



UN GLOBAL COMPACT REPORT

TATA CHEMICALS
Communication on Progress
(CoP) – 2009-10



Principle 1:

Business should support and respect the protection of internationally proclaimed human rights.

Company's Policy & Direction



- 1) Company follows Principles of the International Declaration of Human Rights. Its policies support, respect and protect the human rights of its direct as well as indirect employees. The sustainability policy addresses these aspects.
- 2) TCL has defined and documented policy on Social Accountability and is committed to comply with the requirements of the internationally recognized SA 8000 standard.
- 3) The company has defined and documented policy for Community Development so as to ensure inclusive growth and sustainable development of its key communities. The key community defined by TCL includes the neighbourhood of its manufacturing sites along with children, farmers and those who are socially and economically

Specific actions taken during the current financial year

- 1) Company policies and guidelines ensure human rights compliance all across. Grievance Redressal Cell & Help Desk, on Company's intranet service, addresses issues related to its employees, resulting into higher satisfaction. Programs such as 'Aawaz', help employees across levels to sit together and resolve concerns and put forth improvement plans.
- 2) The company has established SA 8000 compliant management systems at all its 3 manufacturing sites in India which included documentation, training and creating awareness, compliance with SA 8000 requirements, internal audits and reviews during the year.
- 3) Programs that promote sustainable development include a focus on:
 - a) Natural resource Management, b) Promotion of livelihoods & income generation, c) Improving the quality of life through Health care initiative, education & skill building and improving the local infrastructure.

Over and above these, special interventions as affirmative action for the socially backward communities were also taken up under the four heads of employment, employability skills, entrepreneurship and education.

Outcomes with key Results & Measurements

Overall Employee Engagement scores for the company has improved from 3.7(2008-09) to 3.83 (2009-10). For the Management Cadre the scores have improved from 3.93 (2008-09) to 4.00 (09-10), and for Non Management scores have improved from 3.47 (08-09) to 3.67 (09-10). For the first time we carried out EES for other contractual and temporary segment and the scores are 4.28.

- 2) All the three manufacturing sites at Babrala, Haldia and Mithapur have been awarded the SA 8000 certification by the Italian accredited certifying body M/s. RINA.
- 3) Achievement during the year 2009-10 area as follows:
 - 3.1) Programs under natural resource management include:
 - a) Water harvesting and water management for agriculture, household & drinking purpose:
 - b) Agriculture growth programs
 - c) Reclamation of saline/sodic soils
 - d) Animal Husbandry promotion programs

3.2 Programs for livelihood and income generation include:

- a) Vocational Training / Skill development
- b) Rural Entrepreneurship Development
- c) Promotion of handicrafts through Okhai

3.3 Programs to Improve quality of life include:

- a) Swasthaangan Project (reproductive & child health) Coverage in 55 villages.
- b) Education programs supported through Scholarships, Adult education, informal education.
- c) Infrastructure Development: includes construction of approach roads, sanitation blocks, improving facilities in rural schools etc.

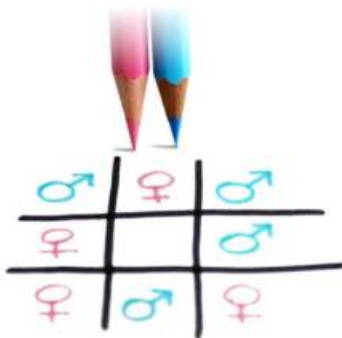
Principle 2:

Business should ensure that they are not complicit in human right abuses.

Company's Policy & Direction



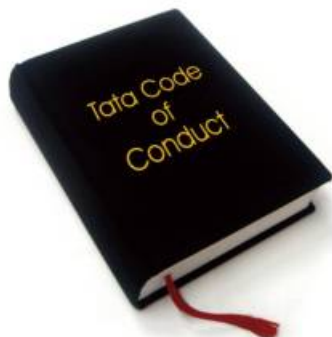
Specific actions taken during the current financial year



- 1) Company has Corporate Sustainability, She Policy, Quality Policy, Environment Policy, Community Development Policy, Food Safety Policy and Cardinal Rules of Safety.
- 2) Anti Sexual Harassment Policy.
- 3) Tata Code of Conduct - (T-COC) ensure Human Rights compliance across the Organization

- 1) To monitor the compliance to the objectives of the policies, the company has established well-documented systems of record keeping, process of internal auditing, corrective and preventive action planning and reviewing the progress on regular basis. Third party surveillance audit validates this system and Management Committee reviews results of the third party audit.
- 2) A sexual harassment redressal mechanism has been established which includes a redressal committee chaired by a women employee. Most of the management cadre employee and employees that are in direct contact with employees such as HR, personnel, security etc. have participated in gender sensitization workshops.
- 3.1) In line with Tata group of attaining Leadership with Trust, all Tata group companies has institutionalized Tata Code of Conduct guiding clauses, which have been accepted and signed by all employees of the Company. All employees have been imparted training and awareness to thoroughly understand expected ethical behaviour. Company is also having T-COC Grievance Redressal Mechanism and Ethics counselor to address the raised issues.
- 3.2) The senior team from Brunner Mond and Magadi Soda Company have signed the TCoC declaration to abide by the Code.

Outcomes with key Results & Measurements



1.1) Company's Fertilizer plant at Babrala has been awarded with Sword of Honour by British Safety Council consecutively for four times, where as the Chemical plant at Mithapur has been awarded with British Safety Council 5 Star rating for its Safety Management System. Babrala Plant has also been awarded with British Safety Council 5 Star rating for its Environmental Sustainability Management System three times in a row (2005-07). Haldia plant has been awarded with 5 star rating by British Safety Council in environmental management in 2007.

1.2) Company's all chemicals locations are certified with ISO 9001, ISO 14001 and OHSAS 18001 and Mithapur site has implemented HACCP systems (Hazard Analysis Critical Control Points) for Bicarb plant.

1.3) Through effective SHE Training and better implementation of safety practices the company's safety performance has improved significantly.

Total Injury rate: per million man hours

| Year | Babrala | Haldia | Mithapur |
|---------|---------|--------|----------|
| 2007-08 | 0.31 | 1.38 | 3.79 |
| 2008-09 | 0.00 | 0.994 | 1.66 |
| 2009-10 | 0.29 | 1.46 | 2.39 |

2.1) Employees sensitized to the right of women to have a safe and secure work environment.

Action taken as appropriate where concerns were raised. No concerns were raised during the year. Special 'Training of Trainers' program was conducted so that the company could promote gender sensitivity also in the workmen & supervisory staff. 23 facilitators were trained during the year.

3.1) In the reporting period, all concerns raised were processed for proper closure. (For all the 25 Clauses of T-COC)

(Refer actions under principle 10)

3.2) Commitment of the senior team in the acquired companies to abide by the TCoC.

Principle 3:

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

LABOUR STANDARDS

Company's Policy & Direction



1) The company abides by the Indian Factory Act and all the Indian Labour Laws; these laws are in conformance to the ILO.

Company has recognized Trade unions and Staff unions for bargainable category of workmen and supervisory staff.

1.1) Company also constitutes various committees and councils having equal participation from management as well as elected workmen representatives to discuss and resolve various issues related to operations.

1.2) Company has periodic dialogues and negotiations with the recognized workmen and staff trade unions to discuss and settle the charter of demand amicably.

Specific actions taken during the current financial year



Outcomes with key Results & Measurements

Principle 4:

Business should support the elimination of all forms of forced and compulsory labour.

Company's Policy & Direction



2) This is also a requirement under the SA 8000 standard to which TCL is committed.

1.1) Mithapur and Haldia plants have workmen as well as staff unions as per Trade Union Act –1926 and other relevant laws. At Fertilizer plant at Babrala, a single supervisory staff union represents all supervisor staff. Employees are free to join Trade Union of their choice. Every three years election process identifies one union, which is to be recognized by the company under the supervision of Government authority.

1.2) Joint committees like Joint Management Council and Canteen Management Committee with the representatives from Management and worker cadres are active to resolve the issues.

1.3) Company has Specific Executives and Personnel Department to deal with all matters related to Unions. All the decisions are discussed with Committees and with the Staff union prior to its implementation.

1.4) Clause 23 of T-COC also ensures Freedom of Association. Company is having T-COC Grievance Redressal System and Help Desk on company's intranet for resolution of individual grievances.

2) Compliance to this requirement was audited by external auditors from M/s RINA during their audit for SA 8000.

1.1) Company's chemical plant has 2 unions with 65% workers in Tata Chemicals skilled mazdoor sangh and 35% workers with Chemicals Kamdar Sangh. Haldia plant has 1 recognized Trade Union for workers with 100% of employees as members. This union is registered as per 'Section 4 of Trade Union Act – 1926'.

1.2) At chemical plant there were 14 meetings of these two committees, while fertilizer plant at Haldia had 12 meetings and Babrala had 4 meetings of CMC.

1.3) In the reporting period there were no unresolved grievances pending with the Grievance Redressal Cell

1.4) No concern was raised against clause 23 of T-COC in 08-09.

2) Auditors from M/s. RINA confirmed TCL's compliance to recognize and uphold the freedom of collective bargaining.

1) The company abides by the Indian Government laws under •Abolition of Bonded Labor Act 1976 •Contract Labour Abolition and Regulation Act - 1970.

2) The company also ensures the adherence to relevant provisions of Indian factory Act and Industrial Disputes Act.

Specific actions taken during the current financial year

- 1) The company's internal audit mechanism, periodic third party audit along with regular inspection by the government labour ministry authorities helps company to validate the adherence.
- 2) Company through its regular communication and periodic audit communicates and verifies the adherence of this stipulation from their suppliers, contractors and channel partners.

Outcomes with key Results & Measurements

In the reporting period no violations or complaints have been reported.

Principle 5:
Business should support the effective abolition of child labour

Company's Policy & Direction



- 1) Indian labour laws prevent recruitment of child labor at industrial premises. Company policies and Recruitment process are in alignment with labour laws as well as "ILO Convention 138" and ensures the compliance with all applicable laws
- 2) T-COC and Relevant labour laws are applicable to local contractors, service providers, suppliers and channel partners as well.

Specific actions taken during the current financial year

- 1.1) Document of age proof as well medical examination by industrial physician is mandatory to ensure the compliance of stated rule.
- 1.2) The general condition of purchase contract and agreement stipulates the strict adherence to the compliance of all labour laws including non-engagement of child labour.
- 2.1) All supply contracts up and down the supply chain include a clause emphasizing on non-engagement of child labour, directly or indirectly. Company's vendor selection and registration and evaluation process ensures and verifies the adherence to the conditions of contract.

Outcomes with key Results & Measurements

There is 100% compliance to the planned scheduled calendar for company's senior officer's contact meeting with channel partners, distributors, dealers, suppliers and contractors for communicating and reinforcing.

Principle 6:

Business should support the elimination of discrimination in respect of employment and occupation

Company's Policy & Direction



Specific actions taken during the current financial year

- 1) Company policy on hiring new employees emphasizes the aspects of 'Equal Opportunity Employer' and complies with Clause - 4 of T-COC.
- 2) Affirmative action is exercised in the case of physically challenged and socially and economically persons, who are preferred by the organization provided the candidate meets the company's competency requirements.

Outcomes with key Results & Measurements

- 1) As per the company's recruitment policy, applicants are not discriminated on the basis of gender, race, caste, religion, social status or physical disability. During the year, the organization has employed female candidates on permanent as well as on training basis to show the commitment towards non-discrimination. The organization has also employed differently abled persons as per the required fit.
 - 2) The Sexual - Harassment redressal committee proactively took up gender sensitization programs across locations, through presentations and films.
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- 1) During the reporting period 5 new female recruitments were done: these include 3 trainees and 2 lateral recruits. The current ratio is Male = 2063: Female = 138 (Trainee 2 & permanent 136); Total Strength: 3201
Total of 23 differently abled employees are giving service to the organization. 70% of management cadre employees were covered under gender sensitization program. All new recruits inclusive of Management trainees undergo a half day gender sensitization workshop/ presentation
The organization has also trained trainers so that coverage of gender sensitivity program can be improved to include supervisory and workmen cadre employees.

Principle 7:

Business should support precautionary approach to Environmental Challenge

Company's Policy & Direction

- 1) Tata Chemicals has specifically set the directions through its Vision, Mission and Values and adopted a precautionary approach in establishing a systematic environment management system. A robust environmental management system has been established at all three manufacturing locations in the country. An e-enabled legal compliance management system directs and ensures compliance of all environmental laws and regulations.

ENVIRONMENTAL PERFORMANCE



Specific actions taken during the current financial year

The EMS addresses the precautionary approach to all future environmental challenges and threats like climate change, resource depletion and conservation of natural resources etc.

- 2) Corporate policy on Environment, Health and Safety, Corporate Sustainability and Climate Change provides all direction to deploy best environmental practices which is leading towards conservation of resources and addressing future environmental challenges including climate change and other global environmental threats.
- 3) Enterprise wide process on Environment, Health and Safety management system has been established, which directs the common processes at all locations. The EPM process at functional level is aligned with corporate processes which are drawn to address all stake holder needs.
4. Strategy on Sustainability and Carbon footprint for 2011-2015 has been developed which directs all manufacturing sites to operate in a low carbon economy.

- 1) All locations have been certified to global standards like EMS ISO: 14001 (2004) and OHSAS: 18001 (2007) and ISO 9000-2008 standards. Babrala unit is also certified for Responsible Care -14001 (2008) standards. About 118 certified internal assessors have been developed through two days certified course at each location to undertake effective internal audits and to ensure effective implementation of system. Findings of audits have been reviewed with Sr. Management for improvements and for setting objectives and targets in EMS.
- 2) An e-enabled compliance management system driven by corporate ensures all legal compliance across the company under prevailing environmental laws in the country. During the year, process of e-enabled compliance management system was completely reviewed for improvements.
- 3) The company has established enterprise wide risk management process, which includes process risk assessment and process hazard analysis and has been reviewed, improved and upgraded.
- 4) Environmental Impact assessment for setting up Customized Fertilizer plant, expansion of Babrala plant and Water filter plant at Haldia has been done to include all important aspects of Environment management.
- 5) Company has taken initiatives to combat climate change by establishing a Climate change Cell, which drives various activities like awareness on Climate change, assessment of Carbon Footprint, identifying and monitoring of CDM projects. Management Development programme on Climate change and sustainability has been developed during the year.
- 6) Company has strengthened its responsible care management practices for distribution and product stewardship and security codes.

Outcomes with key Results & Measurements

7) Corporate Green manufacturing Index has also been established considering critical environmental performance indicators on resource conservation and climate change. Each location has taken a target for reduction in emissions and conservation of natural resources.

1) Audits against each of the management systems have been conducted by certifying agency to ensure the effective implementation of management system. There was no non-conformance against any requirement under the standards. Opportunities for improvements have been identified during audits and action plans at each location has been developed for improvements. Objectives and targets for reduction in resource conservation, emissions and discharges has been set, which has been reviewed by senior leaders during steering committee.

2) All compliance to the environmental monitoring schedule has been achieved. Compliance against all environmental statutes are met with and compliance reports have been submitted to the concerned authorities as per requirement. E-enabled compliance management system supports communication of all compliances to the board. A compliance report under section 49 of the company act has been submitted. e-enabled compliance management system provides effective implementation through escalation to higher levels in case time or event based compliance are not met timely.

3) Activity based hazards identification procedure has been reviewed to make it more effective considering all associated risks in the processes at all locations, as per OHSAS-18001-2007 standards.

4) Environment clearance for Babrala expansion has been obtained from Ministry of Environment & Forests. NOC and subsequent consent to operate were obtained for Water Purifier Plant and Bentonite Sulphur pilot project were obtained from State Pollution Control Board.

5) Many awareness programmes on climate change and other global environmental issues have been conducted during the year. Carbon Footprint assessment for all three manufacturing sites has been completed. Carbon foot print (Scope-1) in tCO2e

| Location | Babrala | Haldia | Mithapur |
|----------|---------|---------|----------|
| 2009-10 | 630099 | 18790 | 2072951 |
| 2008-09 | 643667 | 21503.2 | 1957324 |

6) Tata Chemicals is a signatory to Responsible Care and provided support to ICC for training and awareness to industries across the country.- Company's representatives have participated in training programmes, workshops and Seminars on Responsible Care as Trainer and Faculties. Babrala unit has been re-certified for Responsible Care – 14001-2008 management system

7) Green manufacturing index (GMI) has been reviewed in the Corporate Executive Committee and necessary actions have been taken for further improvements.

GMI for the last two year was:

2008-09 – 0.38 | 2009-10 – 2.34

Principle 8:

Business should undertake initiatives to promote greater environmental responsibility

Company's Policy & Direction



Specific actions taken during the current financial year

Company's vision, mission and policies are the principle guiding directives and help to promote greater environmental responsibility. Some initiatives which are world class standards are driven from corporate level to promote and support greater environmental responsibilities and achieve higher environmental performance excellence at all manufacturing sites and supply chain management.

Tata Code of conduct directs to comply all environmental legal requirement and resource conservation while Corporate policy on 'Sustainability, Responsible Care and Safety Health and Environment' provide guidance on environmental performance excellence. Company is active member of TERI-CORE corporate roundtable for environment in India which is associated with World Business Council of Sustainable Development.

Company is signatory to Indian Chemical Council's Responsible Care initiative and to Confederation of Indian industries on 'Mission on Sustainable Growth.' Tata Chemicals believes in life cycle approach which directs business to consider responsibility on environmental protection from raw material procurement to product use.

- 1) Company is having well established Environment Management System as per ISO 14001-2004 and Responsible Care 14001-2008 standard.
- 2) Tata Chemicals is a signatory to Responsible Care and provided support to ICC for training and awareness to industries across the country. Babrala site has established a certified RC-14001 management system which provides a structured and focused approach on Green supply chain management to prevent environmental & safety aspect of logistics and a life cycle approach on product stewardship.
- 2.1) Company has improved its performance for the codes of Responsible care by strengthening its management practices
- 3) Tata Chemicals has adopted the world class guidelines on Occupational Health, Safety and Environment Management guidelines of British Safety Council, UK.
- 4) The company is responsible for 'Corporate Responsibility for Environment Protection' (CREP) and thus the company submits compliance reports for the action plans that were committed under volunteer standards.
- 5) The company institutionalized number of initiatives like Green Manufacturing Index, Responsible Care and Sustainability Reporting as per GRI guidelines through Corporate Sustainability Report.
- 6) The company has established strong communication mechanism to create awareness and communication on Safety Health and Environment performance among its stakeholders.
- 7) Objectives and targets are set in the beginning of the year to conserve natural resources and reduce pollution loads. At source treatment, recycle and reuse philosophy is adopted to conserve and minimize the resource consumption.

Outcomes with key Results & Measurements

- 8) The company has institutionalized environment & species conservation effort through its flagship project 'Dharti Ko Arpan.' It has allocated approx. Rs.1. Crore a year for environment conservation/ improvement projects.

The projects include: Save the Whale Shark Campaign, Asiatic Lion Conservation project, Bio-diversity Reserve, Establishment of Rural Eco-clubs, Greening, Mangroves for Future programme.

- 1) Audits by the external agency were conducted twice in a year and re-certified for ISO 14001-2004 and RC 14001
- 2) Company's representatives have participated in training programmes, workshops and Seminars on Responsible Care as Trainer and Faculties. Company has been awarded use of Responsible Care logo. One day workshop on Risk based Process safety was organized for the industries in Haldia region in collaboration with Indian Chemical Council.
- 2.1) Under Distribution and Product Stewardship codes of practices, Training and Awareness programmes have been conducted for Distributors, Dealers, Retailers and Customers. Environment Impact of product distribution and use under project 'Green Supply Chain' has been initiated. Center for Agri solution and Technology has been established for Crop Nutrition business, which provides solutions and recommendations for optimum fertilizers to control the excessive fertilizer application to avoid soil pollution.- Suppliers, Dealers and Retailers meet organized for all sites to communicate about Responsible Care and to adopt best SHE practices in their processes and practices.
- 2.2) Implementation of RC has been assessed to achieve practice at place for all codes of practices at all sites to measure the scores under each code. The steering committee reviews the RC performance twice in a year. The average TCL scores of six codes of practices for last 3 years were:
 - 2007-08 - 89%
 - 2008-09 - 91%
 - 2009-10 - 91%
- 3) Haldia unit has been rated 4 Star on its OHS performance by British Safety Council during 2009-10
- 4) Annual progress reports on CREP implementations at all sites are submitted to the nodal agencies.
- 5) Corporate Sustainability Report for 2006-08 based on GRI-G3 guidelines has been published on its website www.tatachemicals.com.
- 6) Awareness program for suppliers, dealers and customers have been conducted to consider all EHS aspects in their processes and practices. Suppliers and other Vendor selection process include their SHE performance and practices. Key communities were invited to the manufacturing plants to show company's focus on safe operations and readiness on emergency preparedness.
- 7) Community awareness on EHS aspects and their participation during emergency situation were conducted.

- 8) At Babrala specific water consumption was 5.0 M3 / MT of Urea which is a benchmark in fertilizer industry, against stipulated standards of 8-12m3/tonne of product. At Mithapur fresh water consumption has been brought to Zero.

Company's sulphuric acid plants (SAP-1&2) at Haldia are one of the lowest SO₂ emitters in the country {emission from SAP-1 is 0.59 and SAP-2 is 0.42 kg/MT of 100% H₂SO₄} Phosphate fertilizer production is complete internal recycling plant in terms of water with zero discharge of effluent.

- 8.1) Reclamation of alkaline soils using specially developed 'Mychorizhal Technology' was awarded the best Indian innovation award by ICIS-UK award.
- 8.2) Fly ash generated in power plant as waste and high salts in effluents is also used in Cement manufacturing.
- 8.3) Existing Phosphoric acid plant has been up-graded from dihydrate process to Hemi-hydrate process to produce better mineral quality dry gypsum and sold to cement manufacturers.
- 9.1 A total of 180 whale sharks have been rescued till date as a result of the 'Save the Whale Shark Campaign.'
- 1000 open wells in the Gir sanctuary have been barricaded so as to protect the Asiatic lions and their cubs from falling into the open wells, which could lead to their death or injury.

Principle 9:

Business should encourage the development and diffusion of environmentally friendly technology

Company's Policy & Direction



Specific actions taken during the current financial year

As a commitment to continuous improvement of the environmental performance, it is company's objective to minimize the quantity of waste generation and energy consumption from the processes by installing eco-friendly technology, or by increasing the use of renewable source of energy.

Company will develop and use eco-friendly technology for safe production, transportation use and disposal of products. Company shall extend knowledge by conducting or supporting research on the Health, Safety and Environmental effects of our products, processes and waste materials Company is committed to work with others to resolve problems created by past handling and disposal of hazardous substances

Tata Chemicals has set up a R&D centre at PUNE and a 'Centre for Agriculture Technology' at Aligarh (UP) to develop new technologies for innovating environmentally friendly products.

- 1) Company uses Solar energy at its salt works to conserve natural non renewable resources.
- 2) Effluent Solid Filtration Plant at the chemical unit is installed to recover the solids from the Soda Ash Effluent generated and to use the solids in Cement manufacturing.

- 3) Conservation of non-renewable natural resources through replacing them by renewable resources as fuel and source of power has been considered.
- 4) Production of fuel from renewable resources has been initiated to contribute in conservation of non-renewable natural resources.
- 5) Green Chemistry principles to address the environmental issues.
- 6) Innovation center has been established, which is working on developing new green /nano-technologies.
- 7) Knowledge management system has been implemented at all sites, which taps all innovative ideas to improve the organization environmental performance.
- 8) Suggestion scheme is established at all locations to capture the innovative ideas of employees.
- 9) Technological renovation is considered for improving the environmental performance by reducing waste generations.

Outcomes with key Results & Measurements

- 1) While producing close to 2.252 million tonnes of solar salt from salt works Mithapur, in the year 2009-10, the company utilized renewable solar energy to evaporate 110.769 million tonnes of sea water. Thus utilized solar energy equivalent to 221539100 GJ.
During the year renewable energy (wind energy and solar energy) generated – 1733653 kwhr at Mithapur site.
- 2) Solids (recovered from ESF plant) used for cement manufacturing in the year 2009-10 was 44151 tonnes.
- 3) Fuel oil has been replaced by coal with bio-mass (Rice husk or straw) as fuel for hot air generator for DAP-1 plant and step-by step increasing the biomass quantity at Haldia.
- 4) A Bio-diesel and Bio-ethanol manufacturing plant has been set-up which will start production in 2009-10.
- 5) Increased waste recycling reduced specific raw material consumptions and shifting towards eco-friendly processes etc.
- 6) One innovative project of utilization of flue gas from power plant to neutralize the effluent has been implemented at Babrala and in continuous use to conserve acid used for neutralization.
Existing Phosphoric acid plant has been upgraded from dihydrate process to Hemi-hydrate process to produce better mineral quality dry gypsum and sold to cement manufacturers.

Principle 10:

Business should work against corruption in all its forms, including extortion and bribery

Company's Policy & Direction

Specific actions taken during the current financial year

Outcomes with key Results & Measurements

ANTI CORRUPTION AND PREVENTION OF BRIBERY

Tata Code of Conduct has been established in the company, which defines commitment on ethical behaviour. As per Clause 5 and 6 of Tata Code of Conduct, the organization is committed towards anti corruption and prevention of bribery.

Tata Code of Conduct has been revised during the year to include some new requirements like Sustainability and Climate Change etc.

- 1) Tata Chemicals has an elaborate system and processes on the 'management of business ethics' and all employees sign the Tata Code of Conduct. The company has a Chief Ethics Counselor located at Corporate office Each SBU has an Ethics Counselor.

Tata Code of Conduct provides an opportunity to all employees / stake holder to communicate any unethical act of any employee to concerned ethics counselor. The Tata Code of Conduct is sent to all suppliers with the contract, for their perusal in respect of relevant clauses.

Awareness programmes are conducted on Tata Code of Conduct for all employees across the locations and corporate and marketing offices.

Statistics of the concerns for the year 2009-10 against Tata Code of Conduct is as follows:

Total concerns raised in 09-10 : 25

All concerns were raised under Clause 17- Ethical Conduct.

All concerns were considered for appropriate processing as per procedures for closure with actions on each as per the decision of ethics committee.

THE HUMAN TOUCH CHEMISTRY

TATA

Safety, Health and Environment Policy

Tata Chemicals shall uphold its position as a leader in the chemical industry by conducting all its operations in a manner that is protective of the environment and health and safety of employees, customers and the community.

In fulfillment of this commitment, we shall maintain a continuing effort to:

- Comply with all applicable safety, health and environment laws and regulations.
- Enhance Safety, Health and Environment (SHE) awareness among employees and associated stakeholders through effective communication and training.
- Investigate all workplace incidents and illnesses in order to promptly correct any unsafe conditions or practices.
- Integrate SHE considerations into business planning and decision making.
- Champion SHE responsibility among our employees in their practices, and promote and value their involvement in achieving the goals of this policy.
 - Increase shareholder value through SHE excellence.

TATA CHEMICALS LIMITED

R. Maheshwari
Managing Director

Date: 21st May 2009

THE HUMAN TOUCH CHEMISTRY

TATA

Corporate Sustainability Policy

Tata Chemicals Limited will consistently strive to enrich the quality of life of people, positively impact the communities that we operate in and care for the environment, while generating economic benefits.

We respect the needs of both the current and future generations and are committed to Sustainable Development as a core business practice.

As a member of the Global Business Community, we shall conduct our activities with integrity and fairness, to the highest standards of Corporate Social Responsibility, while engaging with, understanding and respecting the interests of all stakeholders.

Specifically, the principles we follow are:

- Upholding the highest standards of Business Ethics and Corporate Governance.
- Respecting the universal declaration of human rights and the International Labour Organization's fundamental conventions on core labour standards.
- Conducting all our operations in a manner that is protective of the environment, health and safety of our workforce, customers and the community.
 - Striving to develop new products and improve existing ones to consistently enhance the value proposition to our customers while taking care of the environment, throughout their life cycle.
 - Advocating with, encouraging, and supporting our partners and others to embrace similar ethical and social responsibility standards.
 - Encouraging diversity of culture, experience and expertise while creating an environment that fosters achievement, innovation, learning and teamwork in our workforce.
 - Setting targets, measuring and reporting our performance across Human, Social, Environmental and Financial dimensions.

TATA CHEMICALS LIMITED

R. Maheshwari
Managing Director

Date: 21st May 2009

THE HUMAN TOUCH CHEMISTRY

TATA

TATA Climate Change
DRIVING INNOVATION

Climate change policy for Tata companies

Tata companies will play a leadership role in climate change by being knowledgeable, responsive and trustworthy, and by adopting environment-friendly technologies, business practices and innovation, while pursuing their own growth aspirations and the enhancement of shareholder value.

Tata companies will measure their carbon footprint and will strive to:

- Be the benchmark in their segment of industry on the carbon footprint, for their plants and operations.
- Engage actively in climate change advocacy and the shaping of regulations in different business sectors.
- Incorporate 'green' perspective in all key organisational processes.

R. Maheshwari
Ratan N Tata
Chairman, Tata Sons

TATA CHEMICALS LIMITED

R. Maheshwari
Managing Director

Date: 11th January, 2010
Revision No. - 0

We have adopted above "Climate Change Policy for Tata Companies" for implementation.

THE HUMAN TOUCH CHEMISTRY

TATA

Mission

Serving Society through Science

Vision

We shall be amongst premier chemical companies by:

- Leveraging Science to deliver new and innovative offerings
 - Enhancing value to our customers
 - Delivering Superior Returns to our shareholders
 - Leading in corporate sustainability
- Nurturing innovation, learning through diversity and team work amongst employees

Values

Integrity, Safety, Excellence, Care & Innovation

TATA CHEMICALS LIMITED

R. Maheshwari
Managing Director

Date: 15th January 2010



Community Development Policy

Tata Chemicals pledges itself to care for and serve the community by:

- Designing, evolving and implementing sustainable, replicable and scalable development models, that leads to measurable socio-economic development of the community and ecological development in its area of influence.
- Involving the community in all stages of the process, in the true spirit of participatory development.
- Having focused and transparent processes, that provides for equal opportunity, while improving the quality of life.
- Partnering and networking with government, development agencies, corporate bodies and NGOs to implement appropriate community development programs.
- Creating knowledge resource centers to transfer and share information and help build capacities of partners and the community.
- Involving the employees in volunteering for community Development programs.

TATA CHEMICALS LIMITED

R. Mahanta
Managing Director

Date: 21st May 2009

TATA CHEMICALS LIMITED



Values - Integrity, Safety, Excellence, Care & Innovation

DECLARATION UNDER TATA CODE OF CONDUCT

National interest

A Tata Company shall not undertake any project or activity to the detriment of the interest of the communities in which it operates. A Tata company's management practices and business conduct shall be in accordance with the laws of the land. It shall conform to trade procedures, including licensing, documentation and other necessary formalities, as applicable.

Financial reporting and records

A Tata Company shall maintain fair and accurate accounts, have internal controls, provide accessibility of required information to authorised parties and government agencies. There shall be no willful omissions from the books and records or willful misrepresentation of financial information. No employee shall make, authorize, collude in an improper payment, unlawful commission or bribing.

Competition

A Tata Company shall not engage in activities of unfair or restrictive trade practices. It shall market company products and services on their own merits, not make misleading statements about competitor's products / services in the market. Any collection of competitive information shall be made only in the normal course of business and through legally permitted sources and means.

Equal opportunities employer

A Tata Company is committed to equal opportunities to all employees and qualified applicants for employment; treating employees with dignity while maintaining a work environment free of all forms of harassment. HR Policies shall promote merit-based decisions, diversity and equity in the workplace while complying with labour laws and international best practices including respect for the right to privacy and the right to be heard.

Gifts and donations

A Tata Company and its employees shall not receive or offer to make any illegal payments, remunerations, gifts, donations or comparable benefits with an intention to obtain business or uncompetitive favours and shall strive to eliminate all such forms of bribery, fraud and corruption. However nominal gifts may be accepted/given under full disclosure.

Government agencies

Neither the Company nor its employees shall offer or give funds or property as donation to the Government with an intention of obtaining favourable performance of official duties. It shall ensure compliance with regulations and transparency in all its dealings.

Political non-alignment

A Tata Company shall not support nor donate company funds or property to any political party, candidate or campaign.

Health, safety and environment

The company shall be committed to provide safe, healthy, clean and ergonomic work environment. It shall prevent wasteful use of natural resources and be committed to improving the environment. It shall endeavour to offset the effect of climate change in all spheres of its activities. A Tata company shall strive for Economic, Social and Environmental stability.

Quality of products and services

A Tata Company shall commit to supply good and services meeting the required National and international standards, efficient after-sales service consistent with customers' requirements to ensure their total satisfaction. It shall illustrate adequate labels, caveats and other necessary health and safety information on its Product packaging.

Corporate citizenship

The Company ensures compliance with relevant laws and regulations; active assistance in improvement of quality of life of communities it operates in; and incorporates these activities in its Business Plan. Tata companies encourage volunteering by its employees in collaboration with community groups. They conduct management reviews to set strategic direction for social development activity.

Co-operation of Tata companies

Cooperation by sharing of physical, human & management resources, ensuring that this does not adversely affect its business interests and shareholder value; preference to a market-competitive Tata company in procurement of products and services.

Public representation of the company and the Group

The Tata Company or the Tata Group in all public appearances shall be represented only by those directors and employees, who are authorized to disclose information on the Company / Group.

Third party representation

Parties having business dealings with the Tata Group, but which are not members of the Group (such as consultants, agents, sales representatives, distributors, channel partners, contractors and suppliers) are not authorised to represent a Tata company without the written permission if their conduct & ethics are inconsistent with the Code. Third parties are expected to abide by this Code in their

Name: _____

Signature: _____ Date: _____

interaction with, and on behalf of the Company. Tata companies are encouraged to sign a non-disclosure agreement with third parties to support confidentiality of information.

Use of Tata brand

The use of the Tata name and trademark shall be governed by manuals, codes and agreements to be issued by Tata Sons. The use of the brand is defined and regulated by the Tata BE-BP Agreement. Third party shall not use the Tata brand to further its interests.

Group policies

A Tata Company shall recommend to its Board of Directors the adoption of policies and guidelines periodically formulated by Tata Sons.

Shareholders

The company shall comply with all regulations and laws governing shareholders' rights, including disclosure of relevant information in accordance with regulations and agreements.

Ethical conduct

Every employee (including full-time directors and chief executive) shall be responsible for the implementation of the Code. He / She shall deal on behalf of the company with professionalism, honesty and integrity, while conforming to high moral and ethical standards, fair and transparent conduct. Employees shall preserve Human Rights of every individual and the community and strive to honour commitments.

Regulatory compliance

Every employee of a Tata company shall comply with applicable laws and regulations in his / her business conduct. If the standards of the applicable laws and regulations are below that of the CoC, then the standards of CoC shall prevail.

Directors of a Tata company shall comply with applicable laws and regulations of all the relevant regulatory and other authorities and shall safeguard the confidentiality of all information received by them by virtue of their position.

Concurrent employment

A Tata employee shall not, without the requisite, officially written approval of the company, accept employment or a position of responsibility with any other company, nor provide freelance services to anyone, with or without remuneration.

Conflict of interest

A Tata employee shall not engage in any activity, which might conflict with the interest of his company or the Group. If such activities or relationships do exist due to historical reasons, a complete disclosure to that effect must be made with respect to the employee and his / her immediate family. A employee, including executive directors shall not accept position of responsibility in any non-Tata Company or not-a-profit organisation without specific sanction.

Securities transactions and confidential information

A Tata employee shall not derive any benefit or assist others to derive any benefit, from access to and possession of information about the company or Group or its clients or suppliers that is not in the public domain. He/She shall not use or proliferate "Insider information" for making or giving advice on investment decision about the shares of the respective Tata company. Employee shall respect and observe confidentiality of information pertaining to other companies.

Protecting company assets

The assets of the Company(both tangible and intangible), including intellectual property rights and proprietary information shall be employed primarily and judiciously for the purpose of conducting the business for which they are duly authorised.

Citizenship

The involvement of a Tata employee in civic or public affairs shall be with express approval from the chief executive of his / her company, subject to this involvement having no adverse impact on the business affairs of the company or the Tata Group.

Integrity of data furnished

Every employee shall ensure, at all times integrity of data or information furnished by him / her to the company. He/she shall be entirely responsible in ensuring that the confidentiality of all data is retained.

Reporting concerns

Actual or possible violations of the Code or an event of misconduct, act of misdemeanour or act not in the company's interest must be promptly reported to the management. Employees can make protected disclosure under the Whistle Blower Policy. The company shall ensure protection to the whistleblower and any attempts to intimidate him / her would be treated as a violation of the Code.

DECLARATION BY EMPLOYEE

I have read and understood the Tata Code of Conduct and agree to abide by all its provisions both in letter and spirit.

Name: _____ Emp. No.: _____

Signature: _____ Date: _____

Location: _____



TATA CHEMICALS LIMITED

Registered Office

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