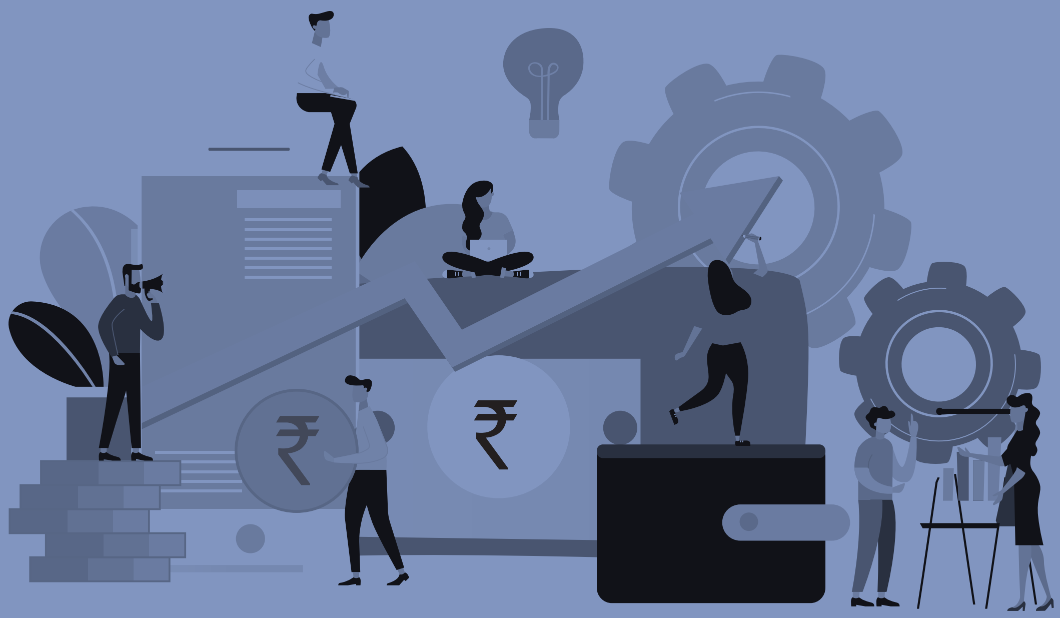
Consolidated Financial Statements



Independent Auditors' Report

To the Members of Tata Chemicals Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Tata Chemicals Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

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 other auditors on separate Financial Statements of such subsidiaries and joint ventures as were audited by the other auditors, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("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 and its joint ventures as at March 31, 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Revenue recognition (refer notes 2.18 and 27 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
Revenue is recognised when the control of the underlying products has been transferred to the customer. Revenue is measured based on transaction price, which is the consideration, after deduction of estimated accruals for sales returns and discounts (including rebates and incentives). Due to the Group's sales under various contractual terms and across geographies, delivery to customers in different regions might take different time periods and may result in undelivered goods at the period end. We consider there to be a risk of misstatement of the Financial Statements related to transactions occurring close to the year end, as transactions could be recorded in the wrong financial period (cut-off risk). There is also a risk of revenue being overstated due to fraud resulting from pressure on the Group to achieve performance targets at the reporting period end. The recognition and measurement of discounts involves significant assumptions and estimates, particularly the expected level of claims of each customer. Estimation of sales returns also involves significant judgement and estimates. These factors include, for example, climatic conditions and the length of time between sales and sales returns, some of which are beyond the control of the Group. Accordingly, fraud and cut-off risks in revenue recognition including accruals for sales returns and discounts is a key audit matter.	Our audit procedures included: • Assessing the revenue recognition policies of the Group including accounting for sales returns and discounts for compliance with Ind AS; • The Group has manual and automated (information technology – IT) controls on recording revenue and accruals for sales returns and discounts. We tested the design, implementation and operating effectiveness of these controls. We involved our IT specialists for IT testing. In respect of cut-off and fraud risk, we focussed on controls around the timely and accurate recording of year end sales transactions. For auditing assumptions of discounts and estimates of sales returns, we focussed on controls around the accurate recording of accruals for sales returns and discounts. Fraud and cut-off risk • Performing testing on selected statistical samples of revenue transactions recorded during the year end. • We verified contractual terms of the invoice and tested the transit time to deliver the goods; • Assessing high risk manual journals posted to revenue to identify unusual items. **Accrual for sales returns and discounts** • Selecting samples of revenue transactions and verifying accruals for discounts in accordance with the eligibility criteria mentioned in the marketing circulars; • Evaluating the Group's ability to accurately estimate the accrual for sales returns and discounts. Comparing historically recorded accruals to the actual amount of sales returns and discounts.

Litigations and claims (refer notes 2.3.5, 2.27, 21 and 47.1 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The Group operates in various countries exposing it to a variety of different laws, regulations and interpretations thereof. The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities. Litigations and claims may arise from direct and indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims. Resolution of litigations and claims proceedings may span over multiple years beyond March 31, 2021 due to the complexity and magnitude of the legal matters involved and may involve protracted negotiation or litigation. The computation of a provision or contingent liability requires significant judgement by the Group because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims over time as new facts emerge as each legal case progresses and positions taken by the Group. There is inherent complexity and magnitude of potential exposures is significant across the Group. Significant judgment is necessary to estimate the likelihood, timing and amount of the cash outflows, interpretations of the legal aspects, legislations and judgements previously made by the authorities. Accordingly, this is identified as a key audit matter.	Our audit procedures included: • Obtaining an understanding of actual and potential outstanding litigations and claims against the Group from the respective entity's in-house Legal Counsel and other senior personnel of the Group and assessing their responses; • Assessing status of the litigations and claims based on correspondence between the Group and the various tax/legal authorities and legal opinions obtained by the Group; • Testing completeness of litigations and claims recorded by assessing the Group's legal expenses and the minutes of the Board meetings; • Assessing and challenging the Group's estimate of the possible outcome of litigations and claims. This is based on the applicable tax laws and legal precedence by involving our tax specialists in taxation related matters and internal/external legal counsel; • Evaluating the Company's internal control and judgements made by comparing the estimates of prior year to the actual outcome; • Assessing and testing the adequacy and completeness of the Group's disclosures in respect of litigations and claims.

Impairment evaluation of goodwill and mining rights (refer notes 2.3.1, 2.16, 7 and 8 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of goodwill and mining rights represents 33% of the Group's total assets. The Group tests goodwill for impairment annually, or more frequently when there is an indication that the cash generating unit to which goodwill has been allocated may be impaired. Mining rights are tested for impairment when there is an indication that these may be impaired. With the spread of COVID-19 in India and globally, demand loss is expected for the products of the Group. We consider the impairment testing of goodwill and mining rights by the Group to involve significant estimates and judgment. We identified the impairment assessment of goodwill and mining rights as a key audit matter since the assessment process is complex and judgmental by nature and is based on assumptions relating to: - Identifying Cash Generating Unit ('CGU') for allocation of goodwill; - projected future cash inflows; - expected growth rate and profitability; - discount rate; - perpetuity value based on long term growth rate; - sensitivity analyses; and - macro-economic growth factors.	Our audit procedures included the following: • Assessing the identification of relevant Cash Generating Units (CGU) to which goodwill is allocated and to which mining rights belong that are being tested; • Assessing the accuracy of prior period forecasts of the CGU with the actual financial performance of the CGU; • Challenging the assumptions used in impairment analysis, such as growth rate, discount rate, forecasted gross margins and forecasted revenue. This was based on our knowledge of the Group and the markets in which the CGU operates. We took assistance of our valuation specialists for the above testing; • Performing sensitivity analysis of the key assumptions, such as growth rates, discount rate, forecasted gross margins and forecast revenue used in determining the recoverable value; • Evaluating the adequacy of disclosures of key assumptions, judgements and sensitivities in respect of goodwill and mining rights.

Employee benefits provision (refer notes 2.20, 21 and 40 to the Consolidated Financial Statements)

The Key Audit Matter	How the matter was addressed in our audit
The valuation of employee benefits by the Group's UK and US subsidiaries is performed annually with the assistance of external independent actuaries. This involves significant estimates and judgment. There are inherent uncertainties involved in estimating salary increase, mortality rate, return on plan assets, discount rate and changes in provisions of pension laws. These estimates of the Group and our related skeptical judgements are considered to be significant to our overall audit strategy and planning. Accordingly, we have considered employee benefits provision for certain components of the Group as a key audit matter.	Our audit procedures included: • Involving our actuarial specialists to assist us in evaluating all pension plans; • Assessing and testing the valuation methodology used by the actuary; • Evaluating the competency of the experts appointed by the Group; • Challenging assumptions used by the Group based on externally derived data in relation to key inputs such as inflationary expectations, discount rates and mortality rates with the assistance of our subject matter experts; • Identifying any changes in actuarial assumptions resulting into actuarial gain or loss; • Performing sensitivity analysis on the assumptions with the assistance of our subject matter experts; • Assessing and testing the adequacy of disclosures of key assumptions and sensitivities in respect of the employee benefits provision.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the Consolidated Financial Statements and our auditors' report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated 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 Financial Statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting

in preparation of Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the Financial Statements/financial information of 28 subsidiaries, whose Financial Statements/financial information reflect total assets of ₹ 14,884.41 crores as at March 31, 2021, total revenues of ₹ 4,622.66 crores and net cash flows amounting to ₹ 486.43 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit (and other comprehensive income) of ₹ 83.50 crores for the year ended March 31, 2021, in respect of 2 joint ventures, whose Financial Statements/financial information have not been audited by us. These Financial Statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated 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 audit reports of the other auditors.

Certain of these subsidiaries and joint ventures are located outside India whose Financial Statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the Financial Statements of such subsidiaries and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

(b) The Consolidated Financial Statements also include the Group's share of net loss (and other comprehensive income) of ₹ Nil for the year ended March 31, 2021, as considered in the Consolidated Financial Statements, in respect of one joint venture, whose Financial Statements/financial information have not been audited by us or by other auditors. These unaudited Financial Statements/financial information have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture is based solely on such unaudited Financial Statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these unaudited Financial Statements/ financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, 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/financial information 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 reports of the other auditors on separate Financial Statements of such subsidiaries and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, 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 Financial Statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated 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 statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies and joint ventures incorporated in India is disqualified as on March 31, 2021 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 with reference to Consolidated Financial Statements of the Holding Company, its subsidiary companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

A. 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, in our opinion and 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 on separate Financial Statements of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2021 on the consolidated financial position of the Group and its joint ventures. Refer Notes 21 and 47.1 to the Consolidated Financial Statements.

ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 20 to the Consolidated Financial Statements in respect of such items as it relates to the Group and its joint ventures.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint ventures incorporated in India, except for Rs 0.55 crores, due to legal disputes with regard to ownership that have remained unresolved.

iv. The disclosures in the Consolidated Financial Statements regarding holdings as well as dealings in specified bank notes during the period from November 8 2016 to December 30 2016 have not been made in the Consolidated Financial Statements since they do not pertain to the financial year ended March 31, 2021.

B. With respect to the matter to be included in the Auditor's report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and joint ventures incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and joint ventures incorporated in India is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN: 21046476AAAACT2360

Mumbai
May 3, 2021

Annexure A to the Independent Auditors' report on the Consolidated Financial Statements of Tata Chemicals Limited for the year ended March 31, 2021

Report on the internal financial controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to Consolidated Financial Statements of Tata Chemicals Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its joint ventures as of March 31, 2021 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and joint ventures have, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by such 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 with reference to Consolidated Financial Statements were established and maintained and whether 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of such internal financial controls, 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 Consolidated 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 internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated Financial Statements include 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
UDIN: 21046476AAAACT2360

Mumbai
May 3, 2021

Consolidated Balance Sheet as at March 31, 2021

₹ in crore

			Note	As at March 31, 2021	As at March 31, 2020
I.	**ASSETS**				
(1)	**Non-current assets**				
	(a)	Property, plant and equipment	4	5,372.90	5,121.45
	(b)	Capital work-in-progress		1,034.71	787.80
	(c)	Investment property	5	54.86	21.24
	(d)	Right-of-use assets	6	271.60	260.68
	(e)	Goodwill on consolidation	7	1,917.74	1,954.23
	(f)	Goodwill		45.53	45.53
	(g)	Other intangible assets	8	7,598.40	7,952.48
	(h)	Intangible assets under development		58.80	47.22
	(i)	Investments in joint ventures	9(a)	951.89	770.31
	(j)	Financial assets			
		(i) Other investments	9(b)	3,300.44	1,913.47
		(ii) Loans	10	10.70	9.99
		(iii) Other financial assets	11	24.66	4.93
	(k)	Deferred tax assets (net)	22	-	15.31
	(l)	Advance tax assets (net)	25(a)	663.86	699.92
	(m)	Other non-current assets	12	385.40	285.32
	Total non-current assets			**21,691.49**	**19,889.88**
(2)	**Current assets**				
	(a)	Inventories	13	1,686.56	1,869.16
	(b)	Financial assets			
		(i) Investments	9(c)	1,563.49	1,601.02
		(ii) Trade receivables	14	1,396.99	1,579.92
		(iii) Cash and cash equivalents	15	689.34	1,254.26
		(iv) Bank balances other than (iii) above	15	721.67	825.26
		(v) Loans	10	0.17	0.23
		(vi) Other financial assets	11	153.34	139.01
	(c)	Current tax assets (net)	25(a)	2.59	137.00
	(d)	Other current assets	12	427.42	388.74
				6,641.57	**7,794.60**
	Assets classified as held for sale		26(a)	4.14	4.27
	Total current assets			**6,645.71**	**7,798.87**
	Total assets			**28,337.20**	**27,688.75**
II.	**EQUITY AND LIABILITIES**				
	Equity				
	(a)	Equity share capital	16	254.82	254.82
	(b)	Other equity	17	14,035.15	12,642.84
	Equity attributable to equity share holders			**14,289.97**	**12,897.66**
	Non-controlling interests		18	852.60	763.77
	Total equity			**15,142.57**	**13,661.43**
	Liabilities				
(1)	**Non-current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	19	5,199.48	3,473.36
		(ii) Lease liabilities	39	188.60	188.00
		(iii) Other financial liabilities	20	46.77	151.53
	(b)	Provisions	21	1,598.09	1,653.52
	(c)	Deferred tax liabilities (net)	22	1,572.11	1,437.94
	(d)	Other non-current liabilities	23	126.22	98.07
	Total non-current liabilities			**8,731.27**	**7,002.42**
(2)	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	19	277.58	1,912.94
		(ii) Trade payables			
		- Outstanding dues of micro enterprises and small enterprises	24	21.43	7.52
		- Outstanding dues of creditors other than above	24	1,661.44	1,623.40
		(ii) Other financial liabilities	20	1,717.46	2,687.23
	(b)	Other current liabilities	23	265.39	320.97
	(c)	Provisions	21	365.13	276.90
	(d)	Current tax liabilities (net)	25(b)	154.93	195.94
	Total current liabilities			**4,463.36**	**7,024.90**
	Total liabilities			**13,194.63**	**14,027.32**
	Total equity and liabilities			**28,337.20**	**27,688.75**
	Notes forming part of the Consolidated Financial Statements		1-49		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board
N. Chandrasekaran — Chairman
(DIN: 00121863)
Padmini Khare Kaicker — Director
(DIN: 00296388)
R. Mukundan — Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

₹ in crore

		Note	Year ended March 31, 2021	Year ended March 31, 2020
I.	**Incomes**			
	a) Revenue from operations	27	10,199.80	10,356.75
	b) Other income	28	234.42	311.12
	Total income (a+b)		**10,434.22**	**10,667.87**
II.	**Expenses**			
	a) Cost of materials consumed		2,081.16	1,844.23
	b) Purchases of stock-in-trade		322.85	252.44
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(7.09)	(128.27)
	d) Employee benefits expense	30	1,399.74	1,375.37
	e) Finance costs	31	367.37	341.91
	f) Depreciation and amortisation expense	32	759.32	666.47
	g) Other expenses	33	4,902.50	5,063.81
	Total expenses (a to g)		**9,825.85**	**9,415.96**
III.	**Profit before share of profit of joint ventures and tax (I-II)**		**608.37**	**1,251.91**
IV.	Share of profit/(loss) of joint ventures (net of tax)	9(a)	25.62	(3.85)
V.	**Profit before tax (III+IV)**		**633.99**	**1,248.06**
VI.	**Tax expense**			
	(a) Current tax	35	225.79	266.33
	(b) Deferred tax	35	(28.02)	(46.68)
	Total tax expense (a+b)		**197.77**	**219.65**
VII.	**Profit for the year from continuing operations (V-VI)**		**436.22**	**1,028.41**
VIII.	Exceptional gain from discontinued operations (net)	36	-	6,128.08
IX.	Share of profit of joint ventures (net of tax)	9(a), 36	-	31.34
X.	Tax expense of discontinued operations	36	-	(40.32)
XI.	**Profit for the year from discontinued operations (VIII+IX-X)**		**-**	**6,199.74**
XII.	**Profit for the year (VII+XI)**		**436.22**	**7,228.15**
XIII.	**Other comprehensive income (net of tax) ('OCI') - gain/(loss)**			
	A (i) Items that will not be reclassified to the Consolidated Statement of Profit and Loss			
	- Changes in fair value of investments in equities carried at fair value through OCI		1,188.93	(579.88)
	- Remeasurement of defined employee benefit plans (note 40)		175.12	(68.58)
	(ii) Income tax relating to items that will not be reclassified to the Consolidated Statement of Profit and Loss		215.82	(95.79)
	(iii) Share of other comprehensive income in joint ventures (net of tax)		167.29	(76.39)
	B (i) Items that will be reclassified to the Consolidated Statement of Profit and Loss			
	- Effective portion of gain/(loss) on cash flow hedges		291.06	(230.77)
	- Changes in foreign currency translation reserve		(178.47)	439.14
	(ii) Income tax relating to items that will be reclassified to the Consolidated Statement of Profit and Loss		8.63	(4.20)
	(iii) Share of other comprehensive income in joint ventures (net of tax)		(3.12)	10.19
	Total other comprehensive income - gain/(loss) (net of tax) (A (i-ii+iii) +B (i-ii+iii))		**1,416.36**	**(406.30)**
XIV.	**Total comprehensive income for the year (XII+XIII)**		**1,852.58**	**6,821.85**
XV.	**Profit for the year from continuing operations (VII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		256.37	806.59
	(ii) Non-controlling interests		179.85	221.82
			436.22	**1,028.41**
XVI.	**Profit for the year from discontinued operations (XI)**			
	Attributable to:			
	(i) Equity shareholders of the Company		-	6,199.74
	(ii) Non-controlling interests		-	-
			-	**6,199.74**
XVII.	**Profit for the year (XII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		256.37	7,006.33
	(ii) Non-controlling interests		179.85	221.82
			436.22	**7,228.15**
XVIII.	**Other comprehensive income (net of tax) (XIII)**			
	Attributable to:			
	(i) Equity shareholders of the Company		1,415.66	(456.88)
	(ii) Non-controlling interests		0.70	50.58
			1,416.36	**(406.30)**
XIX.	**Total comprehensive income for the year (XIV)**			
	Attributable to:			
	(i) Equity shareholders of the Company		1,672.03	6,549.45
	(ii) Non-controlling interests		180.55	272.40
			1,852.58	**6,821.85**
XX.	**Earnings per share for continuing operations (in ₹)**			
	- Basic and Diluted	37	10.06	31.66
XXI.	**Earnings per share for discontinued operations (in ₹)**			
	- Basic and Diluted	37	-	243.36
XXII.	**Earnings per share for continuing and discontinued operations (in ₹)**			
	- Basic and Diluted	37	10.06	275.02
	Notes forming part of the Consolidated Financial Statements	1-49		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran Chairman
(DIN: 00121863)

Padmini Khare Kaicker Director
(DIN: 00296388)

R. Mukundan Managing Director and CEO
(DIN: 00778253)

Nandakumar S. Tirumalai Chief Financial Officer
(ICAI M. No.: 203896)

Rajiv Chandan General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

a Equity share capital (note 16)

	₹ in crore
Balance as at March 31, 2021	254.82
Balance as at March 31, 2020	254.82

b. Other equity (note 17) and non-controlling interests (note 18)

₹ in crore

	Reserves and surplus						Items of other comprehensive income			Total attributable to the equity shareholders of the parent	Non-controlling interests
	Capital reserve and other reserves from amalgamation	Securities premium	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 April 1, 2019	326.64	1,258.89	0.10	240.00	1,282.47	5,192.86	2,171.68	(54.46)	1,668.27	12,086.45	2,912.48
Transition impact of Ind AS 116	-	-	-	-	-	(14.95)	-	-	-	(14.95)	-
Restated balance as at April 1, 2019	326.64	1,258.89	0.10	240.00	1,282.47	5,177.91	2,171.68	(54.46)	1,668.27	12,071.50	2,912.48
Profit for the year						7,006.33	-	-	-	7,006.33	221.82
Other comprehensive income (net of tax)	-	-	-	-	-	(26.97)	(603.66)	(220.53)	394.28	(456.88)	50.58
Total comprehensive income for the year	-	-	-	-	-	6,979.36	(603.66)	(220.53)	394.28	6,549.45	272.40
Transferred from Debenture redemption reserve	-	-	-	(240.00)	240.00	-	-	-	-	-	-
Dividends including tax on dividend	-	-	-	-	-	(383.89)	-	-	-	(383.89)	(171.18)
Deemed dividend on demerger (note 36)	-	-	-	-	-	(6,307.97)	-	-	-	(6,307.97)	-
Refund of tax on dividend	-	-	-	-	-	1.65	-	-	-	1.65	-
Impact on Merger of Zero Waste to Rallis	-	-	-	-	-	0.14	-	-	-	0.14	0.14
Joint venture Reserve movement	-	-	-	-	-	0.30	-	-	-	0.30	-
Changes in ownership interests in subsidiaries											
Acquisition of non-controlling interests (note 38)	-	-	-	-	-	718.30	-	(6.64)	-	711.66	(2,250.07)
Balance as at March 31, 2020	326.64	1,258.89	0.10	-	1,522.47	6,185.80	1,568.02	(281.63)	2,062.55	12,642.84	763.77
Profit for the year	-	-	-	-	-	256.37	-	-	-	256.37	179.85
Other comprehensive income (net of tax)	-	-	-	-	-	93.14	1,221.72	282.43	(181.63)	1,415.66	0.70
Total comprehensive income for the year	-	-	-	-	-	349.51	1,221.72	282.43	(181.63)	1,672.03	180.55
Transfer to retained earnings - sale of non-current investment	-	-	-	-	-	(1.51)	1.51	-	-	-	-
Dividends	-	-	-	-	-	(280.23)	-	-	-	(280.23)	(91.72)
Joint venture Reserve movement	-	-	-	-	-	0.51	-	-	-	0.51	-
Balance as at March 31, 2021	326.64	1,258.89	0.10	-	1,522.47	6,254.08	2,791.25	0.80	1,880.92	14,035.15	852.60

*including remeasurement of defined employee benefit plans

Notes forming part of the Consolidated Financial Statements 1 - 49

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran — Chairman
(DIN: 00121863)
Padmini Khare Kaicker — Director
(DIN: 00296388)
R. Mukundan — Managing Director and CEO
(DIN: 00778253)
Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)
Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

Consolidated Statement of Cash Flows for the year ended March 31, 2021

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
A	**Cash flows from operating activities**		
	Profit before tax from continuing operations	633.99	1,248.06
	Profit before tax from discontinued operations	-	6,159.42
		633.99	**7,407.48**
	Adjustments for :		
	Depreciation and amortisation expense	759.32	666.47
	Provision for exceptional items (note 36)	-	92.07
	Finance costs	367.37	341.91
	Interest income	(56.25)	(59.81)
	Dividend income	(20.12)	(27.31)
	Gain on demerger of discontinued operation (net) (note 36)	-	(6,220.15)
	Share of profit of joint ventures	(25.62)	(27.49)
	Net gain on sale of current investments	(61.00)	(128.70)
	Provision for employee benefits expense	80.15	32.92
	Provision for doubtful debts and advances/bad debts written off (net)	8.29	21.24
	Provision for contingencies (net)	105.21	154.25
	Liabilities no longer required written back	(10.69)	(18.18)
	Foreign exchange loss (net)	23.88	22.25
	Loss/(Profit) on assets sold or discarded (net)	5.79	(15.06)
	Operating profit before working capital changes	**1,810.32**	**2,241.89**
	Adjustments for :		
	Trade receivables, loans, other financial assets and other assets	116.25	(190.96)
	Inventories	182.60	(275.01)
	Trade payables, other financial liabilities and other liabilities	24.46	151.96
	Cash generated from operations	**2,133.63**	**1,927.88**
	Taxes paid (net of refund)	(96.33)	(147.79)
	Net cash generated from operating activities	**2,037.30**	**1,780.09**
B	**Cash flows from investing activities**		
	Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(1,241.93)	(1,199.42)
	Proceeds from sale of property, plant and equipment	8.45	29.93
	Proceeds from sale of current investments	4,023.73	8,875.68
	Purchase of non-current investments	(198.90)	-
	Purchase of current investments	(3,925.01)	(8,085.67)
	Bank balances not considered as cash and cash equivalents	101.47	(759.59)
	Payment on sale of discontinued operations (net) (note 36)	-	(8.00)
	Acquisition of non-controlling interests by the group	-	(1,382.12)
	Interest received	55.22	60.13
	Dividend received	46.66	100.83
	Net cash used in investing activities	**(1,130.31)**	**(2,368.23)**

Consolidated Statement of Cash Flows for the year ended March 31, 2021

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
C	**Cash flows from financing activities**		
	Proceeds from borrowings	4,239.29	2,951.73
	Repayment of borrowings	(4,873.41)	(2,129.23)
	Repayment towards lease liabilities	(105.70)	(87.39)
	Finance costs paid	(345.87)	(308.96)
	Payment of Dividend to non-controlling interests	(91.72)	(171.18)
	Bank balances in dividend and restricted account	2.12	(1.86)
	Dividends paid including distribution tax	(280.36)	(382.37)
	Net cash used in financing activities	**(1,455.65)**	**(129.26)**
	Net decrease in cash and cash equivalents	**(548.66)**	**(717.40)**
	Cash and cash equivalents as at April 1	1,254.26	1,888.38
	Exchange difference on translation of foreign currency cash and cash equivalents	(16.26)	83.28
	Cash and cash equivalents as at March 31 (note 15)	**689.34**	**1,254.26**

Footnote:

Reconciliation of borrowings and lease liabilities

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Non-current borrowings (note 19)	5,199.48	3,473.36
Non-current lease liabilities (note 39)	188.60	188.00
Current borrowings (note 19)	277.58	1,912.94
Current maturities of non-current borrowings (note 20)	1,174.89	2,040.65
Current maturities of lease liabilities (note 20 and 39)	91.98	87.42
Liabilities held to hedge non-current borrowings (net) (note 42)	62.81	96.84
	6,995.34	**7,799.21**
Proceeds from borrowings	4,239.29	2,951.73
Repayment of borrowings of continuing operations	(4,873.41)	(2,129.23)
Repayment towards lease liabilities	(105.70)	(87.39)
Transition impact of Ind AS 116	-	298.31
Addition to lease liabilities pertaining to Right-of-use assets	110.10	32.27
Realised foreign exchange loss due to financing activities (net)	-	(48.92)
Unrealised foreign exchange (loss)/gain (net)	(85.05)	522.74
Derecognition of lease	(2.73)	-
Fair value changes (net)	(34.03)	117.21
Unamortised finance cost	(52.34)	19.43
Movement of borrowings and lease liabilities (net)	**(803.87)**	**1,676.15**

The Statement of Cash Flow is prepared using indirect method as prescribed under Ind AS 7.

Notes forming part of the Consolidated Financial Statements 1-49

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran (DIN: 00121863)	Chairman
Padmini Khare Kaicker (DIN: 00296388)	Director
R. Mukundan (DIN: 00778253)	Managing Director and CEO
Nandakumar S. Tirumalai (ICAI M. No.: 203896)	Chief Financial Officer
Rajiv Chandan (ICSI M. No.: FCS 4312)	General Counsel & Company Secretary

Notes forming part of the 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; the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company and its subsidiaries (collectively the 'Group') is a diversified businesses dealing in basic chemistry products and specialty products. 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. During the previous year, the Company had demerged consumer product business as per Scheme of Arrangement amongst Tata Consumer Products Limited (formerly Tata Global Beverages Limited) ("TCPL") and the Company and their respective shareholders and creditors (note 36).

2 Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements 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 Act' or 'the 2013 Act') read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Act.

2.3 Critical accounting estimates, assumptions and judgements

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 Consolidated 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. 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 on consolidation and intangible assets

Goodwill and Intangible assets are 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. These are in respect of 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 management estimates of projected future taxable income or if tax regulations undergo a change.

Similarly, the identification of temporary differences pertaining to 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 intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, 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 may have an impact on the profit of the future years.

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. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.5 Provisions and contingencies

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgment is required when evaluating the provision including, the probability of an 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. Contingent liabilities are disclosed in the notes forming part of the Consolidated Financial Statements. Contingent assets are not disclosed in the Consolidated Financial Statements unless an inflow of economic benefits is probable.

2.4 Functional and presentation currency

Items included in the Consolidated 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 the Group's presentation currency.

2.5 Basis of Consolidation:

The CFS comprise the Financial Statements of the Company, its subsidiaries and the Group's interest in joint 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 control commences until the date control ceases.

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).

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. Accounting policies of the respective subsidiaries 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 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 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 ('NCI') 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.

VI Goodwill on consolidation is measured as the excess of the sum of the consideration transferred, the amount of NCI 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.

Profit or loss and each component of OCI are attributed to the equity holders of the parent and to the NCI, even if this results in the NCI having a deficit balance.

2.6 Foreign currency translation

(i) Foreign currency transactions and balances

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Consolidated Balance Sheet date and the resultant 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 the borrowing cost are presented in the Consolidated Statement of Profit and Loss within finance cost. Exchange differences arising from the translation of equity investments at Fair value through other comprehensive income ('FVTOCI') are recognised in OCI. All other foreign exchange gains and losses are presented on a net basis within other income or other expense.

(ii) Foreign operations

Assets and liabilities of entities with functional currencies other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the Consolidated Balance Sheet date. The Statement of Profit and Loss has been translated using the average exchange rates. The net impact of such translation are recognised in OCI and held in foreign currency translation reserve ('FCTR'), a component of Equity.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control, over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement that includes a foreign operation of which the retained interest becomes a financial asset), the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to the Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

In case of a partial disposal of interests in a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to NCI and are not recognised in the Consolidated Statement of Profit and Loss. For all other partial disposal (i.e. partial disposals of joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the Consolidated Statement of Profit and Loss.

2.7 Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the Consolidated Statement of Profit and 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 NCI 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 NCI's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting in a contingent consideration arrangement, such contingent consideration, on the acquisition date, is measured at fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments, are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve as the case may be.

Measurement period adjustments are adjustments that arise from additional information during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as the measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amount for the items for which the accounting is incomplete. Those provisional amount are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

2.8 Changes in the proportion held by NCI

Changes in the proportion of the equity held by NCI are accounted for as equity transactions. The carrying amount of the controlling interests and NCI are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the NCI are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

2.9 Property, plant and equipment

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any and also to the costs incurred subsequently to add to, replace part of, or service it 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 the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs 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 an asset.

All other repair and maintenance costs, including regular servicing, are recognised in the Consolidated Statement of Profit and Loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

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) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, leasehold improvements 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 Act 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 reflect 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 PPE 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 1% (previous year 2%) 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/adjustments 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 disposed.

Other Intangible assets

Computer software, technical knowhow, product registration, contractual rights, rights to use railway wagons 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, contractual rights and rights to use railway wagons	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.

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 ('CWIP') and intangible assets under development

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Group and the cost of the item can be measured reliably.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

2.12 Investment property

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising building are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 2.9 above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Consolidated Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or does not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Consolidated Statement of Profit and Loss in the period of de-recognition.

2.13 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 to complete the project exists and use or sale of output manufactured during the project;
- a potential market for the products created during the project exists or their usefulness, in case of internal use, is demonstrated, such 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 to production.

2.14 Non-current assets held for sale and discontinued operations

Non-current assets (including 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 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 off or is classified as held for sale and:

- 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.

2.15 Financial instruments

2.15.1 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 the Consolidated Statement of Profit and Loss or through 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 has elected to consider the carrying cost of equity investments in joint venture at cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments

Measurement

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Consolidated Statement of Profit and 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 (unhedged) that is subsequently measured at amortised cost is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate ('EIR') 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 asset's cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the 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 the Consolidated Statement of Profit and Loss. Interest income from these financial assets is included in other income using the EIR.

- Fair value through profit or loss ("FVTPL")

  Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment (including current investments) that is subsequently measured at FVTPL (unhedged) is recognised net in the Consolidated Statement of Profit and Loss 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. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Consolidated Statement of Profit and Loss within other income when the Group's right to receive payments is established. 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 with a maturity within 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.

Derecognition 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.

2.15.2 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.

2.15.3 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 EIR method. The EIR is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period at effective interest rate. 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 derecognition of the financial liability, is recognised in the Consolidated Statement of Profit and Loss.

Derecognition 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.

2.15.4 Derivatives and hedging activities

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange, fuel and interest rate fluctuations 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.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured 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.

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 through OCI and as 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.

Amounts accumulated in equity are reclassified to the Consolidated Statement of Profit and Loss on settlement. 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, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and 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 transferred to the Consolidated Statement of Profit and Loss.

Derivatives that are not designated as hedges

When derivative contracts to hedge risks are not designated as hedges, such contracts are accounted through FVTPL.

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.

2.15.5 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time of issuance of guarantee. The liability is initially measured at fair value and is subsequently measured at the higher of the amount of loss allowance determined, or the amount initially recognised less, the cumulative amount of income recognised.

2.15.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset when the Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.15.7 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.

2.16 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 debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables the Group applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised upon initial recognition of the receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures.

PPE, CWIP and intangible assets

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit ("CGU"). 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 loss is recognised in the Consolidated Statement of Profit and Loss. 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, consequent to which 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.

An impairment loss in respect of goodwill is not subsequently reversed, In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimated used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.17 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 on an item-by-item basis. 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, taxes and duties. 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.

2.18 Revenue recognition

2.18.1 Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

2.18.2 Interest income

For all debt instruments measured either at amortised cost or at FVTOCI, interest income is recorded using the EIR Method.

2.18.3 Dividend income

Dividend income is accounted for when Group's right to receive the income is established.

2.18.4 Insurance claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

2.19 Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

As a lessee, The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest . For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option;

The lease liability is measured at amortised cost using the effective interest method.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2.20 Employee benefits plans

2.20.1 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 a 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 Group does not carry any further obligations, apart from the contributions made.

Defined benefit plans

Contributions to a Provident Fund are made to Trusts administered by the Group/ Regional Provident Fund Commissioners and are charged to the Consolidated Statement of Profit and Loss as incurred. The Group is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to members at the rate declared by the Government of India in respect of the Trust administered by the Group companies.

For defined benefit schemes in the form of gratuity fund, provident fund, post-retirement medical benefits, pension liabilities (including directors) 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.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Consolidated Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Consolidated Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement Profit and Loss as past service cost.

(ii) Short-term employee benefits

The 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 accumulating 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. 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. Long Service Awards are recognised as a liability at the present value of the obligation at the Balance Sheet date. All gains/losses due to actuarial valuations are immediately recognised in the Consolidated Statement of Profit and Loss.

2.20.2 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. These subsidiaries match 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.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement Profit and Loss as past service cost.

2.21 Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises cost for restructuring.

2.22 Employee separation compensation

Compensation paid / payable to employees who have opted for retirement under a Voluntary Retirement Scheme including ex-gratia is charged to the Consolidated Statement of Profit and Loss in the year of separation.

2.23 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.

2.24 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 the Consolidated Statement of Profit and Loss on systematic and rational basis over the useful lives of the related asset.

2.25 Segment reporting

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'.

2.26 Income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by 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 realise the asset or to settle the liability on a net basis.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all 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. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of consolidated Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in OCI or directly in equity.

Deferred tax assets include a credit for the Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT asset is recognised as deferred tax assets in the Consolidated Balance Sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries 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 arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

2.27 Provisions and contingencies

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 estimate.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

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.

2.28 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 Indian Accounting Standard (Ind AS) and Note on COVID-19

3.1 Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3.2 Note on COVID-19

The production of soda ash, sodium bicarbonate and specialty products operations in India has recovered after the initial phases of the lockdown as customers' own operations recommenced.

International businesses operated as normal, adhering to relevant guidelines and safe operating practices. COVID-19 disruptions were generally limited to H1 of FY2020-21, the Group had experienced volume reduction along with reduced prices in the domestic and export markets serviced by its international operations.

The Group has taken into account potential impacts of COVID-19 in the preparation of the Consolidated Audited Financial Statements. Based on the information currently available there is no material impact on carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets though management continue to monitor changes in future economic conditions. The impact of COVID-19 on the Consolidated Audited Financial Statements may differ from that estimated as at the date of approval of these Consolidated Audited Financial Statements.

4 Property, plant and equipment

₹ in crore

	Freehold Land*	Leasehold 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											
Balance as at April 1, 2019	**274.09**	**22.76**	**720.04**	**192.65**	**4,310.90**	**135.58**	**27.00**	**51.03**	**25.59**	**182.34**	**5,941.98**
Additions / adjustments**	15.05	-	165.53	29.05	897.86	14.48	4.96	12.66	0.31	23.78	1,163.68
Disposals	-	-	(0.13)	(3.53)	(30.19)	(0.79)	(0.89)	-	-	-	(35.53)
Reclassified to assets held for sale (note 26)	-	-	(0.30)	-	-	-	-	-	-	-	(0.30)
Transferred to Right-of-use assets (note 6)	-	-	-	(0.17)	(28.35)	-	(0.74)	-	-	-	(29.26)
Transferred to Discontinued operations (note 36)	-	-	-	-	(5.63)	(0.73)	-	-	-	-	(6.36)
Exchange fluctuations	4.44	-	29.89	1.37	187.12	5.48	2.03	0.18	1.56	18.77	250.84
Balance as at March 31, 2020	**293.58**	**22.76**	**915.03**	**219.37**	**5,331.71**	**154.02**	**32.36**	**63.87**	**27.46**	**224.89**	**7,285.05**
Additions / adjustments **	15.38	-	93.24	23.68	633.07	20.94	1.36	9.96	3.21	17.70	818.54
Disposals	-	-	(2.92)	(6.00)	(123.08)	(3.49)	(2.67)	(15.90)	(1.60)	-	(155.66)
Transferred to Investment property (note 5)	(15.47)	-	(11.47)	(12.87)	-	-	-	-	-	-	(39.81)
Exchange fluctuations	9.73	-	0.26	(0.55)	27.01	(1.61)	(0.82)	(0.03)	(0.64)	(7.86)	25.49
Balance as at March 31, 2021	**303.22**	**22.76**	**994.14**	**223.63**	**5,868.71**	**169.86**	**30.23**	**57.90**	**28.43**	**234.73**	**7,933.61**
Accumulated Depreciation											
Balance as at April 1, 2019	**-**	**3.18**	**160.87**	**34.08**	**1,306.95**	**73.83**	**14.18**	**17.56**	**11.50**	**26.42**	**1,648.57**
Depreciation for the year	-	0.24	47.75	7.20	380.25	15.07	5.72	7.30	2.40	6.97	472.90
Disposals / adjustments	-	-	(0.21)	(0.91)	(24.84)	(0.72)	(0.78)	-	-	-	(27.46)
Reclassified to assets held for sale (note 26)	-	-	(0.03)	-	-	-	-	-	-	-	(0.03)
Transferred to Right-of-use assets (note 6)	-	-	-	-	(14.63)	-	(0.61)	-	-	-	(15.24)
Transferred to Discontinued operations (note 36)	-	-	-	-	(2.13)	(0.56)	-	-	-	-	(2.69)
Exchange fluctuations	-	-	10.44	0.67	68.46	2.79	1.25	0.04	0.94	2.96	87.55
Balance as at March 31, 2020	**-**	**3.42**	**218.82**	**41.04**	**1,714.06**	**90.41**	**19.76**	**24.90**	**14.84**	**36.35**	**2,163.60**
Depreciation for the year	-	0.24	75.29	8.78	420.22	14.90	4.73	6.21	2.05	6.75	539.17
Disposals / adjustments	-	-	(2.71)	(1.74)	(116.28)	(3.03)	(2.63)	(15.71)	(1.58)	-	(143.68)
Transferred to Investment property (note 5)	-	-	(2.46)	(3.12)	-	-	-	-	-	-	(5.58)
Exchange fluctuations	-	-	(0.70)	(0.31)	11.52	(1.04)	(0.58)	0.05	(0.41)	(1.33)	7.20
Balance as at March 31, 2021	**-**	**3.66**	**288.24**	**44.65**	**2,029.52**	**101.24**	**21.28**	**15.45**	**14.90**	**41.77**	**2,560.71**
Net Block as at March 31, 2020	**293.58**	**19.34**	**696.21**	**178.33**	**3,617.65**	**63.61**	**12.60**	**38.97**	**12.62**	**188.54**	**5,121.45**
Net Block as at March 31, 2021	**303.22**	**19.10**	**705.90**	**178.98**	**3,839.19**	**68.62**	**8.95**	**42.45**	**13.53**	**192.96**	**5,372.90**

*Freehold land ₹ 15.05 crore (2020 : ₹ 15.05 crore) and other building ₹ 0.01 crore (2020: ₹ 0.01 crore) for which legal formalities relating to transfer of title are pending.

**Includes ₹ Nil (2020 : ₹ 0.32 crore) preoperative depreciation capitalised.

#Pertaining to assets situated in mines and quarries.

5 Investment property

₹ in crore

	Land	Building	Total
Gross Block			
Balance as at April 1, 2019	**3.58**	**26.52**	**30.10**
Disposals	*	(3.22)	(3.22)
Reclassified to assets held for sale (note 26)	(2.45)	-	(2.45)
Balance as at March 31, 2020	**1.13**	**23.30**	**24.43**
Transferred from Property, plant and equipment (note 4)	15.47	24.34	39.81
Balance as at March 31, 2021	**16.60**	**47.64**	**64.24**
Accumulated depreciation			
Balance as at April 1, 2019	**-**	**2.89**	**2.89**
Depreciation for the year	-	0.66	0.66
Disposals	-	(0.36)	(0.36)
Balance as at March 31, 2020	**-**	**3.19**	**3.19**
Depreciation for the year	-	0.61	0.61
Transferred from Property, plant and equipment (note 4)	-	5.58	5.58
Balance as at March 31, 2021	**-**	**9.38**	**9.38**
Net Block as at March 31, 2020	**1.13**	**20.11**	**21.24**
Net Block as at March 31, 2021	**16.60**	**38.26**	**54.86**

*value below ₹ 50,000

Footnotes:

a) Disclosures relating to fair valuation of investment property

Fair value of the above investment property as at March 31, 2021 is ₹ 279.74 crore (2020: ₹ 139.00 crore) based on external valuation.

Fair Value Hierarchy

The fair value of investment property has been determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on the inputs to the valuation techniques used.

Description of valuation technique used

The Group obtains independent valuations of its investment property after every three years. The fair value of the investment property have been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length distance from investment property or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property.

b) The Group has not earned any material rental income on the above properties.

6 Right-of-use assets

₹ in crore

	Land	Other Buildings	Plant and Machinery	Rail Equipment	Vehicles	Office Equipments	Total
Gross Block							
Balance as at April 1, 2019	-	-	-	-	-	-	-
Transition impact of Ind AS 116	1.35	105.82	30.35	128.32	11.52	2.24	279.60
Transferred from prepaid expenses	1.87	-	-	-	-	-	1.87
Transferred from Property, plant and equipment (note 4)	-	0.17	28.35	-	0.74	-	29.26
Additions	7.74	18.35	0.09	9.21	3.64	0.98	40.01
Disposals	-	(0.07)	-	(4.84)	-	-	(4.91)
Exchange fluctuations	0.13	5.63	2.35	12.37	0.07	0.10	20.65
Balance as at March 31, 2020	**11.09**	**129.90**	**61.14**	**145.06**	**15.97**	**3.32**	**366.48**
Additions	11.40	31.78	9.26	62.93	0.65	-	116.02
Disposals	-	(7.51)	-	(0.40)	(0.48)	(0.03)	(8.42)
Exchange fluctuations	(0.05)	2.75	0.01	(5.83)	0.16	0.22	(2.74)
Balance as at March 31, 2021	**22.44**	**156.92**	**70.41**	**201.76**	**16.30**	**3.51**	**471.34**
Accumulated depreciation							
Balance as at April 1, 2019	-	-	-	-	-	-	-
Amortisation for the year	0.10	22.08	10.99	47.63	5.56	0.94	87.30
Disposals	-	(0.07)	-	(0.90)	-	-	(0.97)
Transferred from Property, plant and equipment (note 4)	-	-	14.63	-	0.61	-	15.24
Exchange fluctuations	-	0.59	0.43	3.16	0.02	0.03	4.23
Balance as at March 31, 2020	**0.10**	**22.60**	**26.05**	**49.89**	**6.19**	**0.97**	**105.80**
Amortisation for the year	2.61	24.02	14.28	55.30	4.77	1.06	102.04
Disposals	-	(5.82)	-	(0.18)	(0.48)	(0.03)	(6.51)
Exchange fluctuations	-	0.79	(0.03)	(2.50)	0.06	0.09	(1.59)
Balance as at March 31, 2021	**2.71**	**41.59**	**40.30**	**102.51**	**10.54**	**2.09**	**199.74**
Net Block as at March 31, 2020	**10.99**	**107.30**	**35.09**	**95.17**	**9.78**	**2.35**	**260.68**
Net Block as at March 31, 2021	**19.73**	**115.33**	**30.11**	**99.25**	**5.76**	**1.42**	**271.60**

(Refer note 39 for lease liabilities related disclosures)

7. Goodwill on consolidation

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Carrying value as at April 1	1,954.23	1,811.03
Exchange fluctuations	(36.49)	143.20
Carrying value as at March 31	**1,917.74**	**1,954.23**

Goodwill of ₹ 1,529.95 crore (2020: ₹ 1,583.41 crore) and ₹ 235.86 crore (2020: ₹ 218.89 crore) relates to the CGUs - Tata Chemicals North America Inc. and it's subsidiaries ('TCNA Group') and Cheshire Salt Holdings Limited Group and it's subsidiaries ('CSHL Group') respectively. The estimated value in use of the CGUs are based on future cash flows assuming an terminal annual growth rate 2% to 3% for the 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 the carrying amount.

Goodwill of ₹ 151.93 crore (2020: ₹ 151.93 crore) has been allocated to three CGUs (Individually immaterial) within the specialty products, and evaluated based on their recoverable amounts which exceeds their carrying amounts.

8 Other intangible assets

₹ in crore

	Computer Software	Technical knowhow	Product registration, contractual rights and others*	Mining rights	Total
Gross Block					
Balance as at April 1, 2019	**19.59**	**20.89**	**23.07**	**7,724.07**	**7,787.62**
Additions	2.69	2.98	4.25	0.32	10.24
Transferred to Discontinued operations (note 36)	(0.48)	-	-	-	(0.48)
Exchange fluctuations	1.16	-	-	718.04	719.20
Balance as at March 31, 2020	**22.96**	**23.87**	**27.32**	**8,442.43**	**8,516.58**
Additions	7.24	2.41	5.65	(0.16)	15.14
Disposals	(0.03)	(2.10)	-	-	(2.13)
Exchange fluctuations	(0.52)	-	-	(268.78)	(269.30)
Balance as at March 31, 2021	**29.65**	**24.18**	**32.97**	**8,173.49**	**8,260.29**
Accumulated Amortisation					
Balance as at April 1, 2019	**12.85**	**14.25**	**16.99**	**372.19**	**416.28**
Amortisation for the year	2.08	4.51	1.84	97.50	105.93
Transferred to Discontinued operations (note 36)	(0.02)	-	-	-	(0.02)
Exchange fluctuations	0.85	-	-	41.06	41.91
Balance as at March 31, 2020	**15.76**	**18.76**	**18.83**	**510.75**	**564.10**
Amortisation for the year	3.11	4.16	3.30	106.93	117.50
Disposals	(0.03)	(1.75)	-	-	(1.78)
Exchange fluctuations	(0.35)	-	-	(17.58)	(17.93)
Balance as at March 31, 2021	**18.49**	**21.17**	**22.13**	**600.10**	**661.89**
Net Block as at March 31, 2020	**7.20**	**5.11**	**8.49**	**7,931.68**	**7,952.48**
Net Block as at March 31, 2021	**11.16**	**3.01**	**10.84**	**7,573.39**	**7,598.40**

*Others include wagon rights provided by the Ministry of Railways to carry goods at concessional freight.

9. (a) Investments in joint ventures

The Group's interest in joint ventures are accounted for using the equity method in the Consolidated Financial Statements.

Following are details of investments in Joint ventures:	Country of incorporation	Percentage of ownership Interest	
		As at March 31, 2021	As at March 31, 2020
Indo Maroc Phosphore S.A. ('IMACID')	Morocco	33.33%	33.33%
JOil (S) Pte. Ltd. ('Joil')	Singapore	33.78%	33.78%
Tata Industries Ltd.	India	9.13%	9.13%
The Block Salt Company Ltd.	United Kingdom	50.00%	50.00%

The Group had no contingent liabilities or capital commitments relating to its interest in joint ventures as at March 31, 2021 and 2020. The joint ventures have no other contingent liabilities or capital commitments as at March 31, 2021 and 2020.

Carrying amount of investment in joint ventures

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Indo Maroc Phosphore S.A.	411.38	336.07
JOil (S) Pte. Ltd.*	-	-
Tata Industries Ltd.	538.77	431.97
The Block Salt Company Ltd.	1.74	2.27
Total	**951.89**	**770.31**

*The Group has impaired 100% investment during the year ended March 31, 2015.

₹ in crore

Summary of movement of investment in joint ventures		Year ended March 31, 2021	Year ended March 31, 2020
Opening carrying value as at April 1	A	770.31	870.56
Add/(Less):			
Ind-AS 116 Impact - Lease	B	-	(0.27)
Joint venture reserve movement	C	0.51	0.30
Add: Share of profit of joint ventures			
Group's share of profit for the year (net of tax)			
- from continuing operation		25.62	(3.85)
- from discontinued operation **		-	31.34
	D	**25.62**	**27.49**
Other comprehensive income (net of tax)	E	164.17	(66.20)
Dividend received during the year	F	(26.54)	(73.52)
Exchange fluctuations	G	17.82	11.95
Closing carrying value as at March 31	**A to G**	**951.89**	**770.31**

**includes profit arising from sale of one of the subsidiaries of Tata Industries Limited (a joint venture of the Group).

9. (b) Other investments

	As at March 31, 2021		As at March 31, 2020	
	Holdings No. of securities	Amount ₹ in crore	Holdings No. of securities	Amount ₹ in crore
(a) Investments in equity instruments (Fair value through other comprehensive income)				
(i) Quoted				
Crystal Peak Minerals Inc.	2,90,55,612	-	2,90,55,612	5.45
The Indian Hotels Co. Ltd.	1,06,89,348	118.49	1,06,89,348	80.17
Oriental Hotels Ltd.	25,23,000	5.75	25,23,000	4.35
Tata Investment Corporation Ltd.	4,41,015	45.67	4,41,015	29.25
Tata Steel Ltd.	30,90,051	250.87	28,90,693	77.93
Tata Steel Ltd. (Partly Paid)	-	-	1,99,358	0.59
Tata Motors Ltd.	19,66,294	59.34	19,66,294	13.97
Titan Company Ltd.	1,38,26,180	2,154.19	1,38,26,180	1,290.97
Spartek Ceramics India Ltd.	7,226	-	7,226	-
Nagarjuna Finance Ltd.	400	-	400	-
Pharmaceuticals Products of India Limited	10,000	-	10,000	-
Balasore Alloys Ltd.	504	*	504	*
J.K.Cement Ltd.	44	*	44	*
Total quoted investment (i)		**2,634.31**		**1,502.68**

9. (b) Other investments (Cont...)

	As at March 31, 2021		As at March 31, 2020	
	Holdings No. of securities	Amount ₹ in crore	Holdings No. of securities	Amount ₹ in crore
(ii) Unquoted				
The Associated Building Co. Ltd.	550	0.02	550	0.02
Taj Air Ltd.	40,00,000	-	40,00,000	-
Tata Capital Ltd.	32,30,859	13.02	32,30,859	16.48
Tata International Ltd.	72,000	151.43	48,000	108.48
Tata Projects Ltd.	1,93,500	289.32	1,93,500	222.85
Tata Services Ltd.	1,260	0.13	1,260	0.13
Tata Sons Private Ltd.	10,237	56.86	10,237	56.86
Tata Teleservices Ltd. (footnote '1')#	-	-	12,85,110	-
IFCI Venture Capital Funds Ltd.	2,50,000	0.67	2,50,000	0.67
Kowa Spinning Ltd.	60,000	*	60,000	*
Global Innovation And Technology Alliance (GITA)	15,000	1.50	15,000	1.50
Water Quality India Association	7,100	0.01	7,100	0.01
Gk Chemicals And Fertilizers Limited	1,24,002	-	1,24,002	-
Biotech Consortium India Ltd.	50,000	0.05	50,000	0.05
Indian Potash Ltd.	1,08,000	0.02	1,08,000	0.01
Bharuch Enviro Infrastructure Ltd.	36,750	0.04	36,750	0.04
Narmada Clean Tech Ltd.	3,00,364	0.30	3,00,364	0.30
Cuddalore SIPCOT Industries Common Utilities Ltd.	113	*	113	*
Patancheru Enviro-Tech Ltd.	10,822	0.01	10,822	0.01
Amba Trading & Manufacturing Company Private Ltd.	1,30,000	*	1,30,000	*
Associated Inds. (Assam) Ltd.	30,000	*	30,000	*
Uniscans & Sonics Ltd.	96	*	96	*
Impetis Biosciences Ltd	5,68,414	2.75	5,68,414	3.38
Caps Rallis (Private) Ltd.	21,00,000	-	21,00,000	-
Total unquoted investment (ii)		**516.13**		**410.79**
Total Investments in equity instruments		**3,150.44**		**1,913.47**
(iii) Investments in non convertible debentures (Fair value through profit and loss)				
Tata International Ltd. (Quoted)	1,500	150.00		-
Total investments (iii)		**150.00**		**-**
Total investments (i + ii + iii)		**3,300.44**		**1,913.47**
Aggregate amount of quoted investments (i)		2,784.31		1,502.68
Aggregate market value of quoted investments (i)		2,784.31		1,502.68
Aggregate carrying value of unquoted investments (ii)		516.13		410.79
#Aggregate amount of impairment in value of unquoted Investments		-		1.51

*value below ₹ 50,000/-

9. (c) Current investments (Fair value through profit and loss)

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Investment in mutual funds - unquoted	1,563.49	1,601.02
Total current investments	**1,563.49**	**1,601.02**

10. Loans

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(Unsecured, considered good)		
Loans to employees (footnote 'i')	0.62	0.92
Security Deposit	10.08	9.07
	10.70	**9.99**
Current		
(Unsecured, considered good)		
Loans to employees (footnote 'i')	0.17	0.23
	0.17	**0.23**

Footnote:

(i) Loans to employees includes ₹ Nil (2020: ₹ Nil) due from officer of the Group. Maximum balance outstanding during the year is ₹ Nil (2020 : ₹ Nil).

11. Other financial assets

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-Current		
(a) Fixed deposits with banks	1.07	1.03
(b) Deposit with others	3.23	2.94
(c) Derivatives (note 42)	18.02	0.96
(d) Others	2.34	-
	24.66	**4.93**
Current		
(a) Claim receivable - Related party (note 45)	5.16	0.33
(b) Derivatives (note 42)	43.81	12.38
(c) Accrued income	61.97	59.59
(d) Subsidy Receivable (net) (footnote 'i')	35.22	60.08
(e) Others	7.18	6.63
	153.34	**139.01**

Footnote:

(i) Subsidy receivable from the Government relates to Phosphatic Fertiliser business and Trading business.

12. Other assets

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Non-Current			
(a)	Capital advances	244.20	131.11
(b)	Claim receivable	5.37	5.48
(c)	Deposit with public bodies and others	53.23	64.86
(d)	Prepaid expenses	24.40	28.41
(e)	Net defined benefit assets (note 40)	45.71	45.00
(f)	Others	12.49	10.46
		385.40	**285.32**
Current			
(a)	Prepaid expenses	71.96	43.28
(b)	Advance to suppliers	56.37	55.50
(c)	Statutory receivables	243.34	221.58
(d)	Others	55.75	68.38
		427.42	**388.74**

13. Inventories

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(a)	Raw materials (footnote 'i')	542.42	740.59
(b)	Work-in-progress	115.12	129.41
(c)	Finished goods	676.88	664.10
(d)	Stock-in-trade (footnote 'i')	94.30	87.25
(e)	Stores, spare parts and packing materials (footnote 'i')	257.84	247.81
		1,686.56	**1,869.16**

Footnotes:

(i) Inventories includes goods in transit.

(ii) The cost of inventories recognised as an expense includes ₹ 19.89 crore (2020: ₹ 9.37 crore) in respect of write-down of inventories to net realisable value, and has been reduced by ₹ 2.48 crore (2020: ₹ 3.66 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.

(iii) Inventories have been offered as security against the working capital facilities provided by the bank.

14. Trade receivables

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Current			
(a)	Secured, considered good	73.21	93.52
(b)	Unsecured, considered good	1,323.78	1,486.40
(c)	Unsecured, credit impaired	90.99	87.36
	Less: Impairment loss allowance	(90.99)	(87.36)
		1,396.99	**1,579.92**

Footnotes:

(i) Before accepting new customer, the Group has appropriate levels of control procedures which ensure the potential customer's credit quality. Credit limits attributed to customers are reviewed periodically by the Management.

(ii) Movement in credit impaired

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	87.36	91.43
Credit impaired pertaining to discontinued operations (note 36)	-	(11.43)
Provision during the year	5.77	11.24
Reversal during the year	(2.12)	(4.29)
Exchange fluctuation	(0.02)	0.41
Balance at the end of the year	**90.99**	**87.36**

(iii) Trade receivables have been offered as security against working capital facilities provided by the bank.

15. Cash and cash equivalents and other bank balances

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Cash and cash equivalents:		
(a) Balance with banks	263.19	489.65
(b) Cash on hand	0.05	0.10
(c) Deposit accounts (with original maturity less than 3 months)	426.10	764.51
Cash and cash equivalents as per Statement of Cash Flow	**689.34**	**1,254.26**
Other bank balances:		
(a) Earmarked balances with banks	20.20	22.32
(b) Deposit accounts (other than (c) above, with maturity less than 12 months from the Balance Sheet date)	701.47	802.94
	721.67	**825.26**

Footnote:

(i) Non cash transactions

The Group has not entered into non cash investing and financing activities.

16. Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No of shares	₹ in crore	No of shares	₹ in crore
(a) Authorised:				
Ordinary shares of ₹ 10 each	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
(c) Subscribed and fully paid up:				
Ordinary shares of ₹ 10 each	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
		254.82		**254.82**

Footnotes:

(i) The movement in number of shares and amount outstanding at the beginning and at the year end

	Year ended March 31, 2021		Year ended March 31, 2020	
	No of shares	₹ in crore	No of shares	₹ in crore
Issued share capital:				
Ordinary shares :				
Balance as at April 1,	25,48,42,598	254.84	25,48,42,598	254.84
Balance as at March 31	**25,48,42,598**	**254.84**	**25,48,42,598**	**254.84**
Subscribed and paid up:				
Ordinary shares :				
Balance as at April 1,	25,47,56,278	254.76	25,47,56,278	254.76
Balance as at March 31	**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 March 31, 2021		As at March 31, 2020	
	No of shares	%	No of shares	%
Ordinary shares with voting rights				
(i) Tata Sons Private Ltd.	8,12,60,095	31.90	7,26,25,673	28.51
(ii) Life Insurance Corporation of India	1,86,10,802	7.31	1,68,84,036	6.63
(iii) Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,52,00,001	5.97
(iv) ICICI Prudential Mutual fund	*	*	1,60,79,641	6.31

*Not holding more than 5% shares

17. Other equity

₹ in crore

	As at March 31, 2021	As at March 31, 2020
1. Capital reserve and other reserves from amalgamation	326.64	326.64
2. Securities premium	1,258.89	1,258.89
3. Capital redemption reserve	0.10	0.10
4. Debenture redemption reserve	-	-
5. General reserve	1,522.47	1,522.47
6. Foreign currency translation reserve	1,880.92	2,062.55
7. Retained earnings	6,254.08	6,185.80
8. Equity instruments through other comprehensive income	2,791.25	1,568.02
9. Effective portion of cash flow hedges	0.80	(281.63)
Total other equity	**14,035.15**	**12,642.84**

The movement in other equity

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
17.1	**Capital reserve and other reserves from amalgamation**		
	Balance at the beginning of the year	326.64	326.64
	Balance at the end of the year	**326.64**	**326.64**
	Footnote: Capital reserve represents the difference between the consideration paid and net assets received under common control business combination transaction. It can be utilised in accordance with the provisions of the 2013 Act.		
17.2	**Securities premium**		
	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**
	Footnote: Securities premium is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of the 2013 Act.		
17.3	**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**
17.4	**Debenture redemption reserve**		
	Balance at the beginning of the year	-	240.00
	Transferred to General reseve	-	(240.00)
	Balance at the end of the year	**-**	**-**
	Footnote: The Group is required to create a debenture redemption reserve out of the profits which is available for the purpose of redemption of debentures, which has been redeemed during the previous year.		
17.5	**General reserve**		
	Balance at the beginning of the year	1,522.47	1,282.47
	Transferred from Debenture redemption reserve	-	240.00
	Balance at the end of the year	**1,522.47**	**1,522.47**
	Footnote: The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		
17.6	**Foreign currency translation reserve**		
	Balance at the beginning of the year	2,062.55	1,668.27
	Changes during the year	(181.63)	394.28
	Balance at the end of the year	**1,880.92**	**2,062.55**
	Footnote: The Foreign currency translation reserve represents all exchange differences arising from translation of Financial Statements of foreign operations.		

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
17.7	**Retained earnings**		
	Balance at the beginning of the year	6,185.80	5,192.86
	Profit for the year	256.37	7,006.33
	Remeasurement of defined employee benefit plans (net of tax)	93.14	(26.97)
	Dividend (including tax on dividend ₹ Nil (2020: ₹ 60.45 crore))	(280.23)	(383.89)
	Deemed dividend on demerger (note 36)	-	(6,307.97)
	Refund of tax on dividend	-	1.65
	Transition impact of Ind AS 116	-	(14.95)
	Impact on Merger of Zero Waste to Rallis	-	0.14
	Joint venture reserve movement	0.51	0.30
	Acquisition of non-controlling interests (note 38)	-	718.30
	Transfer from equity instruments through other comprehensive income	(1.51)	-
	Balance at the end of the year(note 'ii')	**6,254.08**	**6,185.80**

Footnotes:

(i) The amount that can be distributed by the holding company as dividends to its equity shareholders is determined based on the Standalone 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 final dividend of 100 % (2020: 110%) for the financial year 2020-21 ₹ 10.00 per share (2020: ₹ 11.00 per share) which is subject to the approval of shareholders.

(ii) Includes balance of remeasurement of net defined benefit plans loss of ₹ 640.95 crore (2020: ₹ 734.09 crore).

(iii) Retained earnings represents net profits after distributions and transfers to other reserves.

		Year ended March 31, 2021	Year ended March 31, 2020
17.8	**Equity instruments through other comprehensive income**		
	Balance at the beginning of the year	1,568.02	2,171.68
	Changes in fair value of equity instruments at FVTOCI (net of tax)	1,221.72	(603.66)
	Transfer to Retained earnings	1.51	-
	Balance at the end of the year	**2,791.25**	**1,568.02**

Footnote:

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.

		Year ended March 31, 2021	Year ended March 31, 2020
17.9	**Effective portion of cash flow hedges (note 42(c))**		
	Balance at the beginning of the year	(281.63)	(54.46)
	Acquisition of non-controlling interests (note 38)	-	(6.64)
	Changes during the year	282.43	(220.53)
	Balance at the end of the year	**0.80**	**(281.63)**

Footnote:

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.

18. Non-controlling interests ('NCI')

Subsidiaries that have non-controlling interests are listed below:

₹ in crore

	Country of incorporation and operation	Non-controlling interests share	
		As at March 31, 2021	**As at March 31, 2020**
Rallis India Limited ("Rallis")	India	49.94%	49.94%
Tata Chemicals (Soda Ash) Partners Holdings** (note 38)	United States of America	-	^^
Tata Chemicals (Soda Ash) Partners ** (note 38)	United States of America	-	^^
PT Metahelix Lifesciences Indonesia	Indonesia	34.23%	34.23%
Alcad**	United States of America	50.00%	50.00%

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

^^During the year ended March 31, 2020, the group has acquired balance 25% (note 38).

Movement of non-controlling interests

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Opening as at April 1	763.77	2,912.48
Add/(Less):		
Profit for the year	179.85	221.82
Other comprehensive income for the year	0.70	50.58
Dividends including tax on dividend	(91.72)	(171.18)
Impact on Merger of Zero Waste to Rallis	-	0.14
Acquisition of non-controlling interests by Group	-	(2,250.07)
Closing as at March 31	**852.60**	**763.77**

19. Borrowings

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-current		
Secured - at amortised cost		
(a) Term loans - bank (footnote 'a')	3,370.68	1,402.54
(b) Term loans - others (footnote 'b')	0.10	0.27
Unsecured - at amortised cost		
(a) Term loans - bank (footnote 'c')	1,907.52	2,098.59
(b) Term loans - others (footnote 'd')	-	0.42
(c) Other loans (footnote 'e')	4.68	5.23
	5,282.98	**3,507.05**
Less: Unamortised finance cost	83.50	33.69
	5,199.48	**3,473.36**
Current		
Loans repayable on demand		
Secured - from banks		
(a) Cash/packing credits/Bank overdraft (footnote 'f')	0.05	24.12
(b) Working capital demand loan (footnote 'g')	44.21	42.88
Unsecured - from banks		
(a) Term loans - bank (footnote 'h')	-	1,324.14
(b) Working capital demand loan (footnote 'i')	204.71	378.33
(c) Suppliers' credit (footnote 'j')	28.61	143.47
	277.58	**1,912.94**

Footnotes:

(a) (i) Secured term loans owed by Natrium Holdings and its subsidiaries ('Natrium Holdings Limited Group'):

Secured term loans of Natrium Holdings Limited Group comprise of an £ 80 million term loan ('Term loan') and a £ 20 million revolving credit facility ('RCF'). As at March 31, 2021, the debt outstanding under the term loan amounts to ₹ 806.02 crore (2020: ₹ 748.02 crore) (£ 80 million 2020: £ 80 million).

A maximum of £ 20 million can be drawn down under the RCF, of which ₹ 20.15 crore (2020: ₹ 187.01 crore) (2021: £ 2 million and 2020: £ 20 million) had been drawn down as at March 31, 2021.

Interest on this facility is payable at LIBOR plus 1.15% per annum (2020: 1.15% per annum). The debt facilities are secured by fixed and floating charges over the assets of the sub-group. Both the above loans are repayable in full in March 2023.

(ii) Secured term loans owed by Cheshire Salt Holdings Limited ('CSHL Group'):

Secured term loans of CSHL Group comprise of a £ 50 million term loan ('Term loan') and a £ 5 million revolving credit facility ('RCF'). As at March 31, 2021, the debt outstanding under the term loan amounts to ₹ 503.76 crore (2020 ₹ 467.51) (2021: £ 50 million 2020: £ 50 million). The RCF is utilised/outstanding as at March 31, 2021 ₹ 30.23 crore(2020: ₹ Nil) (2021: £ 3 million (2020: £ Nil))

Interest on these facilities is payable at RFR plus 2.45% per annum. The debt facilities are secured by fixed and floating charges over the assets of the sub-group. The term loans is repayable in instalments commencing March 2024 and ending in March 2026.

(iii) Secured term loans owed by Tata Chemicals North America ('TCNA') Group:

Secured term loan of TCNA is a USD 275 million term loan ('Term loan')

The Term loan is 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 March 31, 2021, the debt outstanding is ₹ 2,010.52 crore (2020: ₹ 1,704.73 crore) (USD 275.00 million (2020: USD 225.30 million) of which an amount of ₹ Nil (2020: ₹ 1,704.73 crore) (USD Nil (2020: USD 225.30 million) disclosed in note 20 within the heading current maturity of non-current borrowings under other financial liabilities (current)). The Term loan is amortised in installments beginning December 19, 2022 and concluding June 19, 2025.

The borrowing under this facility bears interest at either LIBOR plus applicable margin or a fallback rate based upon (a) if no LIBO Rate is available for the relevant Interest Period, the Reference Bank Rate as of the Specified Time before the date of that Borrowing and for a period equal in length to the Interest Period of that Borrowing, or (b) if neither the LIBO Rate nor a Reference Bank Rate is available for the relevant Interest Period, the Cost of Funds shall apply to that Borrowing for that Interest Period. The applicable margin on the Term loan and Revolver is 4.00% per annum on LIBOR borrowings.

(b) Debt owed by Rallis:

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 Rallis, 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. The balance payable as on March 31, 2021 is ₹ 0.25 crore (2020: ₹ 0.27 crore) of which ₹ 0.15 crore (2020: ₹ Nil) has been disclosed in note 20 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) (i) Debt owed by Homefield Pvt UK Limited:

Term Loan amounts outstanding were ₹ 332.65 crore (2020: ₹ 340.49 crore) (USD 45.50 million (2020: USD 45 Million). The loan is repayable in full in February 2022 has been disclosed in note 20 within the heading current maturities of non-current borrowings under Other financial liabilities (current). Interest on this loan is payable based on USD LIBOR plus a margin of 1.85% per annum.

(ii) Debt owed by Homefield Pvt UK Limited:

Term Loan amount outstanding is ₹ 208.36 crore (2020: ₹ 215.65 crore) (USD 28.50 Million (2020: USD 28.50 Million). This loan repayable in full in March 2023. Interest on this loan is payable based on USD LIBOR plus a margin of 1.15% per annum.

(iii) Debt owed by Rallis:

Loan of ₹ 15.00 crore is repayable in quarterly installments. The repayment began after a moratorium of 24 months from February 2018. The balance outstanding as at March 31, 2021 is ₹ 6.00 crore (2020: ₹ 9.45 crore) of which ₹ 3.00 crore

(2020: ₹ 3.00 crore) has been grouped in note 20 within current maturities of non-current borrowings under Other financial liabilities (current), which are payable in next 12 months.

(iv) Debt owed by Tata Chemicals Magadi Limited ('TCML'):

The outstanding loan as at the year end is ₹ 350.94 crore (USD 48 million) (2020: ₹ 363.19 crore (USD 48 million)) of which ₹ 116.98 crore (2020: Nil) ((USD 16 million (2020: USD Nil) has been grouped in note 20 within current maturities of non-current borrowings under Other financial liabilities (current). The loan is repayable in instalments commencing July 2021 and ending January 2024. Interest on this loan is payable, every six months i.e. in January and July, based on 6 months USD LIBOR plus a margin of 1.80% per annum.

(v) Debt owed by Tata Chemicals International Pte. Limited ('TCIPL'):

The outstanding loan as at March 31, 2021 is ₹ 1,462.20 crore (2020: ₹ 1,513.30 crore) (USD 200 million (2020: USD 200 million)). The loan bear an effective interest rate of 3.91% (2020: 3.81%). The loan is repayable in full on December 12, 2022.

(vi) Debt owed by Valley Holdings Inc. ('VHI'):

The Bridge loan of ₹ 731.10 crore (2020: ₹ Nil) (USD 100 Million (2020: USD Nil) is unsecured and is repayable in full on December 19, 2021 and the same has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current). The applicable margin on the Bridge loan is 3.35% per annum on LIBOR borrowings.

(d) Debt owed by Rallis:

Term loan from Council of Scientific and Industrial Research: The balance payable as on March 31, 2021 is ₹ 0.08 crore (2020: ₹ 0.42 crore), out of which ₹ 0.08 crore (2020: ₹ Nil) has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current). The same is repayable alongwith interest in 7 annual installments. The loan bears interest of 3% per annum.

(e) Debt owed by Rallis:

Sales Tax Deferral Scheme: The loan is repayable in annual installments which range from a maximum of ₹ 1.13 crore to a minimum of ₹ 0.15 crore over the period stretching from April 1, 2020 to March 31, 2027. The amount outstanding is free of interest. The balance outstanding as at March 31, 2021 is ₹ 5.31 crore (2020: ₹ 5.54 crore), out of which ₹ 0.63 crore (2020: ₹ 0.31 crore) has been disclosed in note 20 within the heading current maturity of long term debt under other financial liabilities (current).

(f) Debt owed by Rallis:

Bank overdrafts and cash credit facility ₹ 0.05 (2020: ₹ 24.12 crore) are secured by first pari passu charge on inventories (including raw material, finished goods and work-in-progress) and book debts.

(g) (i) Debt owed by TCML:

Outstanding loan of ₹ 14.21 crore (2020: ₹ 17.38 crore)(2021: USD 1.94 million and 2020: USD 2.3 million). It is a secured overdraft facility against dues receivable from Kenyan Revenue Authority. The rate of interest for this borrowing is 8.08% per annum.

(ii) Debt owed by Rallis India Limited:

Loan of ₹ 30.00 crore (2020: ₹ 25.50 crore) is secured by first pari passu charge on stock (including raw material, finished goods and work-in-progress) and book debts and carries a weighted average interest of 7.12 % per annum (2020: 8.50% per annum).

(h) Term loan of VHI, comprised of a ₹ Nil (2020: ₹ 1,324.14 crore) (USD Nil (2020: USD 175 million) term loan ('Bridge loan')

The Bridge loan is unsecured and has been repaid in full in June 2020. The effective interest rate for the year ended March 31, 2020 was ranging from 2.94% to 3.19%.

(i) Debt owed by TCIPL:

₹ 204.71 crore (June 2020: ₹ 378.33 crore)(2021: USD 28 million and 2020: USD 50 million) is towards unsecured working capital facility and is repayable within 90 days (2020: 90 days). Interest is charged at 0.80% to 2.62% (2020: 1.39% to 3.99%) per annum.

(j) Suppliers' credit:

Unsecured Supplier's credit repayable on demand bears interest ranging from 1.13 % to 2.49 % per annum (2020: 1.91 % to 3.14 % per annum)

20. Other financial liabilities

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Non-Current			
(a)	Derivatives (note 42)	25.74	127.90
(b)	Deposit payable	-	6.45
(c)	Others	21.03	17.18
		46.77	**151.53**
Current			
(a)	Current maturities of non-current borrowings (note 19)		
	(i) From Banks - Secured (note 19 - footnote 'a')	-	1,704.73
	(ii) From Others - Secured (note 19 - footnote 'b')	0.15	-
	(iii) From Banks - Unsecured (note 19 - footnote 'c')	1,183.73	343.49
	(iv) From Others - Unsecured (note 19 - footnote 'd' and 'e')	0.63	0.31
		1,184.51	**2,048.53**
	Less: Unamortised cost of borrowings	9.62	7.88
		1,174.89	**2,040.65**
(b)	Current maturities of lease liabilities (note 39)	91.98	87.42
(c)	Interest accrued	34.49	10.42
(d)	Creditors for capital goods	132.57	175.14
(e)	Unclaimed dividend	20.23	20.36
(f)	Unclaimed debenture interest	0.01	0.01
(g)	Derivatives (note 42)	41.14	166.68
(h)	Security deposits from customers	45.42	38.32
(i)	Others	176.73	148.23
		1,717.46	**2,687.23**

21. Provisions

₹ in crore

		As at March 31, 2021	As at March 31, 2020
Non-Current			
(a)	Provision for employee benefits		
	(i) Pension and other post retirement benefits (note 40)	1,407.35	1,466.54
	(ii) Compensated absences and long service awards	6.05	4.05
		1,413.40	**1,470.59**
(b)	Other provisions (footnote 'i')	184.69	182.93
		1,598.09	**1,653.52**
Current			
(a)	Provision for employee benefits		
	(i) Pension and other post retirement benefits (note 40)	20.42	25.72
	(ii) Compensated absences and long service awards	97.34	99.00
		117.76	**124.72**
(b)	Other provisions (footnote 'i')	247.37	152.18
		365.13	**276.90**

Footnotes:

(i) Other provisions include:

₹ in crore

	Asset retirement obligation (1)	Provision for emission allowance (2)	Provision for warranty (3)	Provision for restructuring expenses (4)	Provision for litigations and others (5)	Total
Balance as at April 1, 2019	**182.12**	**8.18**	**0.39**	**11.63**	**142.42**	**344.74**
Provisions pertaining to discontinued operation (Phosphatic Fertilisers business)	-	-	-	-	7.84	7.84
Provisions recognised during the year	10.76	135.98	0.31	-	7.20	154.25
Payments/utilisations/surrenders during the year	(12.30)	(140.36)	(0.29)	(11.57)	(22.86)	(187.38)
Exchange fluctuations	15.60	0.12	-	(0.06)	-	15.66
Balance as at March 31, 2020	**196.18**	**3.92**	**0.41**	**-**	**134.60**	**335.11**
Provisions pertaining to discontinued operation (Phosphatic Fertilisers business)	-	-	-	-	7.84	7.84
Provisions recognised during the year	9.26	84.67	0.24	-	3.20	97.37
Payments/utilisations/surrenders during the year	(2.78)	-	(0.32)	-	(3.94)	(7.04)
Exchange fluctuations	(4.72)	3.50	-	-	-	(1.22)
Balance as at March 31, 2021	**197.94**	**92.09**	**0.33**	**-**	**141.70**	**432.06**
Balance as at March 31, 2020						
Non-Current	182.93	-	-	-	-	182.93
Current	13.25	3.92	0.41	-	134.60	152.18
Total	**196.18**	**3.92**	**0.41**	**-**	**134.60**	**335.11**
Balance as at March 31, 2021						
Non-Current	184.69	-	-	-	-	184.69
Current	13.25	92.09	0.33	-	141.70	247.37
Total	**197.94**	**92.09**	**0.33**	**-**	**141.70**	**432.06**

Nature of provisions :

(1) Provision for asset retirement obligation represents site restoration expense and decommissioning charges in India and cost towards reclamation of the mine and land upon the termination of the partnership in USA. The timing of the outflows is expected to be within a period of 1 to 96 years from the date of Consolidated Balance Sheet.

(2) Provision for emission allowance represents obligations to surrender carbon emission allowances under the EU emissions trading scheme. The timing of the outflows is expected to be within a period of one year from the date of Consolidated Balance Sheet.

(3) Provision for warranty relates to 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 represents costs to be incurred following the closure of plant in UK and committed expenditure to demolish redundant power facilities owned by the Group in UK.

(5) Provision for litigations and 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. The timing of outflows is uncertain and will depend on the cessation of the respective cases.

22. Deferred tax assets (net) and liabilities (net)

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Deferred tax assets (net) (footnote 'i')	-	15.31
(b) Deferred tax liabilities (net) (footnote 'ii')	(1,572.11)	(1,437.94)

Footnotes:

(i) Deferred tax assets (net)

₹ in crore

	As at April 1, 2020	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others	Exchange fluctuations	As at March 31, 2021
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments and intangible asset	15.38	(15.39)	-	-	-	-	0.01	-
Others	(0.08)	0.08	-	-	-	-	-	-
	15.30	**(15.31)**	**-**	**-**	**-**	**-**	**0.01**	**-**
Tax losses	0.01	(0.01)	-	-	-	-	-	-
	15.31	**(15.32)**	**-**	**-**	**-**	**-**	**0.01**	**-**

₹ in crore

	As at April 1, 2019	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others**	Exchange fluctuations	As at March 31, 2020
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments and intangible asset	1.10	0.33	-	-	-	13.37	0.58	15.38
Allowance for doubtful debts and advances	4.35	-	-	-	-	(4.35)	-	-
Defined benefit obligation	0.65	-	-	-	-	(0.65)	-	-
Others	0.04	(0.54)	-	-	-	-	0.42	(0.08)
	6.14	**(0.21)**	**-**	**-**	**-**	**8.37**	**1.00**	**15.30**
Tax losses	2.10	-	-	-	-	(2.09)	-	0.01
Unused Credits	28.00	-	-	-	-	(28.00)	-	-
	36.24	**(0.21)**	**-**	**-**	**-**	**(21.72)**	**1.00**	**15.31**

(ii) Deferred tax liabilities (net)

₹ in crore

	As at April 1, 2020	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others	Exchange fluctuations	As at March 31, 2021
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments (PPE) and intangible asset	(1,410.43)	16.74	-	-	-	-	39.04	(1,354.65)
Acquisition of non-controlling interest (PPE and Intangible)	(168.43)	(19.69)	-	-	-	-	5.98	(182.14)
Allowance for doubtful debts and Advances	35.64	1.33	-	-	-	-	-	36.97
Accrued expenses allowed in the year of payment and on fair value of investments	86.66	12.25	-	(142.01)	-	-	-	(43.10)
Mark to market gains on mutual funds and derivatives	(24.46)	(0.84)	-	-	-	-	-	(25.30)
Right-of-use assets and lease liability	11.11	(1.46)	-	-	-	-	-	9.65
Financial assets at FVTOCI	5.64	(0.39)	-	-	-	-	(0.04)	5.21
Partnership tax basis differences for USA Subsidiaries	(16.84)	3.26	-	(48.29)	-	-	1.24	(60.63)
Defined benefit obligation	45.96	2.44	-	(33.47)	-	-	(1.05)	13.88
Others (including other payables)	(2.79)	29.70	-	(0.68)	-	-	1.77	28.00
	(1,437.94)	**43.34**	**-**	**(224.45)**	**-**	**-**	**46.94**	**(1,572.11)**

₹ in crore

	As at April 1, 2019	Recognised in profit or loss (continuing operations)	Recognised in profit or loss (discontinued operations) (note 36)	Recognised in other comprehensive income	Ind-AS 116 Transition Impact	Others**	Exchange fluctuations	As at March 31, 2020
Deferred tax assets/(liabilities) in relation to:								
Property, plant and equipments (PPE) and intangible asset	(1,390.22)	93.94	-	-	-	(13.37)	(100.78)	(1,410.43)
Acquisition of non-controlling interest (PPE and Intangible)	-	(1.47)	-	-	-	(156.30)	(10.66)	(168.43)
Allowance for doubtful debts and Advances	51.54	(16.26)	-	-	-	0.36	-	35.64
Accrued expenses allowed in the year of payment and on fair value of investments	28.41	(13.94)	6.77	65.42	-	-	-	86.66
Mark to market gains on mutual funds and derivatives	(19.94)	(4.52)	-	-	-	-	-	(24.46)
Right-of-use assets and lease liability	-	9.10	-	-	1.84	0.17	-	11.11
Financial assets at FVTOCI	5.53	-	-	-	-	-	0.11	5.64
Partnership tax basis differences for USA Subsidiaries	(38.17)	4.53	-	18.82	-	-	(2.02)	(16.84)
Defined benefit obligation	30.86	(1.84)	-	14.77	-	(1.32)	3.49	45.96
Alternative Minimum Tax ('AMT') Credit	64.09	(18.19)	-	-	-	(47.50)	1.60	-
Others (including other payables)	(29.28)	(4.46)	31.86	0.98	-	1.66	(3.55)	(2.79)
	(1,297.18)	**46.89**	**38.63**	**99.99**	**1.84**	**(216.30)**	**(111.81)**	**(1,437.94)**

**Includes Impact of Tax Receivables (on AMT), transfer to discontinued operation, Impact of Merger of Metahelix Life Sciences Limited with Rallis India Limited and Impact due to acquisition of non-controlling interest on PPE and Intangible assets.

(iii) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

₹ in crore

	As at March 31, 2021		As at March 31, 2020	
	Gross amount	Tax effect	Gross amount	Tax effect
Deductible temporary differences	2,076.60	387.47	1,237.11	261.23
Unused tax losses	985.03	226.51	962.25	229.87
	3,061.63	**613.98**	**2,199.36**	**491.10**

The Unused tax losses amounting to ₹ 1.50 crore (2020: ₹ 6.04 crore) for which no deferred tax asset was recognised expires between FY 2021 - 2029.

The deductible temporary differences and others unused tax losses do not expire under current tax legislation i.e. ₹ 3,060.13 crore (2020: ₹ 2,193.32 crore).

23. Other liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-current		
(a) Deferred income (including government grants)	94.05	56.41
(b) Others	32.17	41.66
	126.22	**98.07**
Current		
(a) Statutory dues	135.17	131.79
(b) Advance received from customers	113.63	114.64
(c) Deferred income (including government grants and emission trading allowance)	4.50	60.14
(d) Others	12.09	14.40
	265.39	**320.97**

24. Trade payables

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Trade payables	1,661.44	1,623.40
(b) Amount due to Micro Small and Medium Enterprises	21.43	7.52
	1,682.87	**1,630.92**

25. Tax assets and liabilities

₹ in crore

	As at March 31, 2021	As at March 31, 2020
(a) Tax assets		
Non-current		
(i) Advance tax assets (net)	**663.86**	**699.92**
Current		
(i) Current tax assets (net)	**2.59**	**137.00**
(b) Current tax liabilities (net)	**154.93**	**195.94**

26. Assets classified as held for sale

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(a)	Assets classified as held for sale		
	(i) Assets held for sale (footnote 'i')	4.14	4.27
		4.14	**4.27**

Footnote:

(i) The Group intends to dispose off freehold land and buildings which it no longer utilises in the next 12 months. The Group is currently in negotiation with some potential buyers. No impairment loss was recognised on reclassification of the assets as held for sale nor as at reporting date as the management of the Group expect 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.

27. Revenue from operations

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Sales of products (footnote 'ii' and 'iii')	10,088.79	10,252.37
(b)	Other operating revenues		
	(i) Sale of scrap	54.69	56.86
	(ii) Miscellaneous income (footnote 'i')	56.32	47.52
		10,199.80	**10,356.75**
Footnotes:			
(i)	Miscellaneous income primarily includes income from supply agreement, Business Insurance claim and Terminalling Income.		
(ii)	**Reconciliation of sales of products**		
	Revenue from contract with customer	10,919.21	10,993.90
	Adjustments made to contract price on account of:		
	(a) Discounts / rebates / incentives	(369.61)	(244.17)
	(b) Sales returns /credits / reversals - agri business	(460.81)	(497.36)
		10,088.79	**10,252.37**

(iii) For operating segments revenue, geographical segments revenue, revenue from major products and revenue from major customers refer note 41.1.

28. Other income

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	**Dividend income from**		
	(i) Non-current investments measured at FVTOCI	20.12	27.31
		20.12	**27.31**
(b)	**Interest income from financial assets at amortised cost**		
	(i) On bank deposits (financial assets at amortised cost)	34.09	43.37
	(ii) Other interest (financial assets at FVTPL)	22.16	16.44
		56.25	**59.81**
(c)	**Interest on refund of taxes**	18.51	0.72
(d)	**Others**		
	(i) Rental and Town income	40.56	16.07
	(ii) Gain on sale/redemption of investments (net)	61.00	128.70
	(iii) Profit on sale of assets (net)	-	15.06
	(iv) Insurance claim received	11.89	20.75
	(v) Miscellaneous income (footnote 'i')	26.09	42.70
		139.54	**223.28**
		234.42	**311.12**

Footnote:

(i) Miscellaneous income primarily includes export benefits and liabilities written back.

29. Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Opening stock		
Work-in-progress	129.41	112.43
Finished goods	664.10	594.62
Stock-in-trade (acquired for trading)	87.25	125.34
	880.76	**832.39**
Closing stock		
Work-in-progress	115.12	129.41
Finished goods	676.88	664.10
Stock-in-trade (acquired for trading)	94.30	87.25
	886.30	**880.76**
Less: Inventory on account of Discontinued operation (note 36)	-	92.83
Add: Exchange fluctuations	(1.55)	12.93
	(7.09)	**(128.27)**

30. Employee benefits expense

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Salaries, wages and bonus	1,097.58	1,107.12
(b) Contribution to provident and other funds	141.14	79.47
(c) Staff welfare expense	161.02	188.78
	1,399.74	**1,375.37**

31. Finance costs

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Interest costs		
(i) Interest on loans at amortised cost	276.59	255.78
(ii) Interest on obligations under leases (note 39)	9.71	11.34
(b) Translation differences (footnote 'i')	(0.42)	0.41
(c) Discount and other charges	81.49	74.38
	367.37	**341.91**

Footnote:

(i) Translation differences on foreign currency loans regarded as borrowing cost net of changes in fair value of derivative contracts.

32. Depreciation and amortisation expense

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Depreciation of property, plant and equipment	539.17	472.58
(b) Depreciation of Investment property	0.61	0.66
(c) Amortisation of right-of-use assets	102.04	87.30
(d) Amortisation of intangible assets	117.50	105.93
	759.32	**666.47**

33. Other Expenses

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	Stores and spare parts consumed	279.06	258.39
(b)	Packing materials consumed	227.39	196.06
(c)	Power and fuel	1,437.09	1,449.90
(d)	Repairs - Buildings	18.47	18.52
	- Machinery	392.88	417.65
	- Others	9.70	8.81
(e)	Rent	51.92	58.92
(f)	Royalty, rates and taxes	282.66	339.77
(g)	Distributor's service charges	2.38	6.04
(h)	Sales promotion expenses	81.22	84.69
(i)	Insurance charges	63.17	45.42
(j)	Freight and forwarding charges	1,457.18	1,551.42
(k)	Loss on assets sold, discarded or written off (net)	5.79	-
(l)	Bad debts written off	0.17	6.92
(m)	Provision for doubtful debts, advances and other receivables (net)	8.12	14.32
(n)	Foreign exchange loss (net)	23.88	22.25
(o)	Director's fees and commission	11.08	11.12
(p)	Others	550.34	573.61
		4,902.50	**5,063.81**

34. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its Financial Statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

35. Income tax expense relating to continuing operations

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(a)	**Tax expense**		
	Current tax		
	In respect of the current year	225.79	266.33
		225.79	**266.33**
	Deferred tax		
	In respect of the current year (note 22)	(28.02)	(46.68)
		(28.02)	**(46.68)**
	Total tax expense	**197.77**	**219.65**

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
(b)	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	**633.99**	**1,248.06**
	Income tax expenses calculated at 25.168 % (2020: 25.6256 %) (Company's domestic tax rate)	159.56	319.82
	Differences in tax rates in foreign jurisdictions	17.49	(13.08)
	Share of profit of equity accounted investees	(6.62)	0.85
	Effect of income that is exempt from taxation	(10.06)	(17.97)
	Effect of not deductible expenses for tax computation	8.61	21.07
	Effect of concessions (research and development and other allowances)	(12.81)	(52.14)
	Effect of rate change (footnote 'I')	-	(39.20)
	Others	6.70	4.72
		162.87	**224.07**
	Adjustments recognised in the current year in relation to the current tax of prior years on account of completed assessments.	1.39	(3.57)
	Alternative Minimum Tax - differential	19.37	2.01
	Effect of unused tax losses and tax offsets not recognised as deferred tax assets / Utilisation	14.14	(2.86)
		197.77	**219.65**

Footnote:

(i) During the quarter ended September 30, 2019, the Company decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from the previous financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/ remeasured using the new tax rate and the Company had reversed deferred tax liabilities amounting to ₹ 39.20 crore.

36. Discontinued operations

Disposal of consumer products business

The National Company Law Tribunal ("NCLT"), Mumbai and NCLT Kolkata, on January 10, 2020 and January 8, 2020 respectively, sanctioned the Scheme of Arrangement amongst Tata Consumer Products Limited (formerly Tata Global Beverages Limited) (""TCPL"") and the Company and their respective shareholders and creditors ("the Scheme") for the demerger of the Consumer Products Business Unit (""CPB"") of the Company to TCPL. The Scheme became effective on February 7, 2020 upon filing of the certified copies of the NCLT Orders sanctioning the Scheme with the respective jurisdictional Registrar of Companies. Pursuant to the Scheme becoming effective, the CPB is demerged from the Company and transferred to and vested in TCPL with effect from April 1, 2019 i.e. the Appointed Date.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no. 09/2019 dated August 21, 2019 (MCA Circular), the Company has recognised the effect of the demerger on April 1, 2019 and debited the fair value as at April 1, 2019 of Demerged Undertaking i.e. fair value of net assets of CPB to be distributed to the shareholders of the Company, amounting to ₹ 6,307.97 crore to the retained earnings in the Consolidated Statement of Changes in Equity as dividend distribution. The difference in the fair value and the carrying amount of net assets of CPB as at April 1, 2019 is recognised as gain on demerger of CPB in the Consolidated Statement of Profit and Loss as an exceptional item, amounting to ₹ 6,220.15 crore (net of transaction cost) during the year ended March 31, 2020.

The financial performance and cash flows for discontinued operations till the effective date of sale:

(a) Analysis of profit from discontinued operations

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Exceptional gain/(loss) (net)		
Gain on disposal of discontinued operations (note 36 (b))	-	6,220.15
Pertaining to Phosphatic Fertilisers business and Trading business (footnote 'i')	-	(26.71)
Pertaining to urea and customised fertilisers business (footnote 'i')	-	(65.36)
	-	**6,128.08**
Share of profit of joint ventures (net of tax) (note 9 (a))	-	31.34
Profit before tax	**-**	**6,159.42**
Current tax	-	(1.69)
Deferred tax	-	(38.63)
Profit after tax	**-**	**6,199.74**

Footnote:

(i) Includes provisions made, relating to the erstwhile fertilizer businesses, as per revised notifications issued by the concerned department for change in rate of subsidy for previous years.

(b) Gain on disposal of discontinued operations:

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Consideration (Deemed dividend to shareholders)	-	6,307.97
Transaction costs (demerger expenses)	-	(33.00)
Other adjustments	-	22.57
Net assets transferred (footnote 'i')	-	(77.39)
Gain on disposal	**-**	**6,220.15**

Footnote:

(i) Information of assets and liabilities transferred as per the Scheme on the appointed date

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Property, plant and equipment and intangible assets (Including CWIP)	-	4.13
Deferred tax assets (net)	-	5.79
Other non-current assets	-	0.95
Inventories	-	154.00
Trade receivables and other financial receivables	-	81.43
Other current assets	-	20.70
Total Assets (A)	**-**	**267.00**
Other non-current liabilities	-	2.39
Other current liabilities	-	187.22
Total Liabilities (B)	**-**	**189.61**
Net assets (A - B)	**-**	**77.39**

37. Earnings per share

	As at March 31, 2021	As at March 31, 2020
Basic and Diluted earnings per share (₹)		
From continuing operations (₹)	10.06	31.66
From discontinued operations (₹)	-	243.36
Total Basic and Diluted earnings per share (₹)	**10.06**	**275.02**

Footnotes:

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	256.37	806.59
Profit for the year from discontinued operations attributable to equity shareholders of the Company	-	6,199.74
	256.37	**7,006.33**

(b) Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:	No. of shares	No. of shares
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share from continuing operations and from discontinued operations	25,47,56,278	25,47,56,278

38. Group Informations:

Particulars of subsidiaries and joint ventures 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 March 31, 2021	As at March 31, 2020
Subsidiaries				
Direct				
Rallis India Limited ('Rallis')	India	Manufacturing	50.06%	50.06%
Bio Energy Venture - 1 (Mauritius) Pvt. Ltd	Mauritius	Investment	-	(footnote 'vi')
Tata Chemicals International Pte. Limited ('TCIPL') (footnote 'vi')	Singapore	Trading, Investment	100.00%	100.00%
Ncourage Social Enterprise Foundation (Under Section 8 of the Companies Act, 2013)	India	Social Enterprise	100.00%	100.00%
Indirect				
Rallis Chemistry Exports Limited	India	Manufacturing	(footnote 'iii')	100.00%
Metahelix Life Sciences Limited	India	Manufacturing	-	(footnote 'iv')
Zero Waste Agro Organics Limited ('ZWAOL') (footnote 'vi')	India	Manufacturing	-	(footnote 'v')
PT Metahelix Lifesciences Indonesia (footnote 'vii')	Indonesia	Manufacturing	65.77%	65.77%
Valley Holdings Inc.	United States of America	Investment	100.00%	100.00%
Tata Chemicals North America Inc. ('TCNA')	United States of America	Trading	100.00%	100.00%
General Chemical International Inc.	United States of America	Dormant	100.00%	100.00%
NHO Canada Holdings Inc.	United States of America	Dormant	100.00%	100.00%
Tata Chemicals (Soda Ash) Partners ('TCSAP') (footnote 'I' and 'ii')	United States of America	Manufacturing	100.00%	100.00%
Tata Chemicals (Soda Ash) Partners Holdings ('TCSAPH') (footnote 'I' and 'ii')	United States of America	Investment	100.00%	100.00%

Name of the Company	Country of Incorporation	Nature of Business	% Equity Interest	
			As at March 31, 2021	As at March 31, 2020
TCSAP LLC (footnote 'ii')	United States of America	Investment	100.00%	100.00%
Homefield Pvt UK Limited	United Kingdom	Investment	100.00%	100.00%
TCE Group Limited (formerly known as Homefield 2 UK Limited)	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals Africa Holdings Limited	United Kingdom	Investment	100.00%	100.00%
Natrium Holdings Limited (formerly known as Tata Chemicals Europe Holdings Limited)	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals Europe Limited	United Kingdom	Manufacturing	100.00%	100.00%
Winnington CHP Limited	United Kingdom	Manufacturing	100.00%	100.00%
Brunner Mond Group Limited	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals Magadi Limited	United Kingdom	Manufacturing	100.00%	100.00%
Northwich Resource Management Limited	United Kingdom	Dormant	100.00%	100.00%
Gusiute Holdings (UK) Limited	United Kingdom	Investment	100.00%	100.00%
TCNA (UK) Limited	United Kingdom	Trading	100.00%	100.00%
British Salt Limited	United Kingdom	Manufacturing	100.00%	100.00%
Cheshire Salt Holdings Limited	United Kingdom	Investment	100.00%	100.00%
Cheshire Salt Limited	United Kingdom	Investment	100.00%	100.00%
Brinefield Storage Limited	United Kingdom0	Dormant	100.00%	100.00%
Cheshire Cavity Storage 2 Limited	United Kingdom	Dormant	100.00%	100.00%
Cheshire Compressor Limited	United Kingdom	Dormant	100.00%	100.00%
Irish Feeds Limited	United Kingdom	Dormant	100.00%	100.00%
New Cheshire Salt Works Limited	United Kingdom	Investment	100.00%	100.00%
Tata Chemicals (South Africa) Proprietary Limited	South Africa	Trading	100.00%	100.00%
Magadi Railway Company Limited	Kenya	Dormant	100.00%	100.00%
Alcad (footnote 'i')	United States of America	Manufacturing	50.00%	50.00%
Joint Ventures				
Direct				
Indo Maroc Phosphore S. A	Morocco	Manufacturing	33.33%	33.33%
Tata Industries Ltd.	India	Diversified	9.13%	9.13%
Indirect				
The Block Salt Company Limited (Holding by British Salt Limited)	United Kingdom	Manufacturing	50.00%	50.00%
JOil (S) Pte. Ltd and its subsidiaries (Holding by TCIPL)	Singapore	Manufacturing	33.78%	33.78%
Promoter				
Tata Sons Private Limited	India			

Footnotes:

(i) A general partnership formed under the laws of the State of Delaware (USA).

(ii) During the previous year, Valley Holdings Inc., an indirect wholly owned subsidiary had acquired the remaining 25% partnership interest from The Andover Group, Inc. in Tata Chemicals (Soda Ash) Partners Holdings for a consideration of ₹ 1,382.12 crore (USD 195 million). With this acquisition, the ownership in Tata Chemicals (Soda Ash) Partners, the soda ash producing operating entity increased from 75% to 100%. The resultant difference between the consideration paid and book value of Non Controlling Interest amounting to ₹ 718.30 crore (net of consequential deferred taxes) has been credited to the retained earnings.

(iii) Consequent to making an application to the Registrar of Companies, Maharashtra by Rallis Chemistry Exports Limited, a wholly-owned subsidiary of the Rallis India Limited (RCEL) for removal of its name from the register of companies, MCA has issued a certificate for striking off its name from the register of companies w.e.f March 29, 2021. Accordingly, RCEL has ceased to be a subsidiary of the Group effective the said date.

(iv) The Hon'ble National Company Law Tribunal (NCLT), Bengaluru Bench and the NCLT, Mumbai Bench have approved the Scheme of Merger by Absorption of Metahelix Life Sciences Limited (WOS of Rallis) with Rallis India Limited ('Scheme') from the Appointed Date of April 1, 2019. The Effective Date of the Scheme is February 1, 2020. Accordingly, Metahelix has ceased to be a subsidiary of the Company with effect from February 1, 2020. There is no impact of this transaction on the Consolidated Financial Statements.

(v) The NCLT, Mumbai Bench also approved the Scheme of Amalgamation of Zero Waste Agro Organics Limited (WOS of Rallis) with Rallis India Limited ('Scheme') on February 22, 2020 from the Appointed Date of April 1, 2017. The Effective Date of the Scheme is July 9, 2020. Accordingly, Zero Waste has ceased to be a subsidiary of the Company with effect from July 9, 2020. There is no impact of this transaction on the Consolidated Financial Statements.

(vi) The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench on April 23, 2020 approved the Scheme of Merger by Absorption of Bio Energy Venture-1 (Mauritius) Pvt. Ltd. ('Bio'), a wholly owned subsidiary of the Company, with the Company ('Scheme'), with an Appointed Date of April 1 2019. The Registrar of Companies at Mauritius removed the name of Bio from the register of companies w.e.f. June 1, 2020 and accordingly, Bio has ceased to be a subsidiary of the Company with effect from June 1, 2020. Consequent to this, TCIPL has become a direct wholly owned subsidiary of the Company with effect from that date. There is no impact of the merger in the Consolidated Financial Statements.

(vii) During the year, PT Metahelix Life Sciences Indonesia, a subsidiary of Rallis, received approval for the cancellation of its Company Registration Number and revocation of its business license w.e.f March 19, 2021. Further, an application for cancellation of its Tax Identification Number has been made and the approval for the same is awaited.

39. Leases

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Maturity analysis – contractual undiscounted cash flows		
Less than one year	100.45	110.06
One to five years	142.31	184.71
More than five years	82.51	53.41
Total undiscounted lease liabilities	**325.27**	**348.18**
Discounted Cash flows		
Current	91.98	87.42
Non-Current	188.60	188.00
Lease liabilities	**280.58**	**275.42**

Expenses relating to short-term leases and low value assets have been disclosed under rent in note 33(e).

The incremental borrowing rate of 1.20% per annum to 13.00% per annum (2020: 1.90% per annum to 13.00% per annum) has been applied to lease liabilities recognised in the Consolidated Balance Sheet.

40. Employee benefits obligations

(a) In respect of the Company and domestic subsidiaries

The Company and its domestic subsidiaries make contributions towards provident fund, in substance a defined benefit retirement plan and towards pension and superannuation funds which are defined contribution retirement plans for qualifying employees. The provident fund is administered by the Trustees of the Provident Fund and the superannuation fund is administered by the Trustees of the Superannuation Fund. The Company and its domestic subsidiaries are 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. Such contribution and shortfall if any, are recognised as an expense in the year in which these are incurred.

On account of the above contribution plans, a sum of ₹ 15.58 crore (2020: ₹ 14.78 crore) has been charged to the Consolidated Statement of Profit and Loss.

The Company and its domestic subsidiaries make annual contributions to the 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 trustees of the trust fund are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

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 March 31, 2021. 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, 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 ₹ 15.26 crore (2020: ₹ 13.84 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 ('TCEL')

TCEL 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 May 31, 2016.

The scheme is funded by the payment of contributions to a separately administered trust fund. The fund is valued every three years using the projected unit method by an independent, professionally qualified actuary. The Trustees of the fund set the contribution rates with agreement from TCEL after taking advice from the independent actuary.

The most recent triennial valuation was performed at December 31 2017, and a payment schedule was agreed between the trustees of the pension scheme and TCEL whereby TCEL will make contributions towards the deficit in the fund from December 2017 to March 2041. TCEL will also continue to make contributions towards the expenses of the fund.

The present value of the defined benefit obligation was measured using the projected unit method. The projected unit method is an accrued benefits valuation method in which the scheme liabilities make allowance for projected benefit increases for employed members. The assumptions which had the most significant effect on the results of the valuation were those relating to investment returns and price inflation.

Defined benefit scheme - British Salt Limited ('BSL')

BSL operates defined benefit pension arrangements in the UK. Eligible employees of the salt business were members of the British Salt Retirement Income and Life Assurance Plan ('RILA') which was closed to future accrual and new members on 31 January, 2008.

RILA is funded by the payment of contributions to a separately administered trust fund. The fund is valued every three years using the projected unit method by an independent, professionally qualified actuary. The Trustees of the fund set the contribution rates with agreement from the BSL after taking advice from the independent actuary.

The most recent triennial valuation was performed at December 31 2017 and a payment schedule was agreed between the Trustees and BSL whereby BSL will make contributions which aim to cover the expenses of the scheme.

The present value of the defined benefit obligation was measured using the projected unit method. The assumptions which had the most significant effect on the results of the valuation were those relating to investment returns and price inflation.

(ii) USA subsidiaries - Tata Chemicals North America and its subsidiaries ('TCNA')

TCNA also sponsor defined contribution retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees. TCNA matches employee contributions up to certain predefined limits for non-represented employees based upon eligible compensation and the employee's contribution rate. TCNA's contribution to these plans was ₹ 6.55 crore (2020: ₹ 5.84 crore)

Pension plans and other post retirement benefit

TCNA maintains several defined benefit pension plans covering hourly employees hired/rehired on or before June 30, 2017 and salaried employees hired/rehired on or before September 6, 2016. 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 TCNA. Vesting requirements are five years. TCNA's funding policy is to annually contribute the statutorily required minimum amount as actuarially determined. TCNA also maintains several plans providing non-pension post retirement benefits covering substantially all hourly and certain salaried employees. TCNA funds these benefits on a pay-as-you-go basis.

Plan assets

The assets of TCNA's defined benefit plans are managed on a co-mingled basis in a Master Trust. The investment policy and allocation of the assets in the Master Trust were approved by TCNA's Investment Committee, which has oversight responsibility for the retirement plans.

The pension fund assets are invested in accordance with the statement of Investment Policies and Procedures adopted by TCNA, 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.

(c) The following tables set out the funded status and amounts recognised in the Group's Consolidated Financial Statements as at March 31, 2021 and March 31, 2020 for the Defined benefits plans:

i Changes in the defined benefit obligation:

₹ in crore

	Year ended March 31, 2021		Year ended March 31, 2020	
	Funded	Unfunded	Funded	Unfunded
At the beginning of the year	5,096.82	262.64	4,923.80	253.12
Current service cost	48.45	5.79	42.33	4.72
Interest cost	148.90	12.90	151.41	12.83
Remeasurements (gain)/loss				
Actuarial (gain) / loss arising from:				
- Changes in financial assumptions	420.46	(5.64)	(40.98)	37.48
- Changes in demographic assumptions	(17.03)	0.74	(14.65)	(0.08)
- Experience adjustments	(34.03)	(3.30)	(3.40)	(8.29)
Benefits paid	(233.95)	(10.08)	(227.33)	(17.53)
Transfer in/(out)*	0.06	-	(3.77)	-
Past service cost	15.35	-	1.20	(25.00)
Exchange fluctuations	160.83	(3.15)	268.21	8.53
	5,605.86	**259.90**	**5,096.82**	**265.78**
Extinguishment due to discontinued operations	-	-	-	(3.14)
At the end of the year	**5,605.86**	**259.90**	**5,096.82**	**262.64**

ii Changes in the fair value of plan assets:

₹ in crore

	Year ended March 31, 2021		Year ended March 31, 2020	
	Funded	Unfunded	Funded	Unfunded
At the beginning of the year	3,925.91	-	3,881.08	-
Interest on plan assets	112.03	-	119.89	-
Administrative expenses	(10.56)	-	(12.81)	-
Remeasurement (gain)/loss				
Annual return on plan assets less interest on plan assets	524.32	-	(92.27)	-
Contributions	32.72	-	59.78	-
Benefits paid	(233.95)	-	(227.33)	-
Transfer in/(out)*	0.06	-	-	-
Exchange fluctuations	135.52	-	197.57	-
Value of plan assets at the end of the year	**4,486.05**	**-**	**3,925.91**	**-**
Liability (net)	**1,119.81**	**259.90**	**1,170.91**	**262.64**

*transfer out pertaining to consumer product business.

iii Net employee benefit expense for the year:

₹ in crore

	Year ended March 31, 2021		Year ended March 31, 2020	
	Funded	Unfunded	Funded	Unfunded
Current service cost	48.45	5.79	42.33	4.72
Past service cost	15.35	-	1.20	(25.00)
Administrative expenses	10.56	-	12.81	-
Interest on defined benefit obligation (net)	36.87	12.90	31.52	12.83
Extinguishment due to discontinued operations	-	-	-	(3.14)
Components of defined benefits costs recognised in Consolidated profit or loss	**111.23**	**18.69**	**87.86**	**(10.59)**
Remeasurements of the net defined benefit liability/(asset)				
Actuarial (gain) / loss arising from:				
- Changes in financial assumptions	420.46	(5.64)	(40.98)	37.48
- Changes in demographic assumptions	(17.03)	0.74	(14.65)	(0.08)
- Experience adjustments	(34.03)	(3.30)	(3.40)	(8.29)
Impact of assets ceiling	-	-	(0.17)	-
Return on plan assets less interest on plan assets	(524.32)	-	92.27	-
Components of defined benefits costs recognised in other comprehensive income	**(154.92)**	**(8.20)**	**33.07**	**29.11**
Net benefit expense	**(43.69)**	**10.49**	**120.93**	**18.52**

iv Categories of the fair value of total plan assets :

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Government Securities/Corporate Bonds (Quoted)	2,530.51	2,024.17
Government Securities/Corporate Bonds (Unquoted)	561.17	534.97
Equity Instruments (Quoted)	358.23	253.31
Equity Instruments (Unquoted)	800.61	635.75
Insurer Managed/Hedged Funds	107.60	96.66
Others (Quoted)	33.58	327.09
Others (Unquoted)	94.35	53.96
Total	**4,486.05**	**3,925.91**

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 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 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		USA Plans		UK Plans
		Funded	Unfunded	Funded	Unfunded	Funded
Discount rate	As at March 31, 2021	6.06 % to 6.85% p.a.	6.06 % to 6.85% p.a.	3.37%	3.26% p.a.	2.10% p.a.
	As at March 31, 2020	6.05% to 6.83% p.a.	6.05% to 6.83% p.a.	3.64%	3.58% p.a.	2.35% p.a.
Increase in compensation cost	As at March 31, 2021	7.50% - 8.00% p.a.	7.50% - 8.00% p.a.	5.30% to 8.40% p.a.	NA	NA
	As at March 31, 2020	7.50% - 8.00% p.a.	7.50% - 8.00% p.a.	5.30% to 8.40% p.a.	NA	NA
Healthcare cost increase rate	As at March 31, 2021	NA	8.00%-10.00% p.a.	NA	NA	NA
	As at March 31, 2020	NA	8.00%-10.00% p.a.	NA	6.75% p.a.	NA
Pension increase rate	As at March 31, 2021	NA	6.00% p.a.	NA	NA	3.10% p.a.
	As at March 31, 2020	NA	6.00% p.a.	NA	NA	2.50% 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. Discount rate for USA Subsidiaries is based on high quality bonds and for UK subsidiaries it is based on corporate bonds.

(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 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)

	India As at March 31, 2021	UK As at March 31, 2021	USA As at March 31, 2021	India As at March 31, 2020	UK As at March 31, 2020	USA As at March 31, 2020
Males	12 to 22 years	21 to 24 years	23 to 24 years	5 to 22 years	21 to 25 years	23 to 24 years
Females	12 to 25 years	24 to 27 years	25 to 26 years	5 to 25 years	24 to 27 years	25 to 26 years

vii Sensitivity Analysis

Impact on defined benefit obligation due to change in assumptions as at March 31, 2021

₹ in crore

	As at March 31, 2021							
	TCL		Rallis		USA		UK	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate								
0.25% change	-	-	-	-	-	-	(124.64)	134.60
0.5% change	(12.53)	13.90	-	-	(141.25)	165.60	-	-
1% change	-	-	(3.89)	4.62	-	-	-	-
Compensation rate								
0.5% change	3.04	(2.87)	-	-	32.85	(40.52)	-	-
1% change	-	-	3.14	(2.78)	-	-	-	-
Pension rate								
1% change	4.38	(3.83)	-	-	-	-	-	-
Healthcare costs								
1% change	15.32	(12.29)	-	-	-	-	-	-

Impact on defined benefit obligation due to change in assumptions as at March 31, 2020 ₹ in crore

	As at March 31, 2020							
	TCL		Rallis		USA		UK	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount Rate								
0.25% change	-	-	-	-	-	-	(107.74)	114.34
0.5% change	(13.12)	14.61	-	-	(140.00)	164.06	-	-
1% change	-	-	(4.93)	3.89	-	-	-	-
Compensation rate								
0.5% change	3.12	(2.95)	-	-	31.29	(37.68)	-	-
1% change	-	-	2.78	(2.50)	-	-	-	-
Pension rate								
1% change	4.81	(4.18)	-	-	-	-	-	-
Healthcare costs								
1% change	15.74	(12.60)	-	-	0.01	(0.01)	-	-

The sensitivity analysis above has been determined based on reasonably possible changes of the respective key assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

viii Maturity profile of the defined benefit obligation as at March 31, 2021 is as follows: ₹ in crore

Expected payments	As at March 31, 201		
	India	US	UK
Within the next 12 months (next annual reporting period)	28.77	103.86	118.51
Later than 1 year and not later than 5 years	88.89	446.50	503.29
6 years and above	594.44	596.90	700.39
Weighted average duration of the payments (in no. of years)	6-17 years	13-15 years	15-16 years

Maturity profile of the defined benefit obligation as at March 31, 2020 is as follows: ₹ in crore

Expected payments	As at March 31, 2020		
	India	US	UK
Within the next 12 months (next annual reporting period)	23.70	105.80	115.29
Later than 1 year and not later than 5 years	79.67	451.80	484.56
6 years and above	567.25	614.06	661.97
Weighted average duration of the payments (in no. of years)	6-17 years	12-15 years	15-18 years

(d) Provident Fund

The Company and its domestic subsidiaries operate Provident Fund Schemes and the contributions are made to the recognised funds maintained. The Company and its domestic subsidiaries are required to offer a defined benefit interest rate guarantee on provident fund balances of employees. The interest rate guarantee is payable to the employees for the year when the exempt fund declares a return on provident fund investments which is less than the rate declared by the Regional Provident Fund Commissioner ('RPFC') on the provident fund corpus for their own subscribers. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions, shortfall between plan assets as the end of the year and the present value of funded obligation has been recognised in the Consolidated Balance Sheet and Other Comprehensive Income.

The details of fund and plan assets position are given below:

₹ in crore

Provident Fund	TCL		RALLIS	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Plan assets at the end of the year	328.00	326.37	104.07	91.99
Less: Present value of funded obligation	330.35	340.08	102.15	89.26
Amount recognised in the Consolidated Balance Sheet	**(2.35)**	**(13.71)**	**-**	**-**

Assumptions used in determining present value of obligation of interest rate guarantee under a deterministic approach:

	As at March 31, 2021	As at March 31, 2020
Guaranteed rate of return	8.50%	8.50%
Discount rate for remaining term to maturity of investments	6.41% - 6.45%	6.35% - 6.83%
Discount rate	6.50%	6.05%
Expected rate of return on investments	6.41% - 8.57%	7.69% - 7.86%

41. Segment information

41.1 Continuing operations

(a) Information about operating segments

The Company has 2 reportable segments which are the Company's strategic business units. These business units offer different products and are managed separately. Reportable Segments approved by Board of Directors are as under:

- Basic chemistry products : Soda Ash, Salt and other bulk chemicals
- Specialty products : Nutrition solutions, agri Solutions and advance materials

₹ in crore

		Year ended March 31, 2021	Year ended March 31, 2020
1.	**Segment revenue (Revenue from operations)**		
	(i) Basic chemistry products	7,608.92	8,013.74
	(ii) Speciality products	2,580.00	2,328.85
		10,188.92	**10,342.59**
	Inter segment revenue	(11.54)	(10.06)
		10,177.38	**10,332.53**
	Unallocated	22.42	24.22
		10,199.80	**10,356.75**
2.	**Segment result (Reconciliation with profit from continuing operations)**		
	(i) Basic chemistry products	728.50	1,355.51
	(ii) Speciality products	209.33	166.90
	Total segment results	**937.83**	**1,522.41**
	Net unallocated income/(expenditure)	37.91	71.41
	Finance costs	(367.37)	(341.91)
	Profit before share of profit/loss from investment in joint ventures and tax	**608.37**	**1,251.91**
	Share of profit\(loss) of joint ventures (net of tax)	25.62	(3.85)
	Tax expense	(197.77)	(219.65)
	Profit for the year from continuing operations	**436.22**	**1,028.41**

3. Segment assets and segment liabilities*

₹ in crore

	Segment assets		Segment liabilities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
(i) Basic chemistry products	17,010.57	17,150.00	3,014.05	2,893.42
(ii) Speciality products	2,884.62	2,804.05	943.75	930.13
	19,895.19	**19,954.05**	**3,957.80**	**3,823.55**
Unallocated	8,442.01	7,734.70	9,236.83	10,203.77
	28,337.20	**27,688.75**	**13,194.63**	**14,027.32**

*Including assets held for sale

4. Other information

₹ in crore

	Addition to non-current assets *		Depreciation and amortisation		Other non-cash expenses**	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
(i) Basic chemistry products	947.61	1,252.05	648.28	584.39	206.65	178.90
(ii) Speciality products	195.98	208.50	100.39	70.86	(1.50)	17.42
	1,143.59	**1,460.55**	**748.67**	**655.25**	**205.15**	**196.32**
Unallocated	50.06	75.13	10.65	11.22	18.17	34.34
	1,193.65	**1,535.68**	**759.32**	**666.47**	**223.32**	**230.66**

*Comprises additions to Property, plant and equipment, Capital work-in-progress, Goodwill, Right-of-use assets, Other intangible assets and Intangible assets under development.

**Comprises of Provision for employee benefits expense, Provision for doubtful debts and advances/bad debts written off, Provision for contingencies, Foreign exchange gain/(loss) and (Profit)/ loss on assets sold or discarded.

(b) Information about geographical areas

The geographical segments revenue are disclosed on the basis of sales as follows:

- Asia (other than India): Comprising sales to customers located in Asia (other than India).

- Europe: Comprising sales to customers located in Europe.

- Africa: Comprising sales to customers located in Africa.

- America: Comprising sales to customers located in America.

1. Geographical Segment revenue*

₹ in crore

	Year ended March 31, 2021			
	Basic chemistry products	Specialty products	Unallocated	Total
(i) India	2,891.03	2,009.01	22.42	4,922.46
(ii) Asia (other than India)	219.62	102.27	-	321.89
(iii) Europe	1,353.33	52.93	-	1,406.26
(iv) Africa	234.15	13.51	-	247.66
(v) America	2,888.10	399.55	-	3,287.65
(vi) Others	11.15	2.73	-	13.88
	7,597.38	**2,580.00**	**22.42**	**10,199.80**

₹ in crore

		Year ended March 31, 2020			
		Basic chemistry products	Specialty products	Unallocated	Total
(i)	India	2,746.83	1,823.54	24.22	4,594.59
(ii)	Asia (other than India)	353.74	187.47	-	541.21
(iii)	Europe	1,305.65	16.74	-	1,322.39
(iv)	Africa	309.24	29.30	-	338.54
(v)	America	3,278.25	271.04	-	3,549.29
(vi)	Others	9.97	0.76	-	10.73
		8,003.68	**2,328.85**	**24.22**	**10,356.75**

*Including operating revenues and net off inter segment revenue

2. Non-current assets*

₹ in crore

		As at March 31, 2021	As at March 31, 2020
(i)	India	4,730.89	4,333.80
(ii)	Asia (other than India)	0.71	1.17
(iii)	Europe	1,793.15	1,513.89
(iv)	Africa	117.91	149.22
(v)	America	10,715.43	11,132.79
		17,358.09	**17,130.87**

*Non-current assets other than investments in joint ventures, financial assets, deferred tax assets (net) and net defined benefit assets

(c) Revenue from major products

The following is an analysis of the Company's segment revenue from continuing operations from its major products.

₹ in crore

		Year ended March 31, 2021 *	Year ended March 31, 2020 *
(i)	**Basic chemistry products**		
	- Soda Ash	5,177.08	5,843.86
	- Salt	1,341.80	1,167.62
	- Bicarb	446.65	437.43
	- Others	631.85	554.77
(ii)	**Speciality products**		
	- Crop Protection (includes Fungicides, Herbicides and Insecticides)	1,884.72	1,723.45
	- Seeds	398.90	364.27
	- Others	296.38	241.13
(iii)	**Unallocated**	22.42	24.22
		10,199.80	**10,356.75**

*Including operating revenues and net off inter segment revenue

(d) Revenue from major customers

No single customer contributed 10% or more to the Group's revenue for the year ended March 31, 2021 and March 31, 2020.

(e) Other note

Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

41.2 Discontinued operations (note 36)

(a) Information about operating segment

₹ in crore

	Year ended March 31, 2021	Year ended March 31, 2020
Result :		
Segment result (note 36)	-	6,128.08
Share of profit of joint ventures (net of tax)	-	31.34
Profit before tax	**-**	**6,159.42**
Tax expenses	-	(40.32)
Profit from discontinued operations after tax	**-**	**6,199.74**

(b) Information about geographical area

Discontinued operations sells its products mainly within India where the conditions prevailing are uniform.

(c) Revenue from major products

Discontinued operations segment includes consumer product business.

(d) Major Customer

No single customer contributed 10% or more to the discontinued operations of the Group's revenue for the year ended March 31, 2021 and March 31, 2020.

41.3 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 March 31, 2021	Year ended March 31, 2020
Profit for the year from continuing operations (note 41.1 (a) (2))	436.22	1,028.41
Profit for the year from discontinued operations (note 41.2 (a))	-	6,199.74
Profit for the year as per Consolidated Statement of Profit and Loss	**436.22**	**7,228.15**

(b) Reconciliation of total assets as per Consolidated Balance Sheet

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Total assets as per continuing operations (note 41.1 (a) (3))	28,337.20	27,688.75
Total assets as per discontinued operations	-	-
Total assets as per Consolidated Balance Sheet	**28,337.20**	**27,688.75**

(c) Reconciliation of total liabilities as per Consolidated Balance Sheet

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Total liabilities as per continuing operations (note 41.1 (a) (3))	13,194.63	14,027.32
Total liabilities as per discontinued operations	-	-
Total liabilities as per Consolidated Balance Sheet	**13,194.63**	**14,027.32**

42. Derivative financial instruments and hedging activities

(a) The details of the various outstanding derivative financial instruments are given below:

₹ in crore

	As at March 31, 2021		As at March 31, 2020	
	Assets	Liabilities	Assets	Liabilities
Current portion				
Derivatives designated in cash flow hedges				
- Forward contracts	6.05	-	0.14	4.03
- Interest rate swaps	-	37.14	-	37.02
- Commodity swaps	37.76	1.58	1.17	125.60
Total designated derivatives	**43.81**	**38.72**	**1.31**	**166.65**
Derivatives not designated in a hedge relationship				
- Forward contracts	-	2.42	11.07	0.03
Total un-designated derivatives	**-**	**2.42**	**11.07**	**0.03**
Total current portion	**43.81**	**41.14**	**12.38**	**166.68**
Non-current portion				
Derivatives designated in cash flow hedges				
- Forward contracts	1.15	-	0.23	-
- Interest rate swaps	-	25.67	-	59.82
- Commodity swaps	16.87	0.07	0.73	68.08
Total designated derivatives	**18.02**	**25.74**	**0.96**	**127.90**
Total non-current portion	**18.02**	**25.74**	**0.96**	**127.90**
Total	**61.83**	**66.88**	**13.34**	**294.58**

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 (Receivables/ payables / borrowings)	Units	As at March 31, 2021	As at March 31, 2020
Forward contracts	USD/INR	$ million	9.9	1.8
Forward contracts	EUR/INR	€ million	4.1	6.3
Forward contracts	EUR/GBP	€ million	10.6	9.9
Forward contracts	USD/GBP	$ million	6.0	10.8
Forward contracts	USD/ZAR	$ million	-	0.5
Forward contracts	JPY/INR	JPY million	232.5	300.2
Forward contracts	JPY/USD	JPY million	92.3	-
Forward contracts	INR/USD	₹ crore	157.0	197.0
Forward contracts	GBP/USD	£ million	12.0	-
Commodity swaps	Heavy fuel oil	MT	-	6,600.0
Commodity swaps	Natural Gas (US)	million MMBTU	5.0	9.2
Commodity swaps	Natural Gas (UK)	million therms	79.4	116.4
Interest rate swaps	Floating to fixed	$ million	200	252.0

(c) The following table analyses the movement in the effective portion of Cash Flow Hedge Reserve ('CFHR') for the year ended March 31, 2021 and 2020

₹ in crore

	Forward contracts	Interest rate swaps	Commodity swaps	Total
Balance as at April 1, 2019	**3.15**	**(19.70)**	**(37.91)**	**(54.46)**
Net (losses) / gains recognised in the CFHR	(4.86)	(59.45)	(226.81)	(291.12)
Amount re-classified from the CFHR and included in the Consolidated Statement of Profit & Loss (due to settlement of contracts) within:				
Power and Fuel cost	-	-	80.74	80.74
Other expenses	(2.03)	-	-	(2.03)
Finance costs	-	(12.32)	-	(12.32)
Deferred income tax	-	-	4.20	4.20
Acquisition of non-controlling interests (note 38)	-	-	(6.64)	(6.64)
Balance as at March 31, 2020	**(3.74)**	**(91.47)**	**(186.42)**	**(281.63)**
Net (losses) / gains recognised in the CFHR	8.26	(5.19)	146.64	149.71
Amount re-classified from the CFHR and included in the Consolidated Statement of Profit & Loss (due to settlement of contracts) within:				
Power and Fuel cost	-	-	102.21	102.21
Other expenses	2.49	-	-	2.49
Finance costs	-	36.65	-	36.65
Deferred income tax	-	(0.29)	(8.34)	(8.63)
Balance as at March 31, 2021	**7.01**	**(60.30)**	**54.09**	**0.80**

43. 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 March 31, 2021.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives - FVTPL	Derivatives - FVTOCI	Amortised cost	Total carrying value
Financial assets						
(a) **Investments - non current**						
Equity instrument at fair value	3,150.44	-	-	-	-	3,150.44
Debt instrument at fair value	-	150.00	-	-	-	150.00
(b) **Investments - current**						
Investment in mutual funds	-	1,563.49	-	-	-	1,563.49
(c) Trade receivables	-	-	-	-	1,396.99	1,396.99
(d) Cash and cash equivalents	-	-	-	-	689.34	689.34
(e) Other bank balances	-	-	-	-	721.67	721.67
(f) Loans - non-current	-	-	-	-	10.70	10.70
(g) Loans - current	-	-	-	-	0.17	0.17
(h) Other financial assets - non-current	-	-	-	18.02	6.64	24.66
(i) Other financial assets - current	-	-	-	43.81	109.53	153.34
Total	**3,150.44**	**1,713.49**	**-**	**61.83**	**2,935.04**	**7,860.80**
Financial liabilities						
(a) Borrowings - non-current			-	-	5,199.48	5,199.48
(b) Lease liabilities - non-current			-	-	188.60	188.60
(c) Borrowings - current			-	-	277.58	277.58
(d) Trade payables			-	-	1,682.87	1,682.87
(e) Other financial liabilities - non-current			-	25.74	21.03	46.77
(f) Other financial liabilities - current			2.42	38.72	1,676.32	1,717.46
Total			**2.42**	**64.46**	**9,045.88**	**9,112.76**

The following table presents the carrying amounts of each category of financial assets and liabilities as at March 31, 2020.

₹ in crore

	Investments - FVTOCI	Investments - FVTPL	Derivatives - FVTPL	Derivatives - FVTOCI	Amortised cost	Total carrying value
Financial assets						
(a) **Investments - non-current**						
Equity instrument at fair value	1,913.47	-	-	-	-	1,913.47
(b) **Investments - current**						
Investment in mutual funds	-	1,601.02	-	-	-	1,601.02
(c) Trade receivables	-	-	-	-	1,579.92	1,579.92
(d) Cash and cash equivalents	-	-	-	-	1,254.26	1,254.26
(e) Other bank balances	-	-	-	-	825.26	825.26
(f) Loans - non-current	-	-	-	-	9.99	9.99
(g) Loans - current	-	-	-	-	0.23	0.23
(h) Other financial assets - non-current	-	-	-	0.96	3.97	4.93
(i) Other financial assets - current	-	-	11.07	1.31	126.63	139.01
Total	**1,913.47**	**1,601.02**	**11.07**	**2.27**	**3,800.26**	**7,328.09**
Financial liabilities						
(a) Borrowings - non-current			-	-	3,473.36	3,473.36
(b) Lease liabilities - non-current			-	-	188.00	188.00
(c) Borrowings - current			-	-	1,912.94	1,912.94
(d) Trade payables			-	-	1,630.92	1,630.92
(e) Other financial liabilities - non-current			-	127.90	23.63	151.53
(f) Other financial liabilities - current			0.03	166.65	2,520.55	2,687.23
Total			**0.03**	**294.55**	**9,749.40**	**10,043.98**

(b) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the Consolidated 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 financial assets and liabilities that are measured at fair value or where fair value disclosure is required

₹ in crore

	As at March 31, 2021			
	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				
Commodity swaps	54.63	-	54.63	-
Forward contracts	7.20	-	7.20	-
FVTOCI financial investments				
Quoted equity instruments	2,634.31	2,634.31	-	-
Unquoted equity instruments	516.13	-	-	516.13
FVTPL financial investments				
Investment in mutual funds	1,563.49	-	1,563.49	-
Quoted debentures	150.00	150.00	-	
Liabilities measured at fair value:				
Derivative financial liabilities				
Forward contracts	2.42	-	2.42	-
Interest rate swaps	62.81	-	62.81	-
Commodity swaps	1.65	-	1.65	-

There have been no transfers between levels during the period.

₹ in crore

	As at March 31, 2020			
	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	-	-	-	-
Commodity swaps	1.90	-	1.90	-
Forward contracts	11.44	-	11.44	-
FVTOCI financial investments				
Quoted equity instruments	1,502.68	1,502.68	-	-
Unquoted equity instruments	410.79	-	-	410.79
FVTPL financial investments				
Investment in mutual funds	1,601.02	-	1,601.02	-
Liabilities measured at fair value:				
Derivative financial liabilities				
Forward contracts	4.06	-	4.06	-
Interest rate swaps	96.84	-	96.84	-
Commodity swaps	193.68	-	193.68	-

(c) The following tables shows a reconciliation from the opening balance to the closing balance for level 3 fair values.

₹ in crore

	FVTOCI financial investments
Balance as at April 1, 2019	**486.50**
Add / (less): Fair value changes through Other comprehensive income	(75.71)
Balance as at March 31, 2020	**410.79**
Addition / (deletion) during the year	39.60
Add / (less): Fair value changes through Other comprehensive income	65.74
Balance as at March 31, 2021	**516.13**

(d) 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 Investments measured at fair value (FVTOCI) 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 Company considers Comparable Companies Method (CCM) method and the illiquidity discount based on its assessment of the judgement that market participants would apply for measurement of fair value of unquoted investments. In the CCM method, the Company would find comparable listed entities in the market and use the same PE multiple (ranging from 8.8 to 19.4) for determining the fair value of the investment.

(iii) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(iv) 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.

(v) The fair value of non-current 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).

(e) 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 foreign currency exposure are as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
USD exposure		
Assets	227.53	194.48
Liabilities	(193.97)	(255.97)
Net	**33.56**	**(61.49)**
Derivatives to hedge USD exposure		
Forward contracts - (USD/INR)	72.42	13.31
	72.42	**13.31**
Net exposure	**105.98**	**(48.18)**

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 March 31, 2021	As at March 31, 2020
If INR had (strengthened) / weakened against USD by 5%		
(Decrease) / increase in profit for the year	5.30	(2.41)

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 non-current debt obligations with floating interest rates.

The Group’s policy is generally to undertake non-current 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 the following long term variable interest rate borrowings and derivative to hedge the interest rate risk as follows:

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Non-current variable interest rate borrowings	5,282.98	3,507.05
Derivatives to hedge interest rate risk		
Interest rate swaps (designated in Cash flow hedges)	1,462.20	1,602.58
Total	**1,462.20**	**1,602.58**
Net exposure	**3,820.78**	**1,904.47**

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
March 31, 2021	+50/-50	(26.41)/26.41	7.31/(7.31)
March 31, 2020	+50/-50	(17.54)/17.54	8.01/(8.01)

The effect on other comprehensive income is calculated on change in fair 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.

Equity price risk management

The Group's exposure to equity price risk arises from investments held by the Group and classified in the Consolidated 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 OCI for the year ended March 31, 2021 and 2020 would increase/(decrease) by ₹ 131,72 crore and ₹ 75.13 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 March 31, 2021	As at March 31, 2020
Increase / (decrease) in OCI for the year	Natural gas	48.12	46.89
Increase / (decrease) in OCI for the year	HFO	-	0.87

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 and other 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.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse actions such as security realisations, etc.
- the financial asset is 120 days past due.

Trade and other receivables

The Trade and other 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 policy, 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. Provision is made based on expected credit loss method or specific identification method.

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.

For certain other receivables, where recoveries are expected beyond twelve months of the Balance Sheet Date, the time value of money is appropriately considered in determining the carrying amount of such receivables.

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.

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	1-5 years	Above 5 years	Total
As at March 31, 2021					
Borrowings and future interest thereon	6,651.95	1,646.86	5,570.51	-	7,217.37
Lease liabilities	280.58	110.06	184.71	53.41	348.18
Trade and other payables	2,113.35	2,092.32	21.03	-	2,113.35
Total	**9,045.88**	**3,849.24**	**5,776.25**	**53.41**	**9,678.90**
As at March 31, 2020					
Borrowings and future interest thereon	7,426.95	4,127.30	3,654.71	1.65	7,783.66
Lease liabilities	275.42	110.06	184.71	53.41	348.18
Trade and other payables	2,047.03	2,023.40	23.63	-	2,047.03
Total	**9,749.40**	**6,260.76**	**3,863.05**	**55.06**	**10,178.87**

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

	As at March 31, 2021	As at March 31, 2020
Current portion	41.14	166.68
Non-current portion (within one - three years)	25.74	127.90
Total	**66.88**	**294.58**

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.

44. 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.

45. Related Party Disclosure:

(a) Related parties and their relationship (as defined under Ind AS 24 Related Party Disclosures)

Joint Ventures	
Direct	
Indo Maroc Phosphore S.A., Morocco	
Tata Industries Limited	
Indirect	
The Block Salt Company Limited, United Kingdom (Holding by British Salt Limited)	
JOil (S) Pte. Ltd and its subsidiaries (Holding by Tata Chemicals International Pte. Limited)	
Key Management Personnel ('KMP')	
Mr. R. Mukundan, Managing Director and CEO	
Mr. Zarir Langrana, Executive Director	
Promoter	
Tata Sons Private Limited, India	
Other Related Parties [@]	
TATA AIG General Insurance Company Limited	Tata Teleservices (Maharashtra) Limited
Tata Autocomp Systems Limited	Tata Digital Ltd.
Tata International Limited	Tata International Singapore PTE Ltd
Tata Consultancy Services Limited	Tata Elxsi Limited
TATA AIA Life Insurance Company Limited	Carbon Disclosure Project India
Tata Consulting Engineers Limited	Tata Medical and Diagnostics Limited
Infiniti Retail Limited	Simto Investment Company Limited
AirAsia India Limited	Tata Chemicals Ltd Provident Fund
Tata Teleservices Limited	Tata Chemicals Ltd Emp Pension Fund
Ecofirst Services Limited	Tata Chemicals Superannuation Fund
Tata Realty and Infrastructure Limited	Tata Chemicals Employees Gratuity Trust
Tata Investment Corporation Limited	TCL Employees Gratuity Fund
Ewart Investments Limited	Rallis India Limited Provident Fund
Tata Autocomp Hendrickson Suspensions Private Limited	Rallis India Limited Management Staff Gratuity Fund
Tata SmartFoodz Limited	Rallis India Limited Senior Assistants Super Annuation Scheme
Tata SIA Airlines Limited	Rallis Executive Staff Super Annuation Fund
Tata Communications Limited	Rallis India Limited Non-Management Staff Gratuity Fund
Tata Communications Collaboration Services Private Limited	

[@] The above list includes the Companies with whom Tata Chemicals Limited has entered into the transactions during the course of the year.

(b) Transactions with Related parties (as defined under Ind AS 24) during the year ended March 31, 2021 and balances outstanding as at March 31, 2021.

₹ in crore

	Joint Ventures of Tata Chemicals Limited			Promoter	Subsidiaries and Joint ventures of Tata Sons Private Limited		Other Related parties	KMP	Total
	Indo Maroc Phosphore S. A.	The Block Salt Company Ltd.	Tata Industries Ltd.	Tata Sons Private Limited	Tata Consultancy Services Ltd.	Other Entities			
Investments	**-**	**-**	**-**	**-**	**-**	**39.60**	**-**	**-**	**39.60**
	-	-	-	-	-	-	-	-	-
Purchase of goods (includes stock in transit) - net	**-**	**-**	**-**	**-**	**-**	**47.64**	**-**	**-**	**47.64**
	-	-	-	-	-	18.68	-	-	18.68
Sales	**-**	**7.54**	**-**	**-**	**-**	**-**	**-**	**-**	**7.54**
	-	4.38	-	-	-	-	-	-	4.38
Other Services - expenses (net of reimbursements)	**-**	**-**	**4.70**	**18.89**	**14.25**	**6.06**	**-**	**-**	**43.90**
	-	-	0.71	16.93	15.11	6.21	-	-	38.96
Other Services - Income	**-**	**-**	**-**	**-**	**-**	**11.34**	**-**	**-**	**11.34**
	-	-	0.16	0.10	-	0.16	-	-	0.42
Dividend received	**26.49**	**-**	**-**	**10.24**	**-**	**0.81**	**-**	**-**	**37.54**
	72.24	-	-	10.24	-	1.48	-	-	83.96
Miscellaneous purchases	**-**	**-**	**-**	**-**	**-**	**7.96**	**-**	**-**	**7.96**
	-	-	-	-	-	5.22	-	-	5.22
Dividend paid	**-**	**-**	**0.09**	**79.89**	**-**	**16.72**	**-**	**-**	**96.70**
	-	-	0.10	74.73	-	21.38	-	-	96.21
Interest paid	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	0.10	-	-	0.10
Interest received	**-**	**-**	**-**	**-**	**-**	**13.13**	**-**	**-**	**13.13**
	-	-	-	-	-	-	-	-	-
Redemption of Debentures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	4.00	-	-	4.00
Deposit received	**-**	**-**	**-**	**-**	**-**	**0.83**	**-**	**-**	**0.83**
	-	-	-	-	-	-	-	-	-
Contributions to employee benefit trusts / Other Employees' Related Expenses	**-**	**-**	**0.03**	**-**	**-**	**-**	**40.04**	**-**	**40.07**
	-	-	-	-	-	0.08	37.91	-	37.99
Compensation to KMPs									
Short-term employee benefits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**9.59**	**9.59**
	-	-	-	-	-	-	-	9.92	9.92
Post-employment benefits	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.31)**	**(1.31)**
	-	-	-	-	-	-	-	7.38	7.38
Amount receivables / advances /balances									
As at March 31, 2021	**-**	**1.58**	**-**	**-**	**-**	**0.84**	**0.42**	**-**	**2.84**
As at March 31, 2020	-	2.61	0.03	-	-	0.42	1.04	-	4.10
Refundable Deposit									
As at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**0.83**	**-**	**-**	**0.83**
As at March 31, 2020	-	-	-	-	-	-	-	-	-
Amount payables (in respect of goods purchased and other services)									
As at March 31, 2021	**-**	**-**	**0.77**	**6.08**	**2.56**	**1.74**	**2.20**	**-**	**13.35**
As at March 31, 2020	-	-	0.28	13.83	1.28	2.37	2.23	-	19.99
Amount receivable on account of any management contracts									
As at March 31, 2021	**-**	**-**	**0.02**	**0.16**	**-**	**4.98**	**-**	**-**	**5.16**
As at March 31, 2020	-	-	0.06	0.18	-	0.09	-	-	0.33

Footnotes:

The figures in light print are for previous year.

1. For Investment in related parties as at March 31, 2021 refer Note 9 (a) and (b).
2. The above figures do not include provision for Compensated absences and contribution to gratuity fund, as separate figures are not available for the Managing Director and Whole-time Director.
3. Disclosures that related party transactions were made on terms equivalent to those that prevail in arm's length transactions are made only if such terms can be substantiated.

46. Commitments

₹ in crore

	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	628.06	586.44
Commitment towards partly paid investments	-	9.19

47. Contingent liabilities and assets

47.1 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 March 31, 2021	As at March 31, 2020
(i)	Excise, Customs and Service Tax @	144.28	88.65
(ii)	Sales Tax @	49.97	53.37
(iii)	Labour and other claims against the Group not acknowledged as debt	32.16	31.32
(iv)	Income Tax (pending before Appellate authorities in respect of which the Group is in appeal) **	785.41	745.65
(v)	Income Tax (decided in Group's favour by Appellate authorities and Department is in further appeal)	15.54	15.54
(vi)	Contractual obligation upto	34.75	34.75

Item (vi) above includes ₹ 34.75 crore (2020: ₹ 34.75 crore) relating to discontinued operations.

(b) Land rates Demand for ₹ 687.28 crore (KShs 10.28 Billion) (2020: ₹ 1,257.48 crore (KShs 17.45 Billion)

On May 3 2019, the High Court delivered its judgement in respect of the petition against a demand for land rates levied on the Company by the Kajiado County Government during the year. The Court's judgment quashed this demand in entirety. In its judgement, the court also ordered that both parties submit themselves to a consultation process to be led by the Cabinet Secretary for Mining, supervised by the Court in order to agree on the acreage to which land rates should be levied. Following the lapse of period for negotiations as directed by the High Court, the company proceeded to the court of appeal to seek directions on the land rates. On December 2 2020, the Kajiado County issued an adjusted demand of ₹ 687.28 crore (KShs 10.28 Billion) for outstanding land rates. A similar demand was resent on March 24 2021 which has been objected. In the opinion of management, after taking appropriate legal advice, the liability is not considered to be probable at this stage and hence it has been disclosed as a contingent liability.

(c) Various claims pending before Industrial Tribunals and Labour Courts of which amounts are indeterminate.

**The Company has on-going disputes with income tax authorities mainly pertaining to disallowance of expenses and the computation of, or eligibility of the Company's availment of certain tax incentives or allowances. Most of these disputes and/or disallowances are repetitive in nature spanning across multiple years. All the Tax demands are being contested by the company.

@ Excise Duty cases include disputes pertaining to reversal of input tax credit on common input, refund of duty paid under protest. Custom Duty cases include disputes pertaining to import of capital equipment against scripts, tariff classification issues, denial of FTA benefit. VAT/CST/Entry Tax cases include disputes pertaining to Way Bill, reversal/disallowance of input tax credit, pending declaration forms. All the Tax demands are being contested by the company.

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.

The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the Consolidated Financial Statements.

47.2 Contingent assets

₹ in crore

	As at March 31, 2021	As at March 31, 2020
a) Income Tax (pending before Appellate authorities in respect of which the Group is in appeal)	78.94	78.40

48. 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	40.41	13,257.17	80.64	479.11	95.19	1,080.97	90.19	1,560.08
	Subsidiaries								
	Indian Subsidiaries								
1	Rallis India Limited	4.85	1,591.37	38.50	228.68	0.12	1.32	13.31	230.00
2	Ncourage Social Enterprise Foundation	0.00	0.04	(0.01)	(0.04)	0.00	0.03	(0.00)	(0.01)
	Foreign Subsidiaries								
1	Tata Chemicals International Pte. Limited	11.75	3,855.62	13.74	81.62	2.00	22.67	6.03	104.29
2	Homefield Pvt. UK Limited	(3.93)	(1,288.27)	(2.38)	(14.13)	-	-	(0.82)	(14.13)
3	TCE Group Limited (formerly known as Homefield 2 UK Limited)	0.04	13.19	(25.46)	(151.26)	-	-	(8.74)	(151.26)
4	Natrium Holdings Limited (formerly known as Tata Chemicals Europe Holdings Limited)	(1.89)	(618.71)	(26.80)	(159.22)	-	-	(9.21)	(159.22)
5	Brunner Mond Group Limited	2.39	785.39	(24.04)	(142.83)	-	-	(8.26)	(142.83)
6	Tata Chemicals Europe Limited	(2.81)	(923.43)	(15.07)	(89.52)	(15.43)	(175.27)	(15.31)	(264.79)
7	Tata Chemicals Magadi Limited	(0.55)	(181.85)	3.46	20.58	0.65	7.38	1.62	27.96
8	Tata Chemicals South Africa (Pty) Limited	0.15	48.63	1.90	11.28	-	-	0.65	11.28
9	Northwich Resource Management Limited	-	-	-	-	-	-	-	-
10	Tata Chemicals Africa Holdings Limited	0.00	1.51	(0.15)	(0.87)	-	-	(0.05)	(0.87)
11	Magadi Railway Company Limited	0.00	0.01	-	-	-	-	-	-
12	Winnington CHP Limited	0.73	240.19	8.50	50.48	17.76	201.74	14.59	252.22
13	Gusiute Holdings (UK) Limited	17.14	5,621.56	20.09	119.34	-	-	6.90	119.34
14	Valley Holdings Inc.	22.56	7,397.98	19.79	117.51	-	-	6.79	117.51
15	Tata Chemicals North America Inc.	3.43	1,125.10	(18.44)	(109.54)	-	-	(6.33)	(109.54)
16	Tata Chemicals North America (UK) Limited	-	-	-	-	-	-	-	-
17	General Chemical International Inc.	0.00	0.01	-	-	-	-	-	-
18	NHO Canada Holdings Inc.	-	-	-	-	-	-	-	-
19	Tata Chemicals (Soda Ash) Partners	4.96	1,625.86	0.26	1.55	-	-	0.09	1.55
20	TCSAP Holdings	0.00	1.18	(0.05)	(0.27)	-	-	(0.02)	(0.27)
21	TCSAP LLC	-	-	0.50	2.97	-	-	0.17	2.97
22	British Salt Limited	0.63	208.09	2.29	13.63	(0.29)	(3.26)	0.60	10.37
23	Cheshire Salt Holdings Limited	0.01	4.06	-	-	-	-	-	-
24	Cheshire Salt Limited	0.04	11.86	-	-	-	-	-	-

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
25	Brinefield Storage Limited	(0.00)	(0.06)	-	-	-	-	-	-
26	Cheshire Cavity Storage 2 Limited	-	*	-	-	-	-	-	-
27	Cheshire Compressor Limited	-	*	-	-	-	-	-	-
28	Irish Feeds Limited	-	*	-	-	-	-	-	-
29	New Cheshire Salt Works Limited	0.06	19.78	0.04	0.25	-	-	0.01	0.25
30	PT. Metahelix Lifesciences Indonesia	0.00	1.18	(0.02)	(0.10)	-	-	(0.01)	(0.10)
31	ALCAD	0.03	9.84	22.71	134.88	-	-	7.80	134.88
		100.00	**32,807.30**	**100.00**	**594.10**	**100.00**	**1,135.58**	**100.00**	**1,729.68**
a)	**Non-controlling Interests**								
	Indian Subsidiaries								
	Rallis India Limited		(851.91)		(112.42)		(0.70)		(113.12)
	Foreign Subsidiaries								
	TCSAP Holdings		-		(67.43)		-		(67.43)
	PT. Metahelix Lifesciences Indonesia		(0.69)		-		-		-
			(852.60)		**(179.85)**		**(0.70)**		**(180.55)**
b)	**Joint Ventures (Investment as per the Equity method)**								
	JOil (S) Pte. Ltd. and its subsidiaries		-		-		-		-
	The Block Salt Company Limited		1.74		(0.67)		-		(0.67)
	Indo Maroc Phosphore S.A.		411.38		84.16		-		84.16
	Tata Industries Ltd.		538.77		(57.87)		164.17		106.30
			951.89		**25.62**		**164.17**		**189.79**
c)	**Adjustments arising out of Consolidation**		(18,616.62)		(183.50)		116.61		(66.89)
	Consolidated		**14,289.97**		**256.37**		**1,415.66**		**1,672.03**

*value below ₹ 50,000/-

49. Approval of Consolidated Financial Statements

These Consolidated Financial Statements were approved for issue by the Board of Directors on May 3, 2021.

Signatures to notes forming part of the Consolidated Financial Statements 1 - 49

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, May 3, 2021

For and on behalf of the Board

N. Chandrasekaran — Chairman
(DIN: 00121863)

Padmini Khare Kaicker — Director
(DIN: 00296388)

R. Mukundan — Managing Director and CEO
(DIN: 00778253)

Nandakumar S. Tirumalai — Chief Financial Officer
(ICAI M. No.: 203896)

Rajiv Chandan — General Counsel & Company Secretary
(ICSI M. No.: FCS 4312)

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 and joint venture companies as on March 31, 2021

₹ in crore

Sr. No.	Name of the Subsidiary Company	Date of acqusition / incorporation	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	October 23, 2005	USD	73.11	4,362.75	(507.13)	5,754.46	1,898.84	5,276.98	771.74	86.47	6.07	80.40	-	100.00
2	Homefield Pvt. UK Limited	November 01, 2005	USD	73.11	987.93	(2,276.20)	49.07	1,337.34	43.87	-	(13.92)	-	(13.92)	-	100.00
3	TCE Group Limited	December 14, 2010	GBP	100.75	412.25	(399.06)	490.01	476.82	490.01	-	(156.96)	-	(156.96)	-	100.00
4	Natrium Holdings Limited	December 07, 2010	GBP	100.75	412.25	(1,030.96)	969.08	1,587.79	*	-	(165.22)	-	(165.22)	-	100.00
5	Brunner Mond Group Limited	October 22, 2005	GBP	100.75	842.46	(57.08)	785.38	-	-	-	(141.52)	6.70	(148.22)	-	100.00
6	Tata Chemicals Europe Limited	October 22, 2005	GBP	100.75	373.18	(1,296.61)	942.69	1,866.12	-	922.20	(83.11)	9.79	(92.90)	-	100.00
7	Tata Chemicals Magadi Limited	February 28, 2005	USD	73.11	322.97	(504.81)	371.51	553.35	-	406.56	20.28	-	20.28	-	100.00
8	Tata Chemicals South Africa (Pty) Limited	April 09, 1996	ZAR	4.95	0.84	47.79	55.38	6.75	-	102.66	16.91	4.68	12.23	-	100.00
9	Northwich Resource Management Limited	October 22, 2005	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
10	Tata Chemicals Africa Holdings Limited	October 22, 2005	GBP	100.75	*	1.51	1.51	-	-	-	(0.90)	-	(0.90)	23.17	100.00
11	Magadi Railway Company Limited	February 28, 2005	KSH	0.67	0.01	-	0.01	-	-	-	-	-	-	-	100.00
12	Winnington CHP Limited	June 13, 2013	GBP	100.75	-	240.19	520.55	280.36	-	468.49	52.39	-	52.39	-	100.00
13	Gusiute Holdings (UK) Limited	December 04, 2007	USD	73.11	5,350.09	271.47	5,621.77	0.21	5,533.82	-	117.57	-	117.57	148.17	100.00
14	Valley Holdings Inc.	January 30, 2008	USD	73.11	*	7,397.98	8,859.49	1,461.51	8,831.42	-	105.52	(10.24)	115.76	152.66	100.00
15	Tata Chemicals North America Inc.	March 26, 2008	USD	73.11	*	1,125.10	3,221.67	2,096.57	1,700.12	23.58	(119.07)	(11.16)	(107.91)	95.04	100.00
16	Tata Chemicals North America (UK) Limited	August 22, 2014	USD	73.11	*	*	-	-	-	-	-	-	-	-	100.00
17	General Chemical International Inc.	March 26, 2008	USD	73.11	0.01	-	0.01	-	-	-	-	-	-	-	100.00
18	NHO Canada Holdings Inc.	March 26, 2008	USD	73.11	*	-	*	-	-	-	-	-	-	-	100.00
19	Tata Chemicals (Soda Ash) Partners[$]	March 26, 2008	USD	73.11	-	1,625.86	2,717.70	1,091.84	-	2,648.46	1.53	-	1.53	292.44	100.00
20	TCSAP Holdings [$]	March 26, 2008	USD	73.11	-	1.18	1.18	-	-	-	(0.26)	-	(0.26)	-	100.00
21	TCSAP LLC	March 26, 2008	USD	73.11	-	-	-	-	-	-	2.92	-	2.92	2.92	100.00
22	Rallis India Limited	November 09, 2009	INR	1.00	19.45	1,571.92	2,587.42	996.05	283.48	2,429.43	303.61	74.93	228.68	48.62	50.06
23	PT. Metahelix Lifesciences Indonesia[@]	May 19, 2016	Rupiah	0.01	6.83	(5.64)	1.22	0.03	-	-	(0.10)	-	(0.10)	-	65.77
24	British Salt Limited	January 18, 2011	GBP	100.75	*	208.09	845.94	637.85	7.72	362.46	14.29	0.14	14.15	-	100.00
25	Cheshire Salt Holdings Limited	January 18, 2011	GBP	100.75	1.41	2.65	4.06	-	4.03	-	-	-	-	-	100.00
26	Cheshire Salt Limited	January 18, 2011	GBP	100.75	*	11.86	11.89	0.03	4.03	-	-	-	-	-	100.00
27	Brinefield Storage Limited	January 18, 2011	GBP	100.75	0.01	(0.07)	-	0.06	-	-	-	-	-	-	100.00
28	Cheshire Cavity Storage 2 Limited	January 18, 2011	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
29	Cheshire Compressor Limited	January 18, 2011	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
30	Irish Feeds Limited	January 18, 2011	GBP	100.75	*	-	*	-	-	-	-	-	-	-	100.00
31	New Cheshire Salt Works Limited	January 18, 2011	GBP	100.75	7.68	12.11	19.79	-	1.48	-	0.26	-	0.26	-	100.00
32	ALCAD	March 26, 2008	USD	73.11	-	9.84	45.33	35.49	-	408.91	132.87	-	132.87	132.05	50.00
33	Ncourage Social Enterprise Foundation	December 08, 2017	INR	1.00	2.55	(2.51)	6.63	6.59	1.38	21.60	(0.04)	-	(0.04)	-	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. [$]Partner's capital included as reserves
3. Items highlighted (Asterisk (*)) denotes figures below ₹ 50,000.
4. [@]During the year, PT Metahelix Life Sciences Indonesia, a subsidiary of the Company, received approval for the cancellation of its Company Registration Number and revocation of its business license w.e.f March 19, 2021. Further, an application for cancellation of its Tax Identification Number has been made and the approval for the same is awaited.
5. Consequent to making an application to the Registrar of Companies, Maharashtra by Rallis Chemistry Exports Limited, a wholly-owned subsidiary of the Rallis India Limited for removal of its name from the register of companies, MCA has issued a certificate for striking off its name from the register of companies w.e.f March 29, 2021. Accordingly, RCEL has ceased to be a subsidiary of the Group effective the said date.

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 and joint venture companies as on March 31, 2021 (contd.)

₹ in crore

Sr. No.	Name of Joint Venture	Joint Ventures	Date of acqusition as Joint Ventures	Currency	Latest audited Balance Sheet Date	Shares of Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the 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 Joint Venture	Extend of Holding %					
1	JOil (S) Pte. Limited	Joint Ventures	January 28, 2009	SGD	December 31, 2020 and note 1	2,50,00,000	143.18	33.78%	Note 4	Note 5	-	-	Not Applicable
2	The Block Salt Company Limited	Joint Ventures	January 18, 2011	GBP	March 31, 2021	15,00,00,000	1.51	50.00%	Note 4	Not Applicable	1.74	(0.67)	Not Applicable
3	Indo Maroc Phosphore S.A.	Joint Ventures	May 02, 2005	MAD	December 31, 2020 and note 2	2,06,666	166.26	33.33%	Note 4	Not Applicable	297.29	84.16	Not Applicable
4	Tata Industries Ltd.	Joint Ventures	March 27, 2019	INR	March 31, 2021	98,61,303	170.19	9.13%	Note 4	Not Applicable	488.51	(57.88)	Not Applicable

Notes:

1. Investment impaired during the year ended March 31, 2015
2. Local GAAP Financial Statement audited as on December 31, 2020 and figures are based on audited fit for consolidation statement as on March 31, 2021
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

N. Chandrasekaran (DIN: 00121863) — Chairman

Padmini Khare Kaicker (DIN: 00296388) — Director

R. Mukundan (DIN: 00778253) — Managing Director and CEO

Nandakumar S. Tirumalai (ICAI M. No.: 203896) — Chief Financial Officer

Rajiv Chandan (ICSI M. No.: FCS 4312) — General Counsel & Company Secretary

Mumbai, May 3, 2021