



TATA CHEMICALS

69th annual report - 2007-08



Mithapur - India



Babrula - India



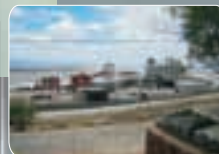
Haldia - India



Winnington Site - UK



Delfzijl - The Netherlands



Magadi - Kenya



Wyoming - USA



From the sun and the sea, a dream is born...

In the early 1920s, Kapil Ram Vakil, a chemical engineer educated in England, saw the possibility of developing salt works in the Okhamandal region, now in the state of Gujarat. He approached the then Maharaja of Baroda, Sayajirao Gaekwad. Always keen to develop his princely state, the Maharaja gave his assent. In 1927, Kapil Ram Vakil set up the Okhamandal salt Works and V T Krishnamachari, the Diwan of Baroda, laid the foundation stone.

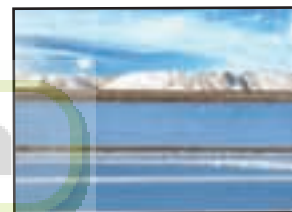
A decade later, Kapil Ram Vakil wanted to expand and set up a soda ash plant, but did not have the financial resources. He approached Sayaji Rao Gaekwad who wrote to the Tata's if they would be interested in assisting in a project of national importance. Tata Chemicals was born in 1939 and Kapil Ram Vakil stayed on as its director.

In those days the soda ash formula was a closely guarded secret between six companies in the world. It was, therefore, no easy task setting up such a project. The British chemicals giant Imperial Chemical Industries (ICI),

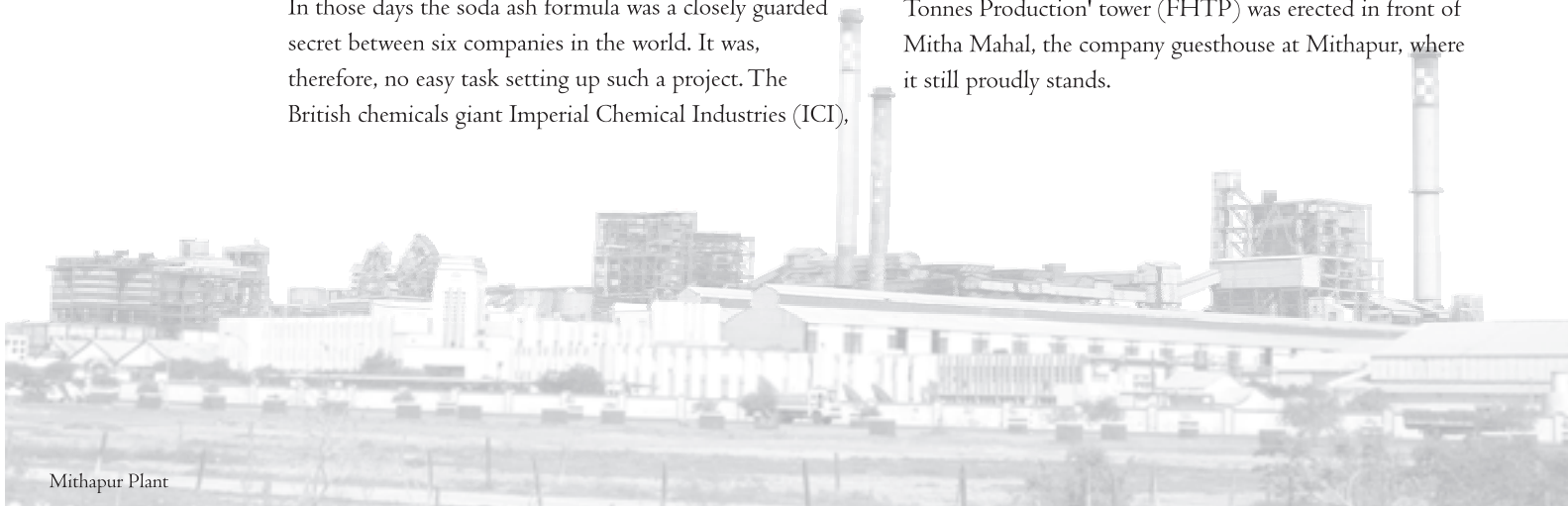
located in the Sindh province of what is now Pakistan, was the only company in the subcontinent with the necessary expertise and technology.

Darbari Seth, a young chemical engineer who had joined Tata Chemicals told the Board that they did not need foreign help. The management bought into the argument and Tata Chemicals cracked the code.

Finally, in 1944, the 80 tonnes per day plant started production. In 1964, a capacity of 400 tonnes was achieved. To commemorate this feat the 'Four Hundred Tonnes Production' tower (FHTP) was erected in front of Mitha Mahal, the company guesthouse at Mithapur, where it still proudly stands.



Mithapur - Salt Pans



Mithapur Plant

THE HUMAN TOUCH OF CHEMISTRY

Established in 1939 at Mithapur, Tata Chemicals Limited (TCL) today is the second largest producer of Soda Ash in the world with manufacturing facilities across four continents. TCL is the pioneer and market leader in the branded, iodised salt segment. TCL is also India's leading manufacturer of urea and phosphatic fertilisers. Its urea



Babrala Plant

plant at Babrala is the country's most energy efficient fertiliser unit.

Phosphatic fertilisers are manufactured at its plant in Haldia.

The Babrala fertiliser plant in

Uttar Pradesh has won the Sword of Honour Award of the British Safety Council, four times in a row and also the International award in business sustainability. These accolades are recognized the world over as the pinnacle of achievement in safety management systems and awarded to businesses that demonstrate sustainable performance through a clear and measurable commitment to environmental management.

The acquisition of an equal partnership in Indo Maroc Phosphore S.A. (IMACID) along with Chambal Fertilisers and the global phosphate major, OCP of Morocco



in the year 2005 was the first step that TCL took towards internationalization. In early 2006, Tata Chemicals completed the acquisition

of the UK-based Brunner Mond Group which also owned Magadi Soda Company in Kenya. In 2007, TCL

entered in to a 50:50 joint venture with Total Produce, Ireland, the third largest fruits and vegetable distribution company in the world and Europe's largest and most accomplished fresh produce provider, to set up a fruits and vegetables distribution business in India. TCL also plans to leverage its expertise in Chemistry & Agriculture, together with its in-house research capabilities in biology and crop genomics to develop a significant presence in Bio fuels space.

The TCL Innovation Centre was created in mid 2004 to develop world-class R&D capability in the emerging areas of nanotechnology and biotechnology.



Brunner Mond Plant - UK



In early 2008 TCL successfully completed the acquisition of General Chemical Industrial Products, (GCIP). General Chemical's subsidiary, General Chemical (Soda Ash) Partners (GCSAP), is one of the largest Soda Ash producers in the USA. The Company's mining and manufacturing facilities located at Green River

Basin in Wyoming,

USA, are assets of a

very high quality,

providing access to

some of the world's largest and most economically

recoverable trona ore deposits that are then converted to Soda Ash. The acquisition of GCIP takes TCL's global Soda Ash capacity to around 5.5 Million Tonnes per annum.

Apart from being the world's second largest producer of soda ash, the company makes sodium bicarbonate and STPP. Its salt works, spread across 60 square kilometres, generate the basic raw material for most of the chemicals the company manufactures. Soda ash is produced synthetically at three locations; Mithapur in Gujarat, Cheshire in the UK and Delfzijl in the Netherlands. Natural soda ash comes from Wyoming in the US and is dredged from Lake Magadi in Kenya.

Tata Chemicals' consumer products business (CPB) currently comprises predominantly of Tata Salt; branded Iodized edible salt. The company has also launched a new refined salt



I-Shakti. With 15% lower sodium than ordinary salts, Tata Salt Lite is a new offering for the niche market of low sodium salt users. Topp Salt is a brand of edible salt created for export. Tata Samunder cooking soda completes the CPB offerings.

Tata Chemicals has its presence across all the three key agro-nutrients; viz. Nitrogen (N), Phosphorus (P) and Potassium (K). The portfolio comprises of nitrogenous fertilizers, Urea manufactured at Babrala, Phosphatic fertilizers DAP and complexes manufactured at Haldia and MOP is imported. Bulk chemicals like Sulphuric acid, Phosphoric acid, and Sodium Tripoly Phosphate (STPP) are manufactured at its plant in Haldia, West Bengal.





The company also helps small farmers enhance the yield from their land by providing end-to-end solutions through its network of Tata Kisan Sansar's (Tata Farmer's Centres) in the northern Indian states of Uttar Pradesh, Punjab, Haryana and Uttaranchal. During 2007-08 TCL strengthened its network in West Bengal and Jharkhand and established a foot print in Bihar. The centres are one-stop resource centres; they stock seeds, pesticides and fertilisers;



Tata Kisan Sansar outlet

of the Tata group with its blazing reputation for integrity, fair play and sound business practices, the company believes that corporate governance is not only about complying with a set of norms and regulations, but is also an article of faith. The principles of corporate sustainability are integrated in all its activities.

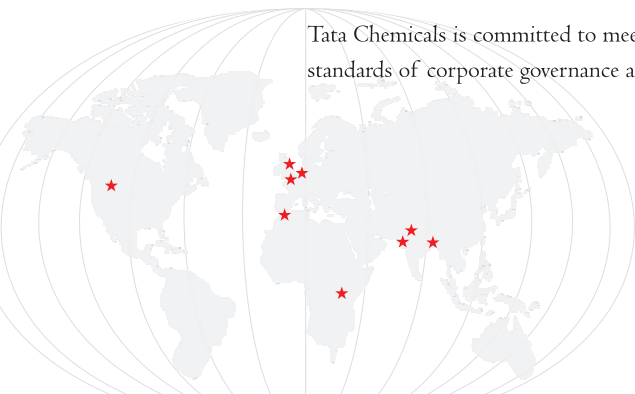


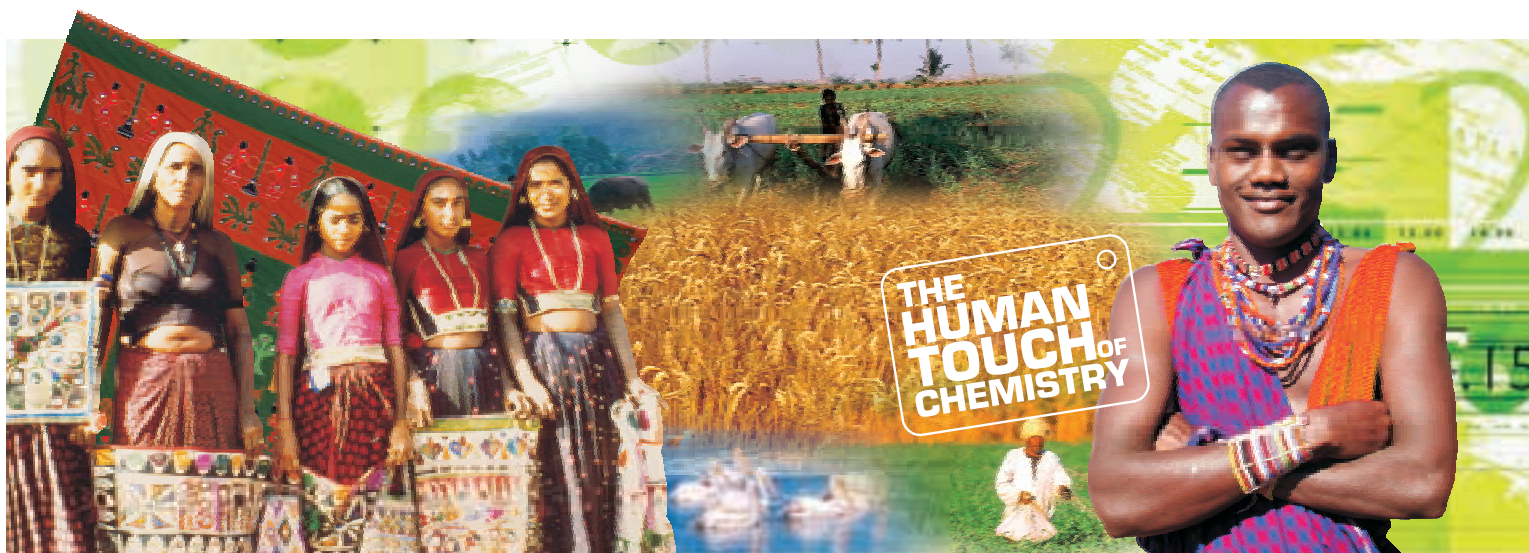
lease out farm equipment and implements to farmers who cannot afford to buy expensive modern machinery; provide agronomy services like soil testing and mapping and fertiliser

testing; and extend credit finance, arrange crop insurance and even provide buyback facilities.



Tata Chemicals is committed to meeting the highest standards of corporate governance and disclosures. Being part





It's what you give back that defines commitment

Corporate Sustainability is integrated in all the activities that TCL undertakes. The company actively seeks-out opportunities to engage with all the major external stakeholders like communities around its factories, government agencies, corporate bodies and NGOs. Many years ago, in 1980, TCL formed an NGO 'Tata Chemicals Society for Rural Development' (TCSRSD) whose functions are closely monitored and supported by the company. The aim of the society is to undertake holistic community development. TCSRSD follows a structured process through which it engages with the communities around its plant sites to understand their needs. TCSRSD thereafter in consultation with these communities encourages them to develop programmes that will improve self-reliance, health and hygiene. These programmes are thereafter executed with the support of TCSRSD. Examples are:

→ Helping communities to manage their water and other natural resources effectively

→ Forming self-help groups to improve their economic conditions

→ Helping land reclamation

→ Encouraging rural enterprise development, like handicrafts where women contribute more and gain economic independence

→ Providing vocational training

→ Promoting quality health and education

TCSRSD and TCL also encourage community action through volunteering by company employees. The movement is gaining strength and more and more employees are coming forward to volunteer and independently take on the responsibility for implementing several TCSRSD programmes. TCL's efforts in community development have been recognised at the national level.



Tata Chemicals Limited**Contents**

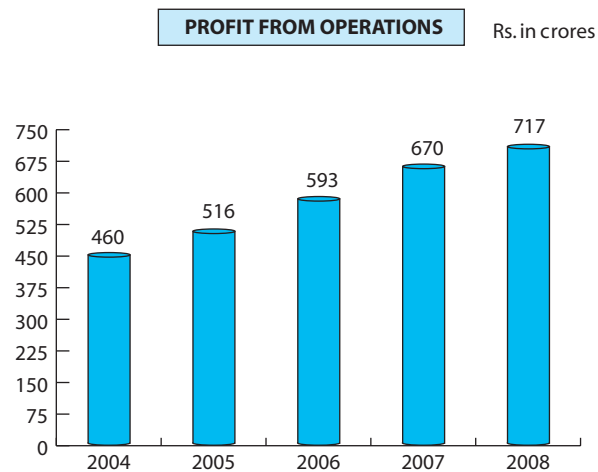
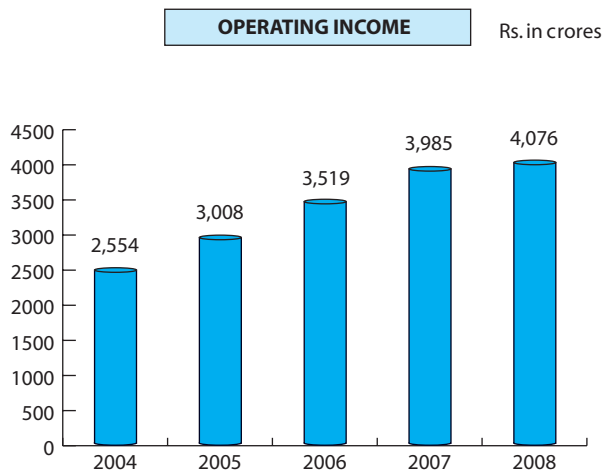
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Annual General Meeting	: August 04, 2008
Time	: 3.00 p.m.
Venue	: Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, Mumbai - 400 020

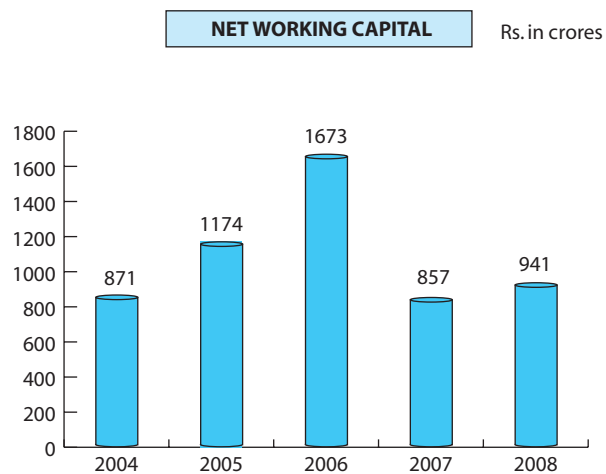
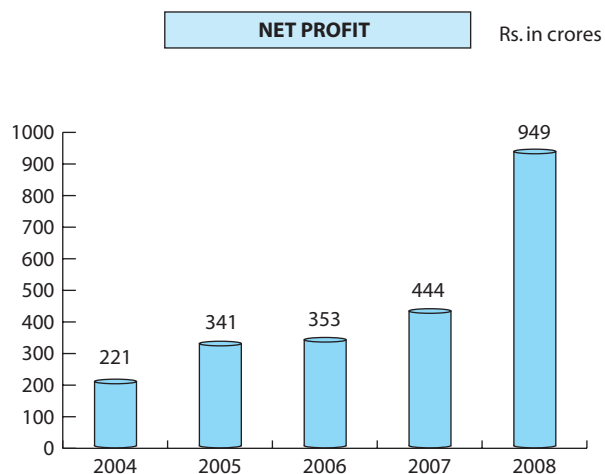
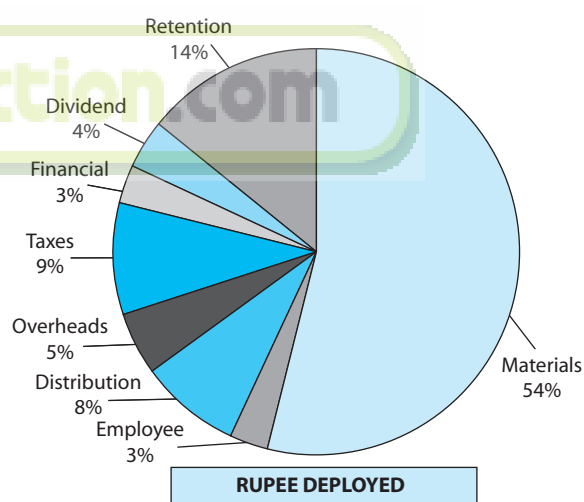
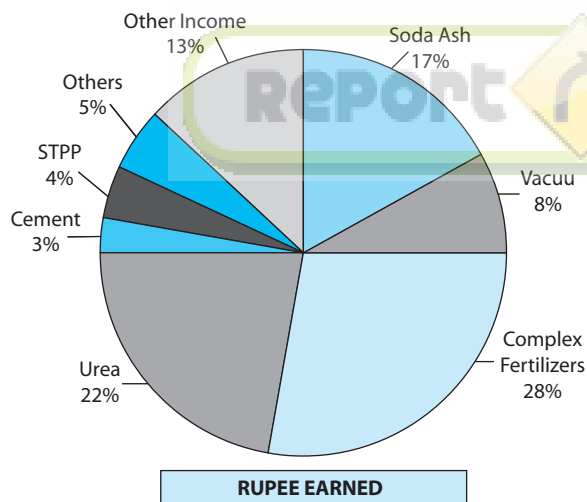
BOOK CLOSURE DATES
JULY 22, 2008 — AUGUST 04, 2008

Financial Highlights

- Record Income at Rs. 4,677 crores, Consolidated Revenues at Rs.6,667 crores
- Record Profit (PAT) at Rs. 949 crores, Consolidated PAT at Rs. 964 crores
- Record Dividend of Rs.9 per share



Distribution of earnings FY 2008





CORPORATE INFORMATION

Board of Directors

Ratan N. Tata
(Chairman)

R. Gopalakrishnan
(Vice-Chairman)

Nusli N. Wadia

Prasad R. Menon

Dr. T. Mukherjee

Homi R. Khusrokhhan
Managing Director

Nasser Munjee

Dr. Yoginder K. Alagh

Dr. M. S. Ananth
(w.e.f. April 03, 2008)

Registered Office

Bombay House,
24, Homi Mody Street,
Fort, Mumbai 400 001
Tel: 022-66658282
Fax: 022-66658143

Visit us at: www.tatachemicals.com

Members of the Executive Committee

Homi R. Khusrokhhan	Managing Director
P. K. Ghose	Executive Vice President & CFO
Kapil Mehan	Executive Vice President - Crop Nutrition & Agri Business
R. Mukundan	Executive Vice President - Chemicals
B. Sudhakar	Head-Corporate HR & Administration
Dr. Murali Sastry	Chief Scientist
A. J. Gupta	Senior Vice President - New Business & Projects

Company Secretary

Rajiv Chandan

Registrar & Share Transfer Agent

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

Solicitors

Mulla & Mulla and Craigie Blunt & Caroe, Mumbai.
AZB & Partners, Mumbai

Auditors

Messers S. B. Billimoria & Co.,
Chartered Accountants
Messers N. M. Rajji & Co.,
Chartered Accountants

Works

Inorganic Chemicals — Mithapur, Gujarat
Fertilisers — Babrala, Dist. Badaun, U.P.
Phosphate — Haldia, W. Bengal

Bankers

Bank of America, Bank of Baroda, Citibank N.A., Deutsche Bank, HDFC Bank Limited, Standard Chartered Bank, State Bank of India, The Hongkong and Shanghai Banking Corporation Ltd., ICICI Bank Ltd.

Company Identification No.

CIN L 24239MH1939 PLC 00 2893

Tata Chemicals Limited**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE SIXTY-NINTH ANNUAL GENERAL MEETING OF TATA CHEMICALS LIMITED will be held on Monday, August 04, 2008 at 3.00 p.m. at Birla Matushri Sabhagar, 19 Sir Vithaldas Thackersey Marg, Mumbai 400 020, to transact the following business: -

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2008 and the Balance Sheet as at that date, together with Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on Ordinary Shares.
3. To appoint a Director in place of Mr. Ratan N. Tata, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Nusli N. Wadia, who retires by rotation and is eligible for re-appointment.
5. To appoint auditors and fix their remuneration.

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, Messrs Deloitte Haskins & Sells, Chartered Accountants (in place of the retiring auditors Messrs S.B. Billimoria & Co.) and Messrs N.M. Rajji & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company to examine and audit the accounts of the Company for the financial year 2008-09, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, plus service tax, out-of-pocket and travelling expenses, etc."

6. **APPOINTMENT OF DR. M. S. ANANTH AS A DIRECTOR**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary resolution:

"RESOLVED that Dr. M. S. Ananth, who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 03, 2008 and who holds office upto the date of the forthcoming Annual General Meeting of the Company, in terms of Section 260 of the Companies Act, 1956 ("the Act") and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

7. **COMMISSION TO NON WHOLE-TIME DIRECTORS**

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the payment and distribution of a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956, by way of commission to and amongst the Directors of the Company who are neither in the whole-time employment of the Company nor managing / executive director/s in such amounts or proportions and in such manner and in all respects as may be determined by the Board of Directors from time to time and such payments shall be made for a period of five years commencing April 1, 2008.

RESOLVED FURTHER that, the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

8. **BORROWING POWERS**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow, from time to time, any sum or sums of money, which together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its fee reserves, that is to say