	Quarrying / mining of Limestone
462	Pulses
477	Retail sale of seeds, Fertilisers, Pesticides, Machinery equipment and Hand tools
360	Water Purifiers

As per National Industrial Classification – Ministry of Statistics and Program Implementation

8. **List three key products / services that the company manufactures / provides (as in balance sheet):**
   - Chemicals: Soda Ash, Sodium Bicarbonate, Cement
   - Edible Salt, Pulses, Spices
   - Urea, Mixed fertilisers and Agri inputs
   - Nutraceuticals

9. **Total number of locations where business activity is undertaken by the Company:**
   - Number of International Locations : 4 - USA, UK, Kenya, Singapore
   - Number of key National Locations: 8 - Mithapur, Babrala, Haldia, Sriperumbudur, Mumbai, Noida, Ahmedabad, Pune

10. **Markets served by the Company - Local / State / National / International:** All

SECTION B: FINANCIAL DETAILS OF THE COMPANY AS ON 31 MARCH, 2017

Sr. No.	Particulars	FY 2016-17 Standalone ₹ in crore	FY 2016-17 Consolidated ₹ in crore
1	Paid up capital	254.82	254.82
2	Revenue from operations	6470.92	13,288.92
3	Total profit after taxes, share of profit of an associate and joint ventures and non-controlling interest (Continuing and Discontinued operations)	692.71	993.11
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	**CSR spend as per Section 135 read with Schedule VII of the Companies Act, 2013, ₹ 15.00 crore 2.16 % of average profit for last 3 years.** Overall CSR spend is ₹ 16.37 crore	

5. **List of activities in which expenditure in 4 above has been incurred: As per Schedule VII of the Companies Act, 2013.**

   (I) Total Social & Community Development
   - Eradicating hunger, poverty and malnutrition
   - Promoting health care including preventive healthcare
   - Sanitation and making available clean drinking water
   - Promoting education including special education especially amongst children, women, elderly, and the differently abled
   - Employment enhancing vocation skills especially amongst children, women, elderly, and the differently abled
   - Livelihood enhancement projects
   - Promoting gender equality, empowering women, setting up homes and hostels for women and orphans
   - Measures for reducing inequalities faced by socially and economically backward groups
   - Protection of natural heritage, art and culture

- Promotion and development of traditional arts and handicrafts
- Training to promote rural sports
- Contribution to the Prime Minister's Relief Fund and any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, Scheduled Tribes, other backward castes, minorities and women
- Contribution of funds provided to technology incubators located within academic institutions which are approved by the Central Government
- Rural development projects
- Office Salary, miscellaneous expenses, general expenses

(II) Environmental & Conservation of Natural Resource projects

- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water

(III) Donations exempt under IT section 80G, 35AC in areas other than the above

- Donation to other institutions including for disaster relief work and other activities

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary company / companies?

Yes. The number of subsidiary companies of Tata Chemicals Limited as on 31 March, 2017: 41

2. Do the Subsidiary company / companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

Yes. Tata Chemicals Limited encourages its subsidiary companies to participate in its group wide Business Responsibility (BR) initiatives on a wide range of topics. All subsidiaries are aligned to the activities under the aegis of Tata Group.

3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]

We do not mandate that our suppliers and partners participate in the Company's BR initiatives; however, they are encouraged to do so. Less than 30%.

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR:

a) Details of the Director / Directors responsible for implementation of the BR policy / policies:

- DIN Number: 00778253
- Name: Mr. R. Mukundan
- Designation: Managing Director & CEO

b) Details of the BR head:

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	07478885
2.	Name	Ms. Alka Talwar
3.	Designation	Chief CSR and Sustainability Officer
4.	Telephone Number	022-6643 7530
5.	E-mail id	atalwar@tatachemicals.com

2. Principle-wise (as per NVGs) BR Policy / Policies (Reply in Y / N):

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Principle-wise (as per NVGs) BR Policy / Policies (Reply in Y / N):

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any National / International standards? If Yes, Specify (50 words)*	Y (UN Global Compact-GRI)	Y (RC/ ISO14001)	Y (OHSAS – 18001)	Y (UN Global Compact, GRI)	Y (SA-8000)	Y (ISO-14001)	Y (Tata Code of Conduct conforms to NVG)	Y (UN Global Compact-GRI)	Y (Responsible Care)
4.	Has the policy been approved by the Board?	Y	Y	-	-	Y	-	Y	-	Y
	If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	http://sustainability.tatachemicals.com/assets/pdf/tata-chemicals-sustainability-report-2015-16.pdf								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

** Note : Our Policies are linked to the following National / International Standards:-*

International Organisation for Standardisation (ISO-9001, ISO-14001), Occupational Health and Safety Assessment Series (OHSAS – 18001), Responsible Care (RC-14001), Social Accountability (SA-8000), Global Reporting Initiative (GRI-G4) and United Nations Global Compact (UNGC).

2a. If answer to Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Question	Business Ethics P1	Product Responsibility P2	Wellbeing of Employees P3	Stakeholder Engagement & CSR P4	Human Rights P5	Environment P6	Public Policy P7	CSR P8	Customer Relations P9
1.	The Company has not understood the Principles	NA								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next six months									
5.	It is planned to be done within next one year									
6.	Any other reason (please specify)									

3. Governance related to BR:

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:** Within 3 months

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?** Yes. The Company annually publishes Sustainability Report based on Global Reporting Initiative (GRI-G4) guidelines. The Company also produces United Nations Global Compact Communication on Progress (UNGC – CoP) and Investor Carbon Disclosure Project (CDP) reports.

  The link to view this report is: http://sustainability.tatachemicals.com/assets/e-book/tata-chemical-sustainability-2016/mobile/index.html

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company?** No

2. **Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**
   - Yes, Tata Code of Conduct defines the commitment on ethical behavior by the Company. Tata Chemicals has an elaborate system and processes on the 'management of business ethics' and all employees sign the Tata Code of Conduct. The Company has a Chief Ethics Counselor located at corporate office. Each site has an Ethics Counselor. Tata Code of Conduct provides an opportunity to all employees / stakeholders to communicate any unethical act of any employee or any unethical practice to the ethics counselors.
   - The Tata Code of Conduct is sent to all the suppliers with the contract, for their perusal in respect of relevant clauses. Awareness programs are conducted on Tata Code of Conduct for all employees across the locations and corporate and marketing offices.

3. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.** 21 complaints were received from various stakeholders in FY 2016-17. Of these, 72% (15 nos) have been resolved satisfactorily. Others are under investigation and will be closed shortly.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

   (i) **Customised Fertiliser:** 'Paras Farmoola': An innovative offering 'Paras Farmoola' — Ek Mein Sab — customised fertiliser is an Research & Development based offering, area (soil) and crop-specific nutrient which enhances crop productivity, promotes balanced application of nutrients and improves soil health.

   (ii) **Water Purifier:** Tata Swach: Safe drinking water is a basic of human needs and its non-availability has been a major concern worldwide. The vision for Tata Swach is to reduce the incidence of water borne diseases by making safe drinking water accessible to all. Tata Swach is an offline household water purification system which purifies water without electricity or running water. Since launch, Tata Swach has been the recipient of many prestigious awards across the world.

(iii) Agri-Solutions Services: Tata Kisan Sansar & Tata Kisan Parivar: Tata Kisan Sansar (TKS) is one stop agri input shop to a 'one-stop farmer's solution shop' offering a range of agri products and services and played important role in empowering farmer community. The Tata Kisan Parivar Membership Program is a unique relationship initiative aimed at the most important stakeholder in the value chain – the end consumer, farmer. This is a bond with selective membership, which attracts the progressive farmer with a positive attitude. TKS provides a range of innovative and unique services to farmers through a dedicated team of Krishi Preraks and Agronomists on the field, giving them that extra edge over traditional farming practices thus empowering farmer community. TKS promotes value added activities like organising farmer meets, repository of agriculture knowledge, soil, water and plant testing laboratory, demonstration farms etc. thus help improve agriculture yield. Enhance in farm produce positively contribute in national food security, farmer socio-economic improvement and enhance CO2 capture. Through our 876 Tata Kisan Sansar we cover around 26,000 villages and reach out to approx. 2.6 million farmers.

(iv) Tata Salt Plus: India has a high incidence of Iron Deficiency Anaemia (IDA). To address the same, we launched Tata Salt Plus, a double fortified salt which contains iron and iodine. It provides up to 50% of the body's daily requirement of iron. Since salt is used across all sections of the society throughout the year, this is an effective way to deliver iron to the populace and thus tackle the problem of IDA.

(v) Soda Ash: Soda ash is one of the key ingredient for detergent and glass industries. Therefore an efficient operation will help in reducing environmental impact due to soda ash production. Life cycle assessment is a tool which suggests the improvement areas and thus help in reducing the associated carbon footprint of the product before it's delivery to the customer.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional):

i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain

- At Mithapur is a complex and integrated plant in-terms of steam, water and electricity distribution / usage. Thus, resources are being monitored on consolidated basis to track as well as to set improvement target. 11.67% reduction was achieved in Specific Water consumption and 5.59% reduction in Specific Energy consumption during FY 2016-17 from the previous year.

Product	Reduction in energy in FY 2016-17 compare to previous year	Reduction in Water consumption in FY 2016-17 compare to previous year
Urea	0.11 %	1.82%
Tata Salt	3.29%	Zero fresh water

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Our project Unnati : Misson Jal targets reduction of water use and energy saving by farmers, while promoting better productivity.

Sr. No.	Process	Area in acre	Average Water conserved in %	Average Increase production in %
1	System of Rice Intensification (SRI)	103.1	10-15	10-20
2	System of Wheat Intensification (SWI)	1037.7	0	10-15
3	Laser levelling	330.35	15-20	15-20
4	Deep ploughing	288.6	15-20	10-15

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. The Company has developed Supplier Sustainability Code and has established process for vendor selection. This includes various principles and guidelines; like Tata Code of Conduct, Global Reporting Initiative, United Nations Global Compact, Social Accountability-8000, ISO certification, etc.

For sustainable transportation the following interventions have been taken up: efficient fleet access, full load based transportation, reuse of packaging material, Bulker movements – deployment of German designed patented Lupa Bulkers to help reduce carbon footprint.

Bulker helps in continuing journey towards pollution prevention, minimization of waste, eliminating the efforts of packaging, loading and unloading. It has an approximate capacity of 25 tonnes and can replace 3 million plastic bags each year.

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

Yes. The Company has a Vendor Development Program. Over the years the Company has promoted local contractors and service providers and provided them opportunities. Additionally, the Company has also promoted skills and livelihood development in the neighbouring community through various training and community development programs. The Company has also established an apprentice training center to improve capacity and skills. The Company provides support to people from socially backward community background.

The Company also keeps exploring development of suppliers from socially and economically backward communities. The Company's Consumer Products Business has a mission to increase Schedule Caste/Schedule Tribes (SC/ST) community participation in its third party workforce over a period of 3-5 years. The Company initiated a sponsored Professional Training program for developing functional skills and competencies of SC/ST and other economically backward candidates to make them employable in sales and marketing field as front line sales force.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The Company focuses on effective integration with the basic philosophy of resource optimisation, use of alternative sources and maximization of 'recycle and reuse' by innovation.

The cement plant at Mithapur is unique waste to wealth initiative. In FY 2016-17, 84.88% of virgin limestone with recycled material like limestone fines, fly ash, effluent solids etc. has been replaced. Our soda ash filtration system is the first of its kind in the world and solids are filtered out of the wastewater using Larox filters. Filtered solids i.e. Effluent Solids Filter (ESF) cake is utilised to make cement.

The Sulphur sludge generated in Sulphuric acid manufacturing is used as filler in Single Super Phosphate. It reduces virgin material consumption, silver sand as well as provides additional nutrient to plants as elemental Sulphur. Utilisation of molten Sulphur, a neighbouring refinery by-product is sourced through specially designed steam jacketed tankers directly. Utilisation of molten Sulphur reduces equivalent quantity of imported Sulphur from Middle East countries. Most of our hazardous waste is recyclable and sent to Ministry of Environment and Forests (MoEF) approved recyclers.

100% of urea dust is recovered from wet de-dusting units installed in conveyor systems and product packaging plant is recycled back in urea manufacturing. 100% recycling of all waste generated in the plant by mixing back in feed. Most of our hazardous waste (spent catalysts and used/waste oil) is recyclable and sent to MoEF approved recyclers. In collaboration with our chemical suppliers (Urefix-Urea toughening agent, cooling tower chemicals), the Company has taken up an initiative to re-use empty plastic drums.

Percentage of materials used that are recycled input materials:

Parameter	FY 2016-17
Lime stone replaced (Mithapur)	84.88%
Sulphur Sludge (Haldia)	0.38%

Principle 3: Businesses should promote the well-being of all employees

1. **Please indicate the total number of employees:**

   2931 Employees in Tata Chemicals India operations as on 31 March, 2017

2. **Please indicate the total number of employees hired on temporary / contractual / casual basis:**

   5312 as on 31 March, 2017

3. **Please indicate the number of permanent women employees:**

   168 as on 31 March, 2017

4. **Please indicate the number of permanent employees with disabilities:**

   8 as on 31 March, 2017

5. **Do you have an employee association that is recognised by management:** Yes

6. **What percentage of your permanent employees are members of this recognised employee association:** 32%

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour /involuntary labour	NIL	NIL
2	Sexual harassment	5	NIL
3	Discriminatory employment	NIL	NIL

8. **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**
   - 79% of permanent employees have undergone for skill enhancing and compliance training.
   - It is mandatory for all employees to go through the safety training at sites. Refresher on safety is also conducted on regular basis. At office locations, behavioral safety programs and regular safety drills for all employees are conducted.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. **Has the Company mapped its internal and external stakeholders? Yes / No**
   Yes. The Company has mapped its stakeholders as a part of its stakeholder engagement strategy development process.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?**
   Yes. The Company has a defined process for identifying key communities, their need and prioritising interventions. Our key community consists of areas in and around our manufacturing sites. Criteria for selection of key community are based on our Mission, Vision and Values (MVV), neighbourhood of the area where the Company operates, impact on society and benefit to underprivileged people. The needs are identified through various listening and learning methods, participatory rural appraisal, need assessment, etc. The needs are prioritised based on parameters that help balance both the needs of the community and our long term strategic growth.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**
   - Yes. The Company follows an integrated development approach, which specifically targets the disadvantaged, vulnerable and marginalised stakeholders.
   - At Tata Chemicals, it has been a constant endeavor to focus on inclusive and collaborative growth. The Company began its journey a few years back by focusing on Affirmative Action i.e. disadvantaged communities and while the Company continues to progress on this road-map, it has expanded focus on diversity to additionally cover gender diversity, disadvantaged regions and the differently abled – all of which are important segments that can help to create a more sustainable organisation for the future. Towards this objective, the Company has reconstituted its current Affirmative Action Council into a Diversity Council. The organisation has instituted Diversity Council (DC) led by Managing Director and senior leaders to focus on these four areas. The Company's leadership drives the Affirmative Action agenda across the organisation with passion and commitment.
   - The Company's integrated development interventions are named as BEACoN (Blossom – Enhance – Aspire – Conserve – Nurture).
   - All social initiatives are being conducted under these five verticals, around the Company's three areas of operation. It follows an integrated development approach to improve the quality of life, especially in their neighbourhoods and for the farmers. As per the need assessment, the SC/ST community across the three regions aspires for better education, health care, agriculture/animal husbandry extension, better livelihood skills and employment.
   - The Company's entry level recruitments like Diploma Engineer Trainees, Graduate Engineer Trainees, and Management Trainees focuses on colleges with areas dominant in SC/ST like the North East. Our internal job posting initiative 'SHINE' is further enhanced to include referrals for candidates from the economically and socially backward communities. Indirect employment is also being provided at Mithapur and Babrala through our rural Business Process Outsourcing (BPO) – Uday Foundation and ChemConnect, which enables the business to outsource some of its non-core activities. In the last year, Seamlessly Harnessing Internal Expertise+ (SHINE+) was launched as a corporate initiative, which has more reward for recruitment consultants for shortlisting of candidates that helps improve the

Company's employee diversity especially for gender diversity, social and economically backward regions and communities, and for differently challenged candidates.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures /Suppliers / Contractors / NGOs / others?**
   The Company follows principles of the International Declaration of Human Rights. Its policies support, respect and protect the human rights of its direct as well as indirect employees. The Sustainability Policy addresses these aspects.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**
   None with respect to Human Rights violation.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**
   - The Company has made Supplier Sustainability Guidelines to extend the reach for capturing the sustainability aspect data from its suppliers. The Company also works with Government, Non-Governmental Organisations on different projects for environmental protection.
   - The Company's policies - Safety, Health & Environment (SHE), Corporate Sustainability, Community Development; extend support to all the stakeholders influencing the entire value chain. Helping the Company in sustaining environmental impacts beyond it's fence and address social responsibility.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y / N. If yes, please give hyperlink for webpage etc.**
   - Yes. Tata Chemicals has adopted Tata Group's Climate Change Policy which is an integral part of The Company's strategy to help the organisation's growth in a carbon conscious manner.
   - The Company has strategy, which includes: identifying opportunities for carbon abatement, investing in low carbon growth and tapping into opportunities presented by the emerging low carbon technologies. It has identified abatement levers, low carbon growth opportunities and carbon offset opportunities towards that end. The carbon abatement measures are chosen on the basis of the techno-commercial feasibility of implementation, maturity and availability of technologies and the magnitude of emissions reduction. Moreover, the Company is in the process to adopt internal shadow carbon pricing as an additional indicator to be even more carbon conscious.

Biodiversity

- The Company conducts Environment Impact Assessment studies to assess the impacts of its operation on nearby biodiversity and surrounding environment periodically.
- While operating in harsh ecological conditions/semi-arid conditions at Mithapur site, highly alkaline soil conditions at Babrala site, the Company has restored the ecological balance in the surrounding habitats by converting waste lands into greenbelt.
- The Company's commitment towards continual improvement in triggering programs such as Mangrove conservation and regeneration at West coast near Mithapur and at East coast for Aila affected region of Sundarban near Haldia.
- For preserving biodiversity of Okhamandal, the Company conducted biodiversity reserve plantation project, implemented with the support of employee volunteers, seeks to preserve indigenous vegetation. Under the project, a total of 150 acres have been afforested with 133 native species of vegetation.
- The Company has initiated the process for Bio-diversity mapping and improving the same at Babrala township area. It continues to support species conservation efforts through the Dharti Ko Arpan programs detailed in the community support section.
- The Company's salt works provide a safe habitat for a number of migratory aquatic birds, who use this space to roost and breed. The Company continues to be good hosts to them.
- The Company has conducted Natural Capital & Biodiversity baseline study for CNAB business and had identified improvement areas to work upon. These projects are in progress such as to sensitise the supply chain through supplier sustainability program.
- The Company has also adopted Tata Group initiative on valuation of natural capital program for chemicals business to pilot the protocol developed by Natural Capital Coalition.
- Greening of Salt pan is another initiative the Company has taken up to support the biodiversity around its chemicals business.

Water Management, Water Footprinting, Carbon Footprinting

- Life Cycle Assessment (LCA) Study for key products, Carbon Footprint (CFP) and Water Footprint (WFP) assessment for all sites were taken up. Based on these assessments, the Company derived targets and strategies for climate change and water management. The Company's Mission Jal program is the strategy for addressing water footprint outcomes through the value chain.

- CDP's carbon action initiative believes the companies to implement cost-effective greenhouse gas emissions reductions initiatives in line with emerging best practice. It is becoming increasingly important that they are able to evaluate exposure of a specific company to the material risks and opportunities presented by climate change, both in its direct operations and in its value chain. The Company uses the power of measurement and information disclosure to improve the management of environmental risk. The Company is responding to CDP since FY 2008-09. The Company has also started CDP water reporting in FY 2012-13. CDP's supply chain program enables organisations to implement successful supplier engagement strategies, reduce upstream emissions, control water impact and manage risk in a changing climate. The Company has also taken a call to use Carbon price as another tool to assess projects before implementing them.

- For more info visit - http://sustainability.tatachemicals.com/assets/e-book/tata-chemical-sustainability-2016/index.html

3. Does the Company identify and assess potential environmental risks? Y / N

Yes. The Company have formal process for Enterprise Risk Management (ERM). Through ERM process and SWOT (Strength Weakness Opportunity Threat) analysis potential environmental risks are identified at business level. The identified risks are assessed. Relevant action plans are prepared for the mitigation of risks and it is periodically reviewed. The Company has also adopted ISO 140001 and is a signatory to responsible care which guides the Company as and when required. Aspect-Impact analysis with rating system is in place for assessing operational environmental impacts at site. Impact register is periodically reviewed for keeping it updated and for improving environmental performance. Environmental Management Plan (EMP) is in place for mitigating the environmental impacts thus reducing operational environmental risks. The Company has also initiated Life Cycle Assessment for its major products to estimate environmental impact over its life cycle.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Currently, the Company does not have any project related to Clean Development Mechanism but it is an integral part of our strategy for carbon conscious growth of the Organisation. Each project for CDP potential is assessed and included in the feasibility report of the project to remain focused on carbon conscious business growth.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy etc? Y / N. If yes, please give hyperlink to web page etc.

Yes. As per Tata Chemicals' strategy of carbon conscious growth, it has taken various initiatives to address clean technology, renewable energy, energy efficiency, etc. Abatement levers have been identified during carbon footprint base line study which is an integral part of the Long Term Sustainability Planning (LTSP) to identify key projects in the journey of green operations. Some of the initiatives taken by the Company are as follows:

- **Renewable Source of Energy**
  - Solar energy to produce solar salt and in turn soda ash at Mithapur
  - Solar light and Solar water geyser at Babrala Residential Complex
  - Hot Air Generator (HAG) (Fuel shift from Furnace Oil to Biomass and Coal) at Haldia
  - Biomass based power plant (under evaluation)
  - 150 KW Solar PV installed at Babrala

- **Natural Capital Accounting & Biodiversity Ecosystem**
  - Natural Capital Accounting profile has been completed for Fertiliser business under CII-IBBI (Confederation of Indian Industry - Indian Business and Biodiversity Initiative) initiatives.
  - The Company has also adopted Tata Group initiative on valuation of natural capital program for Chemicals business to pilot the protocol developed by Natural Capital Coalition.
  - Greening of Salt pans is another initiative which the Company has taken up to support the biodiversity around its chemicals business.

- **Waste Management**
  - Well integrated mechanism to maximize the waste utilisation within the operations
  - Emphasising to develop value added product out of waste such as developed Green Bricks out of Sulphur rich Fly ash
  - Unique set-up of Cement plant to absorb waste generated out of other plants within the Mithapur operations
- **Green Packaging application**
  - Reusing secondary packaging in most products to reduce Carbon Footprint
- **Organic Produce**
  - Promoting Bio-fertiliser to support Organic produce
  - Neem coated Urea to promote pesticides free Agri-produce as well as to mitigate Green House Gas (GHG) emissions
- **Green Supply Chain**
  - Maximizing Rail transportation
  - Full load basis transportation and preference to bulker movements

Besides this, Tata Chemicals also endeavors to reduce indirect energy consumptions. Some of the initiatives are as follows:

- Preventive and reliability centered maintenance etc. to reduce downtime and smooth operations
- On–Off Timer system has been implanted in all road streets light. Changed florescent bulb instead of mercury light
- Low voltage Variable Frequency Drives for throttled and recirculation applications
- Premium efficiency motors to replace rewound motors
- Thermograph audits and actions for steam distribution network

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

   The Company's emissions/waste generated reports are regularly submitted to CPCB/SPCB and no major non-conformances have been observed for FY 2016-17 except as mentioned in point 7 below.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   In Haldia Plant, the Company has received one closure notice from CPCB dated 22 February, 2017 and received by us on 11 March, 2017 regarding high Flouride, BOD in discharge effluent. The Company has already submitted a response letter, parallel sample analysis details to Chairman, CPCB. Permission from CPCB for directives for plant start up, is awaited.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chambers or association? If Yes, name only those major ones that your business deals with.**

   Yes. The Company has a stewardship role in the chemical and fertiliser industries. It is represented in Confederation of Indian Industry (CII), Indian Chemical Council (ICC), Fertiliser Association of India (FAI), Council of European Union Chambers of Commerce, in India (EUCCI), Bombay Chamber of Commerce and Industry (BCCI), Associated Chambers of Commerce and Industry (ASSOCHAM), All India Management Association (AIMA) and is a member of International Fertiliser Association (IFA), American Institute of Chemical Engineers - Center for Chemical Process Safety (AIChE-CCPS).

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No**

   Yes

   If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

   The Company has participated in industry body consultations in the following areas:

   - Governance and administration
   - Inclusive development and affirmative action
   - Principles for Sustainable business
   - Economic / sector reform
   - Skill Development and skill building

   Tata Code of Conduct is the guide that the Company uses for advocacy.

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Yes, the Company follows an integrated approach towards development programs and follows the policy of Sustainable Development, participatory approach and transparency.

   The Company's overall community development interventions have been named as BEACoN (Blossom – Enhance – Aspire – Conserve – Nurture):

   Blossom - Capacity building and empowerment of local communities through sustainable and replicable handicraft development model

   a. Promotion and development of traditional handicrafts – Okhai

   b. Clusters Development

   Enhance - Enhance income of community

   a. Agriculture Development Program

   b. Animal Husbandry

   c. Uday Foundation – Rural BPO

   d. Infrastructure Development Support

   Aspire - Facilitate and empower local communities to seek functional education and skills to enable sustainable socio-economic development

   a. Education (Entry level, Primary, Secondary and Higher Secondary) – for Children, Adults, migrating communities.

   b. Vocational Skill Development

   Conserve - Maintain ecological balance and conserve natural resources through participatory approach for environmental sustainability

   a. Nature Conservation - Whale Shark conservation, Coral Reef restoration, Mangrove plantation, Biodiversity reserve plantation, Marine Turtle monitoring, Community conserved wetland, Monitoring of birdlife, Eco Clubs

   b. Climate Change mitigation - Climate Neutral Village, Solar powered electric fencing, Energy efficient cooking stoves, Bio Gas plants, Solar Street Lights

   c. Land development and Water management and conservation

   Nurture - improve the health status of community through preventive and curative measures

   a. Health Care - Health Care camps, Eye camps, Awareness & Training programs

   b. Nutrition - Immunisation and counseling drives, Malnourishment, Homestead Herbal and kitchen

   c. Sanitation - Swachh Bharat Mission cleanliness drives, Construction of toilets and sanitation units

   d. Safe Drinking Water - Roof Rain Water Harvesting Structures, Repair of hand pumps

   Relief Programs

   Tata Chemicals continues its support to any disaster, which hits our country.

   For further information on projects and achievement please visit www.tcsrd.org; www.okhai.org

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?**

   The Company's CSR (Corporate Social Responsibility) projects are implemented through the Tata Chemicals Society for Rural Development (TCSRD) which was set up in 1980 to protect and nurture rural populations. Since then the Company has set up other focused organisations such as the Golden Jubilee Foundation, Uday foundation and Okhai- Centre for empowerment. We work with partners who respect and agree to our organisations' core CSR values. TCSRD has always worked in partnership with government agencies, voluntary bodies and local authorities in implementing CSR initiatives. The Company has partnered with various government and non-government organisation such as, Sir Ratan Tata Trust, Sir Dorabji Tata Trust, WASMO (Water and Sanitation Management Organisation), NABARD (National Bank for Agriculture and Rural Development) and GRIMCO (Gujarat Rural Industries Marketing Corporation Ltd.).

3. **Have you done any impact assessment of your initiative?**

   Yes. Impact of activities is measured on a regular basis by doing impact assessment, social audit by third party and by assessment as per Tata Sustainability Framework Analysis. A community satisfaction survey is carried out yearly to understand the perception of the community, reach of programs and the satisfaction level of the community.

4. What is the Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

For the FY 2016-17, CSR spend as per Section 135 read with Schedule VII of the Companies Act, 2013 – ₹ 15.00 crore.

Overall amount spend on CSR is ₹ 16.37 crore

The Company's integrated development interventions are named as BEACoN (Blossom – Enhance – Aspire – Conserve – Nurture):

Blossom - Capacity building and empowerment of local communities through sustainable and replicable handicraft development model

Promotion and development of traditional handicrafts – Okhai

TCSRD is promoting handicraft products under the brand OKHAI in all the locations with the objective of keeping alive the traditional skills and at the same time provide sustainable livelihood to the artisans. OKHAI initiated this with the Saurashtra handicrafts of Okhamandal, Karjobi of Babrala and Jute craft of Haldia. OKHAI at present is working with 900 artisans across sites through the cluster development program and has been able to generate business turnover of ₹ 2.21 crore. The major focus of OKHAI during the year was on product innovation, designing large design base, online sales and exports.

Cluster Development

Cluster Development program strives to develop entrepreneurship qualities in rural women and guide them adeptly engage in productive enterprises. TCSRD organised training on entrepreneurship development for all the women members of SHG clusters, so that they are equipped with entrepreneur skills and can establish their respective production unit.

Enhance - Enhance income of community

Agriculture Development Program

TCSRD organised a number of training programs, exposure visits, crop demonstration for the farmers and supported with agri-equipment and seeds. During the year, 3,187 farmers were directly benefitted from various interventions.

In Mithapur, TCSRD in partnership with Coastal Salinity Prevention Cell is implementing the Okhamandal Gram Samrithi Program project with the objective to double the income of farmers in 4 years. During the 2 year of the project, 2,800 farmers were benefited. TCSRD has also been continuously involved in strengthening the community based organisation for ensuring the sustainability of the programs. TCSRD has formed 65 farmers groups including total of 845 farmers which also include women members. Three Agriculture Information Centres have been started in three villages which is helping the farmers instantly get solutions to their agriculture related problems.

The use of organic fertiliser is being promoted in Mithapur and Sriperumbudur. In Babrala, TCSRD is promoting cultivation of oil seeds, SWI method of wheat cultivation and vegetable cultivation. In Haldia, SRI method of paddy cultivation and sunflower cultivation are being promoted. Mushroom farming is being promoted in 160 households in Haldia and Sriperumbudur.

Animal Husbandry

Promotion of dairy farming: Activities in this project include health care and vaccination, Deworming Camps, and Animal Health Camps at different locations. In the FY 2016-17, 4,048 animals were examined and treated at OPDs which benefited ~ 3,500 households. During the year, 63,378 cattle were vaccinated in Babrala.

In Mithapur 38,750 cattle were vaccinated and in Haldia 1,084 cattle were vaccinated.

Agri Allied Activities: In Haldia, TCL supported 121 families for fish culture and 86 households for poultry farming.

Infrastructure Development Support

Infrastructure development program is the key to rural development as it helps improves rural economy and quality of life.

Projects like construction of brick pavement track, Individual toilets and School boundary wall were undertaken at Babrala. 245 meter of brick paved track and 675 meter of drainage channel were constructed. At Mithapur, four cattle shed were constructed and support was also provided to two Primary schools and one Integrated Child Development Services center.

Aspire - Facilitate and empower local communities to seek functional education and skills to enable sustainable socio-economic development

Education

Education programs at all locations have been taken based on the need of the area with a target of zero drop-out of students at all levels of education starting from pre-primary education. The focus has been to improve quality of education in schools, provide scholarship support to meritorious students, provide basic infrastructure support to schools imparting bridge courses and provide required coaching support to youth for their academic and professional growth.

During the reporting year, education programs like E- Library, Learning Enhancement Program (LEP), Teacher training, Scholarships, Child learning and Improvement, Career resource center, Shala Pravesh Utsav, Adult Literacy classes, Residential Summer Camp on Spoken English and Personality Development, pilot project for primary school children with Sir Ratan Tata Trust were implemented, benefiting more than 5,000 children across the three sites.

A separate initiative Learning And Migration Program (LAMP) is being carried out in seven districts of Gujarat for the migratory population. The program is run in partnership with American India Foundation which with the help of implementing NGOs is working closely with community and government schools to strengthen school governance system and quality of education. During the year, the program has reached out to more than 15,000 children and has been able to strengthen the local governance system at block and village level.

Vocational Skills

TCSRD is running the skill development program in Mithapur, Babrala, Haldia and Sriperumbudur to train unemployed youth and facilitate in their employment or entrepreneurship development.

During the year, 2,434 youth were trained on different vocational skills which would help them get employment or start their own enterprises.

Conserve - Maintain ecological balance and conserve natural resources through participatory approach for environmental sustainability

Nature Conservation projects like Whale Shark conservation, Coral Reef restoration, Mangrove plantation, Biodiversity reserve plantation, Marine Turtle monitoring, Community conserved wetland, Monitoring of birdlife, Eco Clubs Program and Organic Waste Converter continued in Mithapur. In Mithapur, Babrala and Haldia, TCSRD is also working with the Eco Clubs in schools.

The Whale Shark Project at Mithapur is currently in its third phase which focuses on habitat study, and research on migratory pattern and breeding biology of this fish. During the year, 79 Whale Sharks caught incidentally in the fishing nets along the Saurashtra coast were rescued and released taking the total rescue figure since the inception of the campaign to 670.

Land development program and Water management and conservation like Mission Jal and drip irrigation were also carried out at Babrala, Mithapur and Haldia.

TCSRD continued promoting the energy efficient cook stoves in Haldia and constructed 450 units. In Mithapur 7 bio-gas plants were constructed.

Nurture - improve the health status of community through preventive and curative measures

Health Care

Improving health of rural community is an important part of TCSRD overall strategy.

This year, 35,400 patients were examined and treated at health care camps and OPD centre at Babrala. The most prevalent health problems at the OPD (Out Patient Department) were skin problem, anemia, water borne diseases and cold & cough.

Eye camps were organised at Babrala, Haldia and Mithapur to address the issue of vision problems. During the camps, 1,407 people got eye check-up and were supported with spectacles and 296 patients were supported for cataract operation.

Awareness & Training programs like Capacity building of ASHA (Accredited Social Health Activist) and Anganwadi workers, AIDS Awareness, awareness program for adolescent girls, Health awareness camps etc continued across three sites.

Nutrition – Women & Child Health

TCSRD in Babrala, has been facilitating government run health program in the rural communities like Janani Suraksha Yojna especially targeting women and child health. Prime importance is given to vaccination of pregnant women, children (0-10) years and adolescent girls. To reduce Maternal & Infant Mortality Rate, Mobile Health services have been provided in 40 villages of Gunnour Tehsil. 15,221 women and children got vaccination and 4,399 patients were provided treatment at village level during the year.

Sanitation

TCSRD has partnered with Water and Sanitation Management Organisation (WASMO) for undertaking drinking water and sanitation activities under Coastal Area Development Project (CADP) project. The project aims to provide drinking water facilities to the rural households of Okhamandal with the help of village institutions. During the year, 1,285 households were provided tap connection for supply of water and 521 households were supported with construction of toilets. In Babrala, 63 and in Haldia, 5 sanitation units were constructed.

Relief Programs

Tata Chemicals continues its support to any disaster, which hits our country. During the year, relief support was provided to Assam during flood.

For further information on projects and achievement please visit www.tcsrd.org; www.okhai.org

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
Yes. Community is our key stakeholder and we believe that development of the community is only possible through engagement and partnership from all the stakeholders. The guiding principles for the engagement with the community are enshrined in the 'Community development policy'. These principles are sustainability, participatory approach, transparency, networking and partnership, creating a resource centre and volunteering.

The process of engagement with the community starts with identification of the key community, their needs and prioritisation. The needs are identified through various listening and learning methods, participatory rural appraisals, household survey and focused group discussion.

The participation of the stakeholders is vital to success of all programs and forms the basis of all program designs. The projects are continuously monitored and evaluated to measure impact. Stakeholder Engagement Surveys and Social impact audits are conducted to assess project outcomes. The Company develops exit strategy for projects which have matured and withdraws after handing over the project to the community.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentages of customer complaints / consumer cases are pending as on the end of financial year?**
CNAB (Crop Nutrition & Agri Business) – Nil

Chemicals - less than 0.21%

WAPU (Water Purifier) - less than 0.4%

Consumer Products – Salt – 0 / 1 consumer case pending

Nutritional Solutions – Nil

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)**
Yes. Product information about the physical dimensions and/or chemical compositions, /nutritional information/ nutrient content is provided through our product labels/pack declaration and/or catalogues. Round the clock information of our products is available on Company's website and at the call centre. All packages retail / bulk contain product information including product manager's address / Customer Relationship Manager contact number to enable consumers to correspond. All information is voluntary with various branding elements, with no comment on competitors or regional bias statements. Where ever applicable specific certification requirements of regulatory authorities and some markets like ISI (Indian Standards Institute), FSSAI (Food Safety and Standards Authority of India), Halal, etc. are provided on the product labels and / or catalogues.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**
There is no anti-competitive, abuse of dominant position or unfair trade practices case pending against the Company.

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**
Yes. Customer satisfaction survey is carried out by the Company every year.

Overall customer satisfaction for FY 2016-17 is given below.

Business Unit	Consumer Satisfaction (%)
Chemicals	82
Water purifier	Consumer survey is carried out once in 2 years. It was not carried out in FY 2016-17
Consumer Products (salt etc.)	76
CNAB (Agri products)	No Survey Undertaken
Nutritional Solutions	77

Standalone Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF
TATA CHEMICALS LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Tata Chemicals Limited (the 'Company'), which comprise the Balance Sheet as at 31 March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except in cases wherein disputes relating to the ownership of the underlying shares have remained unresolved.

   iv. The Company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

2. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)

Place: Mumbai
Date: 26 May, 2017

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

We have audited the internal financial controls over financial reporting of Tata Chemicals Limited (the 'Company') as of 31 March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)

Place: Mumbai
Date: 26 May, 2017

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Land/Building	No. of Cases	Gross Block as at 31 March, 2017 (₹ crore)	Net Block as at 31 March, 2017 (₹ crore)	Remarks
Other Building - Residential Flat	3	1.82	1.30	The said flats are in the name of Tata Fertiliser Limited, erstwhile company that was merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court(s).

In respect of immovable properties of land and buildings that have been taken on lease, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement except the following:

Particulars of the land	Amount as at 31 March, 2017 (₹ in crore)	Remarks
Leasehold land located in West Bengal admeasuring 30.61 Acres	0.68	The lease agreement for 30.61 acres out of 43.28 acres is in the name of Hind Lever Chemicals Limited, which merged with the Company under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honorable High Court(s).

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for fertilisers, cement, inorganic chemicals, organic and inorganic compounds of precious metals, rare earth metals of radioactive elements and organic chemicals. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 March, 2017 on account of disputes are given below:

Name of Statute	**Nature of Dues**	**Forum where dispute is Pending**	**Period to which the amount Relates**	**Amount (₹ in crore)**
Central Sales Tax Act 1956 and Sales Tax Act of various states	Sales Tax(Central and State) and Value added- tax	High Court	2009-10, 2015-16	20.00
		Tribunal	1998-99, 1999-00, 2000-01,2002-03 2004-05, 2005-06, 2006- 07 and 2007-08	0.94
		Appellate Authority upto Commissioner's level	Various years between 1991 to 2014	11.97
Customs Act, 1962	Custom Duty	Tribunal	2012-13	19.01
		Appellate Authority upto Commissioner's level	1987-88, 1992-93, 2001-02, 2011-12 and 2013-14	5.04
Central Excise Act, 1944	Excise Duty	Supreme Court	1974-80, 1981-85	0.28
		Tribunal	1985-88,1996-97 and 2006-07 to 2010-11	3.67
		Appellate Authority upto Commissioner's level	2004-05, 2005-07, 2009-10 to 2013-14	2.87
The West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry Tax	High Court	2012-13 to 2015-16	86.97
Gujrat Municipal Act, 1963	Land Revenue	Okha Nagar Palika	2008-17	0.92
Total				**151.67**

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and dues to debenture holders. The Company has not obtained any loan from financial institution.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, the Company is investigating certain instances of ethical lapses by certain employees not being identified as key management personnel. While investigations are still on-going and no conclusion can be drawn at this stage, the final conclusion may determine that a fraud has been committed on the Company. Except for these instances where the Company's investigations are in progress, to the best of our knowledge and according to the information and explanations given to us, no other fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)

Place: Mumbai
Date: 26 May, 2017

Balance Sheet

As at 31 March, 2017

₹ in crore

			Note	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
I.	**ASSETS**					
(1)	**Non-current assets**					
	(a)	Property, plant and equipment	5	**1,449.69**	1,906.70	1,930.14
	(b)	Capital work-in-progress		**121.77**	131.55	62.83
	(c)	Intangible assets	6	**10.54**	10.38	8.57
	(d)	Intangible assets under development		**0.06**	0.06	0.89
	(e)	Investments in subsidiaries and joint venture	7(a)	**3,044.62**	3,044.62	3,044.61
	(f)	Financial assets				
		(i) Investments	7(b)	**3,203.44**	2,816.22	2,986.11
		(ii) Loans	8	**1.10**	2.35	8.33
		(iii) Other financial assets	9	**0.64**	32.24	83.40
	(g)	Advance tax assets (net)	22(a)	**431.25**	379.31	369.50
	(h)	Other assets	10	**65.25**	49.97	57.41
	Total non-current assets			**8,328.36**	**8,373.40**	**8,551.79**
(2)	**Current assets**					
	(a)	Inventories	11	**611.53**	1,095.10	1,809.03
	(b)	Financial assets				
		(i) Trade receivables	12	**1,031.69**	2,553.97	2,486.32
		(ii) Cash and cash equivalents	13	**1,097.38**	586.72	561.72
		(iii) Bank balances other than (ii) above	13	**14.70**	13.76	12.58
		(iv) Loans	8	**0.67**	0.81	1.84
		(v) Other financial assets	9	**48.38**	139.81	40.85
	(c)	Current tax assets	22(a)	**-**	-	3.01
	(d)	Other assets	10	**134.03**	354.42	165.08
				2,938.38	**4,744.59**	**5,080.43**
	Assets classified as held for sale and discontinued operation		23(a)	**1,532.62**	0.37	0.54
	Total current assets			**4,471.00**	**4,744.96**	**5,080.97**
	Total assets			**12,799.36**	**13,118.36**	**13,632.76**
II.	**EQUITY AND LIABILITIES**					
	Equity					
	(a)	Equity share capital	14	**254.82**	254.82	254.82
	(b)	Other equity	15	**8,600.63**	7,831.43	7,795.38
	Total equity			**8,855.45**	**8,086.25**	**8,050.20**
	Liabilities					
(1)	**Non-current liabilities**					
	(a)	Financial liabilities				
		(i) Borrowings	16	**1,084.43**	1,540.56	1,858.48
		(ii) Other financial liabilities	17	**1.70**	0.41	47.02
	(b)	Provisions	18	**143.52**	98.85	83.10
	(c)	Deferred tax liabilities (net)	19	**138.55**	156.34	179.85
	(d)	Other liabilities	20	**10.50**	10.50	10.50
	Total non-current liabilities			**1,378.70**	**1,806.66**	**2,178.95**
(2)	**Current liabilities**					
	(a)	Financial liabilities				
		(i) Borrowings	16	**522.50**	1,565.74	1,749.47
		(ii) Trade payables (includes dues of Micro, Small and Medium Enterprises ₹ **5.03 crore** (2016: ₹ 4.21 crore and 2015: ₹ 3.45 crore)	21	**511.73**	685.58	1,119.46
		(iii) Other financial liabilities	17	**659.79**	666.78	229.88
	(b)	Provisions	18	**182.84**	170.04	150.62
	(c)	Current tax liabilities (net)	22(b)	**104.88**	64.97	84.08
	(d)	Other liabilities	20	**72.20**	72.34	70.10
				2,053.94	**3,225.45**	**3,403.61**
	Liabilities directly associated with discontinued operation		23(b)	**511.27**	-	-
	Total current liabilities			**2,565.21**	**3,225.45**	**3,403.61**
	Total liabilities			**3,943.91**	**5,032.11**	**5,582.56**
	Total equity and liabilities			**12,799.36**	**13,118.36**	**13,632.76**
	Notes forming part of financial statements		1-42			

In terms of our report attached

For and on behalf of the Board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

John Mulhall
Chief Financial Officer

Bhaskar Bhat
Director

Nasser Munjee
Director

Sanjiv V. Pilgaonkar
Partner

Rajiv Chandan
General Counsel & Company Secretary

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Mumbai, 26 May, 2017

Statement of Profit and Loss

For the year ended 31 March, 2017

₹ in crore

		Note	Year ended 31 March, 2017	Year ended 31 March, 2016
I.	Revenue from operations	24	6,470.92	8,469.50
II.	Other income	25	176.92	164.37
III.	**Total income (I+II)**		**6,647.84**	**8,633.87**
IV.	**Expenses**			
	a) Cost of materials consumed		1,394.01	2,041.14
	b) Purchases of stock-in-trade		1,456.82	2,299.52
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress		212.45	591.34
	d) Excise duty on sale of goods		242.48	248.64
	e) Employee benefits expense	26	304.51	286.27
	f) Finance costs	27	214.85	215.16
	g) Depreciation and amortisation expense	28	152.41	153.50
	h) Other expenses	29	1,876.28	2,031.18
	Total expenses (a to h)		**5,853.81**	**7,866.75**
V.	**Profit before tax (III - IV)**		**794.03**	**767.12**
VI.	**Tax expense**			
	(i) Current tax	30	245.10	195.15
	(ii) Deferred tax	30	(8.95)	(20.02)
	Total tax expense		**236.15**	**175.13**
VII.	**Profit for the year from continuing operations (V-VI)**		**557.88**	**591.99**
VIII.	**Profit from discontinued operation**		195.57	113.15
IX.	Tax expense of discontinued operation		60.74	38.94
X.	**Profit from discontinued operation (VIII-IX)**		134.83	74.21
XI.	**Profit for the year (VII+X)**		**692.71**	**666.20**
XII.	**Other comprehensive income ('OCI')**			
	(i) Items that will not be reclassified to profit or loss			
	- Change in fair value of investments in equities carried at fair value through OCI		410.68	(240.89)
	- Measurement of defined employee benefit plans (note 35)		(49.74)	(13.68)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		17.22	4.73
	Total other comprehensive income (net of tax)		**378.16**	**(249.84)**
XIII.	**Total comprehensive income for the year (XI + XII)**		**1,070.87**	**416.36**
XIV.	**Earnings per equity share for continuing operations (in ₹)**			
	- Basic and Diluted		21.90	23.24
XV.	**Earnings per equity share for discontinued operation (in ₹)**			
	- Basic and Diluted		5.29	2.91
XVI.	**Earnings per equity share for continuing and discontinued operations (in ₹)**			
	- Basic and Diluted		27.19	26.15
	Notes forming part of financial statements	1-42		

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Mumbai, 26 May, 2017

For and on behalf of the Board

John Mulhall
Chief Financial Officer

Rajiv Chandan
General Counsel & Company Secretary

Bhaskar Bhat
Director

Dr. Y. S. P. Thorat
Director

Nasser Munjee
Director

R. Mukundan
Managing Director and CEO

Statement of Changes in Equity

a. Equity Share Capital (note 14)

	₹ in crore
Balance as at 1 April, 2015	254.82
Balance as at 31 March, 2016	254.82
Balance as at 31 March, 2017	254.82

b. Other equity (note 15)

₹ in crore

Particulars	Reserves and surplus						Items of Other comprehensive income	Total
	Capital reserve and other reserves from amalgamation	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Retained earnings*	Equity instruments through other comprehensive income	
Balance as at 1 April, 2015	**21.11**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**3,437.15**	**1,666.87**	**7,795.38**
Profit for the year	-	-	-	-	-	666.20	-	666.20
Other comprehensive income (net of tax)	-	-	-	-	-	(8.95)	(240.89)	(249.84)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**657.25**	**(240.89)**	**416.36**
Dividends including tax on dividend	-	-	-	-	-	(380.31)	-	(380.31)
Balance as at 31 March, 2016	**21.11**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**3,714.09**	**1,425.98**	**7,831.43**
Profit for the year	-	-	-	-	-	692.71	-	692.71
Other comprehensive income (net of tax)	-	-	-	-	-	(32.52)	410.68	378.16
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**660.19**	**410.68**	**1,070.87**
Dividends including tax on dividend	-	-	-	-	-	(301.67)	-	(301.67)
Balance as at 31 March, 2017	**21.11**	**1,258.21**	**0.10**	**240.00**	**1,171.94**	**4,072.61**	**1,836.66**	**8,600.63**

* including remeasurement of net defined benefit plans

Notes forming part of financial statements - 1- 42

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Mumbai, 26 May, 2017

John Mulhall
Chief Financial Officer

Rajiv Chandan
General Counsel & Company Secretary

For and on behalf of the Board

Bhaskar Bhat
Director

Nasser Munjee
Director

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Statement of Cash Flow

For the year ended 31 March, 2017

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax from continuing operations	794.03	767.12
	Profit before tax from discontinued operation	195.57	113.15
		989.60	**880.27**
	Adjustments for :		
	Depreciation and amortisation	169.88	198.79
	Finance costs	276.66	294.90
	Interest income	(3.01)	(4.75)
	Dividend income	(105.32)	(118.53)
	Gain on sale / redemption of investment (net)	(2.30)	(0.02)
	Provision for employee benefits	28.06	21.06
	Provision for doubtful debts and advances/bad debts (reversed)/written off	(1.18)	19.52
	Provision for contingencies	17.96	32.23
	Liabilities no longer required written back	(6.19)	(4.96)
	Realised foreign exchange loss due to financing activities	69.41	108.10
	Unrealised foreign exchange loss (net)	1.36	(21.69)
	Loss on assets sold or discarded (net)	2.15	2.61
	Operating profit before working capital changes	**1,437.08**	**1,407.53**
	Adjustments for :		
	Trade receivables, loans, other financial assets and other assets	981.19	(260.30)
	Inventories	356.89	713.93
	Trade payables, other financial liabilities and other liabilities	(72.26)	(474.64)
	Cash generated from operations	**2,702.90**	**1,386.52**
	Taxes paid (net of refund)	(309.49)	(261.76)
	Net cash generated from operating activities	**2,393.41**	**1,124.76**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Acquisition of Property, plant and equipment (including capital work-in-progress)	(264.81)	(238.11)
	Acquisition of Intangible assets (including intangible asset under development)	(2.42)	(1.94)
	Proceeds on sale of Property, plant and equipment	1.62	0.42
	Proceeds from sale of other non-current investments	5.19	-
	Proceeds on sale of current investments	10,669.18	12,706.65
	Purchase of non-current investments	(0.50)	(5.12)
	Purchase of current investments	(10,669.18)	(12,706.63)
	Investment in subsidiaries	-	(0.20)
	Interest received	3.96	6.52
	Dividend received		
	- From subsidiaries	24.34	14.60
	- From joint venture	21.02	19.25
	- From others	59.96	84.68
	Net cash used in investing activities	**(151.64)**	**(119.88)**

Statement of Cash Flow

For the year ended 31 March, 2017

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of borrowings	(3,783.38)	(5,533.24)
	Proceeds of borrowings	2,623.47	5,211.35
	Finance costs paid	(269.46)	(277.77)
	Bank balances in dividend and restricted account	(0.94)	(1.18)
	Dividends paid including distribution tax	(300.72)	(379.04)
	Net cash used in financing activities	**(1,731.03)**	**(979.88)**
	Net increase in cash and cash equivalents	510.74	25.00
	Cash and cash equivalents as at 1 April	586.72	561.72
	Cash and cash equivalents pertaining to discontinued operation	(0.08)	-
	Cash and cash equivalents as at 31 March (note 13)	**1,097.38**	**586.72**

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Mumbai, 26 May, 2017

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Rajiv Chandan
General Counsel & Company Secretary

For and on behalf of the Board

Bhaskar Bhat
Director

Nasser Munjee
Director

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Notes

forming part of the financial statements

1. CORPORATE INFORMATION

Tata Chemicals Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India viz, the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is engaged in diversified businesses dealing in inorganic chemicals, fertilisers, other agri inputs, consumer and nutritional solutions business. The Company has a global presence with key subsidiaries in United States of America (USA), United Kingdom (UK) and Kenya that are engaged in the manufacture and sale of soda ash, industrial salt and related products.

2. SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Until the adoption of Ind AS, for all periods up to and including the year ended 31 March, 2016, the Company prepared its financial statements in accordance with Section 133 of the 2013 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

Reconciliation and description of the effects of the transition has been summarised in note 4.

2.2. Basis of preparation and presentation

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting polices below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

2.3. Critical accounting estimates, assumptions and judgments

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

2.3.1. Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

2.3.2. Useful lives of Property, plant and equipment ('PPE')

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

2.3.3. Impairment of investments

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.3.4. Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.5. Litigation

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

2.4. Foreign currency translation

The functional currency of Tata Chemicals Limited (i.e. the currency of the primary economic environment in which the Company operates) is Indian Rupee (₹).

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

2.5. Property, plant and equipment

PPE is measured on initial recognition at cost net of taxes / duties, credits availed, if any, and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of PPE includes interest on borrowings directly attributable to acquisition, construction or production of qualifying assets. Qualifying assets are assets which necessarily take a substantial period of time to get ready. Borrowing cost and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use which generally coincides with the commissioning date of those assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of asset.

PPE acquired and put to use for projects are capitalised and depreciation thereon is included in the project cost till the project is ready for commissioning.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE (except leasehold improvements and PPE acquired under finance lease) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, leasehold improvements and PPE acquired under finance lease are depreciated on a straight-line method over the shorter of their respective useful lives or the tenure of the lease arrangement. Freehold land is not depreciated.

Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of fixed assets are as given below:

Asset	Useful life
Salt Works, Reservoirs and Pans	1-30 years
Plant and Machinery	1-60 years
Traction Lines and Railway Sidings	15 years
Factory Buildings	5-60 years
Other Buildings	5-60 years
Water Works	15 years
Furniture and Fittings and Office Equipment (including Computers and Data Processing Equipment)	1-10 years
Vehicles	4-10 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Statement of Profit and Loss.

2.6. Intangible assets

Intangibles generally comprise of software license and rights to use railway wagon.

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives. The management's estimates of the useful lives for various class of Intangibles are as given below:

Asset	Useful life
Computer software	5 years
Rights to use railway wagon	20 years

The estimated useful life is reviewed annually by the management.

2.7. Capital work-in-progress and intangible assets under development

Projects under commissioning and other capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.8. Research and development expenses

Research expenses are charged to the Statement of Profit and Loss as expenses in the year in which they are incurred. Development costs are capitalised as an intangible asset under development when the following criteria are met:

- the project is clearly defined, and the costs are separately identified and reliably measured;
- the technical feasibility of the project is demonstrated;
- the ability to use or sell the products created during the project is demonstrated;
- the intention exists to finish the project and use or sell the products created during the project;
- a potential market for the products created during the project exists or their usefulness, in case of internal use, is demonstrated, leading one to believe that the project will generate probable future economic benefits; and
- adequate resources are available to complete the project.

These development costs are amortised over the estimated useful life of the projects or the products they are incorporated within. The amortisation of capitalised development costs begins as soon as the related product is released.

2.9. Non-current assets held for sale and discontinued operation

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets and disposal group classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations and is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operation are presented separately in the Statement of Profit and Loss from continuing operations.

2.10 Financial instruments

2.10.1 Investments and other financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income ('FVTOCI')

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ('FVTOCI'). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised as gains/ (losses) within other income or other expense. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss ('FVTPL')

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss as gains/(losses) within other income or other expense in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as Other Income when the Company's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised as gains/(losses) within other income or other expense in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

De-recognition of financial assets

A financial asset is derecognised only when the Company

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.10.2 Debt and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.10.3 Financial liabilities

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in de-recognition of the financial liability, is recognised in the Statement of Profit and Loss.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

Presentation

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.10.4 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Derivatives are designated as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk or foreign exchange risk associated with borrowings (cash flow hedges). When the

Company opts to undertake hedge accounting, the Company documents at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in the OCI and in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss as Finance Costs.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in Statement of Profit and Loss as the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

Derivatives that are not designated as hedges

When derivative contracts to hedge risks are not designated as hedges, such contracts are accounted for at fair value through profit or loss and are included in Finance Costs.

As at the year end, there were no designated accounting hedges.

The entire fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item exceeds 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item does not exceed 12 months.

2.10.5 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 - Financial Instruments and the amount initially recognised less cumulative amortisation, where appropriate.

2.10.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.10.7 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

2.11 Impairment

Financial assets (other than at fair value)

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

PPE and intangible assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

2.12 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Revenue recognition

2.13.1 Sale of goods

Revenue from sale of goods is recognised at the fair value of the consideration received or receivable, net of returns including estimated returns where applicable, and trade discounts, rebates, sales tax and value added tax, when all significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods.

In respect of Urea, sales are recognised based on concession rates as notified under the New Pricing Scheme. Equated freight claims and escalation claims for Urea sales are estimated by the Management based on the norms prescribed or notified under the said Scheme. In case of complex fertilisers, sales include price concession, as notified under the Nutrient Based Subsidy policy, or as estimated by the Management based on the norms prescribed.

2.13.2 Interest income

For all debt instruments measured either at amortised cost or at FTVOCI, interest income is recorded using the effective interest rate.

2.13.3 Dividend income

Dividend income is accounted for when Company's right to receive income is established.

2.13.4 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.14 Leases

The Company as lessee

Lease arrangements in which substantially all risks and rewards of ownership of the under-lying assets are transferred to the Company, are classified as finance lease.

Assets held under finance leases are initially recognised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Lease arrangements where the risks and rewards of ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.15 Employee benefits plans

Employee benefits consist of provident fund, superannuation fund, gratuity fund, compensated absences, long service awards, post-retirement medical benefits, directors' retirement obligations and family benefit scheme.

2.15.1 Post-employment benefit plans

Defined contribution plans

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company makes contribution towards provident fund, in substance a defined contribution retirement benefit plan. The provident fund is administered by the Trustees of the Tata Chemicals Limited Provident Fund. The rules of the Company's provident fund administered by the Trust, require that if the Board of Trustees are unable to pay interest at the rate declared by the Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company. Having regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency as at the year end.

Defined benefit plans

For defined benefit schemes in the form of gratuity fund, post retirement medical benefits, directors' pension liabilities and family benefit scheme, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost

2.15.2 Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:

(a) In case of accumulated compensated absences, when employees render service that increase their entitlement of future compensated absences; and

(b) In case of non - accumulating compensated absence, when the absences occur.

2.15.3 Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date. Long Service Awards are recognised as a liability at the present value of the obligation at the Balance Sheet date.

2.16 Employee separation compensation

Compensation paid / payable to employees who have opted for retirement under a Voluntary Retirement Scheme including ex-gratia is charged to Statement of Profit and Loss in the year of separation.

2.17 Borrowing costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.18 Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance sheet and transferred to profit or loss on systematic and rational basis over the useful lives of the related asset. Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs which they are intended to compensate on a systematic basis.

2.19 Segment reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.20 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act,1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities simultaneously.

2.21 Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.22 Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3. RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows and Ind AS 102 - Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7 - Statement of cash flows and Ind AS 102 - Share-based payment, respectively. The amendments are applicable from 1 April, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the fair values, but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The requirements of the amendment have no impact on the financial statements as the standard is not applicable to the Company.

4. TRANSITION TO IND AS

The Company has prepared financial statements which comply with Ind AS applicable for period ending on 31 March, 2017, together with the comparative period data as at and for the year ended 31 March, 2016, as described in the summary of significant accounting policies (note 2 of the financial statements). In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1 April, 2015 ('Transition Date'), the Company's date of transition to Ind AS.

This note explains the principal adjustments made by the Company in restating its financial statements prepared on the basis of the Previous GAAP, including the Balance Sheet as at 1 April, 2015 and the financial statements as at and for the year ended 31 March, 2016 to Ind AS.

A. Optional exemptions availed:

In preparing the financial statements, the Company has applied the below mentioned optional exemptions as prescribed under Ind AS 101 - First-time Adoption of Indian Accounting Standards and applicable from the Transition date:

i Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost after making necessary adjustments for decommissioning liabilities.

This exemption can also be used for Intangible assets covered under Ind AS 38 - Intangible Assets. Accordingly, the Company has opted to consider the carrying value of its PPE and intangible assets as recognised in the Previous GAAP on date of transition as deemed cost after adjusting decommissioning liabilities.

The Company has elected to recognise the decommissioning liability, within the scope of Ind AS 16 - Property, Plant and Equipment, by measuring the liability in accordance with Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, as at the Transition date.

ii Investments in subsidiaries, joint venture and associates

The Company has elected to consider the carrying cost of equity investments in subsidiaries, joint venture and associates as per the Previous GAAP as the deemed cost as at the Transition date.

iii Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, joint arrangements and associates) as FVTOCI based on facts and circumstances at the date of transition to Ind AS. The Company has opted to avail this exemption to designate certain equity investments as FVTOCI on the date of Transition.

iv Leases

Ind AS17 - Leases requires an entity to assess whether a contract or an arrangement is in the nature of a lease arrangement. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and recognised arrangements having embedded leases based on facts and circumstances existing as at the date of Transition.

B. Reconciliations

An explanation of how the transition from the Previous GAAP to Ind AS has affected the Company's equity, Statement of Profit and Loss and other comprehensive income and Cash Flows is set out in the following tables and notes that accompany the tables.

B1 Reconciliation of equity:

₹ in crore

	Note	As at 31 March, 2016	As at 1 April, 2015
Total equity under Previous GAAP		**6,394.22**	**6,043.27**
1. Effect of recognition of arrangements in the nature of leases and decommissioning liabilities	5,6	(28.01)	(33.68)
2. Effect of change in fair value of derivative contracts	2	(17.00)	(19.67)
3. Effect of change in fair value of equity instruments	1	1,425.98	1,666.89
4. Adjustment of proposed dividend and tax thereon	3	301.67	382.02
5. Deferred tax impact on above adjustments	7	9.39	11.37
Total adjustment to equity		**1,692.03**	**2,006.93**
Total equity under Ind AS		**8,086.25**	**8,050.20**

B2 Reconciliation of Statement of Profit and Loss and Other Comprehensive Income:

₹ in crore

	Note	Year ended 31 March, 2016
Net Profit after tax as previously reported		594.58
Adjustments:		
1. Effect of actuarial (loss)/gain on employee defined benefit plans recognised in OCI	4	13.68
2. Effect of arrangements in the nature of leases and decommissioning liabilities (net)	5,6	5.67
3. Effect of change in fair value of derivative contracts	2	2.67
4. Effect of foreign exchange translation gain on preference shares	1	56.31
5. Deferred Tax impact on above adjustments	7	(6.71)
Net profit after tax as per Ind AS		**666.20**
Other comprehensive income		(249.84)
Total Comprehensive Income for the period		**416.36**

B3 Explanation of material adjustments to Statement of cash flow for the year ended 31 March, 2016:

There are no material adjustments to Statement of Cash Flows as reported under the Previous GAAP except for decrease in cash from financing activities and corresponding increase in cash from operating activities of ₹ 505.00 crore for the year ended 31 March, 2016. Consequent to the classification of suppliers' credit as a part of borrowings, the cash flows arising in this regard have been classified as a part of 'Cash flows used in financing activities'.

C Notes to reconciliations:

1 Fair valuation of investments

FVTOCI Investments

In respect of FVTOCI investments, fair value adjustment under Ind AS has resulted in an increase in equity under Ind AS by ₹ 1,425.98 crore and ₹ 1,666.89 crore as of 31 March, 2016 and 1 April, 2015, respectively.

FVTPL Investments

In respect of FVTPL investments, fair value adjustment under Ind AS has resulted in an increase in profit before tax under Ind AS by ₹ 56.31 crore for the year ended 31 March, 2016.

2 Fair valuation of derivative contracts

Under Ind AS, all derivative contracts need to be recognised at fair values, with changes in fair value, recognised in the profit or loss or in the OCI depending upon whether the derivative contract has been designated under hedging relationship. Under the Indian GAAP, only derivatives which were within the scope of AS 11 were recognised.

This difference has resulted in a decrease in equity under Ind AS by ₹ 17.00 crore and ₹ 19.67 crore as of 31 March, 2016 and 1 April, 2015, respectively.

3 Proposed dividend and dividend tax thereof

Under the Previous GAAP, proposed dividends including Dividend Distribution Tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the Company (usually when approved by share holders in a general meeting) or paid.

In case of the Company, the declaration of dividend occurs after period end. Therefore, the liability of ₹ 382.02 crore for the year ended on 31 March, 2015 recorded for proposed dividend has been derecognised against retained earnings on 1 April, 2015. The proposed dividend for the year ended on 31 March, 2016 of ₹ 301.67 crore recognised under Indian GAAP was reduced from other payables with a corresponding impact in the retained earnings.

4 Remeasurements of defined benefit plans

Under the Previous GAAP, actuarial gains and losses, are charged to profit or loss, however under Ind AS, they form part of remeasurement of defined benefit liability/asset and are recognised in OCI. As a result ₹ 8.95 crore have been recognised in the OCI net of tax, for the year ended 31 March, 2016.

5 Provisions/Asset retirement obligation liability

The provision amount of asset retirement obligation is discounted to present value under Ind AS.

6 Arrangements in the nature of lease

The Company has identified certain arrangements in the nature of lease which have an element of finance lease. Under the Previous GAAP, in the absence of any specific guidance, the Company did not identify leases contained in such arrangements.

These differences mentioned above in note 5 and note 6 have resulted in a decrease in equity under Ind AS by ₹ 28.01 crore and ₹ 33.68 crore as of 31 March, 2016 and 1 April, 2015, respectively.

7 Deferred tax

Various transitional adjustments resulted in temporary differences between taxable profits and accounting profits. Tax adjustments includes deferred tax impact on account of difference between the Previous GAAP and Ind AS on the adjustments discussed above in notes 1 to 6.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

₹ in crore

	Freehold Land	Factory Buildings	Other Buildings*	Plant and Machinery	Furniture and Fittings	Vehicles	Office Equipment	Saltworks, Reservoirs and Pans	Traction Lines and Railway Sidings	Water Works	Total
Gross Block											
Deemed cost as at 1 April, 2015	36.39	182.68	231.60	1,398.44	12.81	3.77	28.77	19.95	15.37	0.36	1,930.14
Additions/adjustments	1.34	17.49	8.91	120.90	2.84	1.70	19.52	4.57	-	-	177.27
Disposals	-	(0.02)	-	(1.93)	(0.03)	(0.10)	(0.87)	-	(0.08)	-	(3.03)
Balance as at 31 March, 2016	**37.73**	**200.15**	**240.51**	**1,517.41**	**15.62**	**5.37**	**47.42**	**24.52**	**15.29**	**0.36**	**2,104.38**
Additions	4.43	12.22	1.86	207.33	1.13	1.06	8.36	6.13	0.68	-	243.20
Disposals	-	(0.43)	(0.63)	(22.43)	(0.22)	(0.36)	(0.92)	(0.05)	(0.11)	-	(25.15)
Assets classified as held for sale (note 31)	(0.75)	(47.86)	(93.42)	(431.59)	(1.77)	(0.43)	(8.41)	-	(2.45)	-	(586.68)
Balance as at 31 March, 2017	**41.41**	**164.08**	**148.32**	**1,270.72**	**14.76**	**5.64**	**46.45**	**30.60**	**13.41**	**0.36**	**1,735.75**
Accumulated Depreciation											
Depreciation for the year	-	12.67	9.63	151.42	2.21	1.37	13.29	5.98	1.25	-	197.82
Disposals	-	-	-	-	-	(0.04)	(0.10)	-	-	-	(0.14)
Balance as at 31 March, 2016	**-**	**12.67**	**9.63**	**151.42**	**2.21**	**1.33**	**13.19**	**5.98**	**1.25**	**-**	**197.68**
Depreciation for the year	-	9.85	7.43	129.50	1.98	1.36	12.49	4.03	1.17	-	167.81
Disposals	-	(0.18)	(0.59)	(19.62)	(0.15)	(0.32)	(0.45)	-	(0.07)	-	(21.38)
Assets classified as held for sale (note 31)	-	(5.89)	(2.54)	(46.70)	(0.18)	-	(2.56)	-	(0.18)	-	(58.05)
Balance as at 31 March, 2017	**-**	**16.45**	**13.93**	**214.60**	**3.86**	**2.37**	**22.67**	**10.01**	**2.17**	**-**	**286.06**
Net Block as at 1 April, 2015	**36.39**	**182.68**	**231.60**	**1,398.44**	**12.81**	**3.77**	**28.77**	**19.95**	**15.37**	**0.36**	**1,930.14**
Net Block as at 31 March, 2016	**37.73**	**187.48**	**230.88**	**1,365.99**	**13.41**	**4.04**	**34.23**	**18.54**	**14.04**	**0.36**	**1,906.70**
Net Block as at 31 March, 2017	**41.41**	**147.63**	**134.39**	**1,056.12**	**10.90**	**3.27**	**23.78**	**20.59**	**11.24**	**0.36**	**1,449.69**

* Other Buildings include cost of residential flats aggregating ₹ **1.82 crore** (2016 and 2015: ₹ 1.82 crore) for which legal formalities relating to transfer of title are pending.

NOTE 6 : INTANGIBLE ASSETS

₹ in crore

	Computer Software	Others*	Total
Gross Block			
Deemed cost as at 1 April, 2015	1.79	6.78	8.57
Additions	2.78	-	2.78
Disposals	-	-	-
Balance as at 31 March, 2016	**4.57**	**6.78**	**11.35**
Additions	2.63	-	2.63
Disposals	(0.21)	-	(0.21)
Assets classified as held for sale (note 31)	(1.18)	-	(1.18)
Balance as at 31 March, 2017	**5.81**	**6.78**	**12.59**
Accumulated Amortisation			
Amortisation for the year	0.21	0.76	0.97
Disposals	-	-	-
Balance as at 31 March, 2016	**0.21**	**0.76**	**0.97**
Amortisation for the year	1.31	0.76	2.07
Disposals	-	-	-
Assets classified as held for sale (note 31)	(0.99)	-	(0.99)
Balance as at 31 March, 2017	**0.53**	**1.52**	**2.05**
Net Block as at 1 April, 2015	**1.79**	**6.78**	**8.57**
Net Block as at 31 March, 2016	**4.36**	**6.02**	**10.38**
Net Block as at 31 March, 2017	**5.28**	**5.26**	**10.54**

* Others include rights to use the wagon provided by the Ministry of Railways to carry goods at concessional freight.

	As at 31 March, 2017 Holdings No of shares	As at 31 March, 2017 Amount ₹ in crore	As at 31 March, 2016 Holdings No of shares	As at 31 March, 2016 Amount ₹ in crore	As at 1 April, 2015 Holdings No of shares	As at 1 April, 2015 Amount ₹ in crore
NOTE 7: INVESTMENTS						
(a) Investments in equity instruments in subsidiaries and joint venture (fully paid up)						
(i) Subsidiaries (at cost)						
Quoted						
Rallis India Ltd.	9,73,41,610	479.97	9,73,41,610	479.97	9,73,41,610	479.97
Unquoted						
Bio Energy Ventures -1 (Mauritius) Pvt Ltd.	57,53,81,426	2,398.39	57,53,81,426	2,398.39	57,53,81,426	2,398.38
(ii) Joint venture (at cost)						
Unquoted						
Indo Maroc Phosphore, S.A., Morocco	2,06,666	166.26	2,06,666	166.26	2,06,666	166.26
Total investments (i+ii)		**3,044.62**		**3,044.62**		**3,044.61**
(b) Financial assets						
(i) Investments in equity instruments (Fair value through other comprehensive income)						
Quoted						
The Indian Hotels Co. Ltd.	89,07,790	113.04	89,07,790	88.14	72,71,666	85.01
Oriental Hotels Ltd.	25,23,000	8.96	25,23,000	5.20	25,23,000	5.07
Tata Investment Corporation Ltd.	4,75,840	30.27	4,75,840	22.47	4,75,840	27.26
Tata Steel Ltd.	24,91,977	120.29	24,91,977	79.67	24,91,977	78.93
Tata Motors Ltd.	19,66,294	91.60	19,66,294	76.02	18,63,705	102.55
Tata Global Beverages Ltd.	4,31,75,140	650.00	4,31,75,140	523.50	4,31,75,140	642.45
Titan Company Ltd.	1,38,26,180	639.81	1,38,26,180	468.85	1,38,26,180	541.43
Unquoted						
The Associated Building Co. Ltd.	550	0.02	550	0.02	550	0.02
Taj Air Ltd.	40,00,000	-	40,00,000	4.00	40,00,000	4.00
Tata Industries Ltd.	98,61,303	170.19	98,61,303	170.19	98,61,303	170.19
Tata Capital Ltd.	32,30,859	10.79	32,30,859	10.02	32,30,859	9.69
Tata International Ltd.	48,000	124.80	48,000	188.64	48,000	188.64
Tata Projects Ltd.	1,93,500	210.24	1,93,500	122.12	1,93,500	122.12
Tata Services Ltd.	1,260	0.13	1,260	0.13	1,260	0.13
Tata Sons Ltd.	10,237	56.86	10,237	56.86	10,237	56.86
Tata Teleservices Ltd. #	12,85,110	1.51	12,85,110	1.99	12,85,110	1.99
IFCI Venture Capital Funds Ltd.	2,50,000	0.67	2,50,000	0.67	2,50,000	0.81
Kowa Spinning Ltd.	60,000	*	60,000	*	60,000	*
Global Innovation And Technology Alliance (GITA)	15,000	1.50	10,000	1.00	5,000	0.50
Water Quality India Association	7,100	0.01	7,100	0.01	-	-
Total (i)		**2,230.69**		**1,819.50**		**2,037.65**
(ii) Investments in preference shares (fully paid up)						
Subsidiaries (Fair value through profit and loss)						
Unquoted						
5% Non Cumulative Redeemable Preference Shares of Bio Energy Venture -1(Mauritius) Pvt.Ltd	15,00,014	972.75	15,00,014	993.83	14,84,714	927.95
Total (ii)		**972.75**		**993.83**		**927.95**
(iii) Investments in compulsorily convertible debenture (fully paid up)						
Quoted (Fair value through other comprehensive income)						
The Indian Hotels Co. Ltd.	-	-	-	-	16,36,124	17.62
Unquoted (Fair value through profit and loss)						
Tata Power Renewable Energy Limited	-	-	28,90,000	2.89	28,90,000	2.89
Total (iii)		**-**		**2.89**		**20.51**
Total investments (i+ii+iii)		**3,203.44**		**2,816.22**		**2,986.11**
Aggregate amount of quoted investment		2,133.94		1,743.82		1,980.29
Aggregate market value of quoted investment		4,182.42		2,920.12		3,710.46
Aggregate carrying value of unquoted investment		1,069.50		1,072.40		1,005.82

Shares can be transferred only with the prior approval of the Board of Directors of Tata Teleservices Ltd.

* value below ₹ 50,000/-

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 8: LOANS			
Non-current			
(a) Other loans (Unsecured, considered good)			
Loans to employees (footnote 'i')	1.10	2.35	0.72
Loans to others (footnote 'ii')	-	-	7.61
	1.10	**2.35**	**8.33**
Current			
(a) Other loans (Unsecured, considered good)			
Loans to employees (footnote 'i')	0.67	0.81	1.84
	0.67	**0.81**	**1.84**

Footnotes:

(i) Loans to employees includes ₹ *(2016 and 2015: ₹ *) due from officer of the Company. Maximum balance outstanding during the year is ₹ *(previous ₹ *).
* value below ₹ 50,000

(ii) The Company had extended an unsecured subordinate loan to Tata Power Renewable Energy Limited ('TPREL') for the purpose of setting up a 25 MW photovoltaic solar power plant and associate infrastructure at Mithapur, Gujarat. The loan carries an interest rate based on State Bank of India base rate plus 1.25%. In the year 2015-16, TPREL has repaid the entire loan along with the accrued interest.

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 9: OTHER FINANCIAL ASSETS			
Non-current			
(a) Fixed deposits	0.26	0.26	0.26
(b) Derivatives (note 36)	0.38	31.98	83.14
	0.64	**32.24**	**83.40**
Current			
(a) Claim receivable - Related party (note 39)	37.86	38.42	31.33
(b) Derivatives (note 36)	6.32	96.72	1.32
(c) Income accrued	0.54	1.49	3.26
(d) Advance recoverables - Related party (note 39)	1.20	1.20	1.20
(e) Advances to employees	1.67	1.69	2.94
(f) Others	0.79	0.29	0.80
	48.38	**139.81**	**40.85**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 10: OTHER ASSETS				
Non-current				
(a)	Capital advances	**22.24**	4.01	11.07
(b)	Advances towards preference/equity commitment of a subsidiary	**-**	-	9.38
(c)	Deposit with public bodies	**39.65**	34.51	24.24
(d)	Prepaid expenses	**3.05**	11.43	10.93
(e)	Others	**0.31**	0.02	1.79
		65.25	**49.97**	**57.41**
Current				
(a)	Prepaid expenses	**10.65**	9.77	9.95
(b)	Advance to suppliers	**65.71**	282.45	109.55
	Less: Allowances for bad and doubtful advances	**(0.46)**	(0.47)	(0.56)
		65.25	281.98	108.99
(c)	Statutory receivables	**57.69**	62.26	45.82
(d)	Others	**0.44**	0.41	0.32
		134.03	**354.42**	**165.08**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 11: INVENTORIES				
(a)	Raw materials	**321.77**	495.89	649.73
(b)	Work-in-progress	**23.78**	33.67	33.26
(c)	Finished goods	**72.28**	225.20	339.21
(d)	Stock in trade	**107.25**	226.77	670.65
(e)	Stores, spare parts and packing materials	**86.45**	113.57	116.18
		611.53	**1,095.10**	**1,809.03**

Footnotes:

(i)	Inventories include goods in transit:			
	- Raw materials	**77.97**	88.50	225.63
	- Stock in trade	**5.23**	16.21	280.83
	- Stores and spare parts and packing materials	**0.40**	1.03	1.59

(ii) The cost of inventories recognised as an expense in form of raw material consumption, stores consumption, trading purchases, packing materials consumption and power and fuel consumption during the year in respect of the continuing operations was ₹ **3,800.59 crore** (previous year: ₹ 5,674.69 crore)

(iii) The cost of inventories recognised as an expense includes ₹ **35.47 crore** (previous year: ₹ 37.06 crore) in respect of write-down of inventories to net realisable value and has been reduced by ₹ **2.55 crore** (previous year: ₹1.53 crore) in respect of reversal of such write-down. Reversal of previous write-downs have been largely as a result of increased selling prices of certain products.

(iv) Inventories have been offered as security against the working capital loans provided by the bank.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 12: TRADE RECEIVABLES				
Current				
(a)	Secured, considered good	**39.91**	52.44	46.40
(b)	Unsecured, considered good	**991.78**	2,501.53	2,439.92
(c)	Doubtful	**42.60**	45.94	28.85
(d)	Allowance for doubtful debts	**(42.60)**	(45.94)	(28.85)
		1,031.69	**2,553.97**	**2,486.32**

Footnotes:

(i) Trade receivables includes ₹ **870.98 crore** (2016: ₹ 1,901.33 crore and 2015: ₹ 1,971.64 crore) on account of subsidy receivable from the Government.

(ii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management.

(iii) Movement in allowance for doubtful debts

	Year ended 31 March, 2017	Year ended 31 March, 2016
Balance at the beginning of the year	**45.94**	**28.85**
Allowance for doubtful debts pertaining to discontinued operation	**(0.05)**	-
Provision during the year	**71.33**	55.60
Reversal during the year	**(74.62)**	(38.51)
Balance at the end of the year	**42.60**	**45.94**

(iv) Trade receivables have been offered as security against the working capital loans provided by the bank.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 13: CASH AND CASH EQUIVALENTS				
(a)	Balance with banks	**79.73**	31.09	55.28
(b)	Cheques on hand	**37.51**	0.51	0.82
(c)	Cash on hand	**0.14**	0.12	0.37
(d)	Deposits accounts	**980.00**	555.00	505.25
Cash and cash equivalents as per Statement of Cash Flow		**1,097.38**	**586.72**	**561.72**
Other bank balances:				
(a)	Earmarked balances with banks	**14.70**	13.76	12.58
		14.70	**13.76**	**12.58**

Footnotes:

(i) Non cash transactions

The Company has not entered into any non cash investing and financing activities.

(ii) Specified Bank Notes

Pursuant to the notification issued by MCA vide G.S.R 308(E) dated 31 March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8 November, 2016 to 30 December, 2016, the Company has disclosed denomination wise SBN's and Other Denomination Notes as under;

₹

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash on hand as on 8 November, 2016	3,91,000	88,605	4,79,605
(+) Permitted receipts	-	14,64,710	14,64,710
(-) Permitted payments	-	3,36,290	3,36,290
(-) Amounts deposited in banks	3,91,000	9,51,007	13,42,007
Closing cash on hand as on 30 December, 2016	-	**2,66,018**	**2,66,018**

₹ in crore

	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	No. of Shares	Amount ₹ in crore	No. of Shares	Amount ₹ in crore	No. of Shares	Amount ₹ in crore
NOTE 14: EQUITY SHARE CAPITAL						
(a) Authorised:						
Ordinary shares of ₹ 10 each	27,00,00,000	270.00	27,00,00,000	270.00	27,00,00,000	270.00
(b) Issued :						
Ordinary shares of ₹ 10 each	25,48,42,598	254.84	25,48,42,598	254.84	25,48,42,598	254.84
(c) Subscribed and fully paid up:						
Ordinary shares of ₹ 10 each	25,47,56,278	254.76	25,47,56,278	254.76	25,47,56,278	254.76
(d) Forfeited shares:						
Amount originally paid-up on forfeited shares	86,320	0.06	86,320	0.06	86,320	0.06
		254.82		**254.82**		**254.82**

Footnotes:

(i) **The movement in number of shares and amount outstanding at the beginning and at the year end**

Particulars	Year ended 31 March, 2017		Year ended 31 March, 2016	
	No. of Shares	₹ in crore	No. of Shares	₹ in crore
Issued share capital:				
Ordinary shares :				
Balance as at 1 April	25,48,42,598	254.84	25,48,42,598	254.84
Issued during the year	-	-	-	-
Balance as at 31 March	**25,48,42,598**	**254.84**	**25,48,42,598**	**254.84**
Subscribed and paid up:				
Ordinary shares :				
Balance as at 1 April	25,47,56,278	254.76	25,47,56,278	254.76
Issued during the year	-	-	-	-
Balance as at 31 March	**25,47,56,278**	**254.76**	**25,47,56,278**	**254.76**

(ii) **Terms/ rights attached to equity shares**

The Company has issued one class of ordinary shares at par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

(iii) **Details of shares held by each shareholder holding more than 5% shares.**

	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ordinary shares with voting rights						
(i) Tata Sons Ltd.	4,93,06,423	19.35	4,93,06,423	19.35	4,93,06,423	19.35
(ii) ICICI Prudential Mutual fund	1,80,53,193	7.09	*	*	*	*
(iii) Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,55,53,501	6.11	1,55,53,501	6.11

* Not holding more than 5% shares

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 15: OTHER EQUITY				
1	Capital reserve and other reserves from amalgamation	**21.11**	21.11	21.11
2	Securities premium reserve	**1,258.21**	1,258.21	1,258.21
3	Capital redemption reserve	**0.10**	0.10	0.10
4	Debenture redemption reserve	**240.00**	240.00	240.00
5	General reserve	**1,171.94**	1,171.94	1,171.94
6	Retained earnings	**4,072.61**	3,714.09	3,437.15
7	Equity instruments through other comprehensive income	**1,836.66**	1,425.98	1,666.87
	Total other equity	**8,600.63**	**7,831.43**	**7,795.38**

	The movement in other equity	Year ended 31 March, 2017	Year ended 31 March, 2016
15.1	**Capital reserve and other reserves from amalgamation**		
	Balance at the beginning of the year	**21.11**	21.11
	Balance at the end of the year	**21.11**	**21.11**
15.2	**Securities premium reserve**		
	Balance at the beginning of the year	**1,258.21**	1,258.21
	Balance at the end of the year	**1,258.21**	**1,258.21**
	Note:		
	Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of the act.		
15.3	**Capital redemption reserve**		
	Balance at the beginning of the year	**0.10**	0.10
	Balance at the end of the year	**0.10**	0.10
15.4	**Debenture redemption reserve**		
	Balance at the beginning of the year	**240.00**	240.00
	Balance at the end of the year	**240.00**	**240.00**
	Note:		
	The Company is required to create a debenture redemption reserve out of the profits which is available for the purpose of redemption of debentures.		
15.5	**General reserve**		
	Balance at the beginning of the year	**1,171.94**	1,171.94
	Balance at the end of the year	**1,171.94**	**1,171.94**
	Note:		
	The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		
15.6	**Retained earnings**		
	Balance at the beginning of the year	**3,714.09**	3,437.15
	Profit for the year	**692.71**	666.20
	Remeasurement of defined employee benefit plans	**(32.52)**	(8.95)
	Dividend including tax on dividend	**(301.67)**	(380.31)
	Balance at the end of the year	**4,072.61**	**3,714.09**

Note:

The Board of Directors has recommended a dividend of 110 % (previous year 100 %) for the financial year 2016-17, on 26 May, 2017 amounting to ₹ 11 per share (previous year ₹ 10 per share). This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in the financial statements.

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
15.7 Equity instruments through other comprehensive income		
Balance at the beginning of the year	1,425.98	1,666.87
Changes in fair value of equity instruments at FVTOCI	410.68	(240.89)
Balance at the end of the year	**1,836.66**	**1,425.98**

Note:

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 16: BORROWINGS				
Non-current				
Secured - at amortised cost				
(a)	Obligations under finance leases (note 34)	18.99	42.14	62.03
Unsecured - at amortised cost				
(a)	Non convertible debentures (footnote 'i')	250.00	250.00	250.00
(b)	Term loans - bank (footnote 'ii')	815.44	1,248.36	1,546.36
(c)	Other loans (footnote 'iii')	-	0.06	0.09
		1,084.43	**1,540.56**	**1,858.48**

Footnotes:

Details of term loans and other borrowings as at 31 March, 2017 are stated below:

(i) Unsecured redeemable Non-convertible debentures having face value of ₹ 10 lakh each are redeemable at par on 2 July, 2019 and bears interest rate of 10% per annum.

(ii) The External Commercial Borrowings (ECB) are due for repayments on 22 October, 2018 ₹ **410.31 crore** (2016: ₹ 419.20 crore and 2015: ₹ 395.44 crore) (USD 63.27 million) and on 21 October, 2019 ₹ **411.54 crore** (2016: ₹ 420.45 crore and 2015: ₹ 396.65 crore)(USD 63.46 million) and bear interest of LIBOR plus spread of 1.95%, payable semiannually.

Current portion due for repayment within one year is ₹ **410.31 crore (USD 63.27 million)** (2016: ₹ 397 crore (USD 60 million) and 2015: ₹ NIL) and bears interest of LIBOR plus spread of 1.95% (2016: LIBOR plus spread of 1.65%), payable semiannually. This has been disclosed in note 17 within the heading current maturity of long term debt under other financial liabilities (current).

(iii) The Company has entered into an agreement with the Department of Biotechnology (DBT) for a project on boosting crop health and yield. DBT has approved a loan of ₹ **0.15 crore** (2016: ₹ 0.15 crore). The Company has received three installments of this loan aggregating to ₹ **0.11 crore** (2016: ₹ 0.11 crore). The loan bears interest of 2% per annum repayable in 10 equal half yearly installments. Current portion has been disclosed in note 17. The entire loan amount has been repaid during the current year.

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current				
Loans repayable on demand - from banks				
Secured				
(a)	Cash/packing credit (footnote 'i')	2.81	3.41	10.92
(b)	Buyer's credit (footnote 'ii')	-	198.12	149.95
(c)	Working capital demand loan (footnote 'i')	-	-	50.00
(d)	Suppliers' credit (footnote 'iii')	110.00	-	100.70
(e)	Loan against subsidy receivable (footnote 'v')	85.96	-	-
Unsecured				
(f)	Buyer's credit (footnote 'ii')	-	1,096.20	765.59
(g)	Working capital demand loan (footnote 'iv')	50.00	-	-
(h)	Suppliers' credit (footnote 'iii')	273.73	268.01	672.31
		522.50	**1,565.74**	**1,749.47**

Footnotes:

(i) Loans from banks on Cash Credit and Working Capital Demand Loan are secured by way of hypothecation of stocks of raw materials, finished products, stores and work-in-progress as well as book debts.

(ii) Buyer's credit due for payment within 180 days bears interest of 'LIBOR plus spread' of **1.26% per annum** (2016 : 0.87% per annum and 2015: 0.75 % per annum) secured against current assets.

(iii) Suppliers' credit due for payment within 180 days bears interest of 'LIBOR plus spread' of **1.31% per annum** (2016 : 0.81% per annum and 2015: 0.72 % per annum) secured against current assets.

(iv) During the year 2017, unsecured working capital demand loan of ₹ **50 crore** was availed by the Company which would be repaid in May 2017. The loan bears interest of one month T-bill + 0.05% per annum..

(v) The Department of Fertilizers, Government of India, has notified 'Special Banking Arrangement' scheme to address the concern of delay in subsidy disbursement. This arrangement has been made by the Government with the State Bank of India Consortium (SBI Consortium). Loans under this scheme are secured by hypothecation of subsidy receivables.

Fixed interest rate of 8.00% per annum out of which 6.25% per annum shall be borne by the Government and repaid in April 2017. The remaining 1.75% per annum shall be borne by the Company and will be recovered upfront for 60 days from the company at the time of disbursement of the facility.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 17: OTHER FINANCIAL LIABILITIES				
Non-current				
(a)	Derivatives (note 36)	**1.35**	-	45.35
(b)	Pension payable on employee separation scheme	**0.35**	0.41	0.48
(c)	Others	**-**	-	1.19
		1.70	**0.41**	**47.02**
Current				
(a)	Current maturities of long term debt (footnote 'i')	**410.31**	397.00	0.02
(b)	Current maturities of finance lease obligation (note 34)	**23.38**	20.42	17.78
(c)	Interest accrued	**37.30**	40.07	35.39
(d)	Creditors for capital goods	**32.89**	21.72	21.44
(e)	Unclaimed dividend (footnote 'ii')	**14.75**	13.80	12.54
(f)	Unclaimed debenture interest	**0.01**	0.01	0.01
(g)	Derivatives (note 36)	**20.72**	43.51	8.05
(h)	Security deposit from customers	**37.10**	49.31	44.47
(i)	Accrued expenses	**77.43**	80.94	89.78
(j)	Others	**5.90**	-	0.40
		659.79	**666.78**	**229.88**

Footnotes:

(i) The External Commercial Borrowing (ECB) is due for repayments on 23 October, 2017 ₹ **410.31 crore** (USD 63.27 million) and bear interest of LIBOR plus spread of 1.95%, payable annually.

(ii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for **₹.0.53 crore** (2016 : ₹ 0.44 crore and 2015 ₹.0.33 crore), wherein legal disputes with regards to ownership have remained unresolved.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 18: PROVISIONS				
Non-current				
(a)	Provision for employee benefits (footnote 'i')	141.10	93.87	78.65
(b)	Other provisions (footnote 'ii')	2.42	4.98	4.45
		143.52	**98.85**	**83.10**
Current				
(a)	Provision for employee benefits (footnote 'i')	53.13	55.26	49.27
(b)	Other provisions (footnote 'ii')	129.71	114.78	101.35
		182.84	**170.04**	**150.62**

Footnotes:

(i) Provision for employee benefits includes annual leave and vested long service leave entitlements accrued and compensation claims made by employees. For other disclosures refer note 35.

(ii) Other provisions include:

Particulars	Asset retirement obligation (1)	Provision for warranty (2)	Others (3)	Total
Balance as at 1 April, 2015	**17.02**	**0.38**	**88.40**	**105.80**
Provisions recognised during the year	0.53	0.28	31.42	32.23
Payments / utilisation during the year	-	-	(16.87)	(16.87)
Unused amount reversed during the year	-	(0.38)	(1.02)	(1.40)
Balance at 31 March, 2016	**17.55**	**0.28**	**101.93**	**119.76**
Provisions pertaining to discontinued operation	(3.12)	-	-	(3.12)
Provisions recognised during the year	0.56	0.33	17.07	17.96
Payments / utilisation during the year	-	(0.03)	(1.16)	(1.19)
Unused amount reversed during the year	-	(0.19)	(1.09)	(1.28)
Balance at 31 March, 2017	**14.99**	**0.39**	**116.75**	**132.13**
Balance as at 1 April, 2015				
Non-current	4.45	-	-	4.45
Current	12.57	0.38	88.40	101.35
Total	**17.02**	**0.38**	**88.40**	**105.80**
Balance at 31 March, 2016				
Non-current	4.98	-	-	4.98
Current	12.57	0.28	101.93	114.78
Total	**17.55**	**0.28**	**101.93**	**119.76**
Balance at 31 March, 2017				
Non-current	2.42	-	-	2.42
Current	12.57	0.39	116.75	129.71
Total	**14.99**	**0.39**	**116.75**	**132.13**

Nature of provisions :

1) Assets retirement obligation includes provision towards site restoration expense and decomissioning charges.

2) Warranty: The Company gives warranties on certain products that fail to perform satisfactorily during the warranty period. Provision made as at 31 March, 2017 represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of one year from the date of Balance Sheet.

3) Provision for others represents management's best estimate of outflow of economic resources in respect of water charges, entry tax, land revenue and other disputed items including direct taxes, indirect taxes and other claims.

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 19: DEFERRED TAX ASSETS AND LIABILITIES			
(a) Deferred tax assets	(134.86)	(113.01)	(90.84)
(b) Deferred tax liabilities	273.41	269.35	270.69
	138.55	**156.34**	**179.85**

2016-17

Particulars	As at 1 April, 2016	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operation)	Recognised in other comprehensive income	As at 31 March, 2017
Deferred tax assets/(liabilities) in relation to:					
Allowance for doubtful debts and advances	(16.56)	1.05	0.01	-	**(15.50)**
Accrued expenses allowed in the year of payment	(87.07)	(10.91)	(0.84)	(17.22)	**(116.04)**
Depreciation and amortisation	269.35	(5.15)	9.21	-	**273.41**
Property, plant and equipment	(9.38)	6.86	-	-	**(2.52)**
Expenses allowed	-	(0.80)	-	-	**(0.80)**
	156.34	**(8.95)**	**8.38**	**(17.22)**	**138.55**

As at 31 March, 2017	Assets	Liabilities	Net
Deferred tax assets/(liabilities) in relation to:			
Allowance for doubtful debts and advances	(15.50)		(15.50)
Accrued expenses allowed in the year of payment	(116.04)		(116.04)
Depreciation and amortisation		273.41	273.41
Property, plant and equipment	(2.52)		(2.52)
Expenses allowed	(0.80)	-	(0.80)
	(134.86)	**273.41**	**138.55**

Particulars	As at 1 April, 2015	Recognised in profit or loss (continuing operations	Recognised in profit or loss (discontinued operation)	Recognised in other comprehensive income	As at 31 March, 2016
Deferred tax assets/(liabilities) in relation to:					
Allowance for doubtful debts and advances	(10.54)	(6.02)	-	-	(16.56)
Accrued expenses allowed in the year of payment	(68.92)	(13.26)	(0.16)	(4.73)	(87.07)
Depreciation and amortisation	270.69	(2.91)	1.57	-	269.35
Property, plant and equipment	(11.38)	2.17	(0.17)	-	(9.38)
	179.85	**(20.02)**	**1.24**	**(4.73)**	**156.34**

As at 31 March, 2016	Assets	Liabilities	Net
Deferred tax assets/(liabilities) in relation to:			
Allowance for doubtful debts and advances	(16.56)	-	(16.56)
Accrued expenses allowed in the year of payment	(87.07)	-	(87.07)
Depreciation and amortisation	-	269.35	269.35
Property, plant and equipment	(9.38)	-	(9.38)
	(113.01)	**269.35**	**156.34**

As at 1 April, 2015	Assets	Liabilities	Net
Deferred tax assets/(liabilities) in relation to:			
Allowance for doubtful debts and advances	(10.54)	-	(10.54)
Accrued expenses allowed in the year of payment	(68.92)	-	(68.92)
Depreciation and amortisation	-	270.69	270.69
Property, plant and equipment	(11.38)	-	(11.38)
	(90.84)	**270.69**	**179.85**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 20: OTHER LIABILITIES				
Non-current				
(a)	Deferred income	10.50	10.50	10.50
		10.50	**10.50**	**10.50**
Current				
(a)	Statutory dues	47.48	55.86	46.24
(b)	Advance received from customers	24.53	16.33	23.80
(c)	Other liabilities	0.19	0.15	0.06
		72.20	**72.34**	**70.10**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 21: TRADE PAYABLES				
(a)	Trade payables (footnote 'i') (note 39)	506.70	681.37	1,116.01
(b)	Amount due to Micro, Small and Medium Enterprises (footnote 'ii')	5.03	4.21	3.45
		511.73	**685.58**	**1,119.46**

Footnote:

(i) Trade payables are non-interest bearing and are normally settled within 60 days.

(ii) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

			As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
1	(a)	Principal amount remaining unpaid to any supplier	5.03	4.21	3.45
	(b)	Interest on 1(a) above	-	0.01	-
2	(a)	The amount of principal paid beyond the appointed date	42.12	43.19	10.85
	(b)	The amount of interest paid beyond the appointed date	-	-	-
3		Amount of interest due and payable on delayed payments	0.21	0.06	-
4		Amount of interest accrued and remaining unpaid as at year end	*	0.01	0.05
5		The amount of further interest due and payable even in the succeeding year	0.01	*	*

* value below ₹50,000

₹ in crore

			As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 22: TAX ASSETS AND LIABILITIES					
(a)	Tax assets				
	Non-current				
	(i)	Advance tax assets (net)	431.25	379.31	369.50
	Current				
	(i)	Current tax assets (net)	-	-	3.01
(b)	Current tax liabilities		104.88	64.97	84.08

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 23: HELD FOR SALE AND DISCONTINUED OPERATION				
(a)	**Assets classified as held for sale and discontinued operation**			
	Discontinued operation (footnote 'i')	1,532.46	-	-
	Assets held for sale (footnote 'ii')	0.16	0.37	0.54
		1,532.62	**0.37**	**0.54**
(b)	**Liabilities directly associated with discontinued operation**			
	Discontinued operation (footnote 'i')	511.27	-	-
		511.27	**-**	**-**

Footnotes:

(i) For details relating to discontinued operation (urea and customised fertiliser business at Babrala, Uttar Pradesh) refer note 31.

(ii) The Company has identified assets relating to non-current assets to be disposed of and classified the same as assets held for sale. No impairment loss has been recognised on the date of classification or as at reporting date. The Company expects that the fair value (estimated based on the recent market prices of similar assets in similar locations) less costs to sell is higher than the carrying amount.

₹ in crore

			Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 24: REVENUE FROM OPERATIONS				
(a)	Sale of products (footnote 'i')		6,442.99	8,418.94
(b)	Other operating revenue			
	(i)	Sale of scrap	11.93	15.00
	(ii)	Others	16.00	35.56
			27.93	**50.56**
			6,470.92	**8,469.50**

Footnotes:

(a) Sales includes subsidy income of ₹ **711.40 crore** (previous year ₹ 1,394.76 crore)

			Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 25: OTHER INCOME				
(a)	Dividend income from			
	(i)	Investments measured at FVTPL	46.18	38.99
	(ii)	Non-current investments in Subsidiaries and Joint venture		
		- Subsidiaries	24.34	14.60
		- Joint venture	21.02	19.25
	(iii)	Investments measured at FVTOCI	13.78	45.69
			105.32	**118.53**
(b)	Interest income from financial assets at amortised cost			
	(i)	On bank deposits	2.52	3.59
	(ii)	On loans and advances	0.10	0.12
	(iii)	Other interest	0.35	1.00
			2.97	**4.71**
(c)	Interest on refund of taxes		52.24	16.87
(d)	Others			
	(i)	Corporate guarantee commission	14.09	17.46
	(ii)	Gain on sale/redemption of investments (net)	2.30	0.02
	(iii)	Foreign exchange gain (net)	-	6.78
			16.39	**24.26**
			176.92	**164.37**

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 26: EMPLOYEE BENEFITS EXPENSE			
(a)	Salaries, wages and bonus	240.62	229.13
(b)	Contribution to provident and other funds	17.46	14.91
(c)	Staff welfare expense	46.43	42.23
		304.51	**286.27**
NOTE 27: FINANCE COSTS			
(a)	Interest at amortised cost		
	(i) Interest on loans	111.47	102.81
	(ii) Interest on obligations under finance leases	5.64	7.60
(b)	Translation differences on foreign currency loans regarded as borrowing cost net of changes in fair value of derivative contracts	78.38	86.65
(c)	Discount and other charges	19.36	18.10
		214.85	**215.16**
NOTE 28: DEPRECIATION AND AMORTISATION EXPENSE			
(a)	Depreciation of property, plant and equipment	150.57	152.59
(b)	Amortisation of intangible assets	1.84	0.91
		152.41	**153.50**
NOTE 29: OTHER EXPENSES			
1	Stores and spare parts consumed	71.37	70.61
2	Packing materials consumed	261.61	272.44
3	Power and fuel	404.33	399.64
4	Repairs		
	- Buildings	7.64	8.17
	- Machinery	67.50	70.77
	- Others	15.55	0.42
5	Rent	52.01	64.51
6	Royalty, rates and taxes	32.72	25.03
7	Excise duty adjustment for stocks	1.93	2.84
8	Distributors' service charges	18.98	27.68
9	Sales promotion expenses	126.10	158.90
10	Insurance charges	7.32	8.61
11	Freight and forwarding charges	575.07	693.59
12	Loss on assets sold, discarded or written off	0.93	2.42
13	Bad debts written off	1.78	2.43
14	Provision for doubtful debts and advances (net)	(2.94)	17.09
15	Foreign exchange loss (net)	30.59	-
16	Directors' fees and commission (note 39)	5.35	7.75
17	Auditors remuneration (footnote 'i')	4.38	3.93
18	Expenditure towards Corporate Social Responsibility (CSR) (footnote 'ii')	12.56	11.61
19	Donations and contributions	5.47	4.07
20	Other expenses	176.03	178.67
		1,876.28	**2,031.18**

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
Footnotes:			
(i)	Auditors remuneration		
	Statutory Auditors		
	a) For services as auditor	**2.57**	2.57
	b) For taxation matters	**0.47**	0.31
	c) For other services	**1.30**	1.54
	d) for reimbursement of expenses	**0.15**	0.06
	Cost Auditors		
	a) For services as auditor	**0.10**	0.10
		4.59	**4.58**
	Less: Pertaining to discontinued operation	**0.21**	0.65
		4.38	**3.93**
(ii)	Amount required to be spent by the Company during the year on CSR is ₹ **13.92 crore** (previous year ₹ 12.34 crore) whereas the Company has spent ₹ **15.00 crore** (previous year ₹ 13.97 crore). The Company has spent the following amounts during the year.		
	1) Health care, nutrition, sanitation and safe drinking water	**3.25**	2.18
	2) Environmental sustainability	**4.01**	3.35
	3) Poverty alleviation, livelihood enhancement and infrastructure support	**1.05**	2.30
	4) Education and vocational skill development	**3.06**	2.26
	5) Inclusive growth and empowerment	**1.57**	1.46
	6) Promotion and development of traditional arts and handicrafts	**1.27**	1.01
	7) Contribution to Prime Minister's National Relief fund/other relief funds	**0.31**	0.86
	8) Other approved activities	**0.48**	0.55
		15.00	**13.97**
	The above CSR expense includes ₹ **2.44 crore** (previous year ₹ 2.36 crore) relating to discontinued operation.		

NOTE 30: INCOME TAX EXPENSES RELATING TO CONTINUING OPERATIONS

		Year ended 31 March, 2017	Year ended 31 March, 2016
(a)	**Tax expense**		
	Current tax		
	In respect of the current year	**246.62**	205.01
	Reversal pertaining to prior years	**(1.52)**	(9.86)
		245.10	**195.15**
	Deferred tax		
	In respect of the current year	**(8.95)**	(20.02)
		(8.95)	**(20.02)**
	Total tax expense	**236.15**	**175.13**
(b)	**The income tax expenses for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**794.03**	767.12
	Income tax expenses calculated at 34.608 %	**274.79**	265.48
	Effect of income that is exempt from taxation	**(29.17)**	(34.36)
	Effect of expenses not deductible for tax computation	**16.30**	7.91
	Effect of income/expenses of capital nature	**7.29**	(19.49)
	Effect of concessions (research and development and other allowances like 80IA and 32AC of Income Tax Act, 1961)	**(27.66)**	(31.37)
	Effect of different tax rates on distribution by joint venture operating in other jurisdictions.	**(3.64)**	(3.33)
	Others	**(0.24)**	0.15
		237.67	**184.99**
	Adjustments recognised in the current year in relation to the current tax of prior years	**(1.52)**	(9.86)
	Income tax recognised in profit or loss (relating to continuing operations)	**236.15**	**175.13**

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 31: DISCONTINUED OPERATION			
(a)	**Disposal of urea and customised fertilisers business**		
	The Company has entered into an agreement with Yara Fertilisers India Private limited ('Yara India') to transfer its Urea Business (which comprises manufacturing facilities for urea and customised fertilisers at Babrala, Uttar Pradesh), by way of a slump sale for a consideration of ₹ 2,670.00 crore (subject to certain adjustments). Final approval of The Scheme of Arrangement (the 'Scheme') from National Company Law Tribunal ('NCLT') is awaited. The effect of the transfer will be reflected in the financial information of the period in which the deal is consummated post receipt of all the requisite regulatory approvals.		
(b)	**Analysis of profit for the year from discontinued operation**		
	Profit for the year from discontinued operation		
	Revenue from operation	1,982.92	2,304.03
	Other income	0.04	0.04
		1,982.96	**2,304.07**
	Expenses		
	Depreciation	17.47	45.29
	Other expenses	1,769.92	2,145.63
	Profit before tax	**195.57**	**113.15**
	Tax expense	60.74	38.94
	Profit after tax	**134.83**	**74.21**
(c)	**Net cash flows attributable to the discontinued operation**		
	Net cash (outflows) / inflows from operating activities	(288.84)	211.44
	Net cash used in investing activities	(19.97)	(23.01)
	Net cash inflows / (outflows) from financing activities	308.89	(188.45)
	Net cash inflows / (outflows)	**0.08**	**(0.02)**

		As at 31 March, 2017
(d)	**Book value of assets and liabilities of the discontinued operation**	
	Property, plant and equipment and intangible assets	529.11
	Non-current financial assets - loans	0.80
	Other non-current assets	10.12
	Inventories	126.68
	Trade receivables	834.42
	Cash and cash equivalents	0.08
	Current financial assets - loans	0.17
	Other current assets	31.08
	Assets pertaining to discontinued operation	**1,532.46**
	Non-current liabilities - provisions	6.88
	Borrowings	370.70
	Trade payables	89.06
	Other financial liabilities	26.54
	Other current liabilities	6.39
	Current liabilities - provisions	11.70
	Liabilities associated with assets pertaining to discontinued operation	**511.27**
	Net assets pertaining to discontinued operation	**1,021.19**

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 32: SEGMENT INFORMATION		
32.1 Continuing operations		
(a) Information about operating segments		
1. Segment revenue (Revenue from operations)		
(i) Inorganic chemicals	3,556.83	3,638.06
(ii) Fertilisers	2,288.33	4,113.03
(iii) Other agri inputs	316.39	410.82
(iv) Others	374.83	458.15
	6,536.38	**8,620.06**
Inter segment revenue	(67.87)	(151.43)
	6,468.51	**8,468.63**
Unallocated	2.41	0.87
	6,470.92	**8,469.50**
2. Segment result (Reconciliation with profit from continuing operations)		
(i) Inorganic chemicals	960.99	899.90
(ii) Fertilisers	115.72	9.97
(iii) Other agri inputs	9.98	35.66
(iv) Others	(86.25)	(47.57)
Total Segment results	**1,000.44**	**897.96**
Unallocated expenditure net of unallocated income	8.44	84.32
Finance costs	(214.85)	(215.16)
Profit before tax	**794.03**	**767.12**
Tax expense	(236.15)	(175.13)
Profit from continuing operations	**557.88**	**591.99**

3. Segment assets and segment liabilities

Particulars	Segment assets			Segment liabilities		
	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i) Inorganic chemicals	1,934.90	1,846.72	1,842.10	530.28	516.90	503.06
(ii) Fertilisers	1,154.08	1,884.46	2,539.43	307.22	277.98	738.00
(iii) Other agri inputs	38.26	80.77	88.14	21.80	33.55	42.55
(iv) Others	144.73	343.07	168.66	42.78	66.12	37.34
	3,271.97	**4,155.02**	**4,638.33**	**902.08**	**894.55**	**1,320.95**
Unallocated	7,994.93	7,225.63	7,229.38	2,530.56	4,022.56	4,092.88
	11,266.90	**11,380.65**	**11,867.71**	**3,432.64**	**4,917.11**	**5,413.83**

4. Other information

₹ in crore

Particulars	Addition to non-current assets *		Depreciation and amortisation		Other non-cash expenses	
	Year ended 31 March, 2017	Year ended 31 March, 2016	Year ended 31 March, 2017	Year ended 31 March, 2016	Year ended 31 March, 2017	Year ended 31 March, 2016
(i) Inorganic chemicals	190.36	167.24	116.13	119.03	19.81	26.33
(ii) Fertilisers	9.54	2.88	17.68	17.47	24.96	36.91
(iii) Other agri inputs	-	-	-	-	(10.90)	1.52
(iv) Others	6.49	5.59	3.13	3.17	1.12	1.09
	206.39	**175.71**	**136.94**	**139.67**	**34.99**	**65.85**
Unallocated	11.37	20.44	15.47	13.83	8.89	(16.76)
	217.76	**196.15**	**152.41**	**153.50**	**43.88**	**49.09**

* Comprises addition to Property, plant and equipment, Capital work-in-progress, Intangible assets and Intangible assets under development.

(b) Information about geographical areas

The Company sells its products mainly within India where the conditions prevailing are uniform. Since the sales outside India are below threshold limit, no separate geographical segment disclosure is considered necessary.

All non-current assets in the nature of property, plant and equipment (including capital work in progress) and intangible assets (including those under development) are domiciled in India.

(c) Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
(i)	Soda Ash	1,549.27	1,602.21
(ii)	Vaccum and Iodised Salt	1,236.46	1,174.84
(iii)	Diammonium Phosphate (DAP)	1,140.44	1,907.59
(iv)	Nitrogen Phosphate Potash (NPK)	605.28	1,170.92
(v)	Others	1,939.47	2,613.94
		6,470.92	**8,469.50**

(d) Revenue from major customers

No single customer contributed 10% or more to the Company's revenue for the year ended 31 March, 2017 and 31 March, 2016.

(e) Other notes

(i) Management has identified three reportable business segments, namely:

- Inorganic Chemicals: Comprising soda ash, marine chemicals, caustic soda, cement, bulk chemicals and salt.
- Fertilisers: Comprising fertilisers including urea and phosphatic.
- Other Agri Inputs: Comprising traded seeds, pesticides and speciality crop nutrients
- Others: Comprising pulses, spices, water purifiers and nutritional solutions.

Segments have been identified and reported taking into account the nature of products, the integration of manufacturing processes, the organisation structure and the internal financial reporting systems.

(ii) Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

32.2 Segment information

Discontinued operation

(a) Information about operating segment

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Revenue from operation (external)	1,982.96	2,304.07
Result :		
Segment result	257.38	192.89
Finance costs	(61.81)	(79.74)
Profit before tax	195.57	113.15
Tax expense	(60.74)	(38.94)
Profit from discontinued operation	**134.83**	**74.21**

Other information :

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Segment assets	**1,532.46**	1,737.71	1,765.05
Segment liabilities	**511.27**	115.00	168.73

	Year ended 31 March, 2017	Year ended 31 March, 2016
Addition to non-current assets *	**18.57**	51.79
Depreciation and amortisation	**17.47**	45.29
Other non-cash expenses	**4.47**	4.64

*Comprises addition to Property, plant and equipment, Capital work-in-progress and Intangible assets.

(b) Information about geographical area

Discontinued operation sells its products mainly within India where the conditions prevailing are uniform.

(c) Revenue from major products

Discontinued operation segment deals in one product group i.e urea and customised fertiliser.

(d) Revenue from major customers

No single customer contributed 10% or more to the discontinued operation of the Company's revenue for the year ended 31 March, 2017 and 31 March, 2016.

32.3 Reconciliation of information on reportable segment to Balance sheet and Statement of Profit and Loss

(a) Reconciliation of profit for the year as per Statement of Profit and Loss

	Year ended 31 March, 2017	Year ended 31 March, 2016
Profit for the year from continuing operations [note 32.1 (a) (2)]	**557.88**	591.99
Profit for the year from discontinued operation [note 32.2 (a)]	**134.83**	74.21
Profit for the year as per Statement of Profit and Loss	**692.71**	**666.20**

(b) Reconciliation of total assets as per Balance Sheet

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Total assets as per continuing operations [note 32.1 (a) (3)]	**11,266.90**	11,380.65	11,867.71
Total assets as per discontinued operation [note 32.2 (a)]	**1,532.46**	1,737.71	1,765.05
Total assets as per Balance Sheet	**12,799.36**	**13,118.36**	**13,632.76**

(c) Reconciliation of total liabilities as per Balance Sheet

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Total liabilities as per continuing operations [note 32.1 (a) (3)]	**3,432.64**	4,917.11	5,413.83
Total liabilities as per discontinued operation [note 32.2 (a)]	**511.27**	115.00	168.73
Total liabilities as per Balance Sheet	**3,943.91**	**5,032.11**	**5,582.56**

	Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 33: EARNINGS PER SHARE		
Basic and diluted earnings per share (₹)		
From continuing operations (₹)	21.90	23.24
From discontinued operation (₹)	5.29	2.91
Total basic and diluted earnings per share (₹)	**27.19**	**26.15**
Footnote:		
The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows;		
(a) Earnings used in the calculation of basic and diluted earning per share:	₹ in crore	₹ in crore
Profit for the year from continuing operations	557.88	591.99
Profit for the year from discontinued operation	134.83	74.21
	692.71	**666.20**
(b) Weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share:	**No. of shares**	**No. of shares**
Weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share from continuing operations and from discontinued operation	25,47,56,278	25,47,56,278

NOTE 34: OBLIGATIONS UNDER FINANCE LEASES

Finance lease commitments

The Company has finance leases contracts for certain items of plant & machinery and vehicles. The Company's obligations under finance leases are secured by the lessor's title to the leased assets.

Future minimum lease payments ('MLP') under finance lease contracts together with the present value of the net minimum lease payments are as follows:

₹ in crore

	31 March, 2017		31 March, 2016		1 April, 2015	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	26.41	23.38	25.78	20.42	25.11	17.78
After one year but not more than five years	15.13	11.73	41.54	35.11	62.05	51.15
More than five years	7.84	7.26	7.61	7.03	12.37	10.88
Total minimum lease payments	**49.38**	**42.37**	**74.93**	**62.56**	**99.53**	**79.81**
Less : amounts representing finance charges	7.01		12.37		19.72	
Present value of minimum lease payments	**42.37**		**62.56**		**79.81**	
Included in the financial statements as:						
- Current maturity of finance lease obligations (note 17)		23.38		20.42		17.78
- Non-current borrowings (note 16)		18.99		42.14		62.03
		42.37		**62.56**		**79.81**

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 8 % to 12% per annum.

NOTE 35: GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

(a) The Company makes contribution towards provident fund, in substance a defined contribution retirement benefit plan and towards pension fund, superannuation fund, a defined contribution retirement plan for qualifying employees. The provident fund is administered by the Trustees of the Tata Chemicals Limited Provident Fund and the superannuation fund is administered by the Trustees of the Tata Chemicals Limited Superannuation Fund. The Company is liable to pay to the provident fund to the extent of the amount contributed and any shortfall in the fund assets based on government specified minimum rates of return relating to current services. The Company recognise such contribution and shortfall if any as an expense in the year incurred.

On account of the above contribution plans, a sum of ₹ **15.00 crore** (previous year ₹ 14.28 crore) has been charged to the Statement of Profit and Loss.

(b) The Company makes annual contributions to the Tata Chemicals Employees' Gratuity Trust and to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, for funding the defined benefit plans for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement or death while in employment or on termination of employment. Employees, upon completion of the vesting period, are entitled to a benefit equivalent to either half month, three fourth month and full month salary last drawn for each completed year of service depending upon the completed years of continuous service in case of retirement or death while in employment. In case of termination, the benefit is equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. Vesting occurs upon completion of five years of continuous service.

The Company also provides post retirement medical benefits to eligible employees under which employees at Mithapur who have retired from service of the Company are entitled for free medical facility at the Company hospital during their lifetime. Other employees are entitled to domiciliary treatment exceeding the entitled limits for the treatments covered under the Health Insurance Scheme upto slabs defined in the scheme. The floater mediclaim policy also covers retired employees based on eligibility, for such benefit.

The Company provides pension, housing / house rent allowance and medical benefits to retired Managing and Executive Directors who have completed ten years of continuous service in Tata Group and three years of continuous service as Managing Director/Executive Director or five years of continuous service as Managing Director/Executive Director. The directors are entitled upto seventy five percent of last drawn salary for life and on death 50% of the pension is payable to the spouse for the rest of his/her life.

Family benefit scheme is applicable to all permanent employees in management, officers and workmen who have completed one year of continuous service. In case of untimely death of the employee, nominated beneficiary is entitled to an amount equal to the last drawn salary (Basic Salary, DA and FDA) till the normal retirement date of the deceased employee.

The most recent actuarial valuations of plan assets and the present values of the defined benefit obligations were carried out at 31 March, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following tables set out the funded status and amounts recognised in the Company's financial statements as at 31 March, 2017 for the Defined Benefit Plans.

1 Changes in the defined benefit obligation:

₹ in crore

	As at 31 March, 2017				As at 31 March, 2016			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Projected defined benefit obligation at the beginning of the year	87.78	42.88	31.86	15.48	80.00	34.93	28.75	14.39
Current service cost	5.09	1.90	0.29	1.61	4.68	1.86	0.45	1.45
Interest cost	6.41	3.30	2.42	1.17	5.93	2.76	2.25	1.11
Remeasurements								
Actuarial (gains) / losses arising from:								
- Change in financial assumptions	6.70	34.26	7.97	1.08	1.32	1.33	0.80	0.44
- Experience adjustments	(2.45)	2.99	1.33	(0.93)	6.94	3.06	1.17	(0.88)
Transfer in / Transfer out *	-	-	-	-	(0.28)	-	-	-
Benefits paid	(8.33)	(1.19)	(1.24)	(0.93)	(10.81)	(1.06)	(1.56)	(1.03)
	95.20	**84.14**	**42.63**	**17.48**	**87.78**	**42.88**	**31.86**	**15.48**
Pertaining to discontinued operation	(16.95)	-	-	(2.73)	-	-	-	-
Defined benefit obligation at the end of the year	**78.25**	**84.14**	**42.63**	**14.75**	**87.78**	**42.88**	**31.86**	**15.48**

* On account of inter group transfer

2 Changes in the fair value of plan assets:

₹ in crore

	As at 31 March, 2017				As at 31 March, 2016			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Fair value of plan assets at the beginning of the year	84.73	-	-	-	81.40	-	-	-
Interest on plan assets	6.29	-	-		6.16	-	-	-
Employer's contributions	10.17	1.19	1.24	0.93	7.48	1.06	1.56	1.03
Remeasurement gains/(losses)								
Annual return on plan assets less interest on plan assets	1.21	-	-	-	0.50	-	-	-
Benefits paid	(8.33)	(1.19)	(1.24)	(0.93)	(10.81)	(1.06)	(1.56)	(1.03)
	94.07	**-**	**-**	**-**	**84.73**	**-**	**-**	**-**
Pertaining to discontinued operation	(16.48)	-	-	-	-	-	-	
Value of plan assets at the end of the year	77.59	-	-	-	84.73	-	-	-
Liability (net)	**0.66**	**84.14**	**42.63**	**14.75**	**3.05**	**42.88**	**31.86**	**15.48**

3 Net employee benefit expense for the year:

₹ in crore

	Year ended 31 March, 2017				Year ended 31 March, 2016			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Current service cost	5.09	1.90	0.29	1.61	4.68	1.86	0.45	1.45
Interest on defined benefit obligation (net)	0.12	3.30	2.42	1.17	(0.23)	2.76	2.25	1.11
Pertaining to discontinued operation	(1.02)	-	-	(0.28)	(1.80)	-	-	(0.36)
Components of defined benefit costs recognised in profit or loss	**4.19**	**5.20**	**2.71**	**2.50**	**2.65**	**4.62**	**2.70**	**2.20**
Remeasurements								
Actuarial (gains) / losses arising from:								
- Change in financial assumptions	6.70	34.26	7.97	1.08	1.32	1.33	0.80	0.44
- Experience adjustments	(2.45)	2.99	1.33	(0.93)	6.94	3.06	1.17	(0.88)
Return on plan assets less interest on plan assets	(1.21)	-	-	-	(0.50)	-	-	-
Components of defined benefit costs recognised in other comprehensive income	**3.04**	**37.25**	**9.30**	**0.15**	**7.76**	**4.39**	**1.97**	**(0.44)**
Net benefit expense	**7.23**	**42.45**	**12.01**	**2.65**	**10.41**	**9.01**	**4.67**	**1.76**

4 Categories of the fair value of total plan assets :

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
	Gratuity	Gratuity	Gratuity
Government of India Securities (Quoted)	14.45	16.53	19.96
Corporate Bonds (Quoted)	6.47	9.17	9.91
Fund Managed by Life Insurance Corporation of India (Unquoted)	72.57	58.15	50.62
Others	0.58	0.88	0.91
Total	**94.07**	**84.73**	**81.40**

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

5 Risk exposure :

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

Investment risk: If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher, than expected:

Changes in bond yields: A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings:

Longevity risk: If improvements in life expectancy are greater than assumed, the cost of benefits will increase because pensions are paid for longer period than expected. This will mean the funding level will be higher than expected:

Inflation risk: If inflation is greated than assumed, the cost of benefits will increase as pension increases and deferred revaluations are linked to inflation:

6 Assumptions used in accounting for gratuity, post retirement medical benefits, directors' retirement obligations and family benefit scheme:

		As at 31 March, 2017			
		Gratuity and Compensated absences	Post retirement medical benefits	Directors' retirement obligations	Family Benefit Scheme
Discount rate	**As at 31 March, 2017**	**6.85%**	**6.85%**	**6.85%**	**6.85%**
	As at 31 March, 2016	7.80%	7.80%	7.80%	7.80%
	As at 1 April, 2015	8.00%	8.00%	8.00%	8.00%
Increase in compensation cost	**As at 31 March, 2017**	**7.50%**	**NA**	**7.50%**	**7.50%**
	As at 31 March, 2016	10% for first year and 7.5% thereafter	NA	10% for first year and 7.5% thereafter	10% for first year and 7.5% thereafter
	As at 1 April, 2015	10% for first year and 7.5% thereafter	NA	10% for first year and 7.5% thereafter	10% for first year and 7.5% thereafter
Healthcare cost increase rate	**As at 31 March, 2017**	**NA**	**10.00%**	**8.00%**	**NA**
	As at 31 March, 2016	NA	8.00%	8.00%	NA
	As at 1 April, 2015	NA	8.00%	8.00%	NA
Pension increase rate	**As at 31 March, 2017**	**NA**	**NA**	**6.00%**	**NA**
	As at 31 March, 2016	NA	NA	5.00%	NA
	As at 1 April, 2015	NA	NA	5.00%	NA

(a) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases, considered in actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors.

7 Sensitivity analysis

₹ in crore

	As at 31 March, 2017									
	Gratuity		Post retirement medical benefits		Directors' retirement obligations		Directors' post retirement medical benefits		Family benefit scheme	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate										
0.50% change	(2.97)	3.18	(7.82)	8.98	(2.25)	2.51	(0.46)	0.52	(0.49)	0.53
Compensation rate										
0.50% change	3.11	(2.94)	-	-	-	-	-	-	-	-
Pension rate										
1.00% change	-	-	-	-	3.83	(3.30)	-	-	-	-
Healthcare costs										
1.00% change	-	-	18.50	(14.40)	-	-	1.08	(0.87)	-	-
Life expectancy										
Change by 1 year	-	-	5.09	(5.01)	1.15	(1.16)	0.22	(0.23)	-	-

₹ in crore

	As at 31 March 2016									
	Gratuity		Post retirement medical benefits		Directors' retirement obligations		Directors' post retirement medical benefits		Family benefit scheme	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate										
0.50% change	(2.65)	2.83	(3.21)	3.62	(1.47)	1.64	(0.37)	0.41	(0.41)	0.44
Compensation rate										
0.50% change	2.79	(2.64)	-	-	-	-	-	-	-	-
Pension rate										
1.00% change	-	-	-	-	2.55	(2.20)	-	-	-	-
Healthcare costs										
1.00% change	-	-	7.63	(6.11)	-	-	0.87	(0.71)	-	-
Life expectancy										
Change by 1 year	-	-	2.16	(2.17)	0.72	(0.72)	0.22	(0.23)	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions accruing at the end of the reporting period.

8 Maturity profile of defined benefit obligation is as follows:

₹ in crore

	As at 31 March, 2017				As at 31 March, 2016			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Within the next 12 months (next annual reporting period)	**10.51**	**1.29**	**2.52**	**1.30**	11.13	1.10	1.69	0.90
Later than 1 year and not later than 5 years	**36.01**	**7.11**	**8.74**	**6.62**	33.77	6.09	7.78	6.20
Later than 5 year and not later than 9 years	**35.76**	**11.44**	**9.56**	**6.80**	36.60	8.86	8.34	6.79
10 years and above	**103.71**	**481.24**	**126.21**	**16.58**	102.42	225.64	106.64	15.16
Total expected payments	**185.99**	**501.08**	**147.03**	**31.30**	183.92	241.69	124.45	29.05
Weighted average duration to the payment of cash flows (in no. of years)	**7.85**	**19.89**	**14.16**	**6.90**	7.49	15.89	13.05	6.73

9 The details of the Company's post-retirement and other benefit plans for its employees given above are certified by the actuary and relied upon by the Auditors.

10 Average longevity at retirement age for current beneficiaries of the plan (years)*

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Males	17.51	17.51	16.80
Females	22.02	22.02	21.18
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)*			
Males	19.62	19.62	20.51
Females	19.27	19.27	25.51

* Based on India's standard mortality table with modification to reflect expected changes in mortality.

NOTE 36: DERIVATIVE FINANCIAL INSTRUMENTS

(a) The details of the various outstanding derivative financial instruments are given below:

₹ in crore

	As at 31 March,			
	2017		2016	
	Assets	Liabilities	Assets	Liabilities
Current portion				
- Forward contracts	-	20.72	0.19	43.43
- Option contracts	-	-	26.46	-
- Coupon only swaps	-	-	-	0.08
- Cross-currency interest rate swaps	6.32	-	70.07	-
Total current portion	**6.32**	**20.72**	**96.72**	**43.51**
Non-current portion				
- Cross-currency interest rate swaps	0.38	1.35	31.98	-
Total non-current portion	**0.38**	**1.35**	**31.98**	**-**
Total	**6.70**	**22.07**	**128.70**	**43.51**

	As at 1 April, 2015	
	Assets	Liabilities
Current portion		
- Forward contracts	1.32	8.05
Total current portion	**1.32**	**8.05**
Non-current portion		
- Option contracts	25.27	-
- Coupon only swaps	-	0.62
- Cross-currency interest rate swaps	57.87	44.73
Total non-current portion	**83.14**	**45.35**
Total	**84.46**	**53.40**

Although these contracts are effective as hedges from an economic perspective, these are designated for hedge accounting.

(b) The details of the gross notional amounts of derivative financial instruments outstanding are given in the table below:

Derivative instruments	Underlying	As at		
		31 March, 2017	31 March, 2016	1 April, 2015
Forward contracts	USD/INR	$ 89.7 million	$ 261.7 million	$ 391.6 million
Forward contracts	EUR/INR	€ 0.4 million	€ 1.3 million	€ 0.9 million
Forward contracts	CHF/INR	CHF 0.7 million	CHF 0.03 million	-
Option contracts	USD/INR	-	$ 15 million	$ 15 million
Coupon only swaps	Floating to fixed	-	$ 15 million	$ 15 million
Cross-currency interest rate swaps	USD/INR and floating to fixed	$ 190 million	$ 235 million	$ 235 million

NOTE 37: DISCLOSURES ON FINANCIAL INSTRUMENTS

(a) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31 March, 2017.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives	Amortised cost	Total carrying value
Financial assets					
(a) Investments					
Equity instrument at fair value	2,230.69	-	-	-	2,230.69
Debt instrument at fair value	-	972.75	-	-	972.75
(b) Trade receivables	-	-	-	1,031.69	1,031.69
(c) Cash and cash equivalents	-	-	-	1,097.38	1,097.38
(d) Other bank balances	-	-	-	14.70	14.70
(e) Loans - non-current	-	-	-	1.10	1.10
(f) Loans - current	-	-	-	0.67	0.67
(g) Other financial assets - non-current	-	-	0.38	0.26	0.64
(h) Other financial assets - current	-	-	6.32	42.06	48.38
Total	**2,230.69**	**972.75**	**6.70**	**2,187.86**	**5,398.00**
Financial liabilities					
(a) Borrowings - non-current			-	1,084.43	1,084.43
(b) Borrowings - current			-	522.50	522.50
(c) Trade payables			-	511.73	511.73
(d) Other financial liabilities - non-current			1.35	0.35	1.70
(e) Other financial liabilities - current			20.72	639.07	659.79
Total			**22.07**	**2,758.08**	**2,780.15**

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31 March, 2016.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives	Amortised cost	Total carrying value
Financial assets					
(a) Investments					
Equity instrument at fair value	1,819.50	2.89	-	-	1,822.39
Debt instrument at fair value	-	993.83	-	-	993.83
(b) Trade receivables	-	-	-	2,553.97	2,553.97
(c) Cash and cash equivalents	-	-	-	586.72	586.72
(d) Other bank balances	-	-	-	13.76	13.76
(e) Loans - non-current	-	-	-	2.35	2.35
(f) Loans - current	-	-	-	0.81	0.81
(g) Other financial assets - non-current	-	-	31.98	0.26	32.24
(h) Other financial assets - current	-	-	96.72	43.09	139.81
Total	**1,819.50**	**996.72**	**128.70**	**3,200.96**	**6,145.88**
Financial liabilities					
(a) Borrowings - non-current			-	1,540.56	1,540.56
(b) Borrowings - current			-	1,565.74	1,565.74
(c) Trade payables			-	685.58	685.58
(d) Other financial liabilities - non-current			-	0.41	0.41
(e) Other financial liabilities - current			43.51	623.27	666.78
Total			**43.51**	**4,415.56**	**4,459.07**

The following table presents the carrying amounts of each category of financial assets and liabilities as at 1 April, 2015.

₹ in crore

		Investments in Equity shares-FVTOCI	Investments - FVTPL	Derivatives	Amortised cost	Total carrying value
Financial assets						
(a)	Investments					
	Equity instrument at fair value	2,055.27	2.89	-	-	2,058.16
	Debt instrument at fair value	-	927.95	-	-	927.95
(b)	Trade receivables	-	-	-	2,486.32	2,486.32
(c)	Cash and cash equivalents	-	-	-	561.72	561.72
(d)	Other bank balances	-	-	-	12.58	12.58
(e)	Loans - non-current	-	-	-	8.33	8.33
(f)	Loans - current	-	-	-	1.84	1.84
(g)	Other financial assets - non-current	-	-	83.14	0.26	83.40
(h)	Other financial assets - current	-	-	1.32	39.53	40.85
Total		**2,055.27**	**930.84**	**84.46**	**3,110.58**	**6,181.15**
Financial liabilities						
(a)	Borrowings - non-current			-	1,858.48	1,858.48
(b)	Borrowings - current			-	1,749.47	1,749.47
(c)	Trade payables			-	1,119.46	1,119.46
(d)	Other financial liabilities - non-current			45.35	1.67	47.02
(e)	Other financial liabilities - current			8.05	221.83	229.88
Total				**53.40**	**4,950.91**	**5,004.31**

(b) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financials assets and liabilities that are measured at fair value or where fair value disclosure is required:

	As at 31 March, 2017			
		Fair value measurement using		
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	6.70	-	6.70	-
FVTOCI financial investments				
Quoted equity instruments	1,653.97	1,653.97	-	-
Unquoted equity instruments	576.72	-	-	576.72
FVTPL financial investments				
Unquoted debt instruments	972.75	-	-	972.75
Liabilities measured at fair value:				
Derivative financial liabilities				
Cross currency interest rate swaps	1.35	-	1.35	-
Foreign exchange forward contracts	20.72	-	20.72	-
Liabilities for which fair values are disclosed				
Borrowings:				
Unsecured Non convertible debentures	262.90	262.90	-	-

There have been no transfers between levels during the period.

The following table provides the fair value measurement hierarchy of the Company's financials assets and liabilities that are measured at fair value or where fair value disclosure is required:

	As at 31 March, 2016			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	102.05	-	102.05	-
Options	26.46	-	26.46	-
Foreign exchange forward contracts	0.19	-	0.19	-
FVTOCI financial investments				
Quoted equity instruments	1,263.85	1,263.85	-	-
Unquoted equity instruments	555.65	-	-	555.65
FVTPL financial investments				
Unquoted equity instruments	2.89	-	-	2.89
Unquoted debt instruments	993.83	-	-	993.83
Liabilities measured at fair value:				
Derivative financial liabilities				
Coupon only swaps	0.08	-	0.08	-
Foreign exchange forward contracts	43.43	-	43.43	-
Liabilities for which fair values are disclosed :				
Borrowings:				
Unsecured Non convertible debentures	261.24	261.24	-	-

There have been no transfers between levels during the period.

The following table provides the fair value measurement hierarchy of the Company's financials assets and liabilities that are measured at fair value or where fair value disclosure is required:

	As at 1 April, 2015			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	57.87	-	57.87	-
Options	25.27	-	25.27	-
Foreign exchange forward contracts	1.32	-	1.32	-
FVTOCI financial investments				
Quoted equity instruments	1,500.32	1,500.32	-	-
Unquoted equity instruments	554.95	-	-	554.95
FVTPL financial investments				
Unquoted equity instruments	2.89	-	-	2.89
Unquoted debt instruments	927.95	-	-	927.95
Liabilities measured at fair value:				
Derivative financial liabilities				
Cross currency interest rate swaps	44.73	-	44.73	-
Coupon only swaps	0.62	-	0.62	-
Foreign exchange forward contracts	8.05	-	8.05	-
Liabilities for which fair values are disclosed :				
Borrowings:				
Unsecured Non convertible debentures	261.97	261.97	-	-

There have been no transfers between levels during the period.

(c) Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

(i) The management assesses that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The carrying value of those investments are individually immaterial.

(iii) The Company enters into derivative financial instruments with various counterparties, principally banks. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, credit quality of counterparties, interest rate and forward rate curves of the underlying insturments etc. and use of appropriate valuation models.

(iv) The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).

(v) The fair values of the 10% unsecured redeemable non-convertible debentures (included in long term borrowings) are derived from quoted market prices. The Company has no other long-term borrowings with fixed-rate of interest.

(d) Financial risk management objectives

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's senior management which is supported by a Treasury Risk Management Group ('TRMG') manages these risks. TRMG that advises on financial risks and the appropriate financial risk governance framework for the Company and provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

All hedging activities are carried out by specialist teams that have the appropriate skills, experience and supervision. The Company's policy is not to trade in derivatives for speculative purposes.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. Policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and foreign currency borrowings, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

₹ in crore

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
USD exposure			
Assets	**1,007.76**	1,036.00	1,229.05
Liabilities	**(1,787.56)**	(3,459.14)	(4,177.35)
Net	**(779.81)**	**(2,423.14)**	**(2,948.30)**
Derivatives to hedge USD exposure			
Forward contracts - (USD/ INR)	**499.30**	1,702.42	2228.75
Option contracts- (USD/ INR)	-	99.38	93.75
Cross currency swaps - (USD/ INR)	**1,232.15**	1,556.99	1468.75
	1,731.45	**3,358.80**	**3,791.25**
Net exposure	**951.65**	935.66	842.95

The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016
If INR had (strengthened) / weakened against USD by 5%		
(Decrease) / increase in profit for the year	47.58	46.78

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's policy is generally to undertake long-term borrowings using facilities that carry floating-interest rate. The Company manages its interest rate risk by entering into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates.

As at the end of reporting period, the Company had following long term variable interest rate borrowings and derivatives to hedge the interest rate risk are as follows:

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Long term variable interest rate borrowings	1,232.15	1,656.38	1,562.50
Derivatives to hedge interest rate risk			
Coupon only swaps	-	99.38	93.75
Cross currency swaps	1,232.15	1,556.99	1,468.75
Total	**1,232.15**	**1,656.38**	**1,562.50**
Net exposure	**-**	**-**	**-**

Interest rate sensitivity

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's results arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Equity price risks management

Equity price risk is related to the change in market price of the investments in quoted equity securities. The Company's exposure to equity price risk arises from investment held by the Company and classified as FVTOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis.

Equity price sensitivity analysis

If prices of quoted equity securities had been 5% higher / (lower), the Other Comprehensive Income for the year ended March 31, 2017 and 2016 would increase / (decrease) by ₹ 82.70 crore and ₹ 63.19 crore respectively.

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily trade receivables and from its financing activities, including deposits with banks and financial institutions, investment in mutual funds, foreign exchange transactions and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, short term deposits with banks, short term investment, trade receivables and other financial assets excluding equity investments.

Trade receivables

Trade receivables of the Company are typically unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by each business unit subject to established policies, procedures and control relating to customer credit risk management. Before accepting any new customer, the Company has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other relevant factors. The credit period provided by the Company to its customers generally ranges from 0-60 days. Outstanding customer receivables are reviewed periodically .

The credit risk related to the Trade receivables is mitigated by taking security deposits / bank guarantee / letter of credit - as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers.

There is no substantial concentration of credit risk as the Revenue / Trade receivables pertaining to any of the single customer do not exceed 10% of Company revenue.

Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Financial guarantees

Financial guarantees disclosed in note 41.1 (b) have been provided as corporate guarantees to financial institutions and banks that have extended credit facilities to the Company's subsidiaries. In this regard, the Company does not foresee any significant credit risk exposure.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The below table analyses the Company's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual un-discounted cash flows.

	Carrying amount	Up-to 1 year	1-3 years	3-5 years	Above 5 years	Total
As at 31 March, 2017						
Borrowings and interest thereon	2,047.98	1,020.61	1,147.66	-	-	2,168.27
Trade and other payables	717.46	717.11	0.35	-	-	717.46
Total	**2,765.44**	**1,737.72**	**1,148.01**	**-**	**-**	**2,885.73**
As at 31 March, 2016						
Borrowings and interest thereon	3,523.72	2,091.15	931.89	682.73	-	3,705.77
Trade and other payables	891.84	891.43	0.41	-	-	891.84
Total	**4,415.56**	**2,982.58**	**932.30**	**682.73**	**-**	**4,597.61**
As at 1 April, 2015						
Borrowings and interest thereon	3,625.88	1,812.41	874.95	1,092.77	-	3,780.12
Trade and other payables	1,325.16	1,323.49	1.67	-	-	1,325.16
Total	**4,951.04**	**3,135.90**	**876.62**	**1,092.77**	**-**	**5,105.28**

The below table analyses the Company's derivative financial liabilities into relevant maturity groupings based on the remaining period (as at the reporting date) to the contractual maturity date.

₹ in crore

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current portion	20.72	43.51	8.05
Non-current portion (within one - three years)	1.35	-	30.30
Non-current portion (within three - five years)	-	-	15.04
Net	22.07	43.51	53.40

All the derivative financial liabilities are included in the above analysis, as their contractual maturity dates are essential for the understanding of the timing of the under-lying cash flows.

NOTE 38: CAPITAL MANAGEMENT

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's risk management committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

NOTE 39: RELATED PARTY DISCLOSURE

(a) Related parties and their relationship (as defined under IndAS-24 Related Party Disclosures)

Subsidiaries

Direct

1 Rallis India Limited, India
2 Bio Energy Venture - 1 (Mauritius) Pvt. Ltd, Mauritius

Indirect

1 Rallis Chemistry Exports Limited, India
2 Metahelix Life Sciences Limited, India
3 Zero Waste Agro Organics Limited (ZWAOL), India
4 PT Metahelix Lifesciences Indonesia (PTLI), Indonesia @
5 Valley Holdings Inc., United States of America
6 Tata Chemicals North America Inc., United States of America
7 General Chemical International Inc., United States of America
8 NHO Canada Holdings Inc., United States of America
9 Tata Chemicals (Soda Ash) Partners (TCSAP), United States of America **
10 Tata Chemicals (Soda Ash) Partners Holdings(TCSAPH), United States of America **
11 TCSAP LLC,United States of America
12 General Chemical Canada Holding Inc., Canada *
13 General Chemical (Great Britain) Limited, United Kingdom
14 Homefield Pvt UK Limited, United Kingdom
15 Homefield 2 UK Limited, United Kingdom
16 Tata Chemicals Africa Holdings Limited, United Kingdom
17 Tata Chemicals Europe Holdings Limited, United Kingdom
18 Tata Chemicals Europe Limited, United Kingdom
19 Winnington CHP Limited,United Kingdom
20 Brunner Mond Group Limited, United Kingdom
21 Brunner Mond Limited , United Kingdom
22 Tata Chemicals Magadi Limited, United Kingdom
23 Northwich Resource Management Limited, United Kingdom
24 Brunner Mond Generation Company Limited , United Kingdom
25 Gusiute Holdings (UK) Limited, United Kingdom
26 TCNA (UK) Limited, United Kingdom
27 British Salt Limited, United Kingdom
28 Cheshire Salt Holdings Limited, United Kingdom
29 Cheshire Salt Limited, United Kingdom
30 Brinefield Storage Limited, United Kingdom
31 Cheshire Cavity Storage 2 Limited, United Kingdom
32 Cheshire Compressor Limited, United Kingdom
33 Irish Feeds Limited,United Kingdom
34 New Cheshire Salt Works Limited, United Kingdom
35 Grown Energy Zambeze Holdings Pvt. Ltd, Mauritius #
36 Tata Chemicals International Pte. Limited, Singapore
37 Tata Chemicals (South Africa) Proprietary Limited, South Africa
38 Grown Energy (Pty) Limited, South Africa #
39 Magadi Railway Company Limited, Kenya
40 Grown Energy Zambeze Limitada, Mozambique #
41 Alcad, United States of America **

Joint Ventures

Direct

1 Indo Maroc Phosphore S.A., Morocco

Indirect

1 The Block Salt Company Limited, United Kingdom (Holding by New Cheshire Salt Works Limited)
2 JOil (S) Pte. Ltd and its subsidiaries (Holding by Tata Chemicals International Pte. Limited)
3 Natronx Technologies LLC, United States of America (Holding by TCSAP)

Associate

Indirect

1 Crystal Peak Minerals Inc., Canada (Upto 24 May, 2016)

Other related parties

1 Tata Chemicals Ltd Provident Fund
2 Tata Chemicals Ltd Emp Pension Fund
3 Tata Chemicals Superannuation Fund
4 Tata Chemicals Employees Gratuity Trust
5 TCL Employees Gratuity Fund

Key Management Personnel

1 Mr. R. Mukundan, Managing Director and CEO
2 Mr P K Ghose , Executive Director and CFO (Upto 30 September, 2015)

Promoter Group

Tata Sons Limited, India

List of subsidiaries and joint ventures of Tata Sons Limited @@

1 Advinus Therapeutics Limited
2 Indian Rotorcraft Limited
3 TATA AIG General Insurance Company Limited
4 Tata Autocomp Systems Limited
5 Tata Autocomp Hendrickson
6 Tata Capital Forex Limited
7 Tata Capital Financial Services Limited
8 TC Travel and Services Limited
9 Tata International Limited
10 Tata International Singapore Pte Limited
11 Tata Consultancy Services Limited
12 Tata Interactive Systems (Division of Tata Industries Limited)
13 TATA AIA Life Insurance Company Limited
14 Tata Business Support Services Limited
15 Tata Consulting Engineers Limited
16 Infiniti Retail Limited
17 TASEC Limited (formely TAS-AGT Systems Limited)
18 Tata Strategic Management Group (Division of Tata Industries Limited)
19 Tata Industries Limited
20 Tata Unistore Limited (formerly Tata Industrial Services Limited)
21 Tata Teleservices Limited
22 Ecofirst Services Limited
23 Tata Realty and Infrastructure Limited
24 Tata Investment Corporation Limited
25 Ewart Investments Limited
26 Simto Investment Company Limited
27 Tata International Limited

@@ The above list includes the Companies with whom Tata Chemicals Limited has entered into the transactions during the course of the year.

* General Chemical Canada Holding Inc. has been dissolved during the year ended 31 March, 2017.

** A general partnership formed under the laws of the State of Delaware (USA).

*** General Chemical (Great Britain) Limited has been dissolved during the year ended 31 March, 2016.

@ PT Metahelix Lifesciences Indonesia was incorporated in the year 2016-17.

During the year ended 31 March, 2016, the Company's wholly owned subsidiary Bio Energy Venture - 1 (Mauritius) Pvt. Ltd, had entered into an agreement for sale of its entire stake in Grown Energy Zambeze Holdings Pvt. Ltd. and its subsidiaries. The administrative approvals in the respective jurisdictions for effecting the proposed sale are awaited.

NOTE 39: RELATED PARTY DISCLOSURE

	Subsidiaries of Tata Chemicals Limited										Joint Venture of Tata Chemicals Limited	Tata Sons Limited, Its Subsidiaries and Joint Ventures					Other related parties	Key Management Personnel (KMP)	Total
Particulars	**Rallis India Limited, India**	**Metahelix, India**	**Bio Energy Venture -1 (Mauritius) Private Limited, Mauritius**	**Tata Chemicals North America Inc, United States of America**	**Tata Chemicals Magadi Limited, U.K.**	**Tata Chemicals International Pte. Limited, Singapore**	**Homefield UK Private Limited, U.K.**	**Tata Chemicals Europe Limited**	**British Salt Limited, U.K.**	**Grown Energy Zambeze Limitada, Mozambique**	**Indo Maroc Phosphore S.A., Morocco**	**TC Travel and Services Limited**	**Tata Consultancy Services Limited**	**Tata International Singapore Pte Limited**	**Tata Sons Limited**	**Others**			
Transactions with related parties																			
Investments (Including advance towards subscription to preference shares)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	0.20	-	-	-	-	-	-	-	-		-	-	-	-	-	-	0.20
Purchase of goods (includes stock in transit) - Net	14.43	22.36	-	10.74	12.96	46.35	-	-	0.43	-	310.73	-	-	2.04	-	-	-	-	420.04
	24.91	28.74	-	33.86	5.79	-	-	-	1.22	-	500.50	-	-	18.46	-	0.13	-	-	613.61
Sales	5.74	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.76
	5.81	0.13	-	-	-	2.20	-	-	-	-	-	-	-	-	-	-	-	-	8.14
Other services - expenses (net of reimbursements)	-	-	-	(1.29)	(1.96)	(0.11)	-	(2.32)	-	-	2.95	7.56	7.85	-	25.43	5.79	-	-	43.90
	(0.11)	-	-	(1.81)	(3.13)	(0.16)	-	(3.00)	-	-	(0.22)	7.99	9.14	-	29.83	6.06	-	-	44.59
Other services - Income	-	-	-		1.96	8.25	3.77	0.11	-	-	-	-	0.04	-	0.22	0.10	-	-	14.45
	-	-	-	-	6.18	8.11	3.04	0.13	-	-	-	-	-	-	0.06	0.23	-	-	17.75
Guarantees to third parties on behalf of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	358.40	-	-	-	-	-	-	-	-	-			358.40
Dividend received	24.34	-	-	-	-	-	-	-	-	-	21.02	-	-	-	-	0.72	-	-	46.08
	14.60	-	-	-	-	-	-	-	-	-	19.25	-	-	-	24.57	2.10	-	-	60.52
Deposit received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	-	-	-	0.02
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.63	0.02	-	-	1.65
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.32	-	-	2.32
EMI on employee's loan deducted and paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	-	-	0.08
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49.31	17.52	-	-	66.83
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61.63	22.02	-	-	83.65
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40	-	-	0.40
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40	-	-	0.40
Contribution to employee's benefit trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40.36	-	40.36
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34.98	-	34.98
Compensation to key Managerial Person																			
Short-term employee benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.15	5.15
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.92	6.92
Post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.98	3.98
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.30	2.30
Balances due from /to related parties																			
Amount receivable/advances																			
As at 31 March, 2017	-	-	-	-	-	-	-	-	0.05	1.20	0.54	-	-	-	-	0.71	0.01	-	2.51
As at 31 March, 2016	-	-	-	-	-	-	-	-	-	1.20	-	-	-	-	-	-	-	-	1.20
As at 1 April, 2015	0.07	-	-	-	-	-	-	-	-	1.20	-	-	-	-	-	-	-	-	1.27
Amount payable (in respect of goods purchased and other services)																			
As at 31 March, 2017	0.40	0.73	-	-	1.65	26.75	-	-	0.24	-	35.47	0.28	0.26	-	23.47	0.43	2.88	-	92.56
As at 31 March, 2016	-	-	-	0.16	2.86	-	-	-	0.37	-	138.77	0.33	0.69	17.02	29.75	0.84	2.60	-	193.39
As at 1 April, 2015	2.79	1.93	-	-	9.94	-	-	-	0.37	-	336.52	0.48	0.63	-	27.65	0.59	2.58	-	383.48
Amount receivable on account of any management contracts																			
As at 31 March, 2017	-	-	-	0.54	2.60	4.15	23.90	6.48	-	-	0.11	-	-	-	-	0.08	-	-	37.86
As at 31 March, 2016	0.24	0.43	-	0.88	5.11	4.21	22.20	4.70	-	-	0.05	-	-	-	1.03	0.09	-	-	38.94
As at 1 April, 2015	0.04	-	-	0.72	8.82	2.02	18.05	1.53	-	-	0.08	-	-	-	0.07	0.33	-	-	31.66

For investment in related parties as at 31 March, 2017 refer Note 7.

For guarantee to third parties on behalf of subsidiaries in related parties as at 31 March 2017, refer 41.1.(b).

The above figures do not include provision for compensated absences and contribution to gratuity fund, as separate figures are not available for the Managing Directors and Whole-time Directors.

The figures for the previous year include remuneration paid to Mr. P.K.Ghose till his date of retirement i.e 30th September 2015.

The figures in light print are for previous year.

NOTE 40: COMMITMENTS

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Estimated amount of contracts remaining to be executed on capital account and not provided for	**88.06**	68.44	77.38

The above commitment includes ₹ **1.88 crore** (2016: ₹23.67 crore and 2015: ₹33.57 crore) relating to assets held for discondinued oparation

NOTE 41: CONTINGENT LIABILITIES AND ASSETS

41.1 Contingent liabilities

(a) Claims not acknowledged by the Company relating to cases contested by the Company and which, in the opinion of the Management, are not likely to devolve on the Company relating to the following areas:

₹ in crore

Particulars		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i)	Excise, Customs and Service Tax	**27.70**	21.80	21.70
(ii)	Sales Tax	**36.93**	9.54	9.75
(iii)	Demand for utility charges	**11.02**	11.02	18.38
(iv)	Labour and other claims against the Company not acknowledged as debt	**22.05**	12.32	8.79
(v)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal)	**274.53**	206.59	203.51
(vi)	Income Tax (decided in Company's favor by Appellate authorities and Department is in further appeal)	**47.15**	47.15	46.93

The above contingent liability include ₹ **0.78 crore** (2016 : ₹ 0.90 crore and 2015: ₹ 1.75 crore) relating to assets held for discontinued operation.

(b) Guarantees provided by the Company to third parties on behalf of subsidiaries aggregates **USD 408.40 million & GBP 2.76 million (₹ 2670.77 crore)** [2016 : USD 408.40 million & GBP 2.76 million (₹ 2,732.17 crore)] [2015 : USD 360.40 million and GBP 2.76 million (₹ 2,277.99 crore)].

41.2 Contingent assets

₹ in crore

Particulars		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal)	**87.02**	37.66	43.22
(ii)	Legal cases	**0.24**	0.24	0.24

NOTE 42: APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of Directors on 26 May, 2017.

For and on behalf of the Board

John Mulhall
Chief Financial Officer

Bhaskar Bhat
Director

Nasser Munjee
Director

Rajiv Chandan
General Counsel & Company Secretary

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Mumbai, 26 May, 2017

Consolidated Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF TATA CHEMICALS LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Tata Chemicals Limited (hereinafter referred to as the 'Parent') and its subsidiaries (the Parent and its subsidiaries together referred to as the 'Group') its associate and its joint ventures, comprising the Consolidated Balance Sheet as at 31 March, 2017, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements')

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the 'Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in sub-paragraphs (a), (b) and (c) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associate and joint ventures referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at 31 March, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of 34 subsidiaries, whose financial statements reflect total assets of ₹ 12,441.98 crore as at 31 March, 2017, total revenues of ₹ 5,088.72 crore and net cash outflows amounting to ₹ 310.48 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 12.75 crore for the year ended 31 March, 2017, as considered in the consolidated Ind AS financial statements, in respect of 3 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets of ₹ 5.37 crore as at 31 March, 2017, total revenues of ₹ Nil and net cash outflows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ Nil for the year ended 31 March, 2017, as considered in the consolidated Ind AS financial statements, in respect of an associate and a joint venture, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

(c) The comparative financial information for the year ended 31 March, 2016 and the transition date opening Balance Sheet as at 1 April, 2015, in respect of 34 subsidiaries and 3 joint ventures included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2017 taken on record by the Board of Directors of the Parent and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A', which is based on the auditor's reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Parent's and subsidiary company's incorporated in India internal financial controls over financial reporting

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

    i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint ventures.

    ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India, except in cases wherein disputes relating to the ownership of the underlying shares have remained unresolved.

iv. The Parent has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and other auditors by the Management of the respective Group entities.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)

Place: Mumbai
Date: 26 May, 2017

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2017, we have audited the internal financial controls over financial reporting of Tata Chemicals Limited (hereinafter referred to as the 'Parent') and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No.039826)

Place: Mumbai
Date: 26 May, 2017

Consolidated Balance Sheet

As at 31 March, 2017

₹ in crore

		Note	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
I.	**ASSETS**				
(1)	**Non-current assets**				
	(a) Property, plant and equipment	5	3,917.13	4,403.63	4,243.33
	(b) Capital work-in-progress		304.76	323.65	216.20
	(c) Goodwill on consolidation	6(a)	1,698.41	1,761.93	1,676.32
	(d) Intangible assets	6(b)	7,013.33	7,265.81	6,936.99
	(e) Intangible assets under development		30.22	26.46	19.62
	(f) Investments in associate and joint ventures	7(a), 7(b)	295.46	337.42	310.98
	(g) Financial assets				
	(i) Other investments	7(c)	2,274.70	1,841.09	2,076.86
	(ii) Loans	8	1.10	2.35	8.33
	(iii) Other financial assets	9	15.90	42.01	95.29
	(h) Deferred tax assets (net)	20	23.67	8.96	4.76
	(i) Advance tax assets (net)	22(a)	502.88	451.57	450.23
	(j) Other assets	11	163.31	311.64	309.14
	Total non-current assets		**16,240.87**	**16,776.52**	**16,348.05**
(2)	**Current assets**				
	(a) Inventories	12	1,380.86	1,931.91	2,578.92
	(b) Financial assets				
	(i) Investments	7(d)	220.52	9.40	5.50
	(ii) Trade receivables	10	2,088.35	3,565.57	3,545.40
	(iii) Cash and cash equivalents	13	1,451.45	1,246.69	1,179.09
	(iv) Bank balances other than (iii) above	13	213.92	18.67	205.73
	(v) Loans	8	0.67	0.81	1.84
	(vi) Other financial assets	9	80.57	171.14	125.73
	(c) Current tax assets (net)	22(a)	15.40	3.58	23.13
	(d) Other assets	11	374.09	628.20	435.30
			5,825.83	**7,575.97**	**8,100.64**
	Assets classified as held for sale and discontinued operation	23(a)	1,538.38	2.74	0.54
	Total current assets		**7,364.21**	**7,578.71**	**8,101.18**
	Total assets		**23,605.08**	**24,355.23**	**24,449.23**
II.	**EQUITY AND LIABILITIES**				
	Equity				
	(a) Equity share capital	14	254.82	254.82	254.82
	(b) Other equity	15	7,653.42	6,599.50	6,331.44
	Equity attributable to equity share holders		**7,908.24**	**6,854.32**	**6,586.26**
	Non-controlling interests	16	2,623.89	2,598.46	2,475.58
	Total equity		**10,532.13**	**9,452.78**	**9,061.84**
	Liabilities				
(1)	**Non-current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	17	4,357.52	6,779.70	5,759.46
	(ii) Other financial liabilities	18	30.83	52.96	83.40
	(b) Provisions	19	1,782.85	1,732.80	1,709.35
	(c) Deferred tax liabilities (net)	20	1,238.07	1,243.79	1,251.59
	(d) Other liabilities	21	60.92	68.24	42.63
	Total non-current liabilities		**7,470.19**	**9,877.49**	**8,846.43**
(2)	**Current liabilities**				
	(a) Financial liabilities				
	(i) Borrowings	17	721.08	1,787.92	2,050.04
	(ii) Trade payables		1,337.94	1,617.76	2,102.47
	(iii) Other financial liabilities	18	2,388.16	1,008.07	1,812.14
	(b) Provisions	19	273.48	282.94	222.89
	(c) Current tax liabilities (net)	22(b)	117.79	78.35	108.05
	(d) Other liabilities	21	253.04	249.92	245.37
			5,091.49	**5,024.96**	**6,540.96**
	Liabilities directly associated with discontinued operation	23(b)	511.27	-	-
	Total current liabilities		**5,602.76**	**5,024.96**	**6,540.96**
	Total liabilities		**13,072.95**	**14,902.45**	**15,387.39**
	Total equity and liabilities		**23,605.08**	**24,355.23**	**24,449.23**
	Notes forming part of consolidated financial statements	1-45			

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Mumbai, 26 May, 2017

John Mulhall
Chief Financial Officer

Rajiv Chandan
General Counsel & Company Secretary

For and on behalf of the Board

Bhaskar Bhat
Director

Nasser Munjee
Director

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Consolidated Statement of Profit and Loss

For the year ended 31 March, 2017

₹ in crore

		Note	Year ended 31 March, 2017	Year ended 31 March, 2016
I.	Revenue from operations	24	13,288.92	15,220.23
II.	Other income	25	166.12	125.26
III.	**Total income (I+II)**		**13,455.04**	**15,345.49**
IV.	**Expenses**			
	(a) Cost of materials consumed		2,269.82	2,867.69
	(b) Purchase of stock-in-trade		1,590.05	2,558.94
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	284.61	518.75
	(d) Excise duty on sale of goods		347.15	347.32
	(e) Employee benefits expense	27	1,297.23	1,271.20
	(f) Finance costs	28	411.16	525.47
	(g) Depreciation and amortisation expense	29	534.73	526.08
	(h) Other expenses	30	5,276.44	5,564.60
	Total expenses (a to h)		**12,011.19**	**14,180.05**
V.	**Profit before share of profit of an associate and joint ventures and tax (III-IV)**		**1,443.85**	**1,165.44**
VI.	Share of profit of an associate and joint ventures	7(a), 7(b)	12.75	14.89
VII.	**Profit before tax (V+VI)**		**1,456.60**	**1,180.33**
VIII.	**Tax expense**			
	(i) Current tax	31	375.52	315.35
	(ii) Deferred tax	31	(18.19)	(66.97)
	Total tax expenses		357.33	248.38
IX.	**Profit for the year from continuing operations (VII-VIII)**		**1,099.27**	**931.95**
X.	Profit from discontinued operation		195.57	113.15
XI.	Tax expense of discontinued operation		60.74	38.94
XII.	**Profit from discontinued operation (X-XI)**	32	134.83	74.21
XIII.	**Profit for the year (IX+XII)**		**1,234.10**	**1,006.16**
XIV.	**Other comprehensive income ('OCI')**			
	A (i) Items that will not be reclassified to profit or loss			
	- Change in fair value of investments in equities carried at fair value through OCI		410.68	(240.89)
	- Measurement of defined employee benefit plans (note 40)		(138.47)	61.99
	(ii) Income tax relating to items that will not be reclassified to profit or loss		10.33	(2.12)
	B (i) Items that will be reclassified to profit or loss			
	- Effective portion of gain/(loss) on cash flow hedges		76.26	(73.46)
	- Change in foreign currency translation reserve		12.41	277.55
	(ii) Income tax relating to items that will be reclassified to profit or loss		1.59	(3.75)
	Total other comprehensive income [A (i-ii) +B (i-ii)]		**348.96**	**31.06**
XV.	**Total comprehensive income for the year (XIII+XIV)**		**1,583.06**	**1,037.22**
XVI.	**Profit for the year from continuing operations (IX)**			
	Attributable to:			
	(i) Equity shareholders of the Company		858.28	696.37
	(ii) Non-controlling interests		240.99	235.58
			1,099.27	**931.95**
XVII.	**Profit from discontinued operation (XII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		134.83	74.21
	(ii) Non-controlling interests		-	-
			134.83	**74.21**
XVIII.	**Profit for the year (XIII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		993.11	770.58
	(ii) Non-controlling interests		240.99	235.58
			1,234.10	**1,006.16**
XIX.	**Total other comprehensive income (XIV)**			
	Attributable to:			
	(i) Equity shareholders of the Company		375.29	(87.59)
	(ii) Non-controlling interests		(26.33)	118.65
			348.96	**31.06**
XX.	**Total Comprehensive Income for the year (XV)**			
	Attributable to:			
	(i) Equity shareholders of the Company		1,368.40	682.99
	(ii) Non-controlling interests		214.66	354.23
			1,583.06	**1,037.22**
XXI.	**Earnings per share for continuing operations (in ₹)**			
	- Basic and Diluted	33	33.69	27.34
XXII.	**Earnings per share for discontinued operation (in ₹)**			
	- Basic and Diluted	33	5.29	2.91
XXIII.	**Earnings per share for continuing and discontinued operations (in ₹)**			
	- Basic and Diluted	33	38.98	30.25
	Notes forming part of consolidated financial statements	1 - 45		

In terms of our report attached

For and on behalf of the Board

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

John Mulhall
Chief Financial Officer

Bhaskar Bhat
Director

Nasser Munjee
Director

Sanjiv V. Pilgaonkar
Partner

Rajiv Chandan
General Counsel & Company Secretary

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Mumbai, 26 May, 2017

Consolidated Statement of Changes in Equity

a. Equity share capital (note 14)

	₹ in crore
Balance as at 1 April, 2015	254.82
Balance as at 31 March, 2016	254.82
Balance as at 31 March, 2017	254.82

b. Other equity and non-controlling interests (note 15 and 16)

₹ in crore

Particulars	Other Equity										Non-controlling interests
	Reserve and surplus						Items of Other comprehensive income			Total attributable to the equity shareholders of the parent	
	Capital reserve and other reserves from amalgamation	Securities premium reserve	Capital redemption reserve	Debenture redemption reserve	General reserve	Retained earnings*	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Foreign currency translation reserve		
Balance as at 1 April, 2015	**20.73**	**1,258.89**	**0.10**	**240.00**	**1,276.16**	**586.98**	**1,666.87**	**-**	**1,281.71**	**6,331.44**	**2,475.58**
Profit for the year	-	-	-	-	-	770.58	-	-	-	770.58	235.58
Other comprehensive income (net of tax)	-	-	-	-	-	59.68	(240.89)	(67.95)	161.57	(87.59)	118.65
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**830.26**	**(240.89)**	**(67.95)**	**161.57**	**682.99**	**354.23**
Dividends including tax on dividend	-	-	-	-	-	(383.23)	-	-	-	(383.23)	(189.70)
Acquisition of non-controlling interests (note 16)	-	-	-	-	-	(31.70)	-	-	-	(31.70)	(41.65)
Transferred to General reserve	-	-	-	-	6.31	(6.31)	-	-	-	-	-
Balance as at 31 March, 2016	**20.73**	**1,258.89**	**0.10**	**240.00**	**1,282.47**	**996.00**	**1,425.98**	**(67.95)**	**1,443.28**	**6,599.50**	**2,598.46**
Profit for the year	-	-	-	-	-	993.11	-	-	-	993.11	240.99
Other comprehensive income (net of tax)	-	-	-	-	-	(165.24)	410.68	73.55	56.30	375.29	(26.33)
Total comprehensive income for the year	-	-	-	-	-	**827.87**	**410.68**	**73.55**	**56.30**	**1,368.40**	**214.66**
Dividends including tax on dividend	-	-	-	-	-	(306.62)	-	-	-	(306.62)	(178.46)
Acquisition of non-controlling interests (note 16)	-	-	-	-	-	(7.86)	-	-	-	(7.86)	(10.77)
Balance as at 31 March, 2017	**20.73**	**1,258.89**	**0.10**	**240.00**	**1,282.47**	**1,509.39**	**1,836.66**	**5.60**	**1,499.58**	**7,653.42**	**2,623.89**

* including remeasurement of net defined benefit plans

Notes forming part of consolidated financial statements - 1- 45

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Mumbai, 26 May, 2017

John Mulhall
Chief Financial Officer

Rajiv Chandan
General Counsel & Company Secretary

For and on behalf of the Board

Bhaskar Bhat
Director

Nasser Munjee
Director

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Consolidated Statement of Cash Flow

For the year ended 31 March, 2017

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax from continuing operations	1,456.60	1,180.33
	Profit before tax from discontinued operation	195.57	113.15
		1,652.17	1,293.48
	Adjustments for :		
	Depreciation and amortisation	552.20	571.37
	Finance costs	472.97	605.21
	Interest income	(8.47)	(10.57)
	Dividend income	(65.63)	(84.92)
	Share of profit of an associate and joint ventures	(12.75)	(14.89)
	Gain on sale / redemption of investment (net)	(2.30)	(0.02)
	Provision for employee benefits	76.88	118.04
	Provision for doubtful debts and advances/bad debts written off	3.91	26.58
	Provision for contingencies	52.85	88.66
	Liabilities no longer required written back	(15.19)	(7.14)
	Realised foreign exchange loss due to financing activities	69.41	108.10
	Unrealised foreign exchange loss (net)	(7.93)	63.54
	Loss on assets sold or discarded (net)	4.09	4.23
	Operating profit before working capital changes	2,772.21	2,761.67
	Adjustments for :		
	Trade receivables, loans, other financial assets and other assets	1,115.80	(158.71)
	Inventories	424.37	647.01
	Trade payables, other financial liabilities and other liabilities	(329.89)	(553.49)
	Cash generated from operations	3,982.49	2,696.48
	Taxes paid (net of refund)	(451.57)	(364.54)
	Net cash generated from operating activities	**3,530.92**	**2,331.94**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Acquisition of Property, plant and equipment (including capital work-inprogress, intangible assets and intangible assets under development)	(645.30)	(689.62)
	Proceeds on sale of Property, plant and equipment	2.40	3.11
	Proceeds from sale of other non-current investments	5.19	-
	Proceeds on sale of current investments	11,019.18	12,797.38
	Purchase of non-current investments	(0.50)	(5.12)
	Purchase of current investments	(11,230.30)	(12,801.26)
	Purchase of investments in joint ventures	(13.14)	(22.41)
	Bank balances not considered as cash and cash equivalents	(195.25)	187.06
	Interest received	8.01	11.06
	Dividend received	85.96	104.48
	Consideration paid on acquisition/investment in subsidiary	(19.49)	(73.35)
	Net cash used in investing activities	**(983.24)**	**(488.67)**

Consolidated Statement of Cash Flow

For the year ended 31 March, 2017

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds of borrowings	2,768.07	5,263.93
	Repayment of borrowings	(4,179.73)	(5,873.75)
	Finance costs paid	(445.56)	(620.19)
	Contribution from non-controlling interests	0.86	-
	Payment to non-controlling interests	(178.46)	(189.70)
	Dividends paid including distribution tax	(305.56)	(381.95)
	Net cash used in financing activities	**(2,340.38)**	**(1,801.66)**
	Net increase in cash and cash equivalents	207.30	41.61
	Cash and cash equivalents as at 1 April	1,246.69	1,179.09
	Cash and cash equivalents pertaining to discontinued operation	(0.08)	-
	Exchange difference on translation of foreign currency cash and cash equivalents	(2.46)	25.99
	Cash and cash equivalents as at 31 March (note 13)	**1,451.45**	**1,246.69**

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner
Mumbai, 26 May, 2017

John Mulhall
Chief Financial Officer

Rajiv Chandan
General Counsel & Company Secretary

For and on behalf of the Board

Bhaskar Bhat
Director

Nasser Munjee
Director

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Notes

forming part of Consolidated Financial Statements

1 CORPORATE INFORMATION

Tata Chemicals Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India, viz. the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company and its subsidiaries (collectively the 'Group') is engaged in diversified businesses dealing in inorganic chemicals, fertilisers, other agri inputs, consumer and nutritional solutions business. The Group has a global presence with key subsidiaries in United States of America (USA), United Kingdom (UK) and Kenya that are engaged in the manufacture and sale of soda ash, industrial salt and related products.

2 SUMMARY OF BASIS OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of compliance

The Consolidated Financial Statements ('CFS') comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Until the adoption of Ind AS, for all periods up to and including the year ended 31 March, 2016, the Group prepared its CFS in accordance with Section 133 of the 2013 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

Reconciliation and description of the effects of the transition has been summarised in note 4.

2.2 Basis of preparation and presentation

The CFS of the Group are prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting polices below..

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

2.3 Critical accounting estimates, assumptions and judgments

The preparation of the CFS requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

2.3.1 Impairment of Goodwill

Goodwill is tested for impairment at least on an annual basis or more frequently, whenever circumstances indicate that the recoverable amount of the cash generating unit ('CGU') is less than its carrying value. The impairment indicators, the estimation of expected future cash flows and the determination of the fair value of CGU require the Management to make significant estimates, assumptions and judgments concerning the identification and validation of impairment indicators, fair value of tangible and intangible assets, revenue growth rates and operating margins used to calculate projected future cash flows, relevant risk-adjusted discount rate, future economic and market conditions, etc.

2.3.2 Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Similarly, the identification of temporary differences pertaining to the investment in subsidiaries that are expected to reverse in the foreseeable future and the determination of the related deferred income tax liabilities, require the Management to make significant judgments, estimates and assumptions.

2.3.3 Useful lives of Property, plant and equipment ('PPE') and Intangibles

The Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. The factors such as changes in the expected level of usage, number of shifts of production, technological developments, units-of-production and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortisation charge could be revised and thereby could have an impact on the profit of the future years.

2.3.4 Impairment of investments

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

2.3.5 Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.6 Consolidation of ALCAD

The Group holds 50% of the voting shares in ALCAD. Based on the contractual agreements between the Group and other partners, the Group's approval is required for all major operational decisions. Therefore the management of the Company concluded that the Group has the practical ability to direct the relevant activities of ALCAD unilaterally and hence the Group has control over ALCAD.

2.3.7 Litigation

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

2.4 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The CFS are presented in Indian Rupees (₹), which is Group's functional and presentation currency.

2.5 Basis of Consolidation:

The CFS comprise the financial statements of the Company, its subsidiaries and the Group's interest in associate and jointly ventures as at the reporting date.

Subsidiaries

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which Group attains control and are deconsolidated from the date that control ceases to exist.

Joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint venture are accounted for using the equity method of accounting (see (III) below).

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in an associate are accounted for using the equity method of accounting (see (III) below).

The CFS have been prepared on the following basis:

I The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered, as per the applicable Accounting Standard in India. Accounting policies of the respective subsidiaries entities are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

II The results of subsidiaries acquired or disposed of during the year are included in the CFS from the effective date of acquisition and up to the effective date of disposal, as appropriate.

III The CFS include the share of profit / loss of the joint ventures and the associate company which are accounted as per the 'equity method'.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in OCI of the investee in OCI. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

IV The CFS are presented, to the extent applicable, in accordance with the requirements of Schedule III of the 2013 Act as applicable to the Company's separate financial statements.

V Non-controlling interests in the net assets of the subsidiaries that are consolidated consists of the amount of equity attributable to non-controlling shareholders at the date of acquisition and subsequent addition of their share of changes in equity.

Profit or loss and each component of OCI are attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

2.6 Foreign currency translation

(i) Foreign currency transactions and balances

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Consolidated Balance Sheet date and the exchange gains or losses are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the Consolidated Statement of Profit and Loss within finance cost. All other foreign exchange gains and losses are presented on a net basis within other income or other expense.

(ii) Foreign operations

For the purpose of consolidation, those operations that have a functional currency different from the Group's presentation currency, income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. The net impact of such translation are recognised in OCI and held in Foreign currency translation reserve ('FCTR'), a component of Equity.

2.7 Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements, which are recognised and measured in accordance with Ind AS 12- Income taxes and Ind AS 19- Employee benefits, respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interest in the aquiree, and the fair value of acquirer's previously held equity instrument in the aquiree (if any) over the net of acquisition date fair value of identifiable assets acquired and liabilities assumed. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

2.8 Changes in the proportion held by non-controlling interests

Changes in the proportion of the equity held by non-controlling interests are accounted for as equity transactions. The carrying amount of the controlling interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.9 Property, plant and equipment

PPE is measured on initial recognition at cost net of taxes / duties, credits availed, if any, and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of PPE includes interest on borrowings directly attributable to acquisition, construction or production of qualifying assets. Qualifying assets are assets which necessarily take a substantial period of time to get ready. Borrowing cost and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use which generally coincides with the commissioning date of those assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of asset.

PPE acquired and put to use for projects are capitalised and depreciation thereon is included in the project cost till the project is ready for commissioning.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE (except leasehold improvements and PPE acquired under finance lease) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, leasehold improvements and PPE acquired under finance lease are depreciated on a straight-line method over the shorter of their respective useful lives or the tenure of the lease arrangement. Freehold land is not depreciated.

Schedule II to the Companies Act 2013 ('Schedule') prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that, the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of fixed assets are as given below:

Asset	Useful life
Salt Works, Reservoirs and Pans	1-30 years
Plant and Machinery**	1-60 years
Traction Lines and Railway Sidings	15 years
Factory Buildings	5-60 years
Other Buildings	5-60 years
Water Works	15 years
Furniture and Fittings and Office Equipment (including Computers and Data Processing Equipment)	1-10 years
Vehicles	4-10 years
Mines and Quarries**	140 years

** Mines and quarries and certain plant and machinery which are in relation to the USA subsidiaries mine are depreciated using the units-of-production method. Approximately 4% (previous year 5%) of plant and machinery and 100% (previous year 100%) of mines and quarries are depreciated using the units-of-production method.

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal of PPE are recognised in the Consolidated Statement of Profit and Loss

2.10 Intangible assets

Goodwill

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable tangible and intangible net assets purchased. Goodwill is not amortised; however it is tested annually for impairment and carried at cost less accumulated impairment losses, if any. The gains / (losses) on the disposal of an entity include the carrying amount of Goodwill relating to the entity sold.

Other intangible assets

Computer software, technical knowhow, product registration, contractual rights and mining rights of similar nature are initially recognised at cost. The intangible assets acquired in a business combination are measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives. The management's estimates of the useful lives for various class of intangibles are as given below:

Asset	Useful life
Mining rights**	140 years
Computer software	3-8 years
Product registration and contractual rights	4-20 years
Technical knowhow	3 years

**Mining rights which are in relation to the USA subsidiaries mine are amortised using the units-of-production method. Approximately 99% (previous year 99%) of mining rights are amortised using the units-of-production method.

The estimated useful life is reviewed annually by the management.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.

2.11 Capital work-in-progress and intangible assets under development

Projects under commissioning and other capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.12 Non-current assets held for sale and discontinued operation

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets and disposal group classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Consolidated Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations and is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operation are presented separately in the Consolidated Statement of Profit and Loss from continuing operations.

2.13 Financial instruments

2.13.1 Investments and other financial assets:

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method ('EIR').

Fair value through other comprehensive income ('FVTOCI')

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Consolidated Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised as gains/ (losses) within other income or other expense. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss ('FVTPL')

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the Consolidated Statement of Profit and Loss as gains/ (losses) within other income or other expense in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Consolidated Statement of Profit and Loss. Dividends from such investments are recognised in the Consolidated Statement of Profit and Loss as Other Income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised as gains/ (losses) within other income or other expense in the Consolidated Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

De-recognition of financial assets

A financial asset is derecognised only when the Group

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Group has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.13.2 Debt and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.13.3 Financial liabilities

The Group's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in de-recognition of the financial liability, is recognised in the Consolidated Statement of Profit and Loss.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

Presentation

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.13.4 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

Derivatives are designated as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions and variable interest rate risk or foreign exchange risk associated with borrowings (cash flow hedges). When the Group opts to undertake hedge accounting, the Group documents at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised in the OCI and in the cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Consolidated Statement of Profit and Loss as Finance costs.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Consolidated Statement of Profit and Loss as the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

Derivatives that are not designated as hedges

When derivative contracts to hedge risks are not designated as hedges, such contracts are accounted for at fair value through profit or loss and are included in Finance costs.

The entire fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item exceeds 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item does not exceed 12 months.

2.13.5 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 - Financial Instruments and the amount initially recognised less cumulative amortisation, where appropriate

2.13.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset when it currently has a legally enforceable right (not contingent on future events) to off-set the recognised amounts and the Group intends either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.13.7 Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

2.14 Impairment

Financial assets (other than at fair value)

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

PPE and intangible assets

The carrying values of assets / CGUs at each Balance Sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / CGU is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss.

Goodwill

Goodwill is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the Goodwill is allocated to a CGU or group of CGUs, which are expected to benefit from the synergies arising from the business combination in which the said Goodwill arose.

If the estimated recoverable amount of the CGU including the Goodwill is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the unit.

2.15 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.16 Revenue recognition

2.16.1 Sale of goods

Revenue from sale of goods is recognised at the fair value of the consideration received or receivable, net of returns including estimated returns where applicable, and trade discounts, rebates, sales tax and value added tax, when all significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of goods.

In respect of Urea, sales are recognised based on concession rates as notified under the New Pricing Scheme. Equated freight claims and escalation claims for Urea sales are estimated by the Management based on the norms prescribed or notified under the said Scheme. In case of complex fertilisers, sales include price concession, as notified under the Nutrient Based Subsidy policy, or as estimated by the Management based on the norms prescribed.

2.16.2 Interest income

For all debt instruments measured either at amortised cost or at FVTOCI, interest income is recorded using the EIR.

2.16.3 Dividend income

Dividend income is accounted for when Group's right to receive income is established.

2.16.4 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.17 Research and development expenses

Research expenses are charged to the Consolidated Statement of Profit and Loss as expenses in the year in which they are incurred. Development costs are capitalised as an intangible asset under development when the following criteria are met:

- the project is clearly defined, and the costs are separately identified and reliably measured;
- the technical feasibility of the project is demonstrated;
- the ability to use or sell the products created during the project is demonstrated;
- the intention exists to finish the project and use or sell the products created during the project;
- a potential market for the products created during the project exists or their usefulness, in case of internal use, is demonstrated, leading one to believe that the project will generate probable future economic benefits; and
- adequate resources are available to complete the project.

These development costs are amortised over the estimated useful life of the projects or the products they are incorporated within. The amortisation of capitalised development costs begins as soon as the related product is released.

2.18 Leases

The Group as lessee

Lease arrangements in which substantially all risks and rewards of ownership of the under-lying assets are transferred to the Group, are classified as finance lease.

Assets held under finance leases are initially recognised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Consolidated Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Lease arrangements where the risks and rewards of ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.19 Employee benefit plans

A. In respect of the Company and domestic subsidiaries

Employee benefits consist of provident fund, superannuation fund, gratuity fund, compensated absences, long service awards, post-retirement medical benefits, directors' retirement obligations and family benefit scheme.

(i) Post-employment benefit plans

Defined Contribution plans

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company makes contribution towards provident fund, in substance a defined contribution retirement benefit plan. The provident fund is administered by the Trustees of the Tata Chemicals Limited Provident Fund. The rules of the Company's provident fund administered by the Trust, require that if the Board of Trustees are unable to pay interest at the rate declared by the Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company. Having regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency as at the year end.

Defined benefit plans

For defined benefit schemes in the form of gratuity fund, post-retirement medical benefits, directors' pension liabilities and family benefit scheme, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Consolidated Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Consolidated Statement of Changes in Equity and in the Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(ii) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:

(a) In case of accumulated compensated absences, when employees render service that increase their entitlement of future compensated absences; and

(b) In case of non - accumulating compensated absence, when the absences occur.

(iii) Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date. Long Service Awards are recognised as a liability at the present value of the obligation at the Balance Sheet date.

B. In respect of overseas subsidiaries, the liabilities for employee benefits are determined and accounted as per the regulations and principles followed in the respective countries.

(i) Defined contribution schemes

The USA subsidiaries sponsors defined contribution retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees. The USA subsidiaries matches employee contributions up to certain predefined limits for non-represented employees based upon eligible compensation and the employee's contribution rate. Contributions are charged as expense as they fall due.

For the UK and Kenyan subsidiaries, the contributions payable during the period under defined contribution schemes are charged to the Consolidated Statement of Profit and Loss.

(ii) Defined benefit plans

The USA subsidiaries use standard actuarial methods and assumptions to account for pension and other post retirement benefit plans. Pension and post retirement benefit obligations are actuarially calculated using best estimates of the rate used to discount the future estimated liability, the long-term rate of return on plan assets, and several assumptions related to the employee workforce (compensation increases, health care cost trend rates, expected service period, retirement age and mortality). Pension and post retirement benefit expense includes the actuarially computed cost of benefits earned during the current service period. Actuarial gains and losses are recognised in OCI in the period in which they occur.

For UK subsidiaries, the cost of providing pension benefits is actuarially determined using the projected unit credit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in OCI in the period in which they occur.

2.20 Employee separation compensation

Compensation paid / payable to employees who have opted for retirement under a Voluntary Retirement Scheme including ex-gratia is charged to Consolidated Statement of Profit and Loss in the year of separation.

2.21 Borrowing costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

2.22 Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Consolidated Balance Sheet and transferred to profit or loss on systematic and rational basis over the useful lives of the related asset. Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs which they are intended to compensate on a systematic basis.

2.23 Segment reporting

The Group identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Group's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.24 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in OCI or directly in equity, respectively.

Where the current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period, except for the overseas subsidiaries and joint ventures where current tax provision is determined based on the local tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to realise the asset or to settle the liability on a net basis.

Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when it relates to income taxes levied by the same taxation authority and the entity intends to settle its current tax assets and liabilities simultaneously.

2.25 Provisions

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.26 Dividend

Final dividend on shares are recorded as a liability, on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3 RECENT ACCOUNTING PRONOUNCEMENTS

Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7 - Statement of cash flows and Ind AS 102 - Share-based payment. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to Ind AS 7- Statement of cash flows and Ind AS 102 - Share-based payment, respectively. The amendments are applicable from 1 April, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Consolidated Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

The requirements of the amendment have no impact on the financial statements as the standard is not applicable to the Group.

4 TRANSITION TO IND AS

The Group has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March, 2017, together with the comparative period data as at and for the year ended 31 March, 2016, as described in the summary of significant accounting policies (note 2 of the financial statements). In preparing these CFS, the Group's opening Balance Sheet was prepared as at 1 April, 2015 ('Transition Date'), the Group's date of transition to Ind AS.

This note explains the principal adjustments made by the Group in restating its financial statements prepared on the basis of the Previous GAAP, including the Consolidated Balance Sheet as at 1 April, 2015 and the consolidated financial statements as at and for the year ended 31 March, 2016.

A. Optional exemptions availed

In preparing these CFS, the Group has applied the below mentioned optional exemptions as prescribed under Ind AS 101 - First-time Adoption of Indian Accounting Standards and applicable from the transition date:

i Business combinations

An entity may elect not to restate business combinations that occurred before the date of transition. If the entity restates any business combinations that occurred before the date of transition, then it has to restate all subsequent business combinations, and also apply Ind AS 110 - Consolidated Financial Statements, CFS from that date.

The Group has opted to restate business combinations on or after 1 April, 2007.

ii Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 - Intangible Assets.

Accordingly, the Group has opted to consider the carrying value of its PPE and intangible assets as recognised in the Previous GAAP on date of transition as deemed cost after adjusting decommissioning liabilities.

The Group has elected to recognise the decommissioning liability, within the scope of Ind AS 16 - Property, Plant and Equipment, by measuring the liability in accordance with Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets, as at the transition date.

iii Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than investments in subsidiaries, joint arrangements and associates) as FVTOCI based on facts and circumstances at the date of transition to Ind AS. The Group has opted to avail this exemption to designate certain equity investments as FVTOCI on the date of transition.

iv Leases

Ind AS17 - Leases requires an entity to assess whether a contract or an arrangement is in the nature of a lease arrangement. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption and recognised arrangements having embedded leases based on facts and circumstances existing as at the date of Transition.

v Joint ventures - transition from proportionate consolidation to the equity method

The Group has accounted for investment in joint ventures using the equity method. It has opted to measure its investment in joint ventures at the date of transition as the aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from consolidation. The resultant amount is regarded as the deemed cost of the investment in the joint venture at initial recognition.

B. Reconciliations

An explanation of how the transition from the Previous GAAP to Ind AS has affected the Group's equity, Group's Statement of Profit and Loss and other comprehensive income and Group's Statement of Cash Flow is set out in the following tables and notes that accompany the tables.

B1 Reconciliation of equity:

₹ in crore

		Note	As at 31 March, 2016	As at 1 April, 2015
Total equity under Previous GAAP			**7,035.41**	**6,225.20**
1.	Effect of change in fair value of derivative contracts	4	(59.78)	(59.50)
2.	Adjustment of goodwill relating to acquisition post obtaining control		(63.32)	-
3.	Effect of change in fair value of equity instruments	3	1,425.98	1,666.87
4.	Deferred tax liability on undistributed earnings of subsidiaries		(23.93)	(15.28)
5.	Adjustment of proposed dividend and tax thereon	5	314.27	382.02
6.	Effect of retrospective application of Ind AS 103 to past business combinations	2	821.29	863.89
7.	Others		2.86	(1.36)
Total adjustment to equity (net of tax)			**2,417.37**	**2,836.64**
Total equity under Ind AS			**9,452.78**	**9,061.84**

B2 Reconciliation of Statement of Profit and Loss and Other Comprehensive Income:

₹ in crore

		Note	Year ended 31 March, 2016
Net Profit after tax, share of profit/(loss) in associate and joint ventures as previously reported			**976.72**
1.	Effect of actuarial (loss)/gain on employee defined benefit plans recognised in OCI	6	7.53
2.	Effect of change in fair value of derivative contracts	4	73.58
3.	Effect of depreciation due to fair valuation of assets under business combinations	2	(99.67)
4.	Effect of assessment of control		57.73
5.	Others (net)		1.69
6.	Tax impact on above adjustments	7	(11.42)
Net Profit after tax, share of profit/(loss) in associate and joint ventures as per Ind AS			**1,006.16**
Other comprehensive income			31.06
Total comprehensive income for the year			**1,037.22**

B3 Explanation of material adjustments to Statement of Cash Flow for the year ended 31 March, 2016:

There are no material adjustments to Statement of Cash Flow as reported under the Previous GAAP except for decrease in cash from financing activities and corresponding increase in cash from operating activities of ₹ 505.00 crore for the year ended 31 March, 2016. Consequent to the classification of suppliers' credit as a part of borrowings, the cash flows arising in this regard have been classified as a part of 'Cash flows used in financing activities'.

C. Notes to reconciliations:

1 Joint Venture

Under the Previous GAAP in the CFS, the Group has proportionately consolidated its interest in Indo Maroc Phosphore S.A. (IMACID) and Natronx, in which it has joint control. On transition to Ind AS the Group has assessed and determined that interests in IMACID and Natronx are its joint ventures under Ind AS 111 Joint Arrangements. Therefore, they need to be accounted for using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amount of assets and liabilities that the Group had previously proportionately consolidated including any goodwill arising on acquisition. On application of equity method the investment stands increased by ₹ 281.11 crore on 1 April, 2015 and by ₹ 308.69 crore on 31 March, 2016. Derecognition of proportionately consolidated entities has also resulted in change in Consolidated Statement of Profit and Loss for the year ended 31 March, 2016.

2 Business Combination

The effect of retrospective application of Ind AS 103 as on transition date and 31 March, 2016 is as follows:

₹ in crore

Particulars	As at 31 March, 2016	As at 1 April, 2015
Non-current assets		
Property, plant and equipment	217.75	245.53
Goodwill	(5,454.96)	(5,166.59)
Other intangible assets	6,989.08	6,667.89
Other non-current assets	175.86	179.05
	1,927.73	**1,925.88**
Equity		
Other equity	(1,067.66)	(950.73)
Non-controlling interests	1,888.95	1,814.62
Total equity	**821.29**	**863.89**
Non-current liabilities		
Deferred tax liabilities (net)	1,106.44	1,061.99
	1,927.73	**1,925.88**

3 Fair valuation of investments

In respect of FVTOCI investments, fair value adjustment under Ind AS has resulted in an increase in equity under Ind AS by ₹ 1,425.98 crore and ₹ 1,666.87 crore as of 31 March, 2016 and 1 April, 2015, respectively.

4 Fair valuation of derivatives contracts

Under Ind AS, all derivatives contracts need to be recognised at fair values, with changes in fair value been recognised in the Consolidated Statement of Profit and Loss or to OCI depending upon whether the derivative contract has been designated under hedging relationship. Under the Previous GAAP, only derivatives which were within the scope of AS 11 were recognised.

5 Proposed dividend and dividend tax thereof

Under the Previous GAAP, proposed dividend including Dividend Distribution Tax are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by the Company (usually when approved by shareholders in a general meeting) or paid.

In case of the holding company, the declaration of dividend occurs after period end. Therefore, the liability of ₹ 382.02 crore for the year ended on 31 March, 2015 recorded for proposed dividend has been derecognised against retained earnings on 1 April, 2015. The proposed dividend for the year ended on 31 March, 2016 of ₹ 314.27 crore recognised under Previous GAAP was reduced from other payables with a corresponding impact in the retained earnings.

6 Defined benefit liabilities

Under the Previous GAAP, actuarial gains and losses, are charged to profit or loss, however under Ind AS, they form part of remeasurement of defined benefit liability / asset and are recognised in OCI.

7 Deferred Tax

Various transitional adjustments lead to temporary differences between taxable profits and accounting profits. Tax adjustments includes deferred tax impact on account of difference between the Previous GAAP and Ind AS on the adjustments discussed above in notes 1 to 6.

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

₹ in crore

	Freehold Land	Factory Buildings	Other Buildings*	Plant and Machinery	Furniture and Fittings and Office Equipments	Vehicles	Salt works, Water works, Reservoirs and Pans	Traction Lines, Railway Sidings and Wagons	Mines and Quarries	Total
Gross Block										
Deemed cost as at 1 April, 2015	276.63	580.36	274.31	2,838.72	72.81	11.87	20.32	23.32	144.99	4,243.33
Additions	1.34	56.51	8.91	439.23	31.48	6.45	5.45	0.07	1.71	551.15
Disposals	-	(0.02)	-	(19.88)	(3.37)	(2.05)	-	(0.08)	-	(25.40)
Exchange fluctuations	4.44	12.96	0.46	56.35	1.50	0.47	(0.03)	0.47	8.73	85.35
Assets classified as held for sale (note 23 and 32)	-	(1.96)	-	(0.65)	-	-	-	-	-	(2.61)
Balance as at 31 March, 2016	**282.41**	**647.85**	**283.68**	**3,313.77**	**102.42**	**16.74**	**25.74**	**23.78**	**155.43**	**4,851.82**
Additions	4.43	31.22	5.05	589.47	21.26	11.27	6.17	2.13	-	671.00
Disposals	(0.07)	(0.60)	(0.63)	(25.07)	(1.69)	(0.41)	(0.05)	(0.11)	-	(28.63)
Exchange fluctuations	(20.57)	(24.14)	(0.28)	(147.38)	(1.78)	(0.57)	(0.12)	(0.25)	(3.30)	(198.39)
Assets classified as held for sale (note 23 and 32)	(0.75)	(47.86)	(93.42)	(431.59)	(10.18)	(0.43)	-	(2.45)	-	(586.68)
Balance as at 31 March, 2017	**265.45**	**606.47**	**194.40**	**3,299.20**	**110.03**	**26.60**	**31.74**	**23.10**	**152.13**	**4,709.12**
Accumulated Depreciation										
Depreciation for the year	-	40.86	11.90	372.36	21.89	4.18	6.79	5.56	4.03	467.57
Disposals	-	-	-	(15.54)	(0.75)	(1.77)	-	-	-	(18.06)
Exchange fluctuations	-	0.06	0.01	(1.25)	0.06	0.01	(0.03)	0.05	0.05	(1.04)
Assets classified as held for sale (note 23 and 32)	-	(0.07)	-	(0.21)	-	-	-	-	-	(0.28)
Balance as at 31 March, 2016	**-**	**40.85**	**11.91**	**355.36**	**21.20**	**2.42**	**6.76**	**5.61**	**4.08**	**448.19**
Depreciation for the year	-	40.98	10.08	361.51	22.37	5.38	4.05	2.42	4.18	450.97
Disposals	-	(0.21)	(0.59)	(20.03)	(1.06)	(0.39)	-	(0.07)	-	(22.35)
Exchange fluctuations	-	(2.07)	(0.07)	(23.72)	(0.28)	(0.15)	(0.12)	(0.13)	(0.23)	(26.77)
Assets classified as held for sale (note 23 and 32)	-	(5.89)	(2.54)	(46.70)	(2.74)	-	-	(0.18)	-	(58.05)
Balance as at 31 March, 2017	**-**	**73.66**	**18.79**	**626.42**	**39.49**	**7.26**	**10.69**	**7.65**	**8.03**	**791.99**
Net Block as at 1 April, 2015	**276.63**	**580.36**	**274.31**	**2,838.72**	**72.81**	**11.87**	**20.32**	**23.32**	**144.99**	**4,243.33**
Net Block as at 31 March, 2016	**282.41**	**607.00**	**271.77**	**2,958.41**	**81.22**	**14.32**	**18.98**	**18.17**	**151.35**	**4,403.63**
Net Block as at 31 March, 2017	**265.45**	**532.81**	**175.61**	**2,672.78**	**70.54**	**19.34**	**21.05**	**15.45**	**144.10**	**3,917.13**

* Other Buildings include cost of residential flats aggregating ₹ **1.82 crore** (2016 and 2015: ₹ 1.82 crore) for which legal formalities relating to transfer of title are pending.

NOTE 6

Note 6 (a): Goodwill on consolidation

₹ in crore

Movement of Goodwill	Year ended 31 March, 2017	Year ended 31 March, 2016
Carrying value as at 1 April	1,761.93	1,676.32
Exchange fluctuations	(63.52)	85.61
Carrying value as at 31 March	**1,698.41**	**1,761.93**

Goodwill of ₹ **1,357.09 crore** (2016: ₹ 1,386.49 crore and 2015: ₹ 1,307.92 crore) and ₹ **189.39 crore** (2016: ₹ 223.50 crore and 2015: ₹ 216.47 crore) relates to the CGU - Tata Chemicals North America Inc. and Subsidiaries ('TCNA Group') and Cheshire Salt Holdings Limited and Subsidiaries ('CSHL Group') respectively. The estimated value in use of the CGUs are based on the future cash flows assuming a 2% to 3% annual growth rate for period subsequent to the forecast period of 5 years and discount rates in the range of 6% to 8%, which consider the operating and macro-economic environment in which the entities operate.

An analysis of the sensitivity of the change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not result in any probable scenario in which the recoverable amount of the CGUs would decrease below its carrying amount.

Goodwill of ₹ **151.93 crore** (2016 and 2015 : ₹ 151.93 crore) has been allocated to three CGUs within the Agri Business segments, each of which is not regarded as significant in comparison to the total carrying amount of goodwill of the Group.

Note 6 (b): Intangible assets

₹ in crore

	Computer software	Technical knowhow	Product registration and contractual rights	Mining Rights	Total
Gross Block					
Deemed cost as at 1 April, 2015	9.76	3.58	19.31	6,904.34	6,936.99
Additions	3.92	3.26	1.21	12.63	21.02
Exchange fluctuations	0.45	-	-	412.24	412.69
Balance as at 31 March, 2016	**14.13**	**6.84**	**20.52**	**7,329.21**	**7,370.70**
Additions	3.36	4.53	1.41	3.81	13.11
Disposals	(0.21)	-	-	-	(0.21)
Exchange fluctuations	(0.19)	-	-	(168.94)	(169.13)
Assets classified as held for sale (note 23 and 32)	(1.18)	-	-	-	(1.18)
Balance as at 31 March, 2017	**15.91**	**11.37**	**21.93**	**7,164.08**	**7,213.29**
Accumulated Amortisation					
Amortisation for the year	6.69	3.45	5.67	87.99	103.80
Exchange fluctuations	0.07	-	-	1.02	1.09
Balance as at 31 March, 2016	**6.76**	**3.45**	**5.67**	**89.01**	**104.89**
Amortisation for the year	2.43	2.84	5.64	90.32	101.23
Exchange fluctuations	(0.15)	-	-	(5.02)	(5.17)
Assets classified as held for sale (note 23 and 32)	(0.99)	-	-	-	(0.99)
Balance as at 31 March, 2017	**8.05**	**6.29**	**11.31**	**174.31**	**199.96**
Net Block as at 1 April, 2015	**9.76**	**3.58**	**19.31**	**6,904.34**	**6,936.99**
Net Block as at 31 March, 2016	**7.37**	**3.39**	**14.85**	**7,240.20**	**7,265.81**
Net Block as at 31 March, 2017	**7.86**	**5.08**	**10.62**	**6,989.77**	**7,013.33**

NOTE 7:

Note 7 (a): Investments in associate

The Group holds 14.80% as at 31 March, 2017 (as at 31 March, 2016 : 19.47% and as at 1 April, 2015 : 25.33%) in Crystal Peak Minerals Inc. 'CPM' (formerly EPM Mining Ventures Inc.) incorporated in Canada, which is listed on the TSX Venture Exchange in Canada. The Group's interest in CPM has been accounted for using the equity method in the consolidated financial statements upto 31 March, 2016. There has been no change in the number of shares held by the Group at the end of each reporting period.

During the current year, there has been a dilution in the Group's stake in CPM and Group ceased to have significant influence. As a result, the Group has discontinued following the equity method of accounting in respect of this investment and has accounted this as investment in equity instruments at FVTOCI.

The Group had no contingent liabilities or capital commitments relating to its interest in CPM at the end of each reporting period. CPM had no other contingent liabilities or capital commitments at the end of each reporting period.

₹ in crore

Movement of investment in CPM	Year ended 31 March, 2017	Year ended 31 March, 2016
Carrying value as at 1 April	25.87	27.43
Considered as Investment through OCI (note 7(c))	(25.87)	-
Group's share of loss for the year	-	(3.15)
Exchange fluctuations	-	1.59
Carrying value as at 31 March	**-**	**25.87**

The following table illustrates the summarised financial information of the Group's investment in CPM:

Summarised statement of assets and liabilities

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current assets	-	6.55	3.71
Non-current assets	-	360.11	302.23
Current liabilities	-	(28.72)	(1.84)
Non-current liabilities	-	(5.24)	(24.39)
Net assets	**-**	**332.70**	**279.71**
Proportion of the Group's ownership	-	19.47%	25.33%
Group's share in carrying amount	**-**	**64.78**	**70.85**

Summarised statement of profit and loss

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Expense	-	(16.32)
Loss for the year	-	(16.32)
Other comprehensive loss	-	0.13
Total comprehensive income for the year	**-**	**(16.19)**
Group's share of loss for the year	**-**	**(3.15)**

Note 7 (b): Investments in joint ventures

The Group's interests in joint ventures are accounted for using the equity method in the consolidated financial statements.

Following are details of investments in joint ventures:

Particulars	Country of incorporation	Percentage of ownership Interest
Indo Maroc Phosphore S.A. ('IMACID')	Morocco	33.33%
Natronx Technologies LLC	United States of America	33.30%
JOil (S) Pte. Ltd. ('JOil')	Singapore	33.78%
The Block Salt Company Ltd.	United Kingdom	50.00%

The Group had no contingent liabilities or capital commitments relating to its interest in joint ventures as at 31 March, 2017, 2016 and 1 April, 2015. The joint venture had no other contingent liabilities or capital commitments as at 31 March, 2017, 2016. Capital and other commitments pertaining to 1 April, 2015 is ₹ 0.91 crore.

Carrying amount of investment in joint ventures

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Indo Maroc Phosphore S.A. (note i)	293.24	308.69	281.10
Natronx Technologies LLC (note ii)	-	-	-
JOil (S) Pte. Ltd. (note iii)	-	-	-
The Block Salt Company Ltd. (note iv)	2.22	2.86	2.45
Total	**295.46**	**311.55**	**283.55**

Summary of movement of investment in joint ventures

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Opening carrying value as at 1 April	311.55	283.55
Add/(Less):		
Additional Investment	13.14	22.41
Group's share of profit for the year	12.75	24.89
Impairment charged to the Consolidated Statement of Profit and Loss	-	(6.85)
Adjusted against provision made earlier for onerous contracts	(9.46)	(9.44)
Dividend received for the year	(20.33)	(19.56)
Exchange fluctuations	(12.19)	16.55
Closing carrying value as at 31 March	**295.46**	**311.55**

Summarised financial information of joint ventures
Note - i
Indo Maroc Phosphore S.A.

₹ in crore

Movement of investment in joint venture	Year ended 31 March, 2017	Year ended 31 March, 2016
Opening carrying value as at 1 April	308.69	281.10
Group's share of profit for the year	16.64	30.66
Dividend received for the year	(20.33)	(19.56)
Exchange fluctuations	(11.76)	16.49
Closing carrying value as at 31 March	**293.24**	**308.69**

Summarised statement of assets and liabilities

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current assets	627.95	802.39	686.29
Non-current assets	151.26	168.69	173.99
Current liabilities	(241.71)	(387.21)	(358.37)
Non-current liabilities	-	-	(0.83)
Net assets	**537.50**	**583.87**	**501.08**
Proportion of the Group's ownership	33.33%	33.33%	33.33%
Group share in carrying amount	179.15	194.60	167.01
Add: Goodwill	114.09	114.09	114.09
Carrying amount of the Group's interest	**293.24**	**308.69**	**281.10**

Summarised statement of profit and loss

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Revenue and other Income	1,574.12	1,826.32
Cost of raw material and components consumed	(1,024.63)	(1,268.45)
Depreciation and amortisation	(44.44)	(46.32)
Finance cost	(0.06)	(0.25)
Employee benefit	(53.71)	(67.30)
Other expense	(388.84)	(326.09)
Profit before tax	**62.44**	**117.91**
Income tax expense	(12.51)	(25.92)
Total comprehensive income for the year	**49.93**	**91.99**
Group's share of profit for the year	**16.64**	**30.66**

Local GAAP financial statements are audited as at 31 December every year and above figures are based on audited fit for consolidation statement as at 31 March for respective years.

Note - ii
Natronx Technologies LLC
Summarised financial information for the Group's investment in Natronx is as follows:

₹ in crore

Movement of investment in joint venture	Year ended 31 March, 2017	Year ended 31 March, 2016
Opening carrying value as at 1 April	-	-
Additional Investment	3.68	12.97
Group's share of loss for the year	(3.68)	(6.12)
Impairment charged to the Consolidated Statement of Profit and Loss	-	(6.85)
Closing carrying value as at 31 March	**-**	**-**

Summarised statement of assets and liabilities

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current assets	-	15.36	17.15
Non-current assets	-	-	370.72
Current liabilities	(0.59)	(12.87)	(14.28)
Net assets	**(0.59)**	**2.49**	**373.59**
Proportion of the Group's ownership	33.30%	33.30%	33.30%
Group share in carrying amount*	(0.20)	0.83	124.41
Carrying amount of the Group's interest	-	-	-

* The Group has impaired 100% investment during the year ended 31 March, 2015.

Summarised statement of profit and loss

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Revenue and other income	20.41	79.91
Cost of Sales and other expenses	37.18	98.29
Total comprehensive loss for the year	**(16.77)**	**(18.38)**
Group's share of loss for the year	(5.58)	(6.12)
Loss accounted to the extent of additional sum invested	**(3.68)**	**(6.12)**

Note - iii

JOil (S) Pte. Ltd.

Summarised financial information for the Group's investment in JOil is as follows:

₹ in crore

Movement of investment in joint venture	Year ended 31 March, 2017	Year ended 31 March, 2016
Opening carrying value as at 1 April	-	-
Additional investment	9.46	9.44
Adjusted against provision made	(9.46)	(9.44)
Closing carrying value as at 31 March	**-**	**-**

Summarised statement of assets and liabilities

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current assets	48.79	40.22	34.33
Non-current assets	46.46	59.34	55.24
Current liabilities	(2.40)	(2.45)	(2.30)
Non-current liabilities	(1.66)	(2.22)	(2.19)
Net assets	**91.19**	**94.89**	**85.08**
Proportion of the Group's ownership	33.78%	33.78%	33.78%
Group share in carrying amount*	**30.80**	**32.05**	**28.74**
Carrying amount of the Group's interest	-	-	-

* The Group has impaired the investment during the year ended 31 March, 2015.

Summarised statement of profit and loss

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Revenue and other income	8.09	15.04
Cost of Sales	(13.29)	(9.24)
Selling and distribution expense	(0.62)	(0.55)
General and admin expenses	(0.35)	(0.43)
Other operating expenses	(20.96)	(29.73)
Finance cost	(0.04)	(0.03)
Share of results of joint ventures	(0.36)	(0.03)
Loss for the year	**(27.53)**	**(24.97)**
Non-controlling interests	(0.23)	0.04
Total comprehensive income for the year	**(27.76)**	**(24.93)**
Group's share of loss for the year*	**-**	**-**

* Since the Group has no further commitment to absorb losses in excess of its investment, it has not accounted for additional losses reported by JOil.

Note - iv
The Block Salt Company Ltd.
Summarised financial information for the Group's investment in the Block Salt Company Ltd. is as follows:

₹ in crore

Movement of investment in joint venture	Year ended 31 March, 2017	Year ended 31 March, 2016
Opening carrying value as at 1 April	2.86	2.45
Group's share of (loss) /profit for the year	(0.21)	0.35
Exchange fluctuations	(0.43)	0.06
Closing carrying value as at 31 March	**2.22**	**2.86**

Summarised statement of assets and liabilities

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 31 March, 2015
Current assets	5.82	6.43	6.66
Non-current assets	0.41	-	-
Current liabilities	(1.79)	(0.71)	(1.76)
Net assets	**4.44**	**5.72**	**4.90**
Proportion of the Group's ownership	50.00%	50.00%	50.00%
Carrying amount of the Group's interest	**2.22**	**2.86**	**2.45**

Summarised statement of profit and loss

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Revenue and other income	10.32	11.20
Cost of Sales	(10.64)	(10.38)
Taxes	(0.10)	(0.12)
Total comprehensive income for the year	**(0.42)**	**0.70**
Group's share of (loss)/profit for the year	**(0.21)**	**0.35**

		As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
		No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
Note 7 (c): Other investments							
(A)	**Investments in equity instruments (fully paid up)**						
	(Fair value through other comprehensive income)						
(i)	**Quoted**						
	Crystal Peak Minerals Inc. (note 7a)	2,90,55,612	25.30	-	-	-	-
	The Indian Hotels Co. Ltd.	89,07,790	113.04	89,07,790	88.14	72,71,666	85.01
	Oriental Hotels Ltd.	25,23,000	8.96	25,23,000	5.20	25,23,000	5.07
	Tata Investment Corporation Ltd.	4,75,840	30.27	4,75,840	22.47	4,75,840	27.26
	Tata Steel Ltd.	24,91,977	120.29	24,91,977	79.67	24,91,977	78.93
	Tata Motors Ltd.	19,66,294	91.60	19,66,294	76.02	18,63,705	102.55
	Tata Global Beverages Ltd.	4,31,75,140	650.00	4,31,75,140	523.50	4,31,75,140	642.45
	Titan Company Ltd.	1,38,26,180	639.82	1,38,26,180	468.85	1,38,26,180	541.43
	Spartek Ceramics India Ltd.	7,226	-	7,226	-	7,226	-
	Nagarjuna Finance Ltd.	400	-	400	-	400	-
	Pharmaceuticals Products of India Limited	10,000	-	10,000	-	10,000	-
	Balasore Alloys Ltd.	504	*	504	*	504	*
	J.K.Cement Ltd.	44	*	44	*	44	*
	Total quoted investment		**1,679.28**		**1,263.85**		**1,482.70**
(ii)	**Unquoted**						
	The Associated Building Co. Ltd.	550	0.02	550	0.02	550	0.02
	Taj Air Ltd.	40,00,000	-	40,00,000	4.00	40,00,000	4.00
	Tata Industries Ltd.	98,61,303	170.19	98,61,303	170.19	98,61,303	170.19
	Tata Capital Ltd.	32,30,859	10.79	32,30,859	10.02	32,30,859	9.69
	Tata International Ltd.	48,000	124.80	48,000	188.64	48,000	188.64
	Tata Projects Ltd.	1,93,500	210.24	1,93,500	122.12	1,93,500	122.12
	Tata Services Ltd.	1,260	0.13	1,260	0.13	1,260	0.13
	Tata Sons Ltd.	10,237	56.86	10,237	56.86	10,237	56.86
	Tata Teleservices Ltd.#	12,85,110	1.51	12,85,110	1.99	12,85,110	1.99
	IFCI Venture Capital Funds Ltd.	2,50,000	0.67	2,50,000	0.67	2,50,000	0.81
	Kowa Spinning Ltd.	60,000	*	60,000	*	60,000	*
	Global Innovation And Technology Alliance ('GITA')	15,000	1.50	10,000	1.00	5,000	0.50
	Water Quality India Association	7,100	0.01	7,100	0.01	-	-
	Gk Chemicals And Fertilizers Limited (formerly known as Aich Aar Chemicals Pvt. Ltd.)	1,24,002	-	1,24,002	-	1,24,002	-
	Biotech Consortium India Ltd.	50,000	0.05	50,000	0.05	50,000	0.05
	Indian Potash Ltd.	54,000	0.01	54,000	0.01	54,000	0.01
	Bharuch Enviro Infrastructure Ltd.	36,750	0.04	36,750	0.04	36,750	0.04
	Narmada Clean Tech Ltd. (formerly known as Bharuch Eco-Aqua Infrastructure Ltd.)	3,00,364	0.30	3,00,364	0.30	3,00,364	0.30
	Cuddalore SIPCOT Industries Common Utilities Ltd.	113	*	113	*	113	*
	Patancheru Enviro-Tech Ltd.	10,822	0.01	10,822	0.01	10,822	0.01
	Advinus Therapeutics Ltd.	1,82,86,000	18.29	1,82,86,000	18.29	1,82,86,000	18.29
	Amba Trading & Manufacturing Company Private Ltd.	1,30,000	*	1,30,000	*	1,30,000	*
	Associated Inds. (Assam) Ltd.	30,000	*	30,000	*	30,000	*
	Uniscans & Sonics Ltd.	96	*	96	*	96	*
	Caps Rallis (Private) Ltd.	21,00,000	-	21,00,000	-	21,00,000	-
	Total unquoted investment		**595.42**		**574.35**		**573.65**
	Total (A) (i + ii)		**2,274.70**		**1,838.20**		**2,056.35**
(B)	**Investments in compulsorily convertible debenture (fully paid up)**						
(i)	**Quoted (Fair value through other comprehensive income)**						
	The Indian Hotels Co. Ltd.	-	-	-	-	16,36,124	17.62
(ii)	**Unquoted (Fair value through profit and loss)**						
	Tata Power Renewable Energy Limited	-	-	28,90,000	2.89	28,90,000	2.89
	Total (B) (i + ii)		**-**		**2.89**		**20.51**
	Total investments (A+B)		**2,274.70**		**1,841.09**		**2,076.86**
	Aggregate amount of quoted investment (A(i)+B(i))		1,679.28		1,263.85		1,500.32
	Aggregate market value of quoted investment (A(i)+B(i))		1,679.28		1,263.85		1,500.32
	Aggregate carrying value of unquoted investment (A(ii)+B(ii))		595.42		577.24		576.54

Shares can be transferred only with the prior approval of the Board of Directors of Tata Teleservices Ltd.

* value below ₹ 50,000/-

Note 7 (d): Current investments

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current			
Investment in mutual funds	220.52	9.40	5.50
Total current investments	**220.52**	**9.40**	**5.50**

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 8: LOANS			
Non-current			
(a) Other loans (Unsecured, considered good)			
(i) Loans to employees (footnote 'i')	1.10	2.35	0.72
(ii) Loans to others (footnote 'ii')	-	-	7.61
	1.10	**2.35**	**8.33**
Current			
(a) Other loans (Unsecured, considered good)			
(i) Loans to employees (footnote 'i')	0.67	0.81	1.84
	0.67	**0.81**	**1.84**

Footnotes:

(i) Loans to employees includes ₹ *(2016: ₹* and 2015: ₹*) due from officer of the Group. Maximum balance outstanding during the year is ₹ *(previous year ₹ *).
* value below ₹ 50,000

(ii) The Group had extended an unsecured subordinate loan to Tata Power Renewable Energy Limited ('TPREL') for the purpose of setting up a 25 MW photovoltaic solar power plant and associated infrastructure at Mithapur, Gujarat. The loan carries an interest rate based on State Bank of India base rate plus 1.25%. In the year 2015-16, TPREL has repaid the entire loan along with the accrued interest.

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 9: OTHER FINANCIAL ASSETS			
Non-current			
(a) Fixed deposits	0.26	0.26	0.26
(b) Deposit with others	12.43	9.77	9.72
(c) Derivative (note 37)	3.21	31.98	85.31
	15.90	**42.01**	**95.29**
Current			
(a) Insurance claim receivable	0.62	0.12	0.71
(b) Claim receivable - Related party (note 41)	0.19	1.17	0.48
(c) Derivative (note 37)	25.04	96.72	14.67
(d) Advances to employees	3.87	1.09	1.53
(e) Accrued income	50.06	70.95	106.80
(f) Other	0.79	1.09	1.54
	80.57	**171.14**	**125.73**

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 10: TRADE RECEIVABLES			
Current			
(a) Secured, considered good	**67.76**	126.76	111.51
(b) Unsecured, considered good	**2,020.59**	3,438.81	3,433.89
(c) Doubtful	**61.08**	62.63	38.83
(d) Allowance for doubtful debts	**(61.08)**	(62.63)	(38.83)
	2,088.35	**3,565.57**	**3,545.40**

Footnotes:

(i) Trade receivables include ₹ **870.98 crore** (2016: ₹ 1,901.33 crore and 2015: ₹ 1,971.64 crore) on account of subsidy receivable from the Government.

(ii) Before accepting any new customer, the Group has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits scoring attributed to customers are reviewed periodically by the Management.

(iii) Movement in allowance for doubtful debts

	Year ended 31 March, 2017	Year ended 31 March, 2016
Balance at the beginning of the year	**62.63**	**38.83**
Allowance for doubtful debts pertaining to discontinued operation	**(0.05)**	-
Movement in allowance for doubtful debts	**(1.41)**	23.73
Exchange fluctuations	**(0.09)**	0.07
Balance at the end of the year	**61.08**	**62.63**

(iv) Trade receivables have been offered as security against the working capital loans provided by the bank.

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 11: OTHER ASSETS			
Non-current			
(a) Capital advances	**23.10**	6.40	13.07
(b) Claim receivable	**5.30**	3.23	3.88
(c) Deposits with public bodies	**40.65**	35.92	26.12
(d) Prepaid expenses	**42.45**	185.71	188.47
(e) Net defined benefit assets (note 40)	**36.92**	52.32	50.29
(f) Others	**14.89**	28.06	27.31
	163.31	**311.64**	**309.14**
Current			
(a) Prepaid insurance	**9.40**	11.10	12.92
(b) Prepaid expenses	**109.18**	136.32	96.85
(c) Advance to suppliers	**108.99**	328.56	153.83
(d) Statutory receivables	**111.75**	124.96	146.41
(e) Others	**34.77**	27.26	25.29
	374.09	**628.20**	**435.30**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 12: INVENTORIES				
(a)	Raw materials	**449.35**	598.14	778.41
(b)	Work-in-progress	**112.95**	119.72	89.58
(c)	Finished goods	**423.20**	612.86	392.33
(d)	Stock-in-trade	**160.51**	322.15	1,013.73
(e)	Stores, spare parts and packing materials	**234.85**	279.04	304.87
		1,380.86	**1,931.91**	**2,578.92**

Footnotes:

(i)	Inventories include goods in transit:			
	- Raw materials	**102.01**	103.77	251.03
	- Stock-in-trade	**5.23**	16.21	280.83
	- Stores, spare parts and packing materials	**0.40**	1.03	1.59

(ii) The cost of inventories recognised as an expense in the form of raw material consumption, stores consumption, trading purchases, packing material consumption, power and fuel consumption during the year in respect of the continuing operations was ₹ **5,972.91 crore** (previous year: ₹ 7,825.53 crore)

(iii) The cost of inventories recognised as an expense includes ₹ **44.81 crore** (previous year: ₹ 43.56 crore) in respect of write-down of inventories to net realisable value, and has been reduced by ₹ **6.36 crore** (previous year: ₹ 4.79 crore) in respect of reversal of such write-down. Reversal of previous write-downs has been largely as a result of increased selling prices of certain products.

(iv) Inventories have been secured against the working capital loans provided by the bank.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 13: CASH AND CASH EQUIVALENTS				
(a)	Balance with banks	**232.60**	259.15	327.36
(b)	Cheques on hand	**37.51**	0.51	0.82
(c)	Cash on hand	**0.24**	0.25	0.71
(d)	Deposit accounts (with original maturity less than 3 months)	**1,181.10**	986.78	850.20
Cash and cash equivalents as per Statement of Cash Flow		**1,451.45**	**1,246.69**	**1,179.09**
Other bank balances				
(a)	Deposit accounts (other than (d) above, with maturity less than 12 months from the balance sheet date)	**197.75**	3.56	191.91
(b)	Earmarked balances with banks	**16.17**	15.11	13.82
		213.92	**18.67**	**205.73**

Footnotes:

(i) Non cash transactions

The Group has not entered into non cash investing and financing activities.

(ii) Specified Bank Notes (Domestic subsidiaries)

Pursuant to the notification issued by the MCA vide G.S.R 308(E) dated 31 March, 2017 on the details of Specified Bank Notes ('SBN') held and transacted during the period from 8 November, 2016 to 30 December, 2016, the Group has disclosed denomination wise SBN's and Other Denomination Notes as under:

₹

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash on hand as on 8 November, 2016	10,55,000	3,21,605	13,76,605
(+) Permitted receipts	-	26,29,710	26,29,710
(-) Permitted payments	4,000	14,09,290	14,13,290
(-) Amounts deposited in banks	10,51,000	9,52,007	20,03,007
Closing cash on hand as on 30 December, 2016	**-**	**5,90,018**	**5,90,018**

The balance includes cash in hand in Rallis of ₹ 2,25,000 relates to SBN, held by employees as at 8 November, 2016 which was accounted and deposited on 19 November, 2016.

₹ in crore

		As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
		No. of Shares	₹ in crore	No. of Shares	₹ in crore	No. of Shares	₹ in crore
NOTE 14: EQUITY SHARE CAPITAL							
(a)	**Authorised:**						
	Ordinary shares of ₹ 10 each	27,00,00,000	270.00	27,00,00,000	270.00	27,00,00,000	270.00
(b)	**Issued:**						
	Ordinary shares of ₹ 10 each	25,48,42,598	254.84	25,48,42,598	254.84	25,48,42,598	254.84
(c)	**Subscribed and fully paid up:**						
	Ordinary shares of ₹ 10 each	25,47,56,278	254.76	25,47,56,278	254.76	25,47,56,278	254.76
(d)	**Forfeited shares:**						
	Amount originally paid-up on forfeited shares	86,320	0.06	86,320	0.06	86,320	0.06
			254.82		**254.82**		**254.82**

Footnotes:

(i) The movement in number of shares and amount outstanding at the beginning and at the year end

Particulars	Year ended 31 March, 2017		Year ended 31 March, 2016	
	No. of Shares	₹ in crore	No. of Shares	₹ in crore
Issued share capital:				
Ordinary shares :				
Balance as at 1 April	25,48,42,598	254.84	25,48,42,598	254.84
Issued during the year	-	-	-	-
Balance as at 31 March	**25,48,42,598**	**254.84**	**25,48,42,598**	**254.84**
Subscribed and paid up:				
Ordinary shares :				
Balance as at 1 April	25,47,56,278	254.76	25,47,56,278	254.76
Issued during the year	-	-	-	-
Balance as at 31 March	**25,47,56,278**	**254.76**	**25,47,56,278**	**254.76**

(ii) Terms/ rights attached to equity shares

The Company has issued one class of ordinary shares at par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

(iii) Details of shares held by each shareholder holding more than 5% shares.

	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Ordinary shares with voting rights						
(i) Tata Sons Ltd.	4,93,06,423	19.35	4,93,06,423	19.35	4,93,06,423	19.35
(ii) ICICI Prudential Mutual fund	1,80,53,193	7.09	*	*	*	*
(iii) Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,55,53,501	6.11	1,55,53,501	6.11

* Not holding more than 5% shares.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 15: OTHER EQUITY				
1	Capital reserve and other reserves from amalgamation	**20.73**	20.73	20.73
2	Securities premium reserve	**1,258.89**	1,258.89	1,258.89
3	Capital redemption reserve	**0.10**	0.10	0.10
4	Debenture redemption reserve	**240.00**	240.00	240.00
5	General reserve	**1,282.47**	1,282.47	1,276.16
6	Foreign currency translation reserve	**1,499.58**	1,443.28	1,281.71
7	Retained earnings	**1,509.39**	996.00	586.98
8	Equity instruments through other comprehensive income	**1,836.66**	1,425.98	1,666.87
9	Effective portion of cash flow hedges	**5.60**	(67.95)	-
	Total other equity	**7,653.42**	**6,599.50**	**6,331.44**

The movement in other equity		Year ended 31 March, 2017	Year ended 31 March, 2016
15.1	**Capital reserve and other reserves from amalgamation**		
	Balance at the beginning of the year	**20.73**	20.73
	Balance at the end of the year	**20.73**	**20.73**
15.2	**Securities premium reserve**		
	Balance at the beginning of the year	**1,258.89**	1,258.89
	Balance at the end of the year	**1,258.89**	**1,258.89**
	Note:		
	Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of the Act.		
15.3	**Capital redemption reserve**		
	Balance at the beginning of the year	**0.10**	0.10
	Balance at the end of the year	**0.10**	**0.10**
15.4	**Debenture redemption reserve**		
	Balance at the beginning of the year	**240.00**	240.00
	Balance at the end of the year	**240.00**	**240.00**
	Note:		
	The Group is required to create a debenture redemption reserve out of the profits which is available for the purpose of redemption of debentures.		
15.5	**General reserve**		
	Balance at the beginning of the year	**1,282.47**	1,276.16
	Transferred to retained earnings	**-**	6.31
	Balance at the end of the year	**1,282.47**	**1,282.47**
	Note:		
	The general reserve represents amouts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		
15.6	**Foreign currency translation reserve**		
	Balance at the beginning of the year	**1,443.28**	1,281.71
	Changes during the year	**56.30**	161.57
	Balance at the end of the year	**1,499.58**	**1,443.28**
	Note:		
	The Foreign currency translation reserve represents all exchange differences arising from translation of financial statements of foreign operations.		

The movement in other equity	Year ended 31 March, 2017	Year ended 31 March, 2016
15.7 Retained earnings		
Balance at the beginning of the year	996.00	586.98
Profit for the year	993.11	770.58
Remeasurement of defined employee benefit plans	(165.24)	59.68
Dividends including tax on dividend	(306.62)	(383.23)
Acquisition of non-controlling interests	(7.86)	(31.70)
Transferred to General reserve	-	(6.31)
Balance at the end of the year	**1,509.39**	**996.00**

Note:

The amount that can be distributed by the holding company as dividends to its equity shareholders is determined based on the separate financial statements of the holding company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

The Board of Directors has recommended a dividend of 110 % (previous year 100 %) for the financial year 2016-17, on 26 May, 2017 amounting to ₹ 11 per share (previous year ₹ 10 per share). This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included in liability in these consolidated financial statements.

15.8 Equity instruments through other comprehensive income		
Balance at the beginning of the year	1,425.98	1,666.87
Changes in fair value of equity instruments at FVTOCI	410.68	(240.89)
Balance at the end of the year	**1,836.66**	**1,425.98**

Note:

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

15.9 Effective portion of cash flow hedges (note 37(c))		
Balance at the beginning of the year	(67.95)	-
Changes during the year	73.55	(67.95)
Balance at the end of the year	**5.60**	**(67.95)**

Note:

The effective portion of cash flow hedges represents the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

NOTE 16: NON-CONTROLLING INTERESTS

Subsidiaries that have material non-controlling interests are provided below:

Name	Country of incorporation and operation	Non-controlling interests share As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Rallis India Limited ('Rallis')	India	49.94%	49.94%	49.94%
Metahelix Life Sciences Limited	India	-	-	19.49%
Zero Waste Agro Organics Limited	India	-	26.37%	26.41%
Tata Chemicals (Soda Ash) Partners Holdings**	United States of America	25.00%	25.00%	25.00%
Tata Chemicals (Soda Ash) Partners **	United States of America	25.00%	25.00%	25.00%
PT Metahelix Lifesciences Indonesia	Indonesia	34.23%	-	-
Alcad**	United States of America	50.00%	50.00%	50.00%

*** a general partnership formed under the laws of the State of Delaware (USA).*

Movement of Non-controlling interests

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Opening Non-controlling interests as at 1 April	2598.46	2475.58
Add/(Less):		
Profit for the year	240.99	235.58
Other comprehensive income for the year	(26.33)	118.65
Dividends including tax on dividend	(178.46)	(189.70)
Acquisition of non-controlling interests by Group (footnote 'a')	(10.77)	(41.65)
Closing Non-controlling interests as at 31 March	**2,623.89**	**2,598.46**

Footnote:

a. During the year ended 31 March, 2016,

(i) Rallis has increased stake in Metahelix Life Sciences Limited from 80.51% to 100%.

(ii) Rallis has increased stake in Zero Waste Agro Organics Limited from 73.59% to 73.63%.

b. During the year ended 31 March, 2017,

(i) Rallis has increased stake in Zero Waste Agro Organics Limited from 73.63% to 100%.

(ii) Metahelix Life Sciences Limited has acquired 65.77% stake in PT Metahelix Lifesciences Indonesia.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 17: BORROWINGS				
Non-current				
(i)	**Secured - at amortised cost**			
(a)	Term loans - bank (footnote 'a')	2,578.52	3,041.29	1,822.49
(b)	Term loans - others (footnote 'b')	0.70	0.80	0.90
(c)	Obligations under finance leases (note 35)	19.50	42.36	62.36
(ii)	**Unsecured - at amortised cost**			
(a)	Non-convertible debentures (footnote 'c')	250.00	250.00	250.00
(b)	Term loans - bank (footnote 'd')	1,502.58	3,438.61	3,616.09
(c)	Term loans - others (footnote 'e')	0.42	0.69	0.96
(d)	Other loans (footnote 'f')	5.80	5.95	6.66
		4,357.52	**6,779.70**	**5,759.46**
Current				
Loans repayable on demand - from banks				
(i)	**Secured**			
(a)	Cash/packing credits (footnote 'g')	2.81	3.41	10.92
(b)	Working capital demand loan (footnote 'h')	15.46	92.94	203.07
(c)	Buyers credit (footnote 'k')	-	198.12	149.95
(d)	Loan against subsidy receivable (footnote 'i')	85.96	-	-
(e)	Suppliers' credit (footnote 'l')	110.00	-	100.70
(ii)	**Unsecured**			
(a)	Working capital demand loan (footnote 'j')	206.37	129.25	147.50
(b)	Buyers credit (footnote 'k')	-	1,096.20	765.59
(c)	Suppliers' credit (footnote 'l')	300.48	268.00	672.31
		721.08	**1,787.92**	**2,050.04**

Footnotes to Non-current Borrowings:

(a) (i) Secured Term loans owed by Tata Chemicals Europe Holdings Limited('TCEHL'):

The senior debt owed by TCEHL was refinanced in November 2015 amounting to ₹ **921.20 crore** (2016: ₹ 1,128.93 crore) (£120 million), net of unamortised cost of borrowings. Interest is calculated at London Interbank Offered Rate ('LIBOR') plus **1.99%** (2016: 1.99% and 2015: 1.60%) under the terms of the loan. During the year ended 31 March, 2015, the entire loan amounting to ₹ 1,109.64 crore(£120 million) has been disclosed in note 18 within the heading current maturity of long term debt under other financial liabilities (current).

The senior debt owed by Tata Chemicals Europe Limited comprising a revolving credit facility was refinanced in November 2015. A maximum of £20 million can be drawn down under the facility, of which ₹ **161.81 crore** (2016: ₹ 190.95 crore) (£20 million) had been drawn down as at 31 March, 2017. During the year ended 31 March, 2015, the entire loan amounting to ₹ 184.94 crore (£20 million) was included in note 18 within the heading current maturity of long term debt under other financial liabilities (current). Interest on this facility is payable at LIBOR plus 1.99% (2016: 1.99% and 2015: 1.60%).

As at 31 March, 2017, the debt facilities available to Tata Chemicals Europe Holdings Limited Group are secured by fixed and floating charges over the assets of the European sub-group. Both the above loans are repayable in full in November 2020.

(ii) Secured Term Loans owed by Tata Chemicals North America ('TCNA') Group:

Secured Term loans of TCNA comprise of a USD 315 million term loan ('Term loan') and a USD 25 million revolving line of credit ('Revolver').

The term loans are secured by a first-priority interest in the TCNA's 75% interest in TCSAPH, the TCNA's assets, and equity interest in foreign subsidiaries. As at 31 March, 2017, the debt outstanding under this agreement was ₹ **1,561.29 crore** (2016: ₹ 1,807.77 crore and 2015: ₹ 1,884.05 crore), net of unamortised cost of borrowings. Out of the same the amount repayable within one year ₹ **67.89 crore** (2016: ₹ 90.20 crore and 2015: ₹ 67.45 crore), has been disclosed in note 18 within the heading current maturity of long term debt under other financial liabilities (current). The Term loan and Revolver mature on 9 August, 2020 and 9 August, 2018 respectively.

The borrowing under this facility bears interest at either LIBOR plus applicable margin or an alternate base rate based upon the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% and (c) the Adjusted LIBOR for a one month Interest Period on such day plus 1%. The applicable margin on the Term loan and Revolver is 2.75% per annum on LIBOR borrowings and 1.75% per annum on alternate base rate loans.

(iii) Secured Term Loans owed by Metahelix Life Sciences Limited ('Metahelix'):

Term loan is secured by first and exclusive charge on plant and equipment of Metahelix purchased out of the bank's term loan. The balance outstanding as at 31 March, 2017 is ₹ **1.83 crore** (2016: ₹ 3.39 crore and 2015: ₹ 4.39 crore) (of which ₹ **1.22 crore** (2016: ₹ 1.55 crore and 2015: ₹ 1.00 crore) has been grouped under note 18 other financial liabilities (current)) which is repayable in balance 18 monthly installments. Rate of interest on this loan is 9.75% per annum.

The other term loan is secured by a first charge on entire movable fixed assets and agricultural property funded by the bank. The balance outstanding as at 31 March, 2017 is ₹ **2.00 crore** (2016: ₹ 2.50 crore and ₹ 2015: ₹ 3.00 crore) (of which ₹ **0.50 crore** (2016: ₹ 0.50 crore and 2015: ₹ 0.50 crore) has been grouped under note 18 other financial liabilities (current)) repayable in **16** (2016: 20 and 2015: 24) equated quarterly instalments of ₹ 0.13 crore. The rate of interest on this loan is 7.50% per annum.

(b) Debt owed by Metahelix:

Term loan from Biotechnology Industry Partnership Project is secured by hypothecation of all equipment, apparatus machineries, machineries spares, tools and other accessories, goods and/or the other movable property of the Company, present and future to a value equivalent to the amount of loan and interest thereon and the royalty payable on grant-in-aid till the full and final settlement of all dues. Term loan is repayable along with interest in 10 equal half yearly installments from December 2015 and June 2017. The balance payable as on 31 March, 2017 is ₹ **0.80 crore** (2016: ₹ 0.90 crore 2015: ₹ 0.95 crore) of which ₹ **0.10 crore** (2016: ₹ 0.10 crore and 2015: ₹ 0.05 crore) has been disclosed in note 18 within the heading current maturity of long term debt under other financial liabilities (current). Rate of Interest on this loan is 2% per annum.

(c) Unsecured redeemable Non-convertible debentures having face value of ₹ 10 lakh each are redeemable at par on 2 July, 2019 and bears interest rate of 10% per annum.

(d) (i) The External Commercial Borrowings (ECB) are due for repayments on 22 October, 2018 ₹ **410.31 crore** (2016: ₹ 419.20 crore and 2015: ₹ 395.44 crore) (USD 63.27 million) and on 21 October, 2019 ₹ **411.54 crore** (USD 63.46 million) (2016: ₹ 420.45 crore and 2015: ₹ 396.65 crore)and bear interest of LIBOR plus spread of 1.95%, payable semiannually. Current portion due for repayment within one year is ₹ **410.31 crore** (2016: ₹ 397.00 crore (USD 60 million) and 2015: ₹ NIL) (USD 63.27 million) and bears interest of LIBOR plus spread of **1.95%** (2016: LIBOR plus spread of 1.65%), payable semiannually. This has been disclosed in note 18 within the heading current maturity of long term debt under other financial liabilities (current).

(ii) Debt owed by Homefield Pvt UK Limited:

Term Loan USD 45 Million: A loan was granted during the year ended 31 March, 2015. The amount outstanding was ₹ **289.52 crore** (USD 45 million)(2016: ₹ 294.74 crore and 2015: ₹ 281.10 crore (USD 45 million)), net of unamortised cost of borrowings. The loan is repayable in full in March 2020. Interest on this loan is payable based on USD LIBOR plus a margin of 1.50% per annum.

(iii) Term Loan USD 28 Million: The amounts outstanding were ₹ **Nil** for the year ended 31 March, 2017 (2016: ₹ 185.51 crore and 2015: ₹ 174.91 crore). During the current year the entire loan amounting to ₹ 181.58 crore has been disclosed in note 18 within the heading current maturities of long term debt under Other financial liabilities (current). Interest on this loan is payable based on USD LIBOR plus a margin of 1.80% per annum.

(iv) Debt owed by Rallis India Limited:

A loan of ₹ 15.00 crore had been taken during the year ended 31 March, 2016, repayable in 20 quarterly instalments. The repayment begins after a moratorium of 24 months from February 2018. The first repayment of ₹ 0.75 crore falls due in May 2018. Rate of interest for this borrowing is 9.30% per annum. Another loan of ₹ **Nil** (2016: ₹ 12.50 crore and 2015: ₹ 25.00 crore) , out of which ₹ **Nil** (2016 : ₹12.50 crore and 2015: ₹ 12.50 crore) has been disclosed in note 18 within the heading current maturity of long term debt under other financial liabilities (current). This loan is repayable in 8 equal installments and bears interest of 9.90% per annum.

(v) Debt owed by Tata Chemicals Magadi Limited ('TCML'):

The outstanding loan as at the year end is ₹ **382.61 crore** (USD 59 million) (2016: ₹ 390.90 crore (USD 59 million) and 2015: ₹ **368.76 crore** (USD 59 million)). The loan is repayable on installments commencing September 2018 and ending September 2020. Interest on this loan is payable based on USD LIBOR plus a margin of 1.80% per annum.

(vi) Tata Chmeicals International Pte. Limited ('TCIPL') has loans of ₹ **Nil** (2016: ₹ 1,304.12 crore and 2015: ₹ 1,232.46 crore)(USD 200 million) net of amortisation cost,which are repayable on 12 December, 2017 and 21 December, 2017. As on 31 March, 2017, loan amount ₹ **1,288.43 crore** (USD 200 million), net of unamortised cost of borrowings, has been disclosed in Note 18 within the heading current maturity of long term debt under other financial liabilities (current). These loans bear effective interest rate of 2.59% and 2.43% respectively.

(e) Debt owed by Metahelix:

Term loan from Council of Scientific and Industrial Research: The balance payable as on 31 March, 2017 is ₹ **0.42 crore** (2016: ₹ 0.69 crore and 2015: ₹ 0.96 crore). The same is repayable alongwith interest in 7 annual installments.

(f) (i) Debt owed by the Company:

The Company has entered into an agreement with Department of Biotechnology ('DBT') for a project on boosting crop health and yield. DBT has approved a loan of ₹ **0.15 crore** (2016: ₹ 0.15 crore). The Company has received three installments of this loan aggregating to ₹ **0.11 crore** (2016: ₹ 0.11 crore). The loan bears interest of 2% per annum repayable in 10 equal half yearly installments. Current portion has been disclosed in note 18. The entire loan amount has been repaid in the current year.

(ii) Debt owed by Rallis India Limited:

The loan is repayable in annual installments which range from a maximum of ₹ 1.13 crore to a minimum of ₹ 0.08 crore over the period stretching from 1 April, 2016 to 31 March, 2027. The amount outstanding is free of interest. The balance payable as on 31 March, 2017 is ₹ **5.88 crore** (2016: ₹ 5.99 crore and 2015: ₹ 7.04 crore), out of which ₹ **0.10 crore** (2016 : ₹ 0.11 crore and 2015: ₹ 0.47 crore) has been disclosed in Note 18 within the heading current maturity of long term debt under other financial liabilities (current).

Footnotes to Current Borrowings:

(g) Loans from banks on Cash Credit and Working Capital Demand Loan from bank are secured by way of hypothecation of stocks of raw materials, finished products, stores and work-in-process as well as book debts.

(h) (i) Debt owed by the Company:

₹ **Nil** (2016: ₹ Nil and 2015: ₹ 50 crore) Working capital demand loan from bank is secured by hypothecation of stocks of raw materials, finished products, stores and work-in-progress as well as book debts.

(ii) Debt owed by TCML:

Outstanding loan of ₹ **12.97 crore** (USD 2 million) (2016: ₹ 6.62 crore (USD 1 million) and 2015: ₹ 27.71 crore (USD 4.45 million)). It is secured overdraft facility against dues receivable from Kenyan Revenue Authority.

₹ **Nil** (USD Nil) (2016: ₹ Nil (USD Nil) and 2015: ₹ 51.62 crore (USD 8.27 million)) has been provided as a secured overdraft facility are secured by stock and trade receivables of TCML.

(iii) Debt owed by British Salt Limited ('BSL'):

During the year 2016 BSL had taken a loan against trade receivable amounting to ₹ **47.74 crore** (GBP 5 million) (2015: ₹ Nil (GBP Nil)). The loan was repaid in April 2016. The loan carried an interest rate of LIBOR plus 3%.

(iv) Debt owed by Rallis India Limited:

Loans of ₹ **2.49 crore** (2016: ₹ 38.58 crore and 2015: ₹ 73.74 crore) have been secured by a first charge by way of hypothecation of current assets. The hypothecation also extends to guarantees issued by the Company's Bankers in the ordinary course of business.

(i) The Department of Fertilizers, Government of India, has notified 'Special Banking Arrangement' scheme to address the concern of delay in subsidy disbursement. This arrangement has been made by the Government with the State Bank of India Consortium (SBI Consortium). Loans under this scheme are secured by hypothecation of subsidy receivables.

Fixed interest rate of 8.00% per annum out of which 6.25% per annum shall be borne by the Government and repaid in April 2017. The remaining 1.75% per annum shall be borne by the Company and will be recovered upfront for 60 days from the Company at the time of disbursement of the facility.

(j) (i) Debt owed by TCIPL:

₹ **146.37 crore** (2016: ₹ 119.25 crore and 2015 : ₹ 137.50 crore) is towards unsecured working capital facility and is repayable within 90 days.

(ii) Unsecured term loan includes ₹ 10 crore owed by Metahelix Life Sciences Limited repayable on 14 May, 2017.

(iii) During the year 2017, unsecured working capital demand loan of ₹ 50 crore was availed by the Company which would be repaid in May 2017. The loan bears interest of one month T-bill + 0.05% per annum.

(k) Buyers credit of the Company:

Buyer's credit due for payment within 180 days bears interest of 'LIBOR plus spread' of **1.26% per annum** (2016 : 0.87% per annum and 2015: 0.75 % per annum) secured against current assets.

(l) Suppliers credit of the Company:

Supplier's credit due for payment within 180 days bears interest of 'LIBOR plus spread' of **1.31% per annum** (2016 : 0.81% per annum and 2015: 0.72 % per annum) secured against current assets.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 18: OTHER FINANCIAL LIABILITIES				
Non-current				
(a)	Derivatives (note 37)	10.79	34.38	62.23
(b)	Deposit payable	5.58	4.75	4.01
(c)	Others	14.46	13.83	17.16
		30.83	**52.96**	**83.40**
Current				
(a)	Current maturities of long term debt (note 17)			
	(i) From Banks - Secured	69.61	92.25	1,363.58
	(ii) From Banks - Unsecured	1,899.73	409.50	12.50
	(iii) From Others - Secured	0.10	0.10	0.05
	(iv) From Others - Unsecured	0.28	0.38	1.13
(b)	Current maturities of finance lease obligations (note 35)	23.54	20.57	17.98
(c)	Interest accrued	45.23	48.87	55.60
(d)	Creditors for capital goods	104.72	64.06	73.89
(e)	Unclaimed dividend	16.21	15.15	13.87
(f)	Unclaimed debenture interest	0.01	0.01	0.01
(g)	Derivatives (note 37)	36.31	143.12	64.20
(h)	Security deposits	49.63	60.74	54.58
(i)	Others	142.79	153.32	154.75
		2,388.16	**1,008.07**	**1,812.14**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 19: PROVISIONS				
Non-current				
(a)	Provision for employee benefits			
	(i) Directors pension liabilities (note 40)	40.11	30.18	27.52
	(ii) Pension and other post retirement benefits (note 40)	1,474.08	1,421.10	1,391.98
	(iii) Others	3.82	4.20	18.71
		1,518.01	**1,455.48**	**1,438.21**
(b)	Other provisions (footnote 'i')	264.84	277.32	271.14
		1,782.85	**1,732.80**	**1,709.35**
Current				
(a)	Provision for employee benefits			
	(i) Directors pension liabilities (note 40)	2.51	1.69	1.23
	(ii) Pension and other post retirement benefits (note 40)	39.84	65.69	42.18
	(iii) Others	86.74	83.54	59.27
		129.09	**150.92**	**102.68**
(b)	Other provisions (footnote 'i')	144.39	132.02	120.21
		273.48	**282.94**	**222.89**

Footnote:

(i) Other provisions include:

₹ in crore

Particulars	Asset retirement obligation (1)	Provision for emission allowance (2)	Provision for warranty (3)	Provision for restructuring expenses (4)	Others (5)	Total
Balance as at 1 April, 2015	**126.06**	**15.93**	**0.38**	**57.87**	**191.11**	**391.35**
Provisions recognised during the year	32.55	24.39	0.28	-	31.44	88.66
Reduction arising from payments/other sacrifices of future economic benefits	(2.88)	(26.85)	(0.38)	(39.51)	(17.91)	(87.53)
Exchange fluctuations	6.91	0.60	-	3.18	6.17	16.86
Balance as at 31 March, 2016	**162.64**	**14.07**	**0.28**	**21.54**	**210.81**	**409.34**
Provision pertaining to discontinued operation	(3.12)	-	-	-	-	(3.12)
Provisions recognised during the year	9.77	25.69	0.33	-	17.06	52.85
Reduction arising from payments/other sacrifices of future economic benefits	(5.93)	(26.09)	(0.22)	(4.62)	(2.24)	(39.10)
Exchange fluctuations	(3.38)	(2.11)	-	(2.94)	(2.31)	(10.74)
Balance as at 31 March, 2017	**159.98**	**11.56**	**0.39**	**13.98**	**223.32**	**409.23**
Balance as at 1 April, 2015						
Non-current	110.56	-	-	57.87	102.71	271.14
Current	15.50	15.93	0.38	-	88.40	120.21
Total	**126.06**	**15.93**	**0.38**	**57.87**	**191.11**	**391.35**
Balance as at 31 March, 2016						
Non-current	146.90	-	-	21.54	108.88	277.32
Current	15.74	14.07	0.28	-	101.93	132.02
Total	**162.64**	**14.07**	**0.28**	**21.54**	**210.81**	**409.34**
Balance as at 31 March, 2017						
Non-current	144.29	-	-	13.98	106.57	264.84
Current	15.69	11.56	0.39	-	116.75	144.39
Total	**159.98**	**11.56**	**0.39**	**13.98**	**223.32**	**409.23**

Nature of provisions:

(1) Provision for asset retirement obligation is in respect of afforestation and bio-diversity charges in India and cost towards reclamation of the mine and land upon the termination of the partnership in USA.

(2) Provision for emission allowance are in respect of obligations to surrender carbon emission allowances to the Environment agency in UK.

(3) Provision for warranty are in respect of certain products that fail to perform satisfactorily during the warranty period. Provision made as at respective year ends represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of one year from the date of Consolidated Balance Sheet.

(4) Provision for restructuring expenses are in respect of costs to be incurred following the closure of plants in UK and Netherlands, committed expenditure to demolish redundant power facilities owned by the group in UK.

(5) Provision for others represents management's best estimate of outflow of economic resources in respect of water charges, entry tax, land revenue and other disputed items including direct taxes, indirect taxes and other claims.

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 20: DEFERRED TAX ASSETS (NET) AND LIABILITIES (NET)				
(a)	Deferred tax assets (net) (footnote 'i')	23.67	8.96	4.76
(b)	Deferred tax liabilities (net) (footnote 'ii')	(1,238.07)	(1,243.79)	(1,251.59)

Footnote:

(i) Deferred tax assets (net)

Particulars	As at 1 April, 2016	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operation)	Recognised in other comprehensive income	Exchange fluctuations	As at 31 March, 2017
Deferred tax assets/(liabilities) in relation to:						
Property, plant and equipment and intangible asset	(8.43)	(1.70)	-	-	-	**(10.13)**
Allowance for doubtful debts and advances	2.02	1.31	-	-	-	**3.33**
Defined benefit obligation	0.62	(0.07)	-	-	-	**0.55**
Others	0.37	(0.40)	-	-	0.04	**0.01**
	(5.42)	**(0.86)**	**-**	**-**	**0.04**	**(6.24)**
Tax losses	14.38	2.30	-	-	-	**16.68**
Unused credits	-	13.23	-	-	-	**13.23**
	8.96	**14.67**	**-**	**-**	**0.04**	**23.67**

Particulars	As at 1 April, 2015	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operation)	Recognised in other comprehensive income	Exchange fluctuations	As at 31 March, 2016
Deferred tax assets/(liabilities) in relation to:						
Property, plant and equipment and intangible asset	(6.24)	(2.19)	-	-	-	(8.43)
Allowance for doubtful debts and advances	1.62	0.40	-	-	-	2.02
Defined benefit obligation	0.57	0.05	-	-	-	0.62
Others	-	0.40	-	-	(0.03)	0.37
	(4.05)	**(1.34)**	**-**	**-**	**(0.03)**	**(5.42)**
Tax losses	8.81	5.57	-	-	-	14.38
	4.76	**4.23**	**-**	**-**	**(0.03)**	**8.96**

(ii) Deferred tax liabilities (net)

₹ in crore

Particulars	As at 1 April, 2016	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operation)	Recognised in other comprehensive income	Exchange fluctuations	As at 31 March, 2017
Deferred tax assets/(liabilities) in relation to:						
Property, plant and equipment and intangible asset	(1,465.92)	50.16	(9.21)	-	22.74	**(1,402.23)**
Allowance for doubtful debts and advances	31.30	(9.20)	(0.01)	-	-	**22.09**
Accrued expenses allowed in the year of payment	87.08	10.91	0.84	17.22	-	**116.05**
Finance lease	9.38	(6.86)	-	-	-	**2.52**
Partnership tax basis differences for USA Subsidiaries	(110.07)	(24.09)	-	-	3.13	**(131.03)**
Defined benefit obligation	204.87	7.24	-	(27.55)	(3.62)	**180.94**
Others	(0.43)	(24.64)	-	(1.59)	0.25	**(26.41)**
	(1,243.79)	**3.52**	**(8.38)**	**(11.92)**	**22.50**	**(1,238.07)**

Particulars	As at 1 April, 2015	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operation)	Recognised in other comprehensive income	Exchange fluctuations	As at 31 March, 2016
Deferred tax assets/(liabilities) in relation to:						
Property, plant and equipment and intangible asset	(1,419.08)	17.78	(1.57)	-	(63.05)	(1,465.92)
Allowance for doubtful debts and advances	24.90	6.40	-	-	-	31.30
Accrued expenses allowed in the year of payment	68.93	13.26	0.16	4.73	-	87.08
Finance lease	11.38	(2.17)	0.17	-	-	9.38
Partnership tax basis differences for USA Subsidiaries	(112.52)	9.10	-	-	(6.65)	(110.07)
Defined benefit obligation	162.45	34.98	-	(2.61)	10.05	204.87
Others	12.35	(16.61)	-	3.75	0.08	(0.43)
	(1,251.59)	**62.74**	**(1.24)**	**5.87**	**(59.57)**	**(1,243.79)**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 21: OTHER LIABILITIES				
Non-current				
(a)	Deferred income	27.89	32.65	10.50
(b)	Others	33.03	35.59	32.13
		60.92	**68.24**	**42.63**
Current				
(a)	Statutory dues	123.24	131.88	120.32
(b)	Advance received from customers	106.16	92.87	80.81
(c)	Deferred income	13.91	14.42	36.55
(d)	Other liabilities	9.73	10.75	7.69
		253.04	**249.92**	**245.37**

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 22: TAX ASSETS AND LIABILITIES				
(a)	**Tax assets**			
	Non-current			
	(i) Advance tax assets (net)	**502.88**	451.57	450.23
	Current			
	(i) Current tax assets (net)	**15.40**	3.58	23.13
(b)	**Current tax liabilities**	**117.79**	78.35	108.05

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 23: HELD FOR SALE AND DISCONTINUED OPERATION				
(a)	**Assets classified as held for sale and discontinued operation**			
	Discontinued operation (footnote 'i')	1,532.46	-	-
	Assets held for sale (footnote 'ii')	5.92	2.74	0.54
		1,538.38	**2.74**	**0.54**
(b)	**Liabilities directly associated with discontinued operation**			
	Discontinued operation (footnote 'i')	511.27	-	-
		511.27	**-**	**-**

Footnotes:

(i) For details relating to discontinued operation (urea and customised fertiliser business at Babrala, Uttar pradesh) refer note 32.

(ii) The Group has identified assets relating to non-current assets to be disposed off and classified the same as assets held for sale. No impairment loss has been recognised on the date of classification or as at reporting date. The Group expects that the fair value (estimated based on the recent market prices of similar assets in similar locations) less costs to sell is higher than the carrying amount.

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 24: REVENUE FROM OPERATIONS			
(a)	Sale of products (footnote 'i')	**13,146.96**	15,062.44
(b)	Other operating revenues		
	(i) Liabilities no longer required-written back	**15.19**	7.14
	(ii) Miscellaneous income (footnote ('ii'))	**126.77**	150.65
		13,288.92	**15,220.23**

Footnotes:

(i) Sales includes subsidy income of ₹ **711.40 crore** (previous year ₹ 1,394.76 crore)

(ii) Miscellaneous income primarily includes compensation of ₹ **43.79 crore** (previous year ₹ 49.37 crore) from settlement of long term contracts, market development and support fees of ₹ **Nil** (previous year ₹ 16.53 crore) and sale of scrap of ₹ **15.40 crore** (previous year ₹ 43.87 crore).

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 25: OTHER INCOME			
(a)	Dividend income		
	(i) Current investments measured at FVTPL	**51.84**	39.22
	(ii) Non-current investments measured at FVTOCI	**13.79**	45.70
		65.63	**84.92**
(b)	Interest income		
	(i) On bank deposits	**3.74**	5.05
	(ii) Other interest	**4.73**	5.52
		8.47	**10.57**
(c)	Interest on refund of taxes	**52.24**	16.87
(d)	Others		
	(i) Rental income	**2.12**	1.85
	(ii) Gain on sale/redemption of investments (net)	**2.30**	0.02
	(iii) Miscellaneous income (footnote 'i')	**35.36**	11.03
		39.78	**12.90**
		166.12	**125.26**

Footnote:

(i) Miscellaneous income includes profit on assignment of leasehold rights.

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening stock		
Work-in-progress	119.72	89.58
Finished goods	612.86	392.33
Stock-in-trade (acquired for trading)	322.15	1,013.73
	1,054.73	**1,495.64**
Closing stock		
Work-in-progress	112.95	119.72
Finished goods	423.20	612.86
Stock-in-trade (acquired for trading)	160.51	322.15
	696.66	**1,054.73**
Less: Inventory on account of discontinued operation	(126.68)	-
Gain on exchange fluctuations	53.22	77.84
Total inventory change	**284.61**	**518.75**

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 27: EMPLOYEE BENEFITS EXPENSE		
(a) Salaries, wages and bonus	1,017.59	987.18
(b) Contribution to provident and other funds	94.48	112.84
(c) Staff welfare expense	185.16	171.18
	1,297.23	**1,271.20**

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 28: FINANCE COSTS		
(a) Interest costs		
(i) Interest on loans at amortised cost	284.81	334.60
(ii) Interest on obligations under finance leases	5.66	7.62
(b) Translation differences on foreign currency loans regarded as borrowing cost net of changes in fair value of derivative contracts	27.77	88.81
(c) Discounting and other charges	92.92	94.44
	411.16	**525.47**

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 29: DEPRECIATION AND AMORTISATION EXPENSE		
(a) Depreciation of property, plant and equipment	433.50	422.28
(b) Amortisation of intangible assets	101.23	103.80
	534.73	**526.08**

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 30: OTHER EXPENSES			
1	Stores and spare parts consumed	**260.48**	248.43
2	Packing materials consumed	**368.32**	385.27
3	Power and fuel	**1,199.63**	1,246.45
4	Repairs - Buildings	**9.51**	10.15
	- Machinery	**387.13**	444.53
	- Others	**23.49**	7.29
5	Rent	**190.26**	211.24
6	Royalty, rates and taxes	**323.65**	298.49
7	Excise duty adjustment for stocks	**2.59**	2.62
8	Distributors' service charges	**20.25**	29.33
9	Sales promotion expenses	**200.18**	223.83
10	Insurance charges	**34.85**	38.28
11	Freight and forwarding charges	**1,691.76**	1,758.89
12	Loss on assets sold, discarded or written off	**2.87**	4.03
13	Bad debts written off	**2.46**	2.54
14	Provision for doubtful debts and advances (net)	**1.45**	24.04
15	Foreign exchange loss (net)	**27.19**	82.63
16	Directors' fees and commission	**9.71**	12.13
17	Other expenses	**520.66**	534.43
		5,276.44	**5,564.60**

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 31: INCOME TAX EXPENSES RELATING TO CONTINUING OPERATIONS			
(a)	**Tax expenses**		
	Current tax		
	In respect of the current year	**378.70**	326.50
	In respect of earlier years	**(3.18)**	(11.15)
		375.52	**315.35**
	Deferred tax		
	In respect of the current year	**(18.19)**	(66.97)
		(18.19)	**(66.97)**
	Total tax expenses	**357.33**	**248.38**
(b)	**The income tax expenses for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**1,456.60**	**1,180.33**
	Income tax expenses calculated at 34.608 %	**504.10**	408.49
	Differences in tax rates in foreign jurisdictions	**(32.96)**	(29.03)
	Share of profit of equity accounted investees	**(5.70)**	(9.69)
	Effect of income that is exempt from taxation	**(36.18)**	(45.97)
	Effect of not deductible expenses for tax computation	**28.82**	38.23
	Effect of concessions (research and development and other allowances)	**(104.90)**	(121.34)
	Others	**18.63**	69.84
		371.81	**310.53**
	Adjustments recognised in the current year in relation to the current tax of prior years	**(5.05)**	(15.31)
	Effect of unused tax losses and tax offsets not recognised as deferred tax assets	**(9.43)**	(46.84)
	Total income tax expenses recognised for the year relating to continuing operations	**357.33**	**248.38**

NOTE 32: DISCONTINUED OPERATION

(a) Disposal of urea and customised fertilisers business

The Group has entered into an agreement with Yara Fertilisers India Private limited ('Yara India') to transfer its Urea Business (which comprises manufacturing facilities for urea and customised fertilisers at Babrala, Uttar Pradesh), by way of a slump sale for a consideration of ₹ 2,670.00 crore (subject to certain adjustments). Final approval of The Scheme of Arrangement (the 'Scheme') from National Company Law Tribunal ('NCLT') is awaited. The effect of the transfer will be reflected in the financial information of the period in which the deal is consummated post receipt of all the requisite regulatory approvals.

₹ in crore

		Year ended 31 March, 2017	Year ended 31 March, 2016
(b)	**Analysis of profit for the year from discontinued operation**		
	Profit for the year from discontinued operation		
	Revenue from operation	1,982.92	2,304.03
	Other income	0.04	0.04
		1,982.96	**2,304.07**
	Expenses		
	Depreciation	17.47	45.29
	Other expenses	1,769.92	2,145.63
	Profit before tax	**195.57**	**113.15**
	Tax expense	60.74	38.94
	Profit after tax	**134.83**	**74.21**
(c)	**Cash flows from discontinued operation**		
	Net cash (outflows) / inflows from operating activities	(288.84)	210.08
	Net cash used in investing activities	(19.97)	(21.65)
	Net cash inflows / (outflows) from financing activities	308.89	(188.45)
	Net cash inflows / (outflows)	**0.08**	**(0.02)**

		As at 31 March, 2017
(d)	**Book value of assets and liabilities of the discontinued operation**	
	Property, plant and equipment and intangible assets	529.11
	Non-current financial assets - loans	0.80
	Other non-current assets	10.12
	Inventories	126.68
	Trade receivables	834.42
	Cash and cash equivalents	0.08
	Current financial assets - loans	0.17
	Other current assets	31.08
	Assets pertaining to discontinued operation	**1,532.46**
	Non-current liabilities - provisions	6.88
	Borrowings	370.70
	Trade payables	89.06
	Other financial liabilities	26.54
	Other current liabilities	6.39
	Current liabilities - provisions	11.70
	Liabilities associated with assets pertaining to discontinued operation	**511.27**
	Net assets pertaining to discontinued operation	**1,021.19**

		Year ended 31 March, 2017	Year ended 31 March, 2016
NOTE 33: EARNINGS PER SHARE			
Basic and diluted earnings per share (₹)			
From continuing operations (₹)		33.69	27.34
From discontinued operation (₹)		5.29	2.91
Total basic and diluted earnings per share (₹)		**38.98**	**30.25**
Footnote:			
The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows:			
(a)	**Earnings used in the calculation of basic and diluted earnings per share:**	₹ in crore	₹ in crore
	Profit for the year from continuing operations attributable to equity shareholders of the Company	858.28	696.37
	Profit for the year from discontinued operation attributable to equity shareholders of the Company	134.83	74.21
		993.11	**770.58**
(b)	**Weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share:**		
		No. of shares	**No. of shares**
	Weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share from continuing operations and from discontinued operation	25,47,56,278	25,47,56,278

NOTE 34: GROUP INFORMATION

Particulars of subsidiaries, joint ventures and associate which have been considered in the preparation of the consolidated financial statements:

Name of the Company	Country of Incorporation	Nature of Business	% Equity Interest		
			As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Subsidiaries					
Direct					
Rallis India Limited (Rallis)	India	Manufacturing	**50.06%**	50.06%	50.06%
Bio Energy Venture - 1 (Mauritius) Pvt. Ltd	Mauritius	Investment	**100.00%**	100.00%	100.00%
Indirect					
Rallis Chemistry Exports Limited	India	Manufacturing	**100.00%**	100.00%	100.00%
Metahelix Life Sciences Limited	India	Manufacturing	**100.00%**	100.00%	80.51%
Zero Waste Agro Organics Limited ('ZWAOL')	India	Manufacturing	**100.00%**	73.63%	73.59%
PT Metahelix Lifesciences Indonesia ('PTLI')@	Indonesia	Manufacturing	**65.77%**	NA	NA
Valley Holdings Inc.	United States of America	Investment	**100.00%**	100.00%	100.00%
Tata Chemicals North America Inc.	United States of America	Trading	**100.00%**	100.00%	100.00%
General Chemical International Inc.	United States of America	Dormant	**100.00%**	100.00%	100.00%
NHO Canada Holdings Inc.	United States of America	Dormant	**100.00%**	100.00%	100.00%
Tata Chemicals (Soda Ash) Partners ('TCSAP')**	United States of America	Investment	**75.00%**	75.00%	75.00%
Tata Chemicals (Soda Ash) Partners Holdings**('TCSAPH')	United States of America	Manufacturing	**75.00%**	75.00%	75.00%
TCSAP LLC	United States of America	Investment	**75.00%**	75.00%	75.00%
General Chemical Canada Holding Inc.	Canada	Dormant	*	100.00%	100.00%
General Chemical (Great Britain) Limited	United Kingdom	Dormant	**NA**	***	100.00%
Homefield Pvt UK Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Homefield 2 UK Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Tata Chemicals Africa Holdings Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Tata Chemicals Europe Holdings Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Tata Chemicals Europe Limited	United Kingdom	Manufacturing	**100.00%**	100.00%	100.00%
Winnington CHP Limited	United Kingdom	Manufacturing	**100.00%**	100.00%	100.00%
Brunner Mond Group Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%

Name of the Company	Country of Incorporation	Nature of Business	% Equity Interest		
			As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Brunner Mond Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Tata Chemicals Magadi Limited	United Kingdom	Manufacturing	**100.00%**	100.00%	100.00%
Northwich Resource Management Limited	United Kingdom	Dormant	**100.00%**	100.00%	100.00%
Brunner Mond Generation Company Limited	United Kingdom	Dormant	**100.00%**	100.00%	100.00%
Gusiute Holdings (UK) Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
TCNA (UK) Limited	United Kingdom	Trading	**100.00%**	100.00%	100.00%
British Salt Limited	United Kingdom	Manufacturing	**100.00%**	100.00%	100.00%
Cheshire Salt Holdings Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Cheshire Salt Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Brinefield Storage Limited	United Kingdom	Dormant	**100.00%**	100.00%	100.00%
Cheshire Cavity Storage 2 Limited	United Kingdom	Dormant	**100.00%**	100.00%	100.00%
Cheshire Compressor Limited	United Kingdom	Dormant	**100.00%**	100.00%	100.00%
Irish Feeds Limited	United Kingdom	Dormant	**100.00%**	100.00%	100.00%
New Cheshire Salt Works Limited	United Kingdom	Investment	**100.00%**	100.00%	100.00%
Grown Energy Zambeze Holdings Pvt. Ltd#	Mauritius	Investment	**100.00%**	100.00%	100.00%
Tata Chemicals International Pte. Limited ('TCIPL')	Singapore	Trading	**100.00%**	100.00%	100.00%
Tata Chemicals (South Africa) Proprietary Limited	South Africa	Trading	**100.00%**	100.00%	100.00%
Grown Energy (Pty) Limited#	South Africa	Investment	**100.00%**	100.00%	100.00%
Magadi Railway Company Limited	Kenya	Investment	**100.00%**	100.00%	100.00%
Grown Energy Zambeze Limitada#	Mozambique	Manufacturing	**94.00%**	95.00%	95.00%
Alcad**	United States of America	Manufacturing	**50.00%**	50.00%	50.00%

* General Chemical Canada Holding Inc. has been dissolved during the year ended 31 March, 2017

** a general partnership formed under the laws of the State of Delaware (USA)

*** General Chemical (Great Britain) Limited has been dissolved during the year ended 31 March, 2016

@ PT Metahelix Lifesciences Indonesia was incorporated in the year 2016-17

During the year ended 31 March, 2016, the Group's wholly owned subsidiary Bio Energy Venture - 1 (Mauritius) Pvt. Ltd, had entered into an agreement for sale of its entire stake in Grown Energy Zambeze Holdings Pvt. Ltd. and its subsidiaries. The administrative approvals in the respective jurisdictions for effecting the proposed sale are awaited. In view of the above, the Group has consolidated the net loss after tax and net liabilities of Grown Energy Zambeze Holdings Pvt. Ltd. and of its subsidiaries as of and up to 30 September, 2015 after which date all revenues and costs have been borne by the prospective buyer.

Name of the Company	Country of Incorporation	Nature of Business	% Equity Interest		
			As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Joint Ventures					
Direct					
Indo Maroc Phosphore S. A.	Morocco	Manufacturing	**33.33%**	33.33%	33.33%
Indirect					
The Block Salt Company Limited (Holding by New Cheshire Salt Works Limited)	United Kingdom	Manufacturing	**50.00%**	50.00%	50.00%
JOil (S) Pte. Ltd and its subsidiaries (Holding by TCIPL)	Singapore	Manufacturing	**33.78%**	33.78%	33.78%
Natronx Technologies LLC (Holding by TCSAP)	United States of America	Manufacturing	**33.30%**	33.30%	33.30%
Associate (Indirect)					
Crystal Peak Minerals Inc.	Canada	Exploration, drilling, engineering	Note 7(a)	19.47%	25.33%
Promoter Group					
Tata Sons Limited	India				

NOTE 35: FINANCE LEASES (INCLUDING HIRE PURCHASE) AND OPERATING LEASES

Finance lease commitments

The Group has finance leases contracts for certain items of plant and machinery and vehicles. The Group's obligations under finance leases are secured by the lessor's title to the leased assets.

Future minimum lease payments ('MLP') under finance lease contracts together with the present value of the net minimum lease payments are as follows:

₹ in crore

	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	26.57	23.54	25.95	20.57	25.18	17.98
After one year but not more than five years	15.66	12.19	41.77	35.34	62.41	51.52
More than five years	7.87	7.31	7.86	7.02	12.35	10.84
Total minimum lease payments	**50.10**	**43.04**	**75.58**	**62.93**	**99.94**	**80.34**
Less : amounts representing finance charges	7.06		12.65		19.60	
Present value of minimum lease payments	**43.04**		**62.93**		**80.34**	
Included in the financial statements as:						
- Current maturity of finance lease obligations (note 18)		23.54		20.57		17.98
- Non-current borrowings (note 17)		19.50		42.36		62.36
		43.04		**62.93**		**80.34**

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 8 % to 12 % per annum.

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Operating leases			
Total of minimum lease payments	**279.74**	**339.62**	**314.43**
(a) The total of minimum lease payments for a period:			
(i) Not later than one year	89.41	95.15	89.55
(ii) Later than one year and not later than five years	102.59	141.97	180.99
(iii) Later than five years	87.74	102.50	43.89
(b) Lease payments recognised *	119.91	127.41	120.20

* In the Consolidated Statement of Profit and Loss for the year (included in rent and cost of materials consumed).

NOTE 36: SEGMENT INFORMATION

36.1 Continuing operations

(a) Information about operating segments

₹ in crore

Particulars		Year ended 31 March, 2017	Year ended 31 March, 2016
1.	**Segment revenue (Revenue from operations)**		
(i)	Inorganic chemicals	8,634.21	8,820.09
(ii)	Fertilisers	2,288.33	4,113.03
(iii)	Other agri inputs	2,062.75	1,985.32
(iv)	Others	374.83	458.15
		13,360.12	**15,376.59**
	Inter segment revenue	(73.61)	(157.23)
		13,286.51	**15,219.36**
	Unallocated	2.41	0.87
		13,288.92	**15,220.23**
2.	**Segment result (Reconciliation with profit from continuing operations)**		
(i)	Inorganic chemicals	1,564.49	1,530.29
(ii)	Fertilisers	118.59	15.30
(iii)	Other agri inputs	264.55	220.47
(iv)	Others	(86.25)	(47.57)
	Total Segment results	**1,861.38**	**1,718.49**
	Unallocated expenditure net of unallocated income	(6.37)	(27.58)
	Finance costs	(411.16)	(525.47)
	Profit before share of profit/loss from investment in associate and joint ventures and tax	**1,443.85**	**1,165.44**
	Share of profit/(loss) of an associate and joint ventures	12.75	14.89
	Tax expense	(357.33)	(248.38)
	Profit from continuing operations	**1,099.27**	**931.95**

3. Segment assets and segment liabilities

₹ in crore

Particulars		Segment assets			Segment liabilities		
		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i)	Inorganic chemicals	14,076.62	14,504.03	13,867.21	2,951.22	3,181.12	3,080.38
(ii)	Fertilisers	1,150.83	1,877.98	2,529.67	307.22	277.98	738.00
(iii)	Other agri inputs	1,510.63	1,674.40	1,676.66	543.31	500.39	490.24
(iv)	Others	144.73	343.07	168.66	42.78	66.12	37.34
		16,882.81	**18,399.48**	**18,242.20**	**3,844.53**	**4,025.61**	**4,345.96**
	Unallocated	5,189.81	4,218.04	4,441.98	8,717.15	10,761.84	10,872.70
		22,072.62	**22,617.52**	**22,684.18**	**12,561.68**	**14,787.45**	**15,218.66**

4. Other information

₹ in crore

Particulars		Addition to non-current assets*		Depreciation and amortisation		Other non-cash expenses	
		Year ended 31 March, 2017	Year ended 31 March, 2016	Year ended 31 March, 2017	Year ended 31 March, 2016	Year ended 31 March, 2017	Year ended 31 March, 2016
(i)	Inorganic chemicals	590.85	524.23	450.06	448.00	118.22	200.04
(ii)	Fertilisers	9.54	2.88	17.68	17.46	24.96	36.91
(iii)	Other agri inputs	44.24	77.30	48.39	43.61	(6.79)	4.26
(iv)	Others	6.49	5.59	3.13	3.17	1.12	1.09
		651.12	**610.00**	**519.26**	**512.24**	**137.51**	**242.30**
	Unallocated	11.37	20.44	15.47	13.84	(12.18)	54.11
		662.49	**630.44**	**534.73**	**526.08**	**125.33**	**296.41**

*Comprises addition to Property, plant and equipment, Capital work-in-progress, Intangible assets and Intangible assets under development.

(b) Information about geographical areas

1. Segment revenue and non-current assets

₹ in crore

Particulars	Segment revenue	
	Year ended 31 March, 2017	Year ended 31 March, 2016
(i) India	7 ,668.52	9,584.35
(ii) Asia (other than India)	832.19	718.53
(iii) Europe	1,559.96	1,671.40
(iv) Africa	321.11	379.93
(v) America	2,901.22	2,753.81
(vi) Others	5.92	112.21
	13,288.92	**15,220.23**

2. Non-current assets*

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i) India	2 ,272.31	2,744.23	2,668.60
(ii) Asia (other than India)	0 .10	0.21	0.39
(iii) Europe	1,123.77	1,337.52	1,278.27
(iv) Africa	129.59	128.07	118.13
(v) America	9,438.08	9,571.45	9,027.07
	12,963.85	**13,781.48**	**13,092.46**

*Comprises of Property, plant and equipment, Capital work-in-progress, Goodwill on consolidation, Intangible assets and Intangible assets under development.

(c) Revenue from major products

The following is an analysis of Group's revenue from continuing operations from its major products

₹ in crore

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
(i) Soda Ash	5,731.34	6,092.81
(ii) Vaccum and Iodised Salt	1,576.66	1,549.12
(iii) Diammonium Phosphate (DAP)	1,140.44	1,907.59
(iv) Agri Products	2,062.75	1,985.32
(v) Others	2,777.73	3,685.39
	13,288.92	**15,220.23**

(d) Revenue from major customers

No single customer contributed 10% or more to the Group's revenue for the year ended 31 March, 2017 and 31 March, 2016.

(e) Other notes

(i) Management has identified three reportable business segments, namely:

- Inorganic Chemicals: Comprising soda ash, marine chemicals, caustic soda, cement, bulk chemicals and salt.
- Fertilisers: Comprising fertilisers including urea and phosphatic.
- Other Agri Inputs: Comprising traded seeds, pesticides and speciality crop nutrients.
- Others: Comprising pulses, spices, water purifiers and nutritional solutions.

Segments have been identified and reported taking into account the nature of products, the integration of manufacturing processes, the organisation structure and the internal financial reporting systems.

(ii) The geographical segments revenue are disclosed on the basis of sales as follows:

- Asia: Comprising sales to customers located in Asia.
- Europe: Comprising sales to customers located in Europe.
- Africa: Comprising sales to customers located in Africa.
- America: Comprising sales to customers located in America.

(iii) Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

Segment Information

36.2 Discontinued operation

(a) Information about operating segment

₹ in crore

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Revenue from operation (external)	1,982.96	2,304.07
Result :		
Segment result	257.38	192.89
Finance costs	(61.81)	(79.74)
Profit before tax	**195.57**	**113.15**
Tax expense	(60.74)	(38.94)
Profit from discontinued operation	**134.83**	**74.21**

Other information :

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Segment assets	1,532.46	1,737.71	1,765.05
Segment liabilities	511.27	115.00	168.73

Particulars	Year ended 31 March, 2017	Year ended 31 March, 2016
Addition to non-current assets*	18.57	51.79
Depreciation and amortisation	17.47	45.29
Other non-cash expenses	4.47	4.64

*Comprises addition to Property, plant and equipment, Capital work-in-progress and Intangible assets.

(b) Information about geographical area

Discontinued operation sells its products mainly within India where the conditions prevailing are uniform.

(c) Revenue from major products

Discontinued operation segment deals in one product group i.e urea and customised fertiliser.

(d) Revenue from major customers

No single customer contributed 10% or more to the discontinued operation of the Group's revenue for the year ended 31 March, 2017 and 31 March, 2016.

36.3 Reconciliation of information on reportable segment to Consolidated Balance sheet and Consolidated Statement of Profit and Loss

(a) Reconciliation of Profit for the year as per Consolidated Statement of Profit and Loss

₹ in crore

	Year ended 31 March, 2017	Year ended 31 March, 2016
Profit for the year from continuing operations (note 36.1 (a) (2))	1,099.27	931.95
Profit for the year from discontinued operation (note 36.2 (a))	134.83	74.21
Profit for the year as per Consolidated Statement of Profit and Loss	**1,234.10**	**1,006.16**

(b) Reconciliation of total assets as per Consolidated Balance Sheet

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Total assets as per continuing operations (note 36.1 (a) (3))	22,072.62	22,617.52	22,684.18
Total assets as per discontinued operation (note 36.2 (a))	1,532.46	1,737.71	1,765.05
Total assets as per Consolidated Balance Sheet	**23,605.08**	**24,355.23**	**24,449.23**

(c) Reconciliation of total liabilities as per Consolidated Balance Sheet

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Total liabilities as per continuing operations (note 36.1 (a) (3))	12,561.68	14,787.45	15,218.66
Total liabilities as per discontinued operation (note 36.2 (a))	511.27	115.00	168.73
Total liabilities as per Consolidated Balance Sheet	**13,072.95**	**14,902.45**	**15,387.39**

NOTE 37: DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

(a) The details of the various outstanding derivative financial instruments are given below:

₹ in crore

	As at 31 March, 2017		As at 31 March, 2016		As at 1 April, 2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Current portion						
Derivatives designated in cash flow hedges						
- Forward contracts	3.43	4.70	-	3.23	-	-
- Interest rate swaps	4.88	8.67	-	18.38	-	-
- Commodity futures	10.41	2.22	-	78.01	-	-
Total designated derivatives	**18.72**	**15.59**	**-**	**99.61**	**-**	**-**
Derivatives not designated in a hedge relationship						
- Forward contracts	-	20.72	0.19	43.43	8.61	8.05
- Option contracts	-	-	26.46	-	-	-
- Coupon only swaps	-	-	-	0.08	-	-
- Cross currency interest rate swaps	6.32	-	70.07	-	-	-
- Interest rate swaps	-	-	-	-	1.02	20.03
- Commodity futures	-	-	-	-	5.04	36.12
Total un-designated derivatives	**6.32**	**20.72**	**96.72**	**43.51**	**14.67**	**64.20**
Total current portion	**25.04**	**36.31**	**96.72**	**143.12**	**14.67**	**64.20**
Non-current portion						
Derivatives designated in cash flow hedges						
- Interest rate swaps	2.50	3.17	-	23.89	-	-
- Commodity futures	0.33	6.27	-	10.49	-	-
Total designated derivatives	**2.83**	**9.44**	**-**	**34.38**	-	-
Non-current portion						
Derivatives not designated in a hedge relationship						
- Interest rate swaps	-	-	-	-	2.17	16.88
- Option contracts	-	-	-	-	25.27	-
- Coupon only swaps	-	-	-	-	-	0.62
- Cross currency interest rate swaps	0.38	1.35	31.98	-	57.87	44.73
Total un-designated derivatives	**0.38**	**1.35**	**31.98**	**-**	**85.31**	**62.23**
Total non-current portion	**3.21**	**10.79**	**31.98**	**34.38**	**85.31**	**62.23**
Total	**28.25**	**47.10**	**128.70**	**177.50**	**99.98**	**126.43**

Derivatives not designated in a hedge relationship are effective as hedges from an economic perspective, however these are not considered for hedge accounting.

(b) The details of the gross notional amounts of derivative financial instruments outstanding are given in the table below:

Derivative instruments	Underlying	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Forward contracts	USD/INR	**$ 89.7 million**	$ 265.4 million	$ 391.6 million
Forward contracts	EUR/INR	**€ 0.4 million**	€ 1.3 million	€ 0.9 million
Forward contracts	CHF/INR	**CHF 0.7 million**	CHF 0.03 million	-
Forward contracts	EUR/GBP	**€ 15.6 million**	€ 10.5 million	-
Forward contracts	USD/GBP	**$ 3 million**	-	$26.5 million
Forward contracts	GBP/USD	**£ 16 million**	-	-
Forward contracts	USD/ZAR	**$ 6.8 million**	-	-
Forward contracts	JPY/INR	**JPY 112.1 million**	JPY 253.2 million	JPY 77.6 million
Option contracts	USD/INR	**-**	$ 15 million	$ 15 million
Coupon only swaps	Floating to fixed	**-**	$ 15 million	$ 15 million
Cross currency interest rate swaps	USD/INR and Floating to fixed	**$ 190 million**	$ 235 million	$ 235 million
Commodity forward contracts	HFO	**14,000 MT**	7,400 MT	8,000 MT
Commodity forward contracts	Natural Gas (US)	**5.7 MMBTU**	2.8 MMBTU	3.3 MMBTU
Commodity forward contracts	Natural Gas (UK)	**48.2 million therms**	50 million therms	26.7 million therms
Interest rate swaps	Floating to fixed	**$ 472 million**	$ 472 million	$ 492 million
Interest rate swaps	Floating to fixed	**-**	-	£ 43.5 million

(c) The following table analyses the movement in the effective portion of Cash Flow Hedge Reserve ('CFHR') for the year ended 31 March, 2017 and 2016

₹ in crore

	Forward contracts	Interest rate swaps	Commodity contracts	Total
Balance as at 1 April, 2015	**-**	**-**	**-**	**-**
Net (losses) / gains recognised in the CFHR	(1.58)	(19.05)	(118.25)	(138.88)
Amount reclassified from the CFHR and included in the Consolidated Statement of Profit and Loss (due to settlement of contracts) within:				
Power and fuel cost	-	-	56.63	56.63
Other expenses	(1.44)	-	-	(1.44)
Finance costs	-	11.99	-	11.99
Deferred income tax	-	1.91	1.84	3.75
Balance as at 31 March, 2016	**(3.02)**	**(5.15)**	**(59.78)**	**(67.95)**
Net (losses) / gains recognised in the CFHR	(15.88)	(3.77)	20.47	0.82
Amount reclassified from the CFHR and included in the Consolidated Statement of Profit and Loss (due to settlement of contracts) within:				
Power and fuel cost	-	-	40.29	40.29
Other expenses	16.28	-	-	16.28
Finance costs	-	17.75	-	17.75
Deferred income tax	1.48	(1.92)	(1.15)	(1.59)
Balance as at 31 March, 2017	**(1.14)**	**6.91**	**(0.17)**	**5.60**

NOTE 38: DISCLOSURES ON FINANCIAL INSTRUMENTS

(a) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31 March, 2017.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives in other than hedging relationship	Derivatives in hedging relationship	Amortised cost	Total carrying value
Financial assets						
(a) Investments - non - current						
Equity instrument at fair value	2,274.70	-	-	-	-	**2,274.70**
(b) Investments - current						
Investment in mutual funds	-	220.52	-	-	-	**220.52**
(c) Trade receivables	-	-	-	-	2,088.35	**2,088.35**
(d) Cash and cash equivalents	-	-	-	-	1,451.45	**1,451.45**
(e) Other bank balances	-	-	-	-	213.92	**213.92**
(f) Loans - non-current	-	-	-	-	1.10	**1.10**
(g) Loans - current	-	-	-	-	0.67	**0.67**
(h) Other financial assets - non-current	-	-	0.38	2.83	12.69	**15.90**
(i) Other financial assets - current	-	-	6.32	18.72	55.53	**80.57**
Total	**2,274.70**	**220.52**	**6.70**	**21.55**	**3,823.71**	**6,347.18**
Financial liabilities						
(a) Borrowings - non-current	-	-	-	-	4,357.52	**4,357.52**
(b) Borrowings - current	-	-	-	-	721.08	**721.08**
(c) Trade payables	-	-	-	-	1,337.94	**1,337.94**
(d) Other financial liabilities - non-current	-	-	1.35	9.44	20.04	**30.83**
(e) Other financial liabilities - current	-	-	20.72	15.59	2,351.85	**2,388.16**
Total	**-**	**-**	**22.07**	**25.03**	**8,788.43**	**8,835.53**

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31 March, 2016.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives in other than hedging relationship	Derivatives in hedging relationship	Amortised cost	Total carrying value
Financial assets						
(a) Investments - non - current						
Equity instrument at fair value	1,838.20	2.89	-	-	-	**1,841.09**
(b) Investments - current						
Investment in mutual funds	-	9.40	-	-	-	**9.40**
(c) Trade receivables	-	-	-	-	3,565.57	**3,565.57**
(d) Cash and cash equivalents	-	-	-	-	1,246.69	**1,246.69**
(e) Other bank balances	-	-	-	-	18.67	**18.67**
(f) Loans - non-current	-	-	-	-	2.35	**2.35**
(g) Loans - current	-	-	-	-	0.81	**0.81**
(h) Other financial assets - non-current	-	-	31.98	-	10.03	**42.01**
(i) Other financial assets - current	-	-	96.72	-	74.42	**171.14**
Total	**1,838.20**	**12.29**	**128.70**	**-**	**4,918.54**	**6,897.73**
Financial liabilities						
(a) Borrowings - non-current	-	-	-	-	6,779.70	**6,779.70**
(b) Borrowings - current	-	-	-	-	1,787.92	**1,787.92**
(c) Trade payables	-	-	-	-	1,617.76	**1,617.76**
(d) Other financial liabilities - non-current	-	-	-	34.38	18.58	**52.96**
(e) Other financial liabilities - current	-	-	43.51	99.61	864.95	**1,008.07**
Total	**-**	**-**	**43.51**	**133.99**	**11,068.91**	**11,246.41**

The following table presents the carrying amounts of each category of financial assets and liabilities as at 1 April, 2015.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives in other than hedging relationship	Amortised cost	Total carrying value
Financial assets					
(a) Investments - non-current					
Equity instrument at fair value	2,073.97	2.89	-	-	**2,076.86**
(b) Investments - current					
Investment in mutual funds	-	5.50	-	-	**5.50**
(c) Trade receivables	-	-	-	3,545.40	**3,545.40**
(d) Cash and cash equivalents	-	-	-	1,179.09	**1,179.09**
(e) Other bank balances	-	-	-	205.73	**205.73**
(f) Loans - non-current	-	-	-	8.33	**8.33**
(g) Loans - current	-	-	-	1.84	**1.84**
(h) Other financial assets - non-current	-	-	85.31	9.98	**95.29**
(i) Other financial assets - current	-	-	14.67	111.06	**125.73**
Total	**2,073.97**	**8.39**	**99.98**	**5,061.43**	**7,243.77**
Financial liabilities					
(a) Borrowings - non-current	-	-	-	5,759.46	**5,759.46**
(b) Borrowings - current	-	-	-	2,050.04	**2,050.04**
(c) Trade payables	-	-	-	2,102.47	**2,102.47**
(d) Other financial liabilities - non-current	-	-	62.23	21.17	**83.40**
(e) Other financial liabilities - current	-	-	64.20	1,747.94	**1,812.14**
Total	**-**	**-**	**126.43**	**11,681.08**	**11,807.51**

(b) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table provides the fair value measurement hierarchy of the Group's financials assets and liabilities that are measured at fair value or where fair value disclosure is required

₹ in crore

	As at 31 March, 2017			
		Fair value measurement using		
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	6.70	-	6.70	-
Commodity futures	10.74	-	10.74	-
Interest rate swaps	7.38	-	7.38	-
Foreign exchange forward contracts	3.43	-	3.43	-
FVTOCI financial investments				
Quoted equity instruments	1,679.28	1,679.28	-	-
Unquoted equity instruments	595.42	-	18.29	577.13
FVTPL financial investments				
Investment in mutual funds	220.52	220.52	-	-
Liabilities measured at fair value:				
Derivative financial liabilities				
Cross currency interest rate swaps	1.35	-	1.35	-
Foreign exchange forward contracts	25.42	-	25.42	-
Interest rate swaps	11.84	-	11.84	-
Commodity futures	8.49	-	8.49	-
Liabilities for which fair values are disclosed :				
Borrowings:				
Unsecured non-convertible debentures	262.90	262.90	-	-

There have been no transfers between levels during the period.

₹ in crore

	As at 31 March, 2016			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	102.05	-	102.05	-
Options	26.46	-	26.46	-
Foreign exchange forward contracts	0.19	-	0.19	-
FVTOCI financial investments				
Quoted equity instruments	1,263.85	1,263.85	-	-
Unquoted equity instruments	574.35	-	18.29	556.06
FVTPL financial investments				
Unquoted equity instruments	2.89	-	-	2.89
Investment in mutual funds	9.40	9.40	-	-
Liabilities measured at fair value:				
Derivative financial liabilities				
Coupon only swaps	0.08	-	0.08	-
Foreign exchange forward contracts	46.66	-	46.66	-
Interest rate swaps	42.26	-	42.26	-
Commodity futures	88.50	-	88.50	-
Liabilities for which fair values are disclosed :				
Borrowings:				
Unsecured non-convertible debentures	261.24	261.24	-	-

There have been no transfers between levels during the period.

	As at 1 April, 2015			
	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	57.87	-	57.87	-
Options	25.27	-	25.27	-
Foreign exchange forward contracts	8.61	-	8.61	-
Interest rate swaps	3.19	-	3.19	-
Commodity futures	5.04	-	5.04	-
FVTOCI financial investments				
Quoted equity instruments	1,500.32	1,500.32	-	-
Unquoted equity instruments	573.65	-	18.29	555.36
FVTPL financial investments				
Unquoted equity instruments	2.89	-	-	2.89
Investment in mutual funds	5.50	5.50	-	-
Liabilities measured at fair value:				
Derivative financial liabilities				
Cross currency interest rate swaps	44.73	-	44.73	-
Coupon only swaps	0.62	-	0.62	-
Foreign exchange forward contracts	8.05	-	8.05	-
Interest rate swaps	36.91	-	36.91	-
Commodity futures	36.12	-	36.12	-
Liabilities for which fair values are disclosed :				
Borrowings:				
Unsecured non-convertible debentures	261.97	261.97	-	-

(c) Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The investment measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation report provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range. The carrying value of those investments are individually immaterial.

iii) The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, credit quality of counterparties, interest rate curves and forward rate curves of the underlying commodity etc. and use of appropriate valuation models.

iv) The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Group (since the date of inception of the loans).

v) The fair values of the 10% unsecured redeemable non-convertible debenture (included in long term borrowings) are derived from quoted market prices. The Group has no other long-term borrowings with fixed-rate of interest.

(d) Financial risk management objectives

The Group is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Board of Directors / Committee of Board of the respective operating entities approve the risk management policies. The implementation of these policies is the responsibility of the operating entities. The Board of Directors / Committee of Board of the respective operating entities periodically review the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

All hedging activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Group's policy is not to trade in derivatives for speculative purposes.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, commodity price, liquidity and other market changes. Financial instruments affected by market risk include borrowings, deposits, investments and derivative financial instruments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and all recognised monetary assets and liabilities which are denominated in a currency other than the functional currency of the entities of the Group. The foreign exchange risk management policy requires operating entities to manage their foreign exchange risk against their functional currency and to meet this objective they enter into derivatives such as foreign currency forwards, option and swap contracts, as considered appropriate and whenever necessary.

The Group has international operations and hence, it is exposed to foreign exchange risk arising from various currencies, primarily with respect to USD. As at the end of the reporting period, the carrying amounts of the Group's foreign currency denominated monetary assets and liabilities, in respect to the primary foreign currency exposure i.e. USD, and derivative to hedge the exposure are as follows:

₹ in crore

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
USD exposure			
Assets	1,019.56	1,113.50	1,328.64
Liabilities	(1,875.75)	(3,559.86)	(4,260.35)
Net	**(856.19)**	**(2,446.36)**	**(2,931.71)**
Derivatives to hedge USD exposure			
Forward contracts - (USD/INR)	499.30	1,702.42	2,228.75
Option contracts - (USD/INR)	-	99.38	93.75
Cross currency swaps	1,232.15	1,556.99	1,468.75
	1,731.45	**3,358.79**	**3,791.25**
Net exposure	**875.26**	**912.43**	**859.54**

The Group's exposure to foreign currency changes for all other currencies is not material.

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Group's profit before tax due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016
If INR had (strengthened) / weakened against USD by 5%		
(Decrease) / increase in profit for the year	43.76	45.62

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Group's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Group's exposure to the risk of changes in market rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's policy is generally to undertake long-term borrowings using facilities that carry floating-interest rate. The Group manages its interest rate risk by entering into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Moreover, the short-term borrowings of the Group do not have a significant fair value or cash flow interest rate risk due to their short tenure.

As the Group does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates.

As at the end of reporting period, the Group had following long term variable interest rate borrowings and derivatives to hedge interest rate risk:

₹ in crore

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Long term variable interest rate borrowings	6,094.31	7,047.51	6,872.11
Derivatives to hedge interest rate risk			
Coupon only swaps (not designated in a hedge relationship)	-	99.38	93.75
Cross currency swaps (not designated in a hedge relationship)	1,232.15	1,556.99	1,468.75
Interest rate swaps (designated as cash flow hedges)	3,060.92	3,127.24	3,477.24
Total	**4,293.07**	**4,783.61**	**5,039.74**
Net exposure	**1,801.24**	**2,263.90**	**1,832.36**

Interest rate sensitivity
The following table demonstrates the impact to the Group's profit before tax and other comprehensive income to a reasonably possible change in interest rates on long term floating rate borrowings, with all other variables held constant:

	Increase/ decrease in basis points	Effect on profit before tax ₹ in crore	Effect on other comprehensive income ₹ in crore
31 March, 2017	+50/-50	(28.90)/ 28.89	12.31/ (8.57)
31 March, 2016	+50/-50	(33.95)/ 33.94	21.58/ (5.51)

The effect on other comprehensive income is calculated on change in fair value of cash flow hedges entered to hedge the interest rate risks. Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Group's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

Other price risks management
Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The Group's exposure to equity price risk arises from investments held by the Group and classified in the Balance Sheet as FVTOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis.

Equity price sensitivity analysis
If prices of equity instrument had been 5% higher / (lower), the other comprehensive income for the year ended 31 March, 2017 and 2016 would increase / (decrease) by ₹ **83.96 crore** and ₹ 63.19 crore respectively.

Commodity price risk
Certain entities within the Group are affected by the volatility in the price of commodities. Its operating activities require the ongoing production of steam and electricity and therefore require a continuous supply of fuels. Due to potential volatility in the price of fuels, the Group has put in place a risk management strategy whereby the cost of fuels are hedged.

Commodity price sensitivity
The following table shows the effect of price changes in commodities to OCI due to changes in fair value of cash flow hedges entered to hedge commodity price risk.

₹ in crore

If the price of the future contracts were higher / (lower) by 10%	Commodity	As at 31 March, 2017	As at 31 March, 2016
Increase / (decrease) in OCI for the year	Natural gas	**28.11**	18.33
Increase / (decrease) in OCI for the year	HFO	**2.80**	0.92

Credit risk management
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, investment in mutual funds and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, short term investment, trade receivables and other financial assets excluding equity investments.

Trade receivables
The Trade receivables of Group are majorly unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by each business unit subject to the established policies, procedures and control relating to customer credit risk management. Before accepting any new customer, the Group has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other factors. The credit period provided by the Group to its customers generally ranges from 0-60 days. Outstanding customer receivables are regularly monitored.

The credit risk related to the trade receivables is mitigated by taking security deposits / bank guarantee / letter of credit - as and where considered necessary, setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers.

As the revenue and trade receivables from any of the single customer do not exceed 10% of Group revenue, there is no substantial concentration of credit risk.

Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Financial guarantees

Rallis has issued a corporate guarantee to debenture trustee in respect of issuance of Debentures of ₹ 270.00 crore by Advinus Therapeutics Ltd. (Advinus), to the extent of 16.89% of the total subscription of debenture issued by Advinus. The maximum exposure in this respect is **₹ 45.60 crore** (2016: ₹ Nil and 2015: ₹ Nil) as disclosed in note 43.1(b). In this regard, the Group does not foresee any significant credit risk exposure.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Risk Management Policy includes an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long term funding and liquidity management requirements. The Group manages the liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The below table analyses the Group's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

₹ in crore

	Carrying amount	Up-to 1 year	1-3 years	3-5 years	Above 5 years	Total
As at 31 March, 2017						
Borrowings and interest thereon	7,071.85	2,889.80	2,043.21	2,629.20	9.51	**7,571.72**
Trade and other payables	1,716.57	1,696.53	14.42	-	5.62	**1,716.57**
Total	**8,788.42**	**4,586.33**	**2,057.63**	**2,629.20**	**15.13**	**9,288.29**
As at 31 March, 2016						
Borrowings and interest thereon	9,090.42	2,595.47	2,799.46	3,043.38	13.54	**8,451.85**
Trade and other payables	1,978.49	1,959.91	13.77	-	4.81	**1,978.49**
Total	**11,068.91**	**4,555.38**	**2,813.23**	**3,043.38**	**18.35**	**10,430.34**
As at 1 April, 2015						
Borrowings and interest thereon	9,204.74	3,520.03	2,520.21	1,821.76	1,893.42	**9,755.42**
Trade and other payables	2,476.34	2,455.17	17.14	-	4.03	**2,476.34**
Total	**11,681.08**	**5,975.20**	**2,537.35**	**1,821.76**	**1,897.45**	**12,231.76**

The below table analyses the Group's derivative financial liabilities into relevant maturity groupings based on the remaining period (as at the reporting date) to the contractual maturity date.

₹ in crore

Particulars	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Current portion	**36.31**	143.12	64.20
Non-current portion (within one - three years)	**10.78**	30.48	39.76
Non-current portion (within three - five years)	**0.01**	3.90	17.13
Non-current portion (more than five years)	-	-	5.34
Total	**47.10**	**177.50**	**126.43**

All the derivative financial liabilities are included in the above analysis, as their contractual maturity dates are essential for the understanding of the timing of the underlying cash flows.

NOTE 39: CAPITAL MANAGEMENT

The capital structure of the Group consists of net debt and total equity. The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Group's risk management committee reviews the capital structure of the Group considering the cost of capital and the risks associated with each class of capital.

NOTE 40: EMPLOYEE BENEFITS OBLIGATIONS:

(A) In respect of the Company and domestic subsidiaries

The Company makes contribution towards provident fund, in substance a defined contribution retirement benefit plan and towards pension and superannuation funds, defined contribution retirement plans for qualifying employees. The provident fund is administered by the Trustees of the Tata Chemicals Limited Provident Fund and the superannuation fund is administered by the Trustees of the Tata Chemicals Limited Superannuation Fund. The Company is liable to pay to the provident fund to the extent of the amount contributed and any shortfall in the fund assets based on government specified minimum rates of return relating to current services. The Company recognise such contribution and shortfall if any as an expense in the year incurred.

On account of the above contribution plans, a sum of ₹ **21.84** crore (previous year ₹ 20.97 crore) has been charged to the Consolidated Statement of Profit and Loss.

The Company makes annual contributions to the Tata Chemicals Employees' Gratuity Trust and to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, for funding the defined benefit plans for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement or death while in employment or on termination of employment. Employees, upon completion of the vesting period, are entitled to a benefit equivalent to either half month, three fourth month and full month salary last drawn for each completed year of service depending upon the completed years of continuous service in case of retirement or death while in employment. In case of termination, the benefit is equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. Vesting occurs upon completion of five years of continuous service.

The Company also provides post retirement medical benefits to eligible employees under which employees at Mithapur who have retired from service of the Company are entitled for free medical facility at the Company hospital during their lifetime. Other employees are entitled to domiciliary treatment exceeding the entitled limits for the treatments covered under the Health Insurance Scheme upto slabs defined in the scheme. The floater mediclaim policy also covers retired employees based on eligibility, for such benefit.

The Company provides pension, housing/house rent allowance and medical benefits to retired Managing and Executive Directors who have completed ten years of continuous service in Tata Group and three years of continuous service as Managing Director/Executive Director or five years of continuous service as Managing Director/Executive Director. The directors are entitled upto seventy five percent of last drawn salary for life and on death 50% of the pension is payable to the spouse for the rest of his/her life.

Domestic subsidiaries also include a supplemental pay scheme (a life long pension), an unfunded scheme, covering certain Executives.

Family benefit scheme is applicable to all permanent employees in management, officers and workmen who have completed one year of continuous service. Incase, of untimely death of the employee, the nominated beneficiary is entitled to an amount equal to the last drawn salary (Basic Salary, DA and FDA) till the normal retirement date of the deceased employee.

The most recent actuarial valuations of plan assets and the present values of the defined benefit obligations were carried out at 31 March, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(B) In respect of overseas subsidiaries and joint ventures, the liabilities for employee benefits are determined and accounted as per the regulations and principles followed in the respective countries.

(i) UK and Kenyan subsidiaries

The Homefield UK Private Limited - Group operates defined contribution schemes, under which costs of ₹ **9.02 crore** (previous year ₹ 7.67 crore) are charged to the Consolidated Statement of Profit and Loss on the basis of contributions payable. The Group also operates defined benefit schemes, the assets of which are held in separate trustee administered funds.

Defined benefit scheme - Tata Chemicals Europe Limited

The Company operates defined benefit pension arrangements in the UK, which were available to substantially all employees but are now closed to new members and closed for further accruals from 31 May, 2016. The assets of the scheme are held in separate trustee administered funds.

As part of the 2014 valuation, a new payment schedule has been agreed between the trustees of the pension scheme and the Company whereby the Company will make contributions towards the deficit in the fund from June 2016 to February 2041. The Company will also continue to make contributions towards the expenses of the fund and to cover cost of future accrual benefits for the remaining active members. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit method. The project unit method is an accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings.

Defined contribution scheme - Tata Chemicals Europe Limited and Tata Chemicals Magadi Limited

The Company also operates a defined contribution scheme under which costs are charged to Consolidated Statement of Profit and Loss on the basis of contributions payable.

Defined benefit scheme - British Salt Limited

The Company operates defined benefit pension arrangements in UK. Eligible employees of the salt business were members of the British Salt Retirement Income and Life Assurance Plan ('RILA') which was closed for future accrual and new members on 31 January, 2008.

RILA is funded by the payment of contributions to a defined benefit scheme and separately administered trust fund. The fund is valued every three years using the projected unit method by an independent, professionally qualified actuary who has also set the contribution rates for the year.

The most recent triennial valuation was performed as of June, 2016. The assumptions which had the most significant effect on the results of the valuation were those relating to investment returns and price inflation.

(ii) US subsidiaries

The Company also sponsors defined contribution retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees. The Company matches employee contributions up to certain predefined limits for non-represented employees based upon eligible compensation and the employee's contribution rate.

The Company's contribution to these plans was ₹ **3.90 crore** and (previous year ₹ 3.26 crore).

Pension plans and other post retirement benefit

The Company maintains several defined benefit pension plans covering substantially all employees. A participating employee's annual post retirement pension benefit is determined by the employee's credited service and, in most plans, final average annual earnings with the Company. Vesting requirements are two years. The Company's funding policy is to annually contribute the statutorily required minimum amount as actuarially determined. The Company also maintains several plans providing non-pension post retirement benefits covering substantially all hourly and certain salaried employees. The Company funds these benefits on a pay-as-you-go basis.

Plan assets

The assets of the Company's defined benefit plans are managed on a commingled basis in a Master Trust. The investment policy and allocation of the assets in the Master Trust were approved by the Company's Investment Committee, which has oversight responsibility for the Company's retirement plans.

The pension fund assets are invested in accordance with the statement of Investment Policies and Procedures adopted by the Company, which are reviewed annually. Pension fund assets are invested on a going-concern basis with the primary objective of providing reasonable rates of return consistent with available market opportunities, a quality standard of investment, and moderate levels of risk.

The following tables set out the funded status and amounts recognised in the Group's consolidated financial statements as at 31 March, 2017 and 31 March, 2016 for the Defined benefits plans:

₹ in crore

		As at 31 March, 2017		As at 31 March, 2016	
		Funded	Unfunded	Funded	Unfunded
(i)	**Changes in the defined benefit obligation:**				
	Projected defined benefit obligation at the beginning of the year	4,553.73	324.49	4,524.48	309.13
	Current service cost	45.36	6.49	52.57	6.15
	Interest cost	165.44	17.12	170.00	16.04
	Remeasurements				
	Actuarial (gains) / losses arising from:				
	- Changes in financial assumptions	534.57	41.57	(184.71)	(2.34)
	- Changes in demographic assumptions	19.83	(2.68)	(23.39)	(0.01)
	- Experience adjustments	(11.63)	3.17	0.34	1.23
	Benefits paid	(183.60)	(16.50)	(177.67)	(17.64)
	Transfer in / transfer out	-	-	(0.26)	-
	Past service cost	6.24	-	-	-
	Exchange fluctuations	(503.21)	(4.40)	192.37	11.93
	Retiree drug subsidy reimbursement	-	1.03	-	-
		4,626.73	**370.29**	**4,553.73**	**324.49**
	Pertaining to discontinued operation	(16.95)	(2.73)	-	-
	Defined benefit obligation at the end of the year	**4,609.78**	**367.56**	**4,553.73**	**324.49**
(ii)	**Changes in the fair value of plan assets:**				
	Fair value of plan assets at the beginning of the year	3,411.88	-	3,420.99	-
	Interest on plan assets (net of administrative expenses)	70.92	-	75.52	-
	Remeasurements - Return on plan assets excluding amounts included in interest income	446.36	-	(146.89)	-
	Contributions	108.96	-	60.71	-
	Benefits paid	(183.60)	-	(177.67)	-
	Exchange fluctuations	(380.32)	-	179.22	-
		3,474.20	**-**	**3,411.88**	**-**
	Pertaining to discontinued operation	(16.48)	-	-	-
	Value of plan assets at the end of the year	**3,457.72**	**-**	**3,411.88**	**-**
	Liability (net)	**1,152.06**	**367.56**	1,141.85	324.49

(iii) Net employee benefit cost for the year

₹ in crore

	Year ended 31 March, 2017		Year ended 31 March, 2016	
	Funded	Unfunded	Funded	Unfunded
Current service cost	45.36	6.49	52.57	6.15
Interest on defined benefit obligation (net)	94.52	17.12	94.48	16.04
Pertaining to discontinued operation	(1.02)	(0.28)	(1.80)	(0.36)
Components of defined benefits costs recognised in profit or loss	**138.86**	**23.33**	**145.25**	**21.83**
Remeasurements				
Actuarial (gain) / loss arising from:				
- Changes in financial assumptions	534.57	41.57	(184.71)	(2.34)
- Changes in demographic assumptions	19.83	(2.68)	(23.39)	(0.01)
- Experience adjustments	(11.63)	3.17	0.34	1.23
Return on plan assets less interest on plan assets	(446.36)	-	146.89	-
Components of defined benefits costs recognised in other comprehensive income	**96.41**	**42.06**	**(60.87)**	**(1.12)**
Net benefit expense	**235.27**	**65.39**	**84.38**	**20.71**

(iv) Categories of the fair value of total plan assets:

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
Government Securities/Corporate Bonds (Quoted)	**968.17**	972.35	963.46
Government Securities/Corporate Bonds (Unquoted)	**1,570.20**	1,520.82	1,554.91
Equity Instruments (Quoted)	**804.15**	802.76	795.68
Insurer Managed/Hedged Funds	**78.48**	63.10	54.82
Others (Quoted)	**0.58**	0.88	0.91
Others (Unquoted)	**52.62**	51.97	51.21
Total	**3,474.20**	**3,411.88**	**3,420.99**

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

(v) Risk exposure :

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below :

Investment risk: If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher, than expected.

Changes in bond yields: A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

Longevity risk: If improvements in life expectancy are greater than assumed, the cost of benefits will increase because pensions are paid for longer period than expected. This will mean that the funding level will be higher than expected.

Inflation risk: If inflation is greater than assumed, the cost of benefits will increase as pension increases and deferred revaluations are linked to inflation.

(vi)(a) Assumptions used to determine net periodic benefit costs:

		India		US Plans		UK Plans
		Funded	Unfunded	Funded	Unfunded	Funded
Discount rate	As at 31 March, 2017	6.85% to 7.29% p.a.	6.85% to 7.29% p.a.	4.29% p.a.	4.23% p.a.	2.50% p.a.
	As at 31 March, 2016	7.60% to 8.04% p.a.	7.60% to 8.04% p.a.	4.24% p.a.	4.16% p.a.	3.50% p.a.
	As at 1 April, 2015	7.80% to 8.00% p.a.	7.80% to 8.00% p.a.	4.08% p.a.	3.99% p.a.	3.20% p.a.
Increase in compensation cost	As at 31 March, 2017	7.50% - 8.00% p.a.	7.50% - 8.00% p.a.	4.50% to 9.00% p.a.	NA	NA
	As at 31 March, 2016	For the parent - 10.00% for the first year and 7.50% thereafter. For subsidiary - 8.00% p.a.		4.50% to 9.00% p.a.	NA	NA
	As at 1 April, 2015	For the parent - 10.00% for the first year and 7.50% thereafter. For subsidiary - 8.00%		4.50% to 9.00% p.a.	NA	NA
Healthcare cost increase rate	As at 31 March, 2017	NA	10.00% p.a.	NA	7.50% p.a.	NA
	As at 31 March, 2016	NA	8.00% p.a.	NA	8.00% p.a.	NA
	As at 1 April, 2015	NA	8.00% p.a.	NA	8.25% p.a.	NA
Pension increase rate	As at 31 March, 2017	NA	6.00% p.a.	NA	NA	2.20% to 3.05% p.a.
	As at 31 March, 2016	NA	5.00% p.a.	NA	NA	2.10% to 2.80% p.a.
	As at 1 April, 2015	NA	5.00% p.a.	NA	NA	2.10% to 3.30% p.a.

(a) Discount rate for the domestic plans is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

(c) The details of the Group's post-retirement and other benefit plans for its employees given above, are certified by the actuaries and relied upon by the Auditors.

(vi) (b) Average longevity at retirement age for current beneficiaries of the plan (years)

	As at 31 March, 2017			As at 31 March, 2016		
	India	UK	US	India	UK	US
Average longevity at retirement age for current beneficiaries of the plan (years)						
Males	8 to 18 years	20 to 21 years	24 to 25 years	8 to 18 years	20 to 21 years	23 to 24 years
Females	8 to 22 years	25 to 26 years	26 to 27 years	8 to 22 years	25 to 26 years	26 to 27 years
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)						
Males	7 to 20 years	24 to 25 years	24 to 25 years	7 to 20 years	25 to 26 years	23 to 24 years
Females	7 to 20 years	27 to 28 years	26 to 27 years	7 to 20 years	27 to 28 years	26 to 27 years

(vii) Sensitivity analysis

Impact on Defined benefit obligation due to change in assumptions as at 31 March, 2017

₹ in crore

Assumptions	TCL		Rallis		US		UK	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate								
0.25% change	-	-	-	-	-	-	(119.93)	127.83
0.50% change	(13.99)	15.72	-	-	(116.96)	136.70	-	-
1.00% change	-	-	(3.37)	3.87	-	-	-	-
Compensation rate								
0.50% change	3.11	(2.94)	-	-	33.43	(34.48)	-	-
1.00% change	-	-	2.30	(2.59)	-	-	-	-
Pension rate								
1.00% change	3.83	(3.30)	-	-	-	-	-	-
Healthcare costs								
1.00% change	19.58	(15.27)	-	-	2.15	(2.27)	-	-

Impact on Defined benefit obligation due to change in assumptions as at 31 March, 2016

Assumptions	TCL		Rallis		US		UK	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate								
0.25% change	-	-	-	-	-	-	(107.84)	114.79
0.50% change	(8.12)	8.95	-	-	(125.94)	147.96	-	-
1.00% change	-	-	(2.97)	3.40	-	-	-	-
Compensation rate								
0.25% change	-	-	-	-	-	-	-	-
0.50% change	2.79	(2.64)	-	-	38.52	(39.60)	-	-
1.00% change	-	-	1.95	(2.20)	-	-	-	-
Pension rate								
1.00% change	2.55	(2.20)	-	-	-	-	-	-
Healthcare costs								
1.00% change	8.50	(6.82)	-	-	2.55	(2.67)	-	-

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions accruing at the end of the reporting period.

(viii) Maturity profile of the defined benefit obligation as at 31 March, 2017 is as follows:

₹ in crore

	India	US	UK
Within the next 12 months (next annual reporting period)	19.30	81.01	93.48
Later than 1 year and not later than 5 years	70.47	371.60	397.47
6 years and above	810.81	548.17	554.24
Weighted average duration of the payments (in no. of years)	7-20 years	14-15 years	16-17 years

NOTE 41: RELATED PARTY DISCLOSURE

(a) Related parties and their relationship (as defined under Ind AS 24 Related Party Disclosures)

I. Joint Ventures

Direct

Indo Maroc Phosphore S.A., Morocco

Indirect

Joil (S) Pte. Ltd., Singapore
The Block Salt Company Limited, United Kingdom
Natronx Technologies LLC, Unites States of America

II. Key Management Personnel ('KMP')

Mr. R. Mukundan, Managing Director and CEO
Mr. P. K. Ghose, Executive Director and CFO (upto 30 September, 2015)

III. Promoter Group

Tata Sons Limited, India

IV. Associate

Crystal Peak Minerals Inc. (upto 24 May, 2016)

V. Other Related Parties

TC Travel and Services Limited
Tata Consultancy Services Limited
Tata International Singapore Pte Limited
Advinus Therapeutics Limited
Tata Limited
Indian Rotorcraft Limited
Tata AIG General Insurance Company Limited
Tata Autocomp Systems Limited
Tata Autocomp Hendrickson Suspensions Private Limited
Tata Capital Forex Limited
Tata Capital Financial Services Limited
Tata International Limited
Tata Chemicals Ltd Provident Fund
Tata Chemicals Ltd Emp Pension Fund
Tata Chemicals Superannuation Fund
Tata Chemicals Employees Gratuity Trust
TCL Employees Gratuity Fund
Tata Realty and Infrastructure Limited
Tata Unistore Limited
Tata Industries Limited
TASEC Limited (formely TAS-AGT Systems Limited)
Tata Teleservices Limited
Ecofirst Services Limited
Tata Business Support Services Limited
Tata Africa Services (Nigeria) Ltd.
Tata South East Asia Ltd.
Tata AIA Life Insurance Company Limited
Tata Consulting Engineers Limited
Infiniti Retail Limited
Tata Investment Corporation Limited
Ewart Investments Limited
Simto Investment Company Limited

(b) Transactions with Related parties (as defined under Ind AS 24) during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017

₹ in crore

	Joint Ventures of Tata Chemicals Limited			Tata Sons Limited, its Subsidiaries and Joint ventures					Other Related parties	KMP	Total
	Indo Maroc Phosphore S. A.	Natronx Technologies LLC	The Block Salt Company Limited	TC Travel and Services Limited	Tata Consultancy Services Limited	Tata International Singapore Pte Limited	Tata Sons	Others			
Purchase of goods (includes stock in transit) -net	310.73	-	-	-	-	2.04	-	-	-	-	**312.77**
Sales	-	-	7.33	-	-	-	-	5.64	-	-	**12.97**
Other Services - expenses (net of reimbursements)	2.95	(0.39)	-	7.56	9.73	-	31.14	7.25	-	-	**58.24**
Other Services - Income	-	-	-	-	0.04	-	0.22	0.23	-	-	**0.49**
Dividend received	-	-	-	-	-	-	-	0.72	-	-	**0.72**
Deposit received	-	-	-	-	-	-	0.02	-	-	-	**0.02**
Miscellaneous purchases	-	-	-	-	-	-	1.63	0.02	-	-	**1.65**
Dividend paid	-	-	-	-	-	-	49.31	17.52	-	-	**66.83**
Interest paid	-	-	-	-	-	-	-	0.40	-	-	**0.40**
Contributions to employee benefit trusts	-	-	-	-	-	-	-	-	40.36	-	**40.36**
Payments To KMPs											
Short-term employee benefits	-	-	-	-	-	-	-	-	-	5.15	**5.15**
Post-employment benefits	-	-	-	-	-	-	-	-	-	3.98	**3.98**

₹ in crore

	Joint Ventures of Tata Chemicals Limited			Tata Sons Limited, its Subsidiaries and Joint ventures					Other Related parties	KMP	Total
	Indo Maroc Phosphore S. A.	Natronx Technologies LLC	The Block Salt Company Limited	TC Travel and Services Limited	Tata Consultancy Services Limited	Tata International Singapore Pte Limited	Tata Sons	Others			
Amount receivables / advances											
As at 31 March, 2017	0.54	-	0.64	-	-	*	-	2.62	0.01	-	**3.81**
Amount payables (in respect of goods purchased and other services)											
As at 31 March, 2017	35.47	4.52	-	0.28	0.26	-	28.62	0.72	2.88	-	**72.75**
Amount receivable on account of any management contracts											
As at 31 March, 2017	0.11	-	-	-	-	-	-	0.08	-	-	**0.19**

* indicates amounts less than ₹ 50,000/-

(c) Transactions with Related parties (as defined under Ind AS 24) during the year ended 31 March, 2016 and balances outstanding as at 31 March, 2016 and as at 1 April, 2015

₹ in crore

	Joint Ventures of Tata Chemicals Limited			Tata Sons Limited, its Subsidiaries and Joint ventures					Other Related parties	KMP	Total
	Indo Maroc Phosphore S. A.	Natronx Technologies LLC	The Block Salt Company Limited	TC Travel and Services Limited	Tata Consultancy Services Limited	Tata International Singapore Pte Limited	Tata Sons	Others			
Purchase of goods (includes stock in transit) - net	500.50	-	-	-	-	18.46	-	0.13	-	-	**519.09**
Sales	-	-	8.53	-	-	-	-	1.59	-	-	**10.12**
Other Services - expenses (net of reimbursements)	(0.22)	5.88	-	8.00	10.73	-	34.62	8.68	-	-	**67.69**
Other Services - Income	-	-	-	-	-	-	0.06	0.23	-	-	**0.29**
Dividend received	-	-	-	-	-	-	24.57	2.10	-	-	**26.67**
Miscellaneous purchases	-	-	-	-	-	-	-	2.32	-	-	**2.32**
EMI on employee loans deducted and paid	-	-	-	-	-	-	-	0.08	-	-	**0.08**
Dividend paid	-	-	-	-	-	-	61.63	22.02	-	-	**83.65**
Interest paid	-	-	-	-	-	-	-	0.40	-	-	**0.40**
Contributions to employee benefit trusts	-	-	-	-	-	-	-	-	34.98	-	**34.98**
Payments To KMPs											
Short-term employee benefits	-	-	-	-	-	-	-	-	-	6.92	**6.92**
Post-employment benefits	-	-	-	-	-	-	-	-	-	2.30	**2.30**

₹ in crore

	Joint Ventures of Tata Chemicals Limited			Tata Sons Limited, its Subsidiaries and Joint ventures					Other Related parties	KMP	Total
	Indo Maroc Phosphore S. A.	Natronx Technologies LLC	The Block Salt Company Limited	TC Travel and Services Limited	Tata Consultancy Services Limited	Tata International Singapore Pte Limited	Tata Sons	Others			
Amount receivables / advances											
As at 31 March, 2016	-	-	0.72	-	-	-	-	1.63	-	-	**2.35**
As at 1 April, 2015	-	-	0.46	-	-	-	-	0.26	-	-	**0.72**
Amount payables (in respect of goods purchased and other services)											
As at 31 March, 2016	138.77	5.94	-	0.33	0.69	17.02	34.60	1.27	2.60	-	**201.22**
As at 1 April, 2015	336.52	-	1.08	0.48	0.63	-	27.65	0.62	2.58	-	**369.56**
Amount receivable on account of any management contracts											
As at 31 March, 2016	0.05	-	-	-	-	-	1.03	0.09	-	-	**1.17**
As at 1 April, 2015	0.08	-	-	-	-	-	0.07	0.33	-	-	**0.48**

₹ in crore

	As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
NOTE 42: COMMITMENTS			
Estimated amount of contracts remaining to be executed on capital account and not provided for	**136.59**	147.99	103.45
Capital commitment towards investment in joint ventures/subsidiaries	**-**	0.81	1.23
Estimated amount of contract with minimum commitment for plant activity	**10.30**	19.55	8.16
For commitments related to derivatives and leases refer note 37 and 35 respectively.			

The above commitments include ₹ **1.88 crore** (2016: ₹ 23.67 crore and 2015: ₹ 33.57 crore) relating to discontinued operation.

NOTE 43: CONTINGENT LIABILITIES AND ASSETS

43.1 Contingent liabilities

(a) Claims not acknowledged by the Group relating to cases contested by the Group and which, in the opinion of the Management, are not likely to devolve on the Group relating to the following areas:

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(i)	Excise, Customs and Service Tax	**34.38**	27.74	27.88
(ii)	Sales Tax	**121.93**	96.24	105.61
(iii)	Demand for utility charges	**11.02**	11.02	18.38
(iv)	Labour and other claims against the Group not acknowledged as debt	**28.12**	17.70	13.50
(v)	Income Tax (pending before Appellate authorities in respect of which the Group is in appeal)	**434.72**	318.50	288.71
(vi)	Income Tax (decided in Group's favour by Appellate authorities and Department is in further appeal)	**47.15**	47.15	46.93

The above contingent liabilities include ₹ **0.78 crore** (2016: ₹ 0.90 crore and 2015: ₹ 1.75 crore) relating to discontinued operation.

(b) Guarantee:

During the year, Rallis has issued a corporate guarantee to debenture trustee in respect of issuance of debentures of ₹ 270.00 crore by Advinus Therapeutics Ltd. (Advinus), to the extent of 16.89% of the total subscription of debentures issued by Advinus. The maximum exposure in this respect is ₹ **45.60 crore** (2016: ₹ Nil and 2015: ₹ Nil).

(c) Various claims pending before Industrial Tribunals and Labour Courts of which amounts are indeterminate.

43.2 Contingent assets

₹ in crore

		As at 31 March, 2017	As at 31 March, 2016	As at 1 April, 2015
(a)	Income Tax (pending before Appellate authorities in respect of which the Group is in appeal)	**87.02**	37.66	43.22
(b)	Legal cases	**0.24**	0.24	0.24

NOTE 44: STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATTRIBUTABLE TO OWNERS AND NON-CONTROLLING INTERESTS

Sr. No.	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ in crore	As % of consolidated profit or loss	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated total comprehensive income	₹ in crore
	Parent								
	Tata Chemicals Limited	32.24	8,855.45	40.05	692.71	139.02	378.16	53.49	1,070.87
	Subsidiaries								
	Indian Subsidiaries								
1	Rallis India Limited	3.69	1,013.60	15.35	265.57	(0.17)	(0.47)	13.24	265.10
2	Rallis Chemistry Exports Limited	(0.00)	(0.17)	(0.00)	(0.01)	-	-	(0.00)	(0.01)
3	Metahelix Life Sciences Ltd	0.31	84.53	1.85	31.99	(0.01)	(0.04)	1.60	31.95
4	Zero Waste Agro Organics Ltd.	0.05	12.80	0.02	0.36	-	-	0.02	0.36
	Foreign Subsidiaries								
1	Tata Chemicals International Pte. Limited	11.87	3,260.00	0.99	17.11	-	-	0.85	17.11
2	Homefield Pvt. UK Limited	(4.36)	(1,198.31)	(1.94)	(33.49)	0.90	2.45	(1.55)	(31.04)
3	Homefield 2 UK Limited	(0.21)	(58.91)	-	-	-	-	-	-
4	Tata Chemicals (Europe) Holdings Limited	(4.48)	(1,230.30)	(2.65)	(45.83)	-	-	(2.29)	(45.83)
5	Brunner Mond Group Limited	2.14	586.90	0.84	14.58	-	-	0.73	14.58
6	Tata Chemicals Europe Limited	(2.11)	(578.29)	(4.34)	(75.03)	(53.66)	(145.97)	(11.04)	(221.00)
7	Brunner Mond Limited	-	-	-	-	-	-	-	-
8	Tata Chemicals Magadi Limited	(1.86)	(509.67)	0.42	7.22	2.15	5.86	0.65	13.09
9	Tata Chemicals South Africa (Pty) Limited	0.12	31.59	0.82	14.19	-	-	0.71	14.19
10	Northwich Resource Management Limited	-	-	-	-	-	-	-	-
11	Brunner Mond Generation Company Limited	-	-	-	-	-	-	-	-
12	Tata Chemicals Africa Holdings Limited	0.02	5.55	0.02	0.28	-	-	0.01	0.28
13	Magadi Railway Company Limited	0.00	0.01	-	-	-	-	-	-
14	Winnington CHP Limited	(0.24)	(66.25)	4.21	72.84	15.53	42.24	5.75	115.08
15	Gusiute Holdings (UK) Limited	17.12	4,701.96	3.55	61.46	-	-	3.07	61.46
16	Valley Holdings Inc.	24.09	6,615.91	3.88	67.05	-	-	3.35	67.05
17	Tata Chemicals North America Inc.	1.51	416.05	(9.13)	(157.95)	-	-	(7.89)	(157.95)
18	Tata Chemicals North America (UK) Limited	0.00	1.07	0.04	0.72	-	-	0.04	0.72
19	General Chemical International Inc.	0.00	0.01	-	-	-	-	-	-
20	NHO Canada Holdings Inc.	-	-	-	-	-	-	-	-
21	Tata Chemicals (Soda Ash) Partners	3.88	1,065.99	30.84	533.42	-	-	26.64	533.42
22	TCSAP Holdings	0.01	2.23	(0.02)	(0.33)	-	-	(0.02)	(0.33)
23	TCSAP LLC	-	-	0.66	11.34	-	-	0.57	11.34
24	Bio Energy Venture - 1 (Mauritius) Pvt. Ltd.	12.19	3,347.77	0.74	12.84	-	-	0.64	12.84
25	Grown Energy Zambeze Holdings Pvt. Ltd.	0.00	0.14	(0.14)	(2.50)	-	-	(0.13)	(2.50)
26	Grown Energy (Pty) Limited	-	-	-	-	-	-	-	-
27	Grown Energy Zambeze Limitada	(0.17)	(45.54)	(0.68)	(11.74)	-	-	(0.59)	(11.74)
28	British Salt Limited	2.73	749.91	7.08	122.45	(3.76)	(10.22)	5.61	112.23
29	Cheshire Salt Holdings Limited	0.00	0.02	-	-	-	-	-	-
30	Cheshire Salt Limited	0.71	194.79	0.27	4.68	-	-	0.23	4.68
31	Brinefield Storage Limited	(0.00)	(0.05)	-	-	-	-	-	-
32	Cheshire Cavity Storage 2 Limited	-	*	-	-	-	-	-	-
33	Cheshire Compressor Limited	-	*	-	-	-	-	-	-
34	Irish Feeds Limited	-	*	-	-	-	-	-	-
35	New Cheshire Salt Works Limited	0.05	14.37	-	-	-	-	-	-
36	PT. Metahelix Lifesciences Indonesia	0.00	0.83	(0.05)	(0.81)	-	-	(0.02)	(0.41)
37	ALCAD	0.03	8.65	6.58	113.76	-	-	5.68	113.76
	Joint Ventures (investment as per the equity method)								
	Foreign								
1	JOil (S) Pte. Ltd. and its subsidiaries	-	-	-	-	-	-	-	-
2	The Block Salt Company Limited	0.02	4.44	(0.01)	(0.21)	-	-	(0.01)	(0.21)
3	Natronx Technologies LLC	(0.00)	(0.59)	(0.21)	(3.68)	-	-	(0.18)	(3.68)
4	Indo Maroc Phosphore S.A.	0.65	179.15	0.96	16.64	-	-	0.83	16.64
	Total	**100.00**	**27,465.64**	**100.00**	**1,729.63**	**100.00**	**272.01**	**100.00**	**2,002.06**
a)	**Adjustments arising out of Consolidation**		(14,310.47)		(494.72)		120.83		(374.31)
b)	**Non-controlling Interests**								
	Indian Subsidiaries								
	Rallis India Limited		(608.73)		(91.09)		-		(91.09)
	Zero Waste Agro Organics Ltd.		0.43		(0.43)		-		(0.43)
	Foreign Subsidiaries								
	Valley Holdings Inc.		(2,014.74)		(150.28)		(17.55)		(167.83)
			(2,623.04)		**(241.80)**		**(17.55)**		**(259.35)**
	Total Consolidated		**10,532.13**		**993.11**		**375.29**		**1,368.40**

NOTE 45: APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of Directors on 26 May, 2017.

For and on behalf of the Board

	John Mulhall Chief Financial Officer	Bhaskar Bhat Director	Nasser Munjee Director
Mumbai, 26 May, 2017	Rajiv Chandan General Counsel & Company Secretary	Dr. Y. S. P. Thorat Director	R. Mukundan Managing Director and CEO

Tata Chemicals Limited
For the year ended 31 March, 2017
Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary, joint venture and associate companies

₹ in crore

Sr. No.	Name of the Subsidiary Company	The date since when subsidiary was acquired	Reporting Currency	Exchange rate	Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Dividend	% holding
1	Tata Chemicals International Pte. Limited	23 October, 2005	USD	64.85	3,869.84	(609.84)	4,844.77	1,584.77	4,548.17	506.99	16.55	-	16.55	-	100.00
2	Homefield Pvt. UK Limited	01 November, 2005	USD	64.85	663.93	(1,862.24)	44.44	1,242.75	38.91	-	(32.38)	-	(32.38)	-	100.00
3	Homefield 2 UK Limited	14 December, 2010	GBP	80.90	837.49	(896.40)	29.41	88.32	29.41	-	-	-	-	-	100.00
4	Tata Chemicals (Europe) Holdings Limited	07 December, 2010	GBP	80.90	80.90	(1,311.20)	587.37	1,817.66	538.49	-	(42.34)	-	(42.34)	-	100.00
5	Brunner Mond Group Limited	22 October, 2005	GBP	80.90	514.68	72.22	586.90	-	-	-	13.47	-	13.47	-	100.00
6	Tata Chemicals Europe Limited	22 October, 2005	GBP	80.90	137.85	(716.14)	811.62	1,389.92	-	985.43	(45.46)	23.85	(69.32)	-	100.00
7	Brunner Mond Limited	22 October, 2005	GBP	80.90	*	-	*	-	-	-	-	-	-	-	100.00
8	Tata Chemicals Magadi Limited	28 February, 2005	USD	64.85	11.43	(521.10)	305.22	814.89	-	387.58	6.98	-	6.98	-	100.00
9	Tata Chemicals South Africa (Pty) Limited	09 April, 1996	ZAR	4.85	*	31.59	84.90	53.31	-	197.28	20.02	5.61	14.41	-	100.00
10	Northwich Resource Management Limited	22 October, 2005	GBP	80.90	*	-	*	-	-	-	-	-	-	-	100.00
11	Brunner Mond Generation Company Limited	22 October, 2005	GBP	80.90	*	-	*	-	-	-	-	-	-	-	100.00
12	Tata Chemicals Africa Holdings Limited	22 October, 2005	GBP	80.90	31.92	(26.38)	5.55	-	-	-	0.26	-	0.26	-	100.00
13	Magadi Railway Company Limited	28 February, 2005	KSH	0.63	0.01	-	0.01	-	-	-	-	-	-	-	100.00
14	Winnington CHP Limited	13 June, 2013	GBP	80.90	-	(66.25)	164.81	231.06	-	393.49	65.62	(1.67)	67.29	-	100.00
15	Gusiute Holdings (UK) Limited	04 December, 2007	USD	64.85	4,432.73	269.23	4,884.34	182.38	4,821.03	-	59.42	-	59.42	64.85	100.00
16	Valley Holdings Inc.	30 January, 2008	USD	64.85	*	6,615.91	6,621.94	6.03	6,569.07	-	60.52	(4.30)	64.82	74.35	100.00
17	Tata Chemicals North America Inc.	26 March, 2008	USD	64.85	*	416.05	2,311.03	1,894.98	1,353.51	24.02	(93.89)	58.82	(152.71)	64.85	100.00
18	Tata Chemicals North America (UK) Limited	22 August, 2014	USD	64.85	-	1.07	81.42	80.35	-	193.04	0.87	0.17	0.70	-	100.00
19	General Chemical International Inc.	26 March, 2008	USD	64.85	0.01	-	0.01	-	-	-	-	-	-	-	100.00
20	NHO Canada Holdings Inc.	26 March, 2008	USD	64.85	*	-	*	-	-	-	-	-	-	-	100.00
21	Tata Chemicals (Soda Ash) Partners $	26 March, 2008	USD	64.85	-	1,065.99	2,063.95	997.96	-	3,016.83	515.73	-	515.73	1,096.09	75.00
22	TCSAP Holdings $	26 March, 2008	USD	64.85	-	2.23	2.23	-	-	-	(0.32)	-	(0.32)	356.68	75.00
23	TCSAP LLC	26 March, 2008	USD	64.85	-	-	-	-	-	-	10.96	-	10.96	10.96	75.00
24	Bio Energy Venture - 1 (Mauritius) Pvt. Ltd.	11 October, 2008	USD	64.85	3,731.35	(383.57)	4,320.70	972.92	3,919.44	-	12.80	0.39	12.42	-	100.00
25	Grown Energy Zambeze Holdings Pvt. Ltd.	18 January, 2012	USD	64.85	92.14	(92.00)	0.30	0.16	-	-	(2.42)	-	(2.42)	-	100.00
26	Grown Energy (Pty) Limited	15 September, 2010	ZAR	4.85	*	-	*	-	*	-	-	-	-	-	100.00
27	Grown Energy Zambeze Limitada	13 October, 2010	MZN	0.95	0.18	(45.73)	15.11	60.65	-	-	(11.30)	-	(11.30)	-	94.00
28	Rallis India Limited	9 November, 2009	INR	1.00	19.45	994.15	1,438.94	425.34	534.03	1,505.17	358.86	93.29	265.57	-	50.06
29	Rallis Chemistry Exports Limited	9 November, 2009	INR	1.00	0.05	(0.22)	0.02	0.19	-	-	(0.01)	-	(0.01)	-	100.00
30	Metahelix Life Sciences Ltd	30 December, 2010	INR	1.00	1.79	82.74	287.54	203.01	0.82	286.18	21.57	(10.42)	31.99	-	100.00
31	Zero Waste Agro Organics Ltd.	18 October, 2012	INR	1.00	0.07	12.73	14.28	1.48	10.95	7.55	0.66	0.30	0.36	-	100.00
32	PT. Metahelix Lifesciences Indonesia	19 May, 2016	Rupiah	*	1.54	(0.71)	1.06	0.23	-	-	(0.81)	-	(0.81)	-	65.77
33	British Salt Limited	18 January, 2011	GBP	80.90	*	749.91	783.88	33.97	6.20	300.35	108.82	(4.30)	113.13	-	100.00
34	Cheshire Salt Holdings Limited	18 January, 2011	GBP	80.90	1.13	(1.11)	0.02	-	*	-	-	-	-	-	100.00
35	Cheshire Salt Limited	18 January, 2011	GBP	80.90	*	194.79	194.79	-	*	-	4.33	-	4.33	-	100.00
36	Brinefield Storage Limited	18 January, 2011	GBP	80.90	0.01	(0.06)	-	0.05	-	-	-	-	-	-	100.00
37	Cheshire Cavity Storage 2 Limited	18 January, 2011	GBP	80.90	*	-	*	-	-	-	-	-	-	-	100.00
38	Cheshire Compressor Limited	18 January, 2011	GBP	80.90	*	-	*	-	-	-	-	-	-	-	100.00
39	Irish Feeds Limited	18 January, 2011	GBP	80.90	*	-	*	-	-	-	-	-	-	-	100.00
40	New Cheshire Salt Works Limited	18 January, 2011	GBP	80.90	6.16	8.20	14.37	-	1.21	-	-	-	-	-	100.00
41	ALCAD	26 March, 2008	USD	64.85	-	8.65	38.67	30.02	-	331.91	109.98	-	109.98	-	100.00

Notes

1. The financial statements of subsidiaries are converted into Indian Rupees on the basis of exchange rate as on closing day of the financial year.
2. @ Shares issued with no par value.
3. $ Partner's capital included as reserves.
4. General Chemical Canada Holding Inc. has been dissolved during the year ended 31 March, 2017.
5. PT Metahelix Lifesciences Indonesia was incorporated in the year 2016-17.
6. During the year ended 31 March, 2016, the Group's wholly owned subsidiary Bio Energy Venture - 1 (Mauritius) Pvt. Ltd, had entered into an agreement for sale of its entire stake in Grown Energy Zambeze Holdings Pvt. Ltd. and its subsidiaries. The administrative approvals in the respective jurisdictions for effecting the proposed sale are awaited. In view of the above, the Group has consolidated the net loss after tax and net liabilities of Grown Energy Zambeze Holdings Pvt. Ltd. and of its subsidiaries as of and up to 30 September, 2015 after which date all revenues and costs have been borne by the prospective buyer.
7. Asterisk (*) denotes figures below ₹ 50,000.

Tata Chemicals Limited
For the year ended 31 March, 2017
Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary, joint venture and associate companies (contd.)

(₹ in crore)

Sr. No.	Name	Joint Ventures	Date on which Joint Venture was associated or acquired	Currency	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the Group on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year Considered in Consolidation	Profit / Loss for the year Not Considered in Consolidation
						Number of Shares	Amount of Investment in Associates/Joint Venture	Extend of Holding %					
1	JOil (S) Pte. Limited	Joint Ventures	28 January, 2009	SGD	31 March, 2017 and note 1	2,50,00,000	127.00	33.78%	Note 4	Note 5	-	-	Not Applicable
2	The Block Salt Company Limited	Joint Ventures	18 January, 2011	GBP	31 March, 2017	15,00,00,000	1.21	50.00%	Note 4	Not Applicable	4.44	(0.21)	Not Applicable
3	Natronx Technologies LLC	Joint Ventures	26 March, 2008	USD	31 March, 2017 and note 1	-	-	24.98%	Note 3	Not Applicable	(0.59)	(3.68)	Not Applicable
4	Indo Maroc Phosphore S.A.	Joint Ventures	02 May, 2005	MAD	31 December, 2016 and note 2	2,06,666	166.26	33.33%	Note 4	Not Applicable	179.15	16.64	Not Applicable

Notes:

1 Investment impaired during the year ended 31 March, 2015

2 Local GAAP Financial Statement audited as on December 31, 2016 and figures are based on audited fit for consolidation statement as on 31 March, 2017

3 There is significant influence due to interest in joint control over economic activities

4 There is significant influence due to shareholding and joint control over the economic activities

5 Since the Group has no further commitment to absorb losses in excess of its investment, it has not accounted for additional losses reported by JOil.

For and on behalf of the Board

John Mulhall
Chief Financial Officer

Bhaskar Bhat
Director

Nasser Munjee
Director

Rajiv Chandan
General Counsel & Company Secretary

Dr. Y. S. P. Thorat
Director

R. Mukundan
Managing Director and CEO

Mumbai, 26 May, 2017

NOTICE

NOTICE IS HEREBY GIVEN THAT THE SEVENTY EIGHTH ANNUAL GENERAL MEETING OF TATA CHEMICALS LIMITED will be held on Wednesday, 9 August, 2017 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400 020 to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider and adopt:

   a. Audited Financial Statements of the Company for the financial year ended 31 March, 2017 together with the Reports of the Board of Directors and Auditors thereon;

   b. Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2017 together with the Report of the Auditors thereon.

2. To declare dividend on the Ordinary Shares for the financial year ended 31 March, 2017.

3. To appoint a Director in place of Mr. S. Padmanabhan (DIN - 00306299), who retires by rotation and being eligible, offers himself for re-appointment.

4. Appointment of Statutory Auditors of the Company

   To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and on the recommendation of the Audit Committee and the Board of Directors, B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), be and is hereby appointed as Auditors of the Company, in place of the retiring auditors Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the Eighty Third (83rd) AGM to be held in the year 2022, subject to ratification of appointment by the shareholders at every AGM held after this AGM, if so required, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

   RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

SPECIAL BUSINESS

5. Ratification of Remuneration of Cost Auditors.

   To consider and if, thought fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), as amended from time to time, the Company hereby ratifies the remuneration of ₹ 9,00,000 plus service tax and out-of-pocket expenses payable to D.C. Dave & Co., Cost Accountants (Firm Registration No. 000611) and ₹ 1,20,000 plus service tax and out-of-pocket expenses payable to Ramanath Iyer & Co; Cost Accountants (Firm Registration No. 000019), who are appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audits relating to cost records of the Company under the Companies (Cost Records and Audit) Rules, 2014 for the year ending 31 March, 2018.

   RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), in respect of the business as set out in Item Nos. 4 and 5 above and the relevant details of the Director seeking re-appointment under Item No. 3 above as required by Regulation 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as required under Secretarial Standard – 2 on General Meetings issued by The Institute of Company Secretaries of India are annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the AGM. A Proxy form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority as applicable.

   A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than

10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

3. Book Closure and Dividend:

The Register of Members and the Share Transfer Books of the Company will be closed from Wednesday, 2 August, 2017 to Wednesday, 9 August, 2017, both days inclusive.

The dividend, if declared at the AGM, will be paid on or after Friday, 11 August, 2017 to those persons:

(a) whose names appear as beneficial owners as at the end of the business hours on Tuesday, 1 August, 2017 in the list of beneficial owners to be furnished by the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

(b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer Agents on or before Tuesday, 1 August, 2017.

4. National Automated Clearing House (NACH):

(a) To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided NACH facility to the members for the remittance of dividend. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number, to the Company's Registrar and Share Transfer Agents, TSR Darashaw Limited.

(b) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members.

5. Members holding shares in physical form are requested to consider converting their holding(s) to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Registrar and Share Transfer Agents for assistance in this regard.

6. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.

7. Members / Proxyholders and Authorised representatives are requested to bring to the Meeting, the duly filled in attendance slip(s) enclosed herewith along with their copy of Annual Report. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the Board Resolution authorising representative to attend and vote on its behalf at the Meeting.

8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.

9. Nomination Facility:

As per the provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members holding shares in physical form are requested to obtain the nomination forms from the Company's Registrar and Share Transfer Agents. Members holding shares in electronic form may obtain the nomination forms from their respective depository participants. Both the forms are also available on the website of the Company at www.tatachemicals.com under 'Investors' section.

10. Unclaimed Dividend:

(a) Transfer to Investor Education and Protection Fund:

Members are hereby informed that under the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ('the Fund') established by the Central Government.

Further, pursuant to the provisions of the Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividends remain unpaid / unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the

IEPF Authority as notified by the Ministry of Corporate Affairs. Hence, the Company urges all the shareholders to encash /claim their respective dividend during the prescribed period.

In accordance with the aforesaid provision of the Act read with the IEPF Rules, the Company has already initiated necessary action for transfer of all shares in respect of which dividend declared for the financial year 2009-10 or earlier financial years has not been paid or claimed by the Members for 7 (seven) consecutive years or more. The details of such dividends/shares to be transferred to IEPF are uploaded on the website of the Company at www.tatachemicals.com under the 'Investors' section.

Members are requested to note the following due date(s) for claiming the unpaid/unclaimed dividend declared by the Company for the financial year 2009-10 and thereafter –

Financial year	Date of declaration	Last date for claiming unpaid dividend
2009-10	9 August, 2010	8 September, 2017
2010-11	9 August, 2011	8 September, 2018
2011-12	22 August, 2012	21 September, 2019
2012-13	26 August, 2013	25 September, 2020
2013-14	21 August, 2014	20 September, 2021
2014-15	11 August, 2015	10 September, 2022
2015-16	11 August, 2016	10 September, 2023

Members who have not encashed the dividend warrants so far in respect of the aforesaid period(s), are requested to make their claim to TSR Darashaw Limited, Registrar and Share Transfer Agents, well in advance of the above due dates.

Members / claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to the demat account of the IEPF Authority, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF- 5 (available on iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. Member/ claimant can file only one consolidated claim in a financial year as per the IEPF Rules. Form IEPF- 5 is also available on the website of the Company at www.tatachemicals.com under the 'Investors' section.

(b) Details of unclaimed dividend on the website

As per the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 ('IEPF Upload Rules'), the Company has uploaded the information in respect of the unclaimed dividends as on the date of the previous AGM i.e. 11 August, 2016 (77th AGM) on the website of the IEPF viz. www.iepf.gov.in and under 'Investors' section on the website of the Company viz. www.tatachemicals.com.

11. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents.

13. Electronic copy of the Annual Report for FY 2016-17 is being sent to all the members whose email IDs are registered with the Company/depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2016-17 are being sent in the permitted mode. Notice is available on the website of the Company at www.tatachemicals.com.

14. To support the 'Green Initiative', the members who have not registered their e-mail addresses are requested to register the same with Registrars/depository participant(s).

15. Members desiring any information relating to Accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready at the AGM.

16. A route map showing directions to reach the venue of the 78th AGM forms part of the Notice.

17. Process and Manner for voting through electronic means:

I. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the members are provided with the facility to exercise their right to vote electronically, through the e-voting services provided by NSDL, i.e. facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM (remote e-voting) on all the resolutions set forth in this Notice. Instructions for remote e-voting are given herein below.

II. The facility for voting through electronic voting system or by ballot paper shall be made available at the meeting also and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

III. The remote e-voting period commences on Friday, 4 August, 2017 (9.00 a.m. IST) and ends on Tuesday, 8 August, 2017 (5.00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Wednesday, 2 August, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. Members who have cast their vote by remote e-voting prior to the AGM are also eligible to attend the meeting but shall not be entitled to cast their vote again.

IV. The process and manner for remote e-voting are as under:

A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:

i. Open email and open PDF file viz; 'TCL remote e-voting.pdf' with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

ii. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/

iii. Click on Shareholder – Login

iv. If you are logging-in for the first time, please enter the user ID and password as initial password/PIN noted in step (i) above. Click Login.

v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

vii. Select 'EVEN' (E-Voting Event Number) of 'Tata Chemicals Limited' which is 106399.

viii. Now you are ready for remote e-voting as Cast Vote page opens.

ix. Cast your vote by selecting appropriate option and click on 'Submit' and also 'Confirm' when prompted.

x. Upon confirmation, the message 'Vote cast successfully' will be displayed.

xi. Once you have voted on the resolution(s), you will not be allowed to modify your vote.

xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is / are authorised to vote, to the Scrutinizer through e-mail to tcl.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/depository participant(s) or requesting physical copy]:

(i) Initial password is provided in the attendance slip: - **EVEN USER ID** and **PASSWORD/PIN**.

(ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast vote.

V. In case of any queries, members may refer the Frequently Asked Questions (FAQs) and remote e-voting user manual available in the downloads section of www.evoting.nsdl.com or call on toll free no: 1800-222-990. In order to address any grievances relating to e-voting, you may write to Mr. Rajiv Ranjan, Asst. Manager, NSDL at the designated email id - evoting@nsdl.co.in or rajivr@nsdl.co.in or connect at the following telephone no. 022 2499 4600.

VI. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Wednesday, 2 August, 2017.

IX. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Wednesday, 2 August, 2017, may obtain the user ID and password by sending a request at evoting@nsdl.co.in or investors@tatachemicals.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using 'Forgot User Details/Password' or 'Physical User Reset Password' option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

X. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.

XI. Mr. P. N. Parikh (Membership No. FCS 327) and failing him, Ms. Jigyasa N. Ved (Membership No. FCS 6488) of Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize remote e-voting process as well as voting at the AGM in a fair and transparent manner.

XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of e-voting or by ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIII. The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and, thereafter unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XIV. The results declared alongwith the Scrutinizer's Report, will be placed on the website of the Company www.tatachemicals.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed viz. BSE Limited and the National Stock Exchange of India Limited. The results shall also be displayed on the notice board at the Registered Office of the Company.

XV. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM i.e. Wednesday, 9 August, 2017.

By Order of the Board of Directors

Rajiv Chandan

General Counsel & Company Secretary

Mumbai, 26 May, 2017

Registered Office:

Tata Chemicals Limited

Bombay House, 24, Homi Mody Street,

Fort, Mumbai 400 001

CIN:- L24239MH1939PLC002893

Tel. No: +91 22 6665 8282

Fax No: +91 22 6665 8144

Email:-investors@tatachemicals.com

Website:- www.tatachemicals.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 and 5 of the accompanying Notice dated 26 May, 2017:

Item No. 4

This explanatory statement is provided as per Section 102 of the Act, though strictly not required.

Deloitte Haskins & Sells LLP (DHS), Chartered Accountants, (Firm Registration No. 117366W/W-100018) were appointed as the Statutory Auditors of the Company at the Annual General Meeting of the Company held on 4 August, 2008 and have completed a term of ten years. Prior to this, S. B. Billimoria & Co. (SBB), Chartered Accountants were the Auditors of the Company since 2000. SBB was an associate of DHS.

As per the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement. In view of the above, DHS's term as auditors of the Company is up to the conclusion of the forthcoming Annual General Meeting ('AGM') having completed their term as per the provisions of Section 139 of the Act.

The Board of Directors has, on the recommendation of the Audit Committee, proposed the appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the Eighty Third (83rd) AGM of the Company to be held in 2022, subject to ratification of their appointment at every AGM, if so required under the Act.

Brief Profile of B S R & Co. LLP

B S R & Co. ('the firm') was constituted on 27 March, 1990 (Firm Registration No. as 101248W). It was converted into limited liability partnership i.e. B S R & Co. LLP on 14 October, 2013 thereby having a New Firm Registration No. 101248W/W-100022. The registered office of the firm is at 5th Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra - 400 011.

B S R & Co. LLP is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India. The other entities which are part of the B S R & Affiliates include B S R & Associates LLP, B S R & Company, B S R and Co, B S R and Associates, B S R and Company, B S R R & Co, B S S R & Co and B B S R & Co.

B S R & Co. LLP is registered in Mumbai, Gurgaon, Bangalore, Kolkata, Hyderabad, Pune, Chennai, Chandigarh, Ahmedabad, Vadodara, Noida, Jaipur and Kochi.

B S R & Co. LLP have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board commends the resolution set out at Item No. 4 of the accompanying Notice for the approval of the members of the Company by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

Item No. 5

The Company is directed under the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 ('the Rules'), as amended from time to time, to have the audit of its cost records conducted by a cost accountant in practice.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2018 as per the following details:

Sr. No.	Name of the Cost Auditors	Audit Fees
1.	D.C. Dave & Co; Cost Accountants	9,00,000
2.	Ramanath Iyer & Co; Cost Accountants	1,20,000

In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is being sought for the proposal contained in the resolution set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2018.

The Board commends the resolution set out at Item No. 5 of the accompanying Notice for the approval of the members of the Company by way of an Ordinary Resolution.

None of the Directors or KMP or relatives of Directors and KMP is concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

By Order of the Board of Directors

Rajiv Chandan
General Counsel & Company Secretary

Mumbai, 26 May, 2017

Registered Office:
Tata Chemicals Limited
Bombay House, 24, Homi Mody Street,
Fort, Mumbai 400 001
CIN:- L24239MH1939PLC002893
Tel. No: +91 22 6665 8282
Fax No: +91 22 6665 8144
Email:-investors@tatachemicals.com
Website:- www.tatachemicals.com

DETAILS OF DIRECTOR SEEKING REAPPOINTMENT AT THE AGM PURSUANT TO REGULATIONS 26(4) AND 36(3) OF LISTING REGULATIONS AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS:

Name of the Director	Mr. S. Padmanabhan
DIN	00306299
Age	59 years
Date of first appointment	23 December, 2016
Qualifications	BE (Electronics & Communication) from PSG College of Technology & Post Graduate Diploma in Management from IIM, Bangalore
Expertise in specific functional areas	Mr. Padmanabhan has wide experience in the field of Human Resources, Operations, Project Management, Business Excellence and General Management
Terms and conditions of appointment or reappointment	Appointed as Non-Executive Director liable to retire by rotation
Details of remuneration last drawn (FY 2016-17)	Sitting fees - ₹ 1,10,000 Commission - ₹ 10,00,000 (*Relates to FY 2016-17 to be payable in FY 2017-18*)
Directorships in other Public Limited Companies (excluding foreign companies, private companies & Section 8 companies)	• The Tata Power Company Limited* • Infiniti Retail Limited • Tata Consulting Engineers Limited • The Associated Building Company Limited • Ecofirst Service Limited
Membership of Committees / Chairmanship in other Public Limited Companies	• Infiniti Retail Limited - Committee of Board (Member) - Nomination and Remuneration Committee (Member) • Tata Consulting Engineers Limited - Committee of Board (Chairman) - Audit Committee (Member) - Risk Management Committee (Member) - Nomination and Remuneration Committee (Member) - Corporate Social Responsibility Committee (Member) • The Tata Power Company Limited* - Nomination and Remuneration Committee (Member) - Executive Committee of the Board (Member)
No. of Board meetings attended during the year	2
No. of shares held:	
(a) Own	Nil
(b) For other persons on a beneficial basis	Nil

Note:

** Listed Entity*

Mr. S. Padmanabhan is not related to any other Director or Key Managerial Personnel

To,
TSR Darashaw Limited
Unit: Tata Chemicals Limited
6-10 Haji Moosa Patrawala Industrial Estate,
20 Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011

Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.:
General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN / Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details:

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type:	
Bank A/c No.: @	
Name of the Bank:	
Bank Branch Address:	

@ A blank cancelled cheque is enclosed to enable verification of bank details

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I / we would not hold the Company / RTA responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / we hold the securities under the above mentioned Folio No. / Beneficiary account.

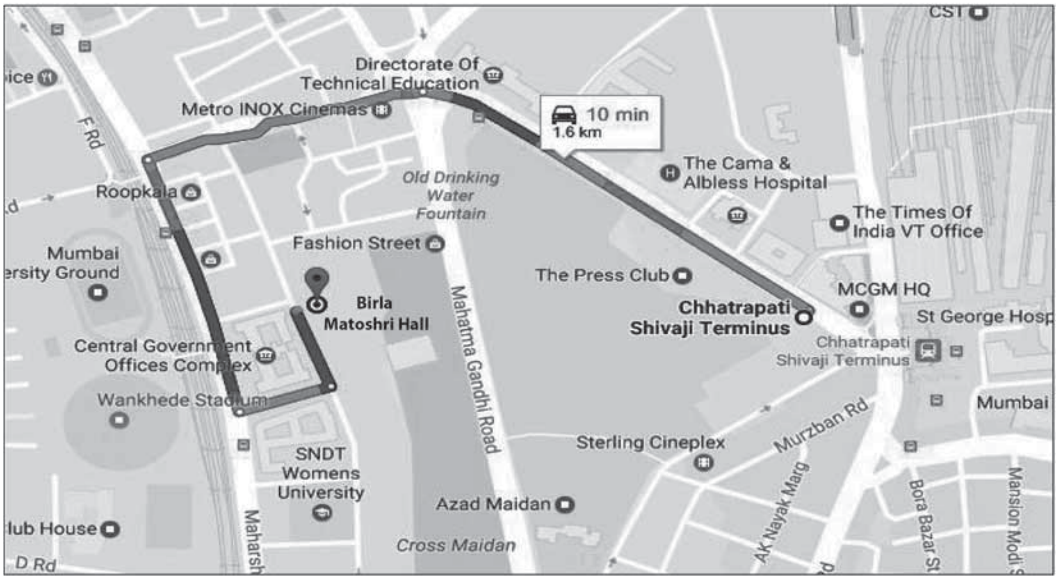
Place: ______________________________

Date: ______________________________

____
Signature of Sole / First holder

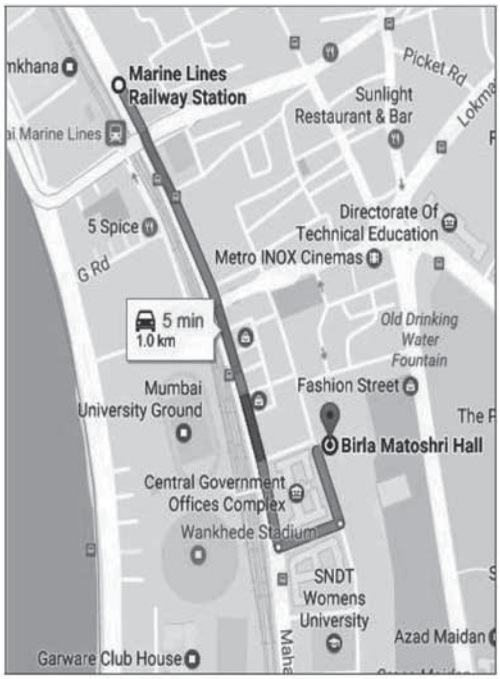
Route Map to the AGM Venue

Venue: Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai 400 020. **Landmark:** Next to Bombay Hospital



Distance From Chhatrapti Shivaji Terminus: 1.6 km

Distance from Churchgate Railway Station: 0.65 km



Distance from Marine Line Railway Station: 1 km

FINANCIAL STATISTICS - STANDALONE

Year	CAPITAL ACCOUNTS							REVENUE ACCOUNTS								
	Share Capital	Reserves	Borrowings@	Capital Employed	Gross Block#	Depreciation	Net Block	Gross revenue	Expenses	Depreciation	Profit before taxes	Taxes	Distributable profit for the year	Earnings per Ordinary share (Basic)	Dividend per Ordinary share	Net worth per Ordinary Share
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹	₹	₹
1944-45	152	8	69	229	186	7	179	16	29	—	(13)	—	—	—	—	8.11
1949-50	152	10	126	288	240	17	223	116	107	9	—	—	—	0.07	—	7.83
1954-55	192	24	86	302	315	105	210	223	191	18	14	—	14	1.03	—	10.80
1959-60	312	64	325	701	708	207	501	351	303	21	27	1	12	0.90	0.60	11.68
1964-65	362	220	281	863	1086	443	643	876	649	72	155	63	80	2.91	1.60	15.52
1974-75	994	906	1189	3089	3765	1375	2390	3464	2652	201	611	250	309	3.82	1.60	18.06
1979-80	994	2036	2848	5878	7480	3048	4432	5860	4421	513	926	364	434	5.97	2.00	31.80
1984-85	1594	6705	11987	20286	17032	7317	9715	13570	10429	968	2173	450	1204	12.34	2.50	53.70
1989-90	4917	25926	34129	64972	35310	14017	21293	30902	23172	2056	5674	1600	3612	8.29	3.00	62.73
1990-91	7375	26070	58398	91843	49989	16047	33942	35202	27354	2403	5445	1000	3945	6.03	2.50	45.35
1991-92	7375	29831	62262	99468	69797	18618	51179	41204	29580	2650	8974	3000	3974	8.10	3.00	50.45
1992-93	9262	41931	95966	147159	119358	21050	98308	48743	34754	2623	11366	3871	6495	8.91*	3.50	54.84
1993-94	11268	71225	125245	207738	194562	22632	171930	64698	40424	2266	22008	500	16508	20.21*	6.00	73.03
1994-95	11288	92630	152664	256582	209747	26717	183030	92443	59171	4601	28671	6	23165	25.38	6.50	92.00
1995-96	18069	113349	154892	286310	224475	36872	187603	155565	103420	10489	41656	2200	22231	21.83	6.50	72.72
1996-97	18070	125449	161606	305125	241799	47837	193962	162813	122372	11409	29032	3800	20487	13.96	6.50	79.42
1997-98	18070	141396	152755	312221	260896	59053	201843	166151	121432	11513	33205	4350	28863	15.97	6.50	88.28
1998-99	18070	149537	157023	324630	273995	70516	203479	150030	117432	11615	20983	2816	18167	10.06	5.00	92.79
1999-00	18070	151240	137023	306313	284488	82244	202244	165882	139190	12347	14345	2616	11729	6.50	5.00	93.73
2000-01	18070	176474	114627	309171	281238	92802	188436	173411	141518	13284	18609	2114	16495	9.13	5.00	105.36
2001-02	18070	137066	106071	307638	285989	104522	181467	151605	118278	13321	20006	7324	12682	7.02	5.00	84.35
2002-03	18070	145516	81626	289288	283490	115049	168441	170483	130588	13693	26202	6544	19658	10.88	5.50	89.81
2003-04	21516(a)	182018	76554	324291	307025	132880	174145	272984	225961	14415	32608	10555	22053	10.25	5.50	94.48
2004-05	21516	178268	132422	367544	311790	155551	156239	322515	263451	13770	45294	11239	34055	15.83	6.50	92.80
2005-06	21516	195254	145449	394514	322899	167802	155097	373461	308481	13893	51087	15784	35303	16.41	7.00	100.45
2006-07	21516	217768	104177	372583	332657	181183	151474	426923	348504	15035	63384	18963	44421	20.65	8.00	111.07
2007-08	23406	333762	234384	619375	346082	194824	151258	484819	354233	14876	115710	20792	94918	42.82	9.00	152.64
2008-09	23523	362407	367610	763842	390176	205801	184375	872402	790072	16303	66027	20822	45205	19.25	9.00	164.11
2009-10	24332	403964	294651	741969	404115	221106	183009	576975	499443	18719	58813	15335	43478	18.38	9.00	176.07
2010-11	25482	448586	297594	771822	428661	235898	192763	656776	580460	20446	55870	15021	40849	16.32	10.00	186.09
2011-12	25482	468069	336709	839127	457136	249032	208104	846375	747472	22468	76435	17775	58660	23.03	10.00	193.73
2012-13	25482	505250	371640	914847	473332	267348	205984	897412	793447	21429	82536	18205	64331	25.25	10.00	208.33
2013-14	25482	544641	303469	895153	489918	286205	203713	911890	839120	15882	56888	13281	43607	17.12	10.00	223.79
2014-15	25482	578845	271588	895038	503548	306019	197529	1053087	948407	19271	85409	21612	63797	25.04	12.50	237.22
2015-16^	25482	783143	352372	848385**	225135	19865	205270	863387	771325	15350	88027	21407	66620	26.15	10.00	317.41
2016-17^	25482	860063	204062	781920**	189241	28811	160430	664784	570140	15241	98960	29689	69271	27.19	11.00	347.60

Note :
(a) Includes the balance lying in share capital suspense account amounting to ₹ 3446 lakh.
* Annualised.
@ From year ended 31 March, 2011 onwards borrowings include long-term borrowings + short-term borrowings + current maturity of debt
# From year ended 31 March, 2011 onwards gross block includes capital work-in-progress + capital advances
^ From year ended 31 March, 2016 onwards, the Company has followed IND AS
** Capital Employed: Total Assets minus Current Liabilities plus Short-term Borrowings plus Current Maturities of Long-term Debt and Finance Lease obligations minus investment in subsidiary companies (other than Rallis India Limited)

FINANCIAL STATISTICS - STANDALONE

EQUITY SHARES ISSUED ON CONVERSION OF BONDS / DEBENTURES	₹ lakh	Premium	RIGHTS ISSUE		₹ lakh	BONUS ISSUE		₹ lakh
1982-83	116	₹ 8/- per share	1954-55	1 for 2 at Par	48	1966-67	1 for 10	30
1983-84	300	₹ 10/- per share	1957-58	4 for 5 at Par	112	1968-69	3 for 10	100
1984-85 / 1985-89	600	₹ 30/- per share	1961-62	1 for 5 at Prem Re. 0.5 per share	50	1970-71	1 for 5	87
1987-88	725	₹ 40/- per share	1972-73	1 for 5 at Prem Re. 0.5 per share	104	1974-75	1 for 2	311
1987-88	725	₹ 60/- per share				1985-86	2 for 5	777
1992-93	1,960	₹ 40/- per share				1990-91	1 for 2	2,458
1993-94	1,960	₹ 40/- per share				1995-96	3 for 5	6,777
2007-08	1,889	₹ 220.78/- per share						
2008-09	117	₹ 220.78/- per share						
2009-10	809	₹ 220.78/- per share						
	9,201				**314**			**10,540**

FINANCIAL STATISTICS - CONSOLIDATED

Year	CAPITAL ACCOUNTS									REVENUE ACCOUNTS									
	Share Capital	Reserves	Minority Interest	Borrowings *	Capital Employed	Gross Block #	Depreciation	Net block #	Goodwill on Consolidation	Gross Revenue	Expenses	Depreciation	Profit before Taxes	Taxes	Non-Controlling Interest	Share of Profit/(Loss) in Associate	Profit for the Year	Earnings per Ordinary Share (Basic)	Net Worth per Ordinary Share
	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹ in lakh	₹	₹
2005-06	21516	200419	-	182769	430024	540514	262573	277941	70749	425315	346846	18404	60065	17231	-	-	42834	19.91	103.11
2006-07	21516	235666	-	186420	469081	601187	295582	305605	76324	606283	504082	27388	74813	24009	-	-	50804	23.62	119.52
2007-08	23406	348439	4234	480669	885172	659278	322157	337121	464924	677783	528813	31383	117587	21147	-	-	96440	43.51	158.96
2008-09	23523	453455	15219	628381	1122734	750208	373512	376696	562128	1300712	1166716	42264	91732	15751	11171	-	64810	27.59	202.81
2009-10	24332	447310	35006	499372	1007837	799062	415966	383096	532470	983144	845176	44678	93290	20932	13114	1347	60591	25.61	193.89
2010-11	25482	519687	40645	569972	1161268	943730	494683	449047	563242	1136412	979211	45105	112096	27492	19257	-	65347	26.10	214.00
2011-12	25482	608145	44809	706073	1381258	1057808	562667	495141	635874	1425027	1232095	50868	138343	34392	19946	(246)	83759	32.88	248.72
2012-13	25482	615874	53614	838400	1532813	1121169	652819	468350	662702	1545211	1400520	53388	91303	30252	20703	(308)	40040	15.72	251.75
2013-14	25482	531069	65522	839306	1480479	1172986	696771	476215	672261	1636983	1641748	47124	(51889)	28878	22100	(333)	(103200)	(40.51)	218.46
2014-15	25482	529689	67349	837884	1481024	1221243	760811	460432	695699	1768873	1606708	46314	115851	35112	20553	(540)	59646	23.41	217.92
2015-16@	25482	659950	259846	909042	2164099**	1257903	55308	1202595	176193	1534549	1365397	52608	127859	28732	23558	1,489	77058	30.25	269.05
2016-17@	25482	765342	262389	707186	2071666**	1228049	99195	1128854	169841	1345504	1147646	53473	163942	41807	24099	1,275	99311	38.98	310.42

* From year ended 31 March, 2011 onwards borrowings include long-term borrowings + short-term borrowings + Current maturities of long-term debts and finance lease obligations

\# From year ended 31 March, 2011 onwards gross block and net block includes capital work-in-progress + intangibles assets held under development + capital advances

@ From year ended 31 March, 2016 onwards, the Company has followed IND AS

** Capital Employed: Total Assets minus Current Liabilities plus Short-term Borrowings plus Current Maturities of Long-term Debt and Finance Lease obligations

TATA CHEMICALS LIMITED

Corporate Identity Number (CIN) - L24239MH1939PLC002893
Registered Office: Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001
Tel. No: +91 22 6665 8282 **Fax No:** +91 22 6665 8144
Email address: investors@tatachemicals.com **Website:** www.tatachemicals.com

ATTENDANCE SLIP

78th ANNUAL GENERAL MEETING ON WEDNESDAY, 9 AUGUST, 2017 AT 3.00 P.M.

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

Folio No.:	DP ID No.:	Client ID No.:

I / We hereby record my/our presence at the SEVENTY EIGHTH ANNUAL GENERAL MEETING of the Company at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai 400 020, at 3.00 p.m. on Wednesday, 9 August, 2017.

Name of the Member ____________	Signature ____________
Name of the Proxyholder ____________	Signature ____________

Notes:
1. Only Member/Proxyholder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxyholder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxyholder attending the meeting should bring copy of the Annual Report for reference at the meeting.

TATA CHEMICALS LIMITED

Corporate Identity Number (CIN) - L24239MH1939PLC002893
Registered Office: Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001
Tel. No: +91 22 6665 8282 **Fax No:** +91 22 6665 8144
Email address: investors@tatachemicals.com **Website:** www.tatachemicals.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) : ____________

Registered address : ____________ E-mail Id : ____________

Folio No. / Client ID No. : ____________ DP ID No.: ____________

I/We, being the member(s) of ____________ Shares of Tata Chemicals Limited, hereby appoint:

1. Name: ____________ Email Id: ____________
   Address: ____________
   ____________ Signature: ____________ Or failing him/her;
2. Name: ____________ Email Id: ____________
   Address: ____________
   ____________ Signature: ____________ Or failing him/her;
3. Name: ____________ Email Id: ____________
   Address: ____________
   ____________ Signature: ____________

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the SEVENTY EIGHTH ANNUAL GENERAL MEETING of the Company to be held on Wednesday, 9 August, 2017 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine lines, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

*I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolutions	For	Against
Ordinary Business			
1.	a. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March, 2017 together with the Reports of the Board of Directors and Auditors thereon b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2017 together with the Report of the Auditors thereon		

Sr. No.	Resolutions	For	Against
Ordinary Business			
2.	To declare dividend on Ordinary Shares for the financial year ended 31 March, 2017		
3.	Re-appointment of Mr. S. Padmanabhan who retires by rotation		
4.	Appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), as Statutory Auditors of the Company, in place of the retiring Auditors Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 1173664W/W-100018) for a term of five years		
Special Business			
5.	Ratification of Remuneration of Cost Auditors		

Signed this ______________________ day of ____________ 2017

Affix Revenue Stamp

Signature of the member ______________________________ Signature of Proxyholder(s) ____________________

Note: 1. **This Form in order to be effective should be duly filled, stamped, signed and deposited at the Registered Office of the Company at Bombay House, 24, Homi Mody Street, Fort, Mumbai 400 001, not less than 48 hours before the commencement of the Meeting.**

2. A proxy need not be a member of the Company.

*3. This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

4. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the SEVENTY EIGHTH ANNUAL GENERAL MEETING of the Company.

Conserving & Nurturing Marine Life : A rescued baby crab caught in an abandoned fishing net. Tata Chemicals volunteers to clear abandoned fishing nets from the coasts and conserve marine biodiversity at Mithapur, Gujarat

TATA

TATA CHEMICALS

Registered Office
Bombay House, 24, Homi Mody Street, Fort,
Mumbai - 400001 India.
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