TATA CHEMICALS

SERVING SOCIETY THROUGH SCIENCE

SUSTAINABILITY
REPORT
2014-15

TATA

Index

About the report

This is the sixth sustainability report in the public domain by Tata Chemicals (TCL). This report covers the period 2014-15. The most recent previous report covered the period FY 2013-14.

TCL has been bringing out the reports annually, and as the process matures, we look forward to preparing a comprehensive report in a phased manner. This report has been prepared using the Global Reporting Initiative (GRI-G4) guidelines with 'In accordance' - Core option. We have engaged KPMG for providing independent assurance.

There is no relationship between the Company and the assurance providers' organisation. This report is assured with independent third party Limited Assurance ISAE 3000 of type 2 moderate level assurance requirements along with AA1000 assurance standard.

Information on earnings and financial data is based on the consolidated financial statements of the Company published in our Annual Financial Report FY 2014-15.

All information is derived from official Tata Chemicals documents.

TCL's significant locations of operation for this report are as given below:
1. Mithapur, Gujarat, India
2. Babrala, Uttar Pradesh, India
3. Haldia, West Bengal, India
4. Tata Chemicals North America (TCNA), Green River, Wyoming, USA
5. Tata Chemicals Magadi (TCM), Kenya
6. Tata Chemicals Europe (TCE), Northwich, UK

Additional information on our products, processes, philosophy and approach is available on our company website: www.tatachemicals.com

FOR MORE INFO
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Message from MD & CEO

Our mission, 'Serving Society through Science', is our commitment towards providing solutions to challenges facing society by harnessing the fruits of science for goals that go beyond business. Our aim is to constantly endeavour to make the world safer, cleaner and greener for future generations through science.

The year 2014-15, marking 75 years of Tata Chemicals, was special. A slew of initiatives were taken up including the release of the book 'Salt of the Earth', which documented the 75-year journey of our company.

In pursuit of our mission, we inaugurated and set up a state-of-art Innovation Centre at Pune, India. This centre will be the company's technology and innovation hub and it will incubate and support the company's growth vectors in wellness foods, agri and chemistry solutions. It will also provide technology support to other Tata group companies. We have a history of leading industry and, as we build on our past, we believe that technology, innovation and customer immersion are critical enablers in our next phase of profitable growth and our journey to create value for all our stakeholders. We plan to dovetail our consumer insights with product development processes to provide solutions that are unique and valued by our consumers and customers.

Continuing on our journey of sustainability and transparent disclosures, Tata Chemicals Sustainability Report 2014-15 is the sixth report in the public domain. It includes all our key locations and plants, covering operations of Tata Chemicals, India, Tata Chemicals Magadi (TCM), Tata Chemicals Europe (TCE) and Tata Chemicals North America (TCNA).

We have identified key sustainability challenges to address and help us achieve our vision of becoming an even more socially responsible corporate citizen. While safety, climate change and energy are common across our organisation, each business unit and location has made efforts to identify issues specific to them through in-depth materiality studies. These include bio-diversity, supply chain engagement, water, promotion of livelihoods, skill development, diversity and inclusion. We hope to sharpen our focus on each of these areas in the coming years. Additionally, we will also be sensitive to global concerns arising out processes such as UN development goals and commitments from COP 21, to name a few.

Safety continues to be a key challenge and while we have improved tremendously, the fatality in India early this year has once again brought the point forward that the journey on safety needs even more attention. We have ramped up our safety drive: "Target Zero Harm" – Zero harm to people, asset and environment -- through adoption of world-class voluntary standards such as OHSAS 18001, Responsible Care and British Safety Council guidelines along with the launch of various initiatives such as 'SRESHTO' at Haldia, process safety management at Babrala, 'Suraksha Jyot' at Mithapur, which targets improving safety behaviour, hazard identifications, risk mitigation and improvement ideas and 'Safety Amnesty' at Tata Chemicals Europe to flush out any historical unsafe practices.

We have set ourselves a target of reducing our carbon intensity by 20% by 2020. While the journey of reduction has had its ups and downs over the years, we are exploring all options across our value chain to achieve this and have expanded our scope to include operations outside India as well. We continue to report on our carbon performance through the Carbon Disclosure Project (CDP).

Reduction of the carbon footprint has also been through actions taken by our supply chain. Movement of maximum material through railways, use of bulkers, and reuse of packing are some of the means adopted. At TCNA, process redesign has allowed recovery of soda ash from waste streams, which results in reduction of 15,000 MT CO_2 per year.

TCE's soda ash plant is one of the lowest carbon emitters in the EU. Energy reduction initiatives

undertaken here include purchasing of a new steam turbine (for £5.5million), a transvac project that saves £400,000 equivalent in energy consumption, a heat optimisation project and a LSS task on electricity usage. Tata Chemicals' Babrala plant is one of the lowest energy consuming units among the fertiliser units in the world and the most energy efficient unit in India. At Mithapur and Haldia plants, energy saving projects include installation of Variable Frequency Drives and energy savers in lighting circuits.

Water was recognised as one of the key challenges both within the fence and beyond. To address this, we have taken up a slew of initiatives. TCL Mithapur has sustained its zero dependence on ground water by adopting various in-house water conservation measures as well as management of rain-fed lakes and innovative seawater desalination technologies. More than 99% of all water needs at Mithapur are met by seawater due to its effective process integration and water pinch analysis. Recycling of water is promoted where ever possible.

Babrala is a zero discharge plant. It leads by recycling 81% of plant effluents within the system and the rest is treated and reused, along with domestic sewage, for irrigation purpose in green belt areas. Initiatives to reduce water consumption are underway at TCNA. Approximately, 84% of the water that previously was lost to evaporation ponds as part of tailings disposal is now recovered.

We believe that our employees are our strength and we continue to build a more inclusive and a diverse workplace along with focusing on building skills and competencies through e-enabled in-house and external programmes.

Our CSR programmes continue to engage with and support our key communities both directly and indirectly through the various organisations that we support. Key among them is Tata Chemicals Society for Rural Development, Uday Foundation, Okhai - Centre for Empowerment (a social enterprise promoting artisans), Tata Chemicals Golden Jubilee Foundation and Magadi Soda Foundation. Our employees are actively engaged through volunteering programmes of Hope and Tata Engage.

TCE has a social policy strategy that targets its local community and focuses on areas of payroll giving, fundraising, employee volunteering, mentoring and attendance at local schools, national fundraising events, etc. TCNA employees partner with United Way and First Book to reach communities in need. We also support the local food bank there.

Community is recognised as a key stakeholder and partner with TCM. TCM established the Magadi Soda Foundation to spearhead community deliverables through fundraising and implementation of projects that deliver community needs. Core programmes and focus areas are: Education, health, WASH (water, sanitation and hygiene), livelihoods, and infrastructure. We have invested in the Magadi hospital and are running three schools and a yearly bursary programme. TCM is thus a model organisation in contribution to these aspects.

In India we have a special focus on socially and economically backward communities, women empowerment and the farming communities, which are the cross cutting themes across our initiatives. India programmes have an integrated approach towards development and have defined the approach as BEACON (stands for Blossom, Enhance, Aspire, Conserve and Nurture). This year we also took up the Unnati project that targets improving agriculture output while helping save both water and energy. We hope to expand this in the coming years. Other flagship programmes include 'Dharti Ko Arpan' – an environmental conservation programme with integrated watershed and water management.

We have embarked on a journey to become a more consumer-facing company with more and more products that are B-to-C. We have identified our growth vectors as wellness foods, agri and chemistry solutions. Each strategic business unit is reworking its strategy to ensure sensitised employees and partners to take this journey forward.

Our sustainability programmes are driven at the board level through the corporate social responsibility, safety and sustainability (CSS) committee. This committee guides and reviews CSS performance of the enterprise.

We continue to be committed to UNGlobal Compact and Responsible Care and follow the precautionary principles as defined in Principle-15 of the Rio Declaration. This year we once again took up the task of redefining and mapping material sustainability aspects through a third party, which covered most of our businesses and locations. Materiality mapping of TCE operations are underway and would be completed by 2015.

The company's other major achievements include being recognised at different forums for Business Excellence, Responsible Care, Safety Management Systems, Environmental Sustainability, Corporate Social Responsibility and Corporate Communications.

We are continuously engaging with our large customers; a recent example is our partnership with Unilever on responsible mining. We are working in close partnerships to improve overall sustainability performance in our supply chain. We have initiated mapping of our suppliers through supply chain sustainability guidelines. In the coming years, we will be taking up deeper engagement with our suppliers on sustainability.

Our goal is to make an organisation that is even more responsible, transparent and responsive to its stakeholder's needs. We believe that the commitment to sustainability and triple bottom line will ensure our global competitiveness and promote inclusive sustainable growth.

R MUKUNDAN
MD & CEO
Tata Chemicals Limited

About Tata Chemicals

PART OF THE $100-BILLION TATA GROUP, TATA CHEMICALS LIMITED (TCL) IS A GLOBAL COMPANY WITH INTEREST IN BUSINESSES THAT FOCUS ON LIVING, INDUSTRIAL AND FARM ESSENTIALS (LIFE). IN LINE WITH ITS MISSION, 'SERVING SOCIETY THROUGH SCIENCE', THE COMPANY IS APPLYING ITS EXPERTISE IN SCIENCES TO DEVELOP SUSTAINABLE PRODUCTS.

FARM ESSENTIALS
The Farm essentials offerings include Tata Paras (urea, DAP, NPK), and other agri services.

LIVING
The products offered in the Living essentials portfolio are Tata Salt and its variants (Tata Salt Lite, Tata Salt Flavoritz, i-Shakti Salt), Tata Swach (water purifier) and Tata i-Shakti unpolished dals (pulses).

INDUSTRY
The Industry essentials portfolio includes soda ash, sodium bicarbonate, chlor-caustic and other marine chemicals.

LIVING ESSENTIALS

Through its Living Essentials portfolio, the company has positively impacted millions of Indian lives. Tata Salt brand is a market leader in India's branded iodised salt segment, and is a part of everyday life of over 600 million consumers. This brand has two other variants: Tata Salt Lite (low sodium salt) and Tata Salt Plus (iron-fortified salt). With the introduction of Tata Swach, an innovative, low-cost and nanotechnology-based water purifier, TCL provides affordable and safe drinking water to the people. Tata Swach offers complete water purification solutions through its range of non-electric, UV and RO purifiers.

Extending its portfolio from salt to other food products in 2010, TCL unveiled India's first national brand of pulses, Tata I-Shakti. Through this brand, the company aims to provide a wholesome farm-fresh source of daily protein to the Indian thali (hindi for plate).

INDUSTRY ESSENTIALS

Under the umbrella of Industry Essentials, TCL produces products which serve as essential inputs to diverse industries such as glass, detergents, sodium silicate, textiles, food, feed, mining and chemical processing. TCL is the world's second-largest producer of soda ash, with a global capacity of 4.3 MT per annum with manufacturing operations in India, USA, UK and Kenya. The company also manufactures sodium bicarbonate at Mithapur, India, and in the UK which is used by industries such as pharmaceuticals, food, feed, dyes, flue gas treatment, textiles, etc. TCL is the fourth-largest producer of sodium bicarbonate, with a combined capacity of about 0.2 MT per annum.

The allied chemicals manufactured by the company include caustic soda, liquid chlorine, liquid bromine and gypsum. TCL manufactures various grades of industrial salt at its UK facility. Its various grades include undried vacuum salt, pure dried vacuum salt, water-softening products, de-icing salt products and bespoke products.

Cement plant at Mithapur, India was set up to consume solid waste generated from the manufacture of soda ash. This plant has an installed capacity of 1,500 tonnes per day and produces two varieties of cement – OPC grade 53 and masonry cement, under Tata Shudh brand.

FARM ESSENTIALS

TCL has carved out a strong position in India as a provider of agri solutions. Under Farm Essentials segment, the company offers farm inputs, such as fertilisers, pesticides, specialty nutrients, seeds and agro services, which are required to improve crop health and productivity.

TCL is one of the leading manufacturers of Urea and Phosphatic fertilisers, and is a key player in the growing segment of specialty fertilisers. The fertiliser range is marketed under the flagship brand of Tata Paras, which enjoys highest brand equity in its core geographies. TCL also produces customised fertilisers that provide balanced nutrition to the soil. These are sold under the Paras Farmoola brand. TCL's agri products are produced at its Indian facilities (Babrala & Haldia), having a capacity of 130,000 MT.

Through the Tata Kisan Sansar (TKS) network, TCL offers special services to farmers, such as information on new and improved agronomic practices and use of agricultural inputs. TKS is a network of nearly 900+ farmer resource centres that caters to more than 2.6 million farmers across 26,000 villages in the northern and eastern parts of India.

INNOVATION

Innovation at TCL is focused on delivering value to the customer. Tata Chemicals' Innovation Centre at Pune, inaugurated in 2014, is home to world-class R&D capabilities. The innovation thrust aims at developing products and services positioned at the intersection of physics, chemistry and biology (i.e. nanotechnology and biotechnology). The focus areas are food and fuel, energy and environment, water and wellness (FEW).

TCL has a joint venture with Temasek Life Sciences Laboratory, Singapore, to develop Jatropha seedlings for biofuel capability.

CORPORATE SOCIAL RESPONSIBILITY

TCL's Corporate Social Responsibility (CSR) programmes engage with and support key communities, directly and indirectly, through various organisations that the company supports. Among them are Tata Chemicals Society for Rural Development, Uday Foundation, Okhai Centre for Empowerment, Tata Chemicals Golden Jubilee Foundation and Magadi Soda Foundation. The company has a special focus on socially and economically backward communities, women empowerment and farming communities. TCL's three manufacturing facilities in India, at Mithapur (in Gujarat), Babrala (in Uttar Pradesh) and Haldia (in West Bengal), are unique examples of corporate-community bonding.

Mithapur, India

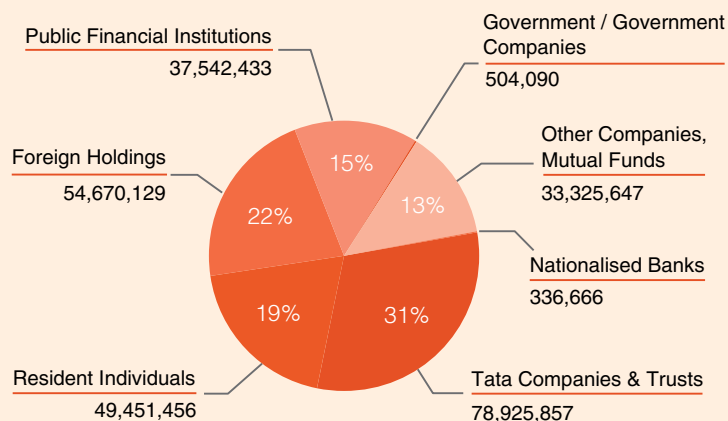Babrala, India

Haldia, India

Magadi, Kenya

Cheshire, UK

Wyoming, USA

NATURE OF OWNERSHIP

Incorporated in India in 1938, Tata Chemicals Limited (TCL) is registered under the Indian Companies Act, 1913. Tata Chemicals North America (TCNA), Tata Chemicals Europe (TCE) and Tata Chemicals Magadi (TCML) are wholly owned subsidiaries of TCL India. We have four manufacturing sites and two research centres in India, a manufacturing site in North America, three in Europe and one in Kenya.
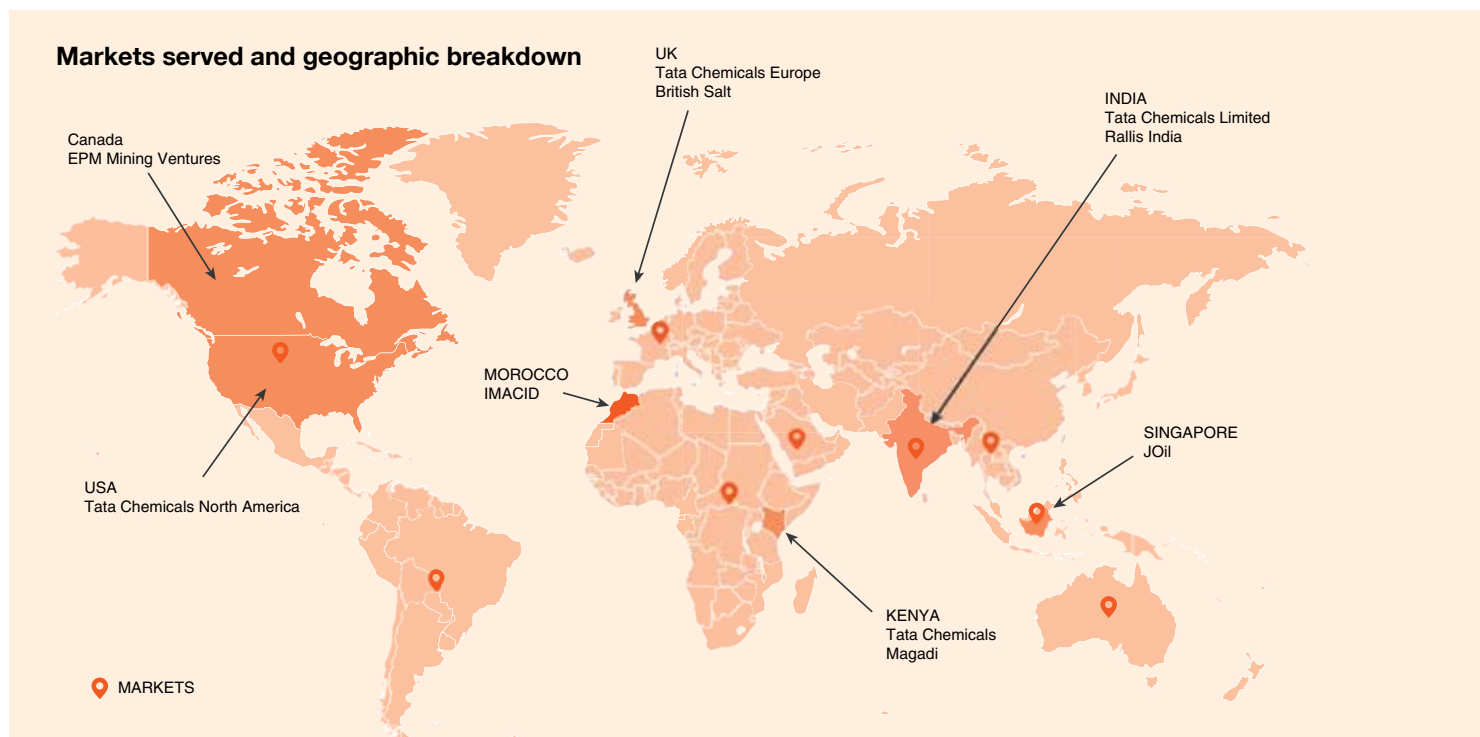
Category of shareholding as on March 31, 2015

Public Financial Institutions
37,542,433

Government / Government Companies
504,090

Foreign Holdings
54,670,129

Other Companies, Mutual Funds
33,325,647

Nationalised Banks
336,666

Resident Individuals
49,451,456

Tata Companies & Trusts
78,925,857

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015

Sr.	Range of Holding	No. of Shares	Amount (INR)	% to Capital	No. of Shareholders	% to Shareholders
1	1 to 500	1,83,93,057	18,39,30,570	7.22	1,64,737	89.25
2	501 to 1000	79,26,299	7,92,62,990	3.11	10,558	5.72
3	1001 to 2000	74,04,191	7,40,41,910	2.91	5,137	2.78
4	2001 to 3000	41,19,275	4,11,92,750	1.62	1,656	0.90
5	3001 to 4000	25,33,675	2,53,36,750	1.00	718	0.39
6	4001 to 5000	20,24,729	2,02,47,290	0.79	442	0.24
7	5001 to 10000	53,02,142	5,30,21,420	2.08	749	0.41
8	Above 10000	20,70,52,910	2,07,05,29,100	81.27	569	0.31
	TOTAL	**25,47,56,278**	**2,54,75,62,780**	**100.0**	**1,84,566**	**100.00**

TATA CHEMICALS GROUP AT A GLANCE

Markets served and geographic breakdown

UK
Tata Chemicals Europe
British Salt

INDIA
Tata Chemicals Limited
Rallis India

Canada
EPM Mining Ventures

MOROCCO
IMACID

SINGAPORE
JOil

USA
Tata Chemicals North America

KENYA
Tata Chemicals
Magadi

MARKETS

The overall head count as on 31 March 2015 is 4,207. TCL's annual revenue was Rs16,913 crore with a profit of Rs596 crore in the financial year 2014-15. The market capitalisation (equity) is Rs11,300 crores.

TCL subscribes to externally developed charters like UN Global Compact (UNGC), Responsible Care, and Carbon Disclosure Leadership Index (CDLI). TCL has a stewardship role in the chemical and fertiliser industries. It is represented in CII, ICC, FAI, EUCCI, BCCI, ASSOCHAM, AIMA, etc., and is also member of IFA, AIChE-CCPS.

List of entities included in the consolidated financial statement of the organisation are given in Page-189, Annual Report 2014-15 'Summary of Financial Information of Subsidiary Companies under Section 212'. The lists of entities which are covered in this report are given in About the Report of this report.

Location	Product Quantities for FY 2014-15
TCL, India	47,34,909.42 MT
Tata Chemicals Magadi	3,88,445 MT
Tata Chemicals North America	23,15,428 MT
Tata Chemicals Europe	8,09,753 MT

TATA CHEMICALS GROUP AT A GLANCE

	Raw material	Processing	Product	Packaging	Logistics	Distribution (thru partners)	End use
Living essentials	Sea salt / brine access / procurement	Vacuum evaporation / 3P refining	Iodised VE salt	Multiple SKUs at CFAs under HACCP / FSSAI standards	>98% through rail	Distributor > stockist > retailer Institution	Homemakers / consumers
	Sourcing of pulses: 1. Farm 2. Mandi	Milling / Processing operations outsourced	Unpolished dals	SKUs of multiple sizes and dal types	Reach CFA through 3Ps via road	Distributor > stockist > retailer Institution Dal on call	Homemakers / consumers
	Sourcing of RHA, silver nitrate, packaging material / FG for RO	Impregnation of silver in RHA and granulation	Tata Swach Bulb	In-house and outsourced assembly	Reach CFA thru 3Ps via road	Warehouses > Distributor > Retailer Concurrent channel MTF	Consumers
Industry essentials	TRONA ore, coal / gas	Mining and processing of Trona	Natural soda ash, bicarb	In bulk	Via rail / road	Direct Channel partners	Industry - glass, detergent, health food products
	Solar salt, limestone, coke / GAS	Solvay method	Soda ash, bicarb	Bags (SKUs), bulkers	Via sea / rail / road		
Farm essentials	Ammonia, Gas	Ammonia stripping for urea	Urea	50 Kgs SKUs	Thru 3Ps via road	BHA, dealers, TKS From BHA, TKS, retailer	Farmers
	Phos Acid, H2SO4, Ammonia, Muriate of potash	Granulation	NPK	50 Kgs SKUs	Thru 3Ps via road	BHA, dealer, TKS From BHA dealer, TKS	Farme

Sustainability @ TCL

AT TATA CHEMICALS, THERE IS A CONSCIOUS EFFORT TO ENSURE THAT SUSTAINABILITY REMAINS AT THE CORE OF BUSINESS STRATEGY AS THE MEANS OF SUSTAINING OUR LEADERSHIP IN ALL ASPECTS OF BUSINESS, IN AN INNOVATIVE WAY, TO RETURN BETTER VALUE TO THE STAKEHOLDERS.

For us sustainability encompasses stakeholder engagement to meet their expectations, corporate governance and ethical practices, responsible manufacturing, ensuring safety & health of employees and the communities we serve, promoting employee wellbeing, product stewardship and working with and supporting our key communities while creating economic value. TCL is a diverse organisation and its business lines are organised around life i.e., Living Industry and Farm Essentials. We make a constant effort to understand sustainability aspects of the various stages of our value chain and increase stakeholder engagement to identify opportunities that meet 'essential needs' relating to economic, environmental and social aspects.

The first step of TCL's strategy planning process includes analysing political, economic, social, technological, legal and environmental changes that may impact TCL business and this includes summarising inputs from various stakeholder interactions and engagement. This is an input to the TCL strategy, ensuring that sustainability is the basic foundation of TCL's business strategy.

STRATEGIC CHALLENGES

The strategic challenges in terms of long term sustainability identified by TCL are as follows:

▸ Ageing technology/equipment and infrastructure

▸ Talent management – attraction, retention, ageing workforce

▸ Leveraged balance sheet

▸ High proportion of bulk commodity business

▸ Increased regulatory environment and dependence on government policy

▸ Energy/raw material security and cost (likelihood of rising prices)

▸ Increased expectations from stakeholders and community

Operational excellence, access to low cost raw materials in bulk chemicals business, our strong corporate brand, robust customer engagement process and relationship and market leadership in key markets and products are our key strategic advantages that help us effectively address our challenges.

ENTERPRISE RISK MANAGEMENT

The company has put in place systems for internal audit, risk assessment and mitigation and has an independent Internal Audit Department with internal control and risk management processes both at business and corporate levels. The Head of Audit & Risk Management reports directly to the Chairman of the Audit committee of the Board of Directors, thereby ensuring independence.

The Corporate Audit function plays a key role in providing for both the operating management and the Audit committee of the Board, an objective view and reassurance of overall control systems and effectiveness of the risk management process across company and its subsidiaries. Corporate Audit also assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the operations.

The scope and authority of Corporate Audit department is derived from the Audit Charter approved by the Audit committee. Internal Audits are performed by an in-house team of multi-disciplinary professionals comprising Chartered Accountants and Engineers. Reviews are conducted on an on-going basis, based on a comprehensive risk-based audit plan, which is approved by the Audit committee at the beginning of the year.

The internal audit department which operates on a decentralised basis continuously monitors the adequacy and effectiveness of the internal control environment across Company and the status of compliance with operating Systems, internal policies and regulatory requirements.

The Audit committee meets on a quarterly basis to review and discuss the reports submitted by Head of Audit & Risk Management and also review closure of all agreed actions. The Audit Committee also meets the Statutory Auditors separately to ascertain their views on the adequacy and efficiency of internal control systems.

A peer review of the Internal Audit function is done once in four years to assess quality effectiveness of internal audits with reference to standards and best practices.

The Company believes that every employee has a role to play in fostering an environment in which, controls, assurance, accountability and ethical behavior are given high importance. To supplement the reviews carried out by the internal audit teams, the Company follows an elaborate system of Control Self Assurance (CSA) (self-audit) which is carried out during the year. The CSA coverage includes all critical departments in the organisation.

The IT enabled CSA process provides a good bottom-up approach and build up for the CEO / CFO certification as required by clause 49 of the listing agreement, besides helping in awareness creation of controls across a wide segment of the Company employees. This complements the internal audits in ensuring total coverage in a year.

Risk Management and Internal audit functions complement each other. Enterprise Risk Management (ERM) process entails a bottom up and top down approach covering all units, functions and departments of the Company and its subsidiaries. The basic framework followed is the international standard AS/NZS 4360:1999. The Risk Management process is also benchmarked periodically against available standards such as ISO 31000. TCL is recertified as ISO 27001:2005 (i.e. Information Security Management System standards).

The Company's risk identification and assessment process is dynamic and hence the Company has been able to identify, monitor and mitigate the most relevant strategic and operational risks both during periods of accelerated growth and recessionary pressures. The key risks and opportunities for the current year have essentially remained the same as those of the previous years. These are as shown in the table.

Key risks	Opportunities & risk mitigation actions
Safety and Environment related risks (Linked to the changes in climatic conditions (erratic rainfall) effecting operations, rising expectations from key stakeholders and tightening regulatory norms regarding safe and environment-friendly operations)	TCL is conscious of its strong corporate reputation and the positive role it can play by focusing on social and environmental issues. TCL has set very exacting standards in safety, ethics and environmental management and has established comprehensive indicators to track its performance. TCL values safety of its employees and constantly raises the bar in ensuring a safe work place. It has taken up projects to map its energy and water footprint and create sustainability action plans. Its Dharti Ko Arpan program specifically targets environment conservation. Use of Lupa bulkers is a pioneering step in Indian soda ash industry towards green supply chain to reduce plastic packaging. Tracking of emerging legislations happens consistently along with establishment of an e-enabled Legal compliance/ management system (legatrix) across the enterprise.
People, Talent and Mindset (Linked to the sustainability challenge of attracting and retaining of right skill sets for the operations and growth plans and changing the mindset from a commodity business to a consumer facing business): Attracting and retaining talented employees is core to our success	TCL has over the years embarked on several "people initiatives" to help employees achieve their personal and professional goals. Work life balance is consciously perused. TCL's performance appraisal systems are well integrated to our business objectives and help bring out the best in individuals. Constant investments on training are made to equip our employees for challenges in their roles and also understand customer behaviour. Strengthening township infrastructure and amenities are also steps in making the sites more attractive for people. Setting up of a chief culture officer and the culture department to guide TCL towards an even more transparent and collaborative culture.
Continued economic pressures & increasingly volatile macroeconomic environment (Linked to the sustainability challenge regarding slowing of global demand, and rising burden of liabilities and disbursement of subsidy). Though markets & economies have begun to recover from unprecedented turmoil witnessed in previous years, financial constraints in USA and Europe coupled with low demand for agri inputs in India has aggravated the situation.	TCL has initiated actions through lean six sigma projects to counter these risks and work towards making the operations more competitive TCL also is focusing to build on consumer facing business and non-subsidised agri business over long term as part of its strategy, which may position the company better to withstand the cyclical headwinds in commodity businesses and subsidy recovery.
Community expectations (Linked to challenge of provision of livelihood option independent of TCL's areas of operation) As TCL is becoming a leaner organisation, its capacity to provide new employment opportunities has reduced, leading to a mismatch with community expectations.	Tata Chemicals has taken up key projects on livelihood generation in its area of operations by skill building, entrepreneurship development, supporting in sales and marketing through Okhai. TCL has partnered with Tata Strive to set up a skill development centre at Aligarh that provides for quality skill training to rural youth. Expansion of Apprentice training school and other training centres is also being taken up.

STAKEHOLDER ENGAGEMENT

Stakeholders	Communication / Engagement Methods
Shareholders / Investors	Annual General Meeting (AGM), report to shareholders, investor/analysts meets annual report, quarterly results, media releases, company website, report to stock exchange
Customer	Distributor /retailer/ direct customer meets, senior leaders customer meets/visits, customer plant visits, COO club, achievers meet, KAM workshops, focus group discussion, membership in trade organisation/associations, complaints management, helpdesk, conferences, joint business development plans, information on packaging, customer surveys
Suppliers / Partners	Supplier prequalification/vetting, suppliers meets, supplier plant visits(to/from) partnership meetings, MOU agreements, trade Association meets/seminars, professional networks, Bhagidhari Sabha, contract management/review, product workshops/ on site presentations, framework agreements
Government	Advocacy meetings with local/state/ national government and ministries, seminars, media releases, conferences, membership in local enterprise partnership, membership industry bodies such as ICC, BCCI, CII etc.
Employee	Senior leaders' communication/talk, senior leadership forum, town hall briefing, goal setting & performance appraisal meetings/ performance review, exit interviews, arbitration/ union meetings, wellness initiatives, focus on workplace safety, employee engagement survey, review for a email updates, intranet, flat screens, websites, poster campaigns, house magazines, confluence, circulars, quarterly publication, intranet, theatre workshops (oorja), newsletters
Community / Society	Community meetings/visits, local authority and town council meetings, location head's meet, SWOT, committee meetings, community projects, partnership working with local charities, volunteerism, seminars/ conferences

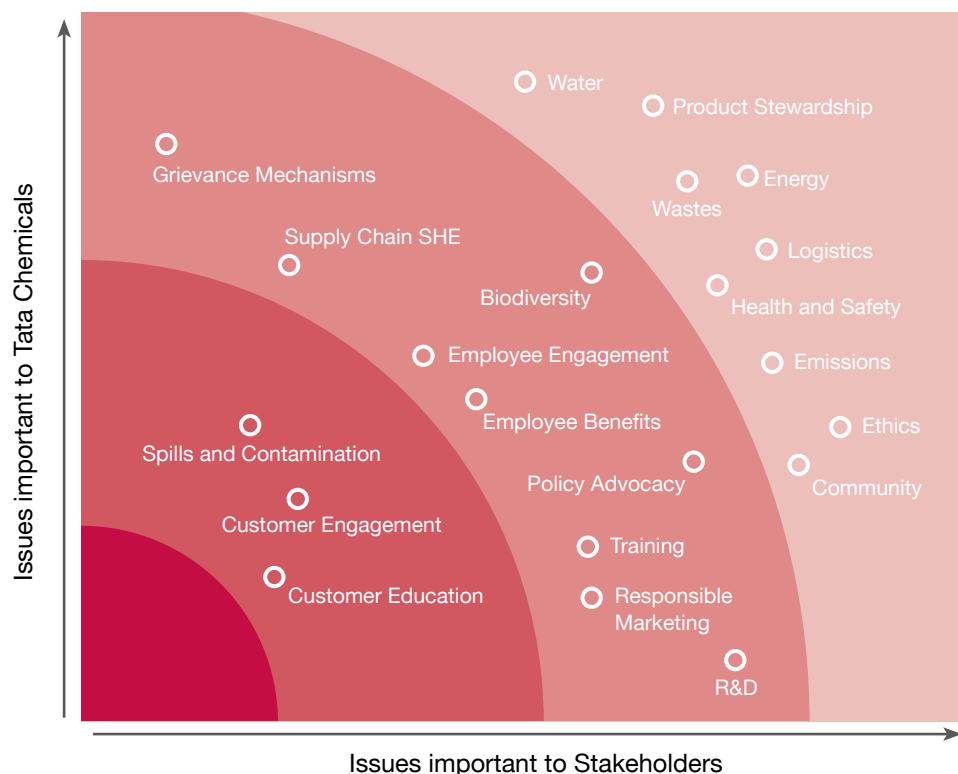## OVERARCHING MANAGEMENT APPROACH

Tata Chemicals has established a number of policies, processes and procedures to drive economic, environmental and social sustainability within the organisation. Foremost among all is our Corporate Sustainability Policy, which is an overarching policy that guides us at all levels for promoting and supporting sustainability programs. We ensure good governance through various mechanisms that include:

- Management of Business Ethics Process (MBE) and adoption of the Tata Code of Conduct (TCOC)
- Enterprise Wide Risk Management process (EWRM)
- Systems and controls across the organisations that are led by our Board of Directors
- Adoption of 'Tata Business Excellence Model' (TBEM), a Tata Group wide system to drive excellence within the organisation
- The Enterprise Process Model (EPM) that maps all the processes across the enterprise
- ISO 9000, ISO 14001, OHSAS 18001, Responsible care
- Tata Group's sustainability frameworks, including Tata Affirmative Action Program (TAAP)

Management approach to specific criteria are mentioned in the opening intro of each chapter within the report

TCL MATERIALITY MAP 2014-15

Issues important to Tata Chemicals (y-axis)

Issues important to Stakeholders (x-axis)

Plotted items: Water, Product Stewardship, Grievance Mechanisms, Energy, Wastes, Supply Chain SHE, Logistics, Biodiversity, Health and Safety, Employee Engagement, Emissions, Employee Benefits, Ethics, Spills and Contamination, Policy Advocacy, Community, Customer Engagement, Training, Customer Education, Responsible Marketing, R&D

MATERIALITY ASSESSMENT

While the current report is based on materiality studies done earlier along with output from the materiality study taken up in the year 2014-15 in line with GRI guidance on materiality for most of the organisation i.e. for Tata Chemicals Indian operations, Tata Chemicals North America and Tata Chemicals Magadi excluding Tata Chemicals Europe operations. Materiality assessment for TCE operations is being taken up in the year 2015-16.

This assessment was done by a third party - NexGen and it involved engaging with the company's internal and external stakeholders to gather insights into the relevance of issues and impacts affecting the business of the company as well as the stakeholders.

Through this process, the organisation identified those opportunities and risks that are most important to Tata Chemicals Limited and its stakeholders, including its impacts on the economy, environment and society, which will merit focus in the company's sustainability report.

The steps involved in conducting the Materiality Assessment for Tata Chemicals were perception mapping, stakeholder prioritisation, stakeholder engagement and building & integrating the matrix.

We continue to track and measure the focus area parameters of previous materiality assessment and going forward we will keep reviewing the same based on the recent materiality assessment.

This report contains a performance update on previous materiality assessment issues divided into 10 parameters: Employee health & safety, Process & workplace safety, Employee engagement, Training, Communication, Sustainable development practices, Enabling and empowering communities, Product stewardship, Climate change, and Sustainable manufacturing.

Based on FY 2014-15 materiality assessment, we will continue to focus, track and measure parameters on Responsible manufacturing issues through Energy, Water, Waste and Biodiversity; Product stewardship issues through Life Cycle Assessment, Supply chain SHE, Customer satisfaction; Climate change through green house gas emissions; Human capital issues through parameters on Health and safety, Employee benefits; Social capital issues through parameters on Community satisfaction, Corporate Sustainability Protocol Index, Affirmative Action; Economic issues through Sustainable investments and Transparency issues through Ethical governance practices, Grievance mechanisms, Sustainability reporting.

Focus Area & Key Measure	KPI	Target	Achievement 2014-15	Key Action Taken 2014-15
Human Capital	Create an environment that fosters employee well-being, achievement, innovation, learning, teamwork and ensures safety & health and minimises attrition rates			
Employee Health & Safety, Process & Workplace Safety	TRIFR (No. per million man-hrs) (TCL, India / TCM / TCNA / TCE)	< 3	2.60	Under Target Zero Harm program newly launched Surakhsa Jyot at Mithapur, Process Safety Management at Babrala, SRESHTO at Haldia and Safety Amnesty at TCE. Previously ongoing initiatives MD's Suraksha Puraskar, PLVP / incentives linked to safety performance, Long term asset management plan still continue
	Fatality (No.) (TCL, India / TCM / TCNA / TCE)	0 / 0 / 0 / 0	1 / 0 / 0 / 0	
Employee Engagement	Employee Engagement Score	New	73%	
	Employee Turnover Rate (TCL, India / TCM / TCNA / TCE)		9.49 / 23.62 / 5.25 / 7.54	
Training & Communication	Avg Training hrs (per year, per employee) (TCL, India / TCM / TCE / TCNA)		39.95 / 0.27 /11.88 / ~12 to 20	Introduced e-learning platforms, Strengthened Training need identification. TCNA has planned to track and report this accurately by 2015-16.
Social Capital	Investments in sustainable & marketable livelihoods impacting all communities in the core command area. Be recognised as the leader in community development amongst Indian companies in terms of coverage & impact			
Sustainable Development practices	Tata Corporate Sustainability Protocol Index (CSPI)	850	645	Additional focus on rural energy, Enhanced engagement process and impact assessment of programs
	Community Satisfaction Index	> 4	4.03	Action on community concerns and other feedback
Enabling and empowering communities	Affirmative action Score	> 60	In the band of 50-60	Affirmative action to create a more inclusive society. TCL is considering a more comprehensive Diversity council both at the apex and at the sites.

Focus Area & Key Measure	KPI	Target	Achievement 2014-15	Key Action Taken 2014-15
Product Stewardship	To understand and work for minimising the impact of products over its life cycle			
	Life Cycle Assessment (LCA)	Major products by 2015	Completed LCA cradle-to-Gate of Urea, DAP/NPK, SSP, Salt, Soda Ash, Cement	Using Ga-Bi Agrian model completed LCA for fertilisers and also completed LCA of most of chemicals.
Climate Change	Reduction in carbon intensity in terms of MT of GHG emission per MT of total products by operational abetment, carbon conscious growth and offsets			
	Emission Intensity (MT of GHG per MT of products) - reduction by 2020 over the baseline of 2008	20% by 2020	0.650	Wind power is used for Mithapur township supply. Supported Tata Power for installing and commissioning of 25 MW Solar PV Power plant at Mithapur. We have a Hot Air Gas (HAG) generator at Haldia which uses Biomass brickets as a fuel.
Sustainable Manufacturing	(1) Reduce specific energy / water consumption to below comparable global benchmarks & best achieved in the past (2) Reduce water & energy consumption in usage of products though product design and promotion of better usage practices (3) Attain overall sustainable watersheds at the operating locations and reduce dependence on other fresh water resources (4) Reduce solid waste, effluent discharge and air emissions to levels achievable (5) Use packaging material either recyclable or reusable; where not possible arrangements to be made for collection & safe disposal			
	Responsible Manufacturing Index* (%)	5	3.24	

1) Urea production - benchmark amongst Indian fertiliser industries for specific energy and water consumption. Continued zero dependency on ground water at Mithapur and use of RO and thermal desalination to further reduce dependence on fresh water. Action plan are chalked out at Babrala and Mithapur to meet the PAT targets

2) Achieved reach of 3000 rural households for Tata Swach which does not require electricity or running water for its operations

3) Water footprint and sustainability assessment for use of shared water resources. Rain water harvesting projects at Mithapur and Babrala. Continued watershed development and management programs at Mithapur.

4) Salt pans at Mithapur, limestone mining at Ranavav, Urea plant at Babrala, DAP/NPK fertilisers at Haldia are zero process solid waste facility. Valid permissions for reutilising hazardous waste are granted by CPCB. Percentage recycled materials used at Mithapur are 73.54. Lowest SO2 emission from sulphuric acid plants.

Focus Area & Key Measure	KPI	Target	Achievement 2014-15	Key Action Taken 2014-15
Supply Chain Sustainability	Establish social & environment standards (covering safety, working conditions, skill, wellbeing, GHG and other emissions, water/energy consumption) for supply chain (material and services etc.) Ensure compliance amongst key suppliers			
Sustainability Investments	Investment in renewable material, energy, low carbon products, water, agribusiness & green chemistry, safety, health, environment, employee welfare initiatives			
	The total community investments done were Rs. 19.88 Crores			
Reporting on Sustainability	Transparent communication of performance to internal / external stakeholders			
Governance: Reporting on Sustainability	External – Annual Report, TCSRD Report, Annual Sustainability Report, COP on UNGC Principle, Investor CDP, Water CDP, Business Responsibility Report			
	Internal – Confluence, Marine Insight, Management of Business Ethics Report, We care			

Further details are available on website www.tatachemicals.com,
Annual Report 2014-15, TCSRD Report 2014-15

Governance

COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Tata Chemicals (TCL) continues to lay great emphasis on the highest standards of corporate governance. We believe that good corporate governance is essential to achieve long-term corporate goals and enhance stakeholders' value. In this pursuit, our corporate governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders. Strong leadership and effective corporate governance practices have been TCL's hallmark, and we have inherited these from the Tata culture and ethos. We have a strong legacy of fair, transparent and ethical governance practices. TCL has adopted the 'Tata Code of Conduct' for its employees including the managing director, the executive director and non- executive directors. Our corporate governance philosophy has been further strengthened through the Tata Business Excellence Model, the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Policy. The company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the stock exchanges with regard to corporate governance.

BOARD OF DIRECTORS

The board has a combination of executive and non-executive directors and conforms to Clause 49 of the Listing Agreement entered into with the stock exchanges in which the company's shares are listed.

None of the directors on the board is a member of more than 10 committees and chairman of more than five committees (as per Clause 49(II) (D) (2) of the Listing Agreement) across all the companies in which he is a director.

All directors have made requisite disclosures regarding committee positions held by them in the other companies.

The composition of the board and the various statutory and non-statutory committees of the board and its term of reference are mentioned in detail in the Corporate Governance Report which is a part of the Annual Report 2014-15. The board appointed Vibha Paul Rishi as a woman director and independent director, with effect from September 1, 2014.

As on March 31, 2015, there were nine non-executive directors, of which six (54.55 per cent) were independent directors. The managing director, executive director and CFO were whole-time directors.

MEETING OF INDEPENDENT DIRECTORS
A separate meeting of the independent directors of the company, without the attendance of non-independent directors and members of the management, was held on March 23, 2015, as required under Schedule IV of the Companies Act 2013 (Code for Independent Directors) and Clause 49 of the Listing Agreement. For detailed information on this committee, refer to page 87 of the Annual Report 2014-15.

BOARD COMMITTEES

There are statutory and non-statutory committees of the board, each having a clear mandate laid out in the terms of reference (refer Annual Report 2014-15). The various committees of the board are as follows:

Audit Committee	The managing director, executive director and CFO, external auditors, head - internal audit and risk management, and vice president and group corporate controller attend and participate in all the committee meetings. The committee invites various executives from time-to-time, as appropriate, to be present at the meetings. For detailed information on the Audit Committee, refer to page 88 and 89 of the Annual Report 2014-15.
Nomination and Remuneration Committee	In terms of Section 178 (1) of the Companies Act 2013, a Nomination and Remuneration Committee was constituted. For detailed information, refer to pages 89-91 of the Annual Report 2014-15.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee specifically ensures redressing investors' / security holders' complaints and requests. For detailed information on this committee, refer to pages 91-92 of the Annual Report 2014-15.
Executive Committee of the Board (ECOB)	The ECOB (non-statutory) reviews business strategy, long-term financial projections and cash flow, capital and revenue expenditure, acquisition / divestments and business restructuring proposals, and senior management succession planning. For detailed information on ECOB, refer to page 92 of the Annual Report 2014-15.
Ethics and Compliance Committee	The Ethics and Compliance Committee (non-statutory) sets forth the policies relating to, and oversees the implementation of the Insider Code and decides the penal action for the violation of the regulations / code, if any. For detailed information, refer to page 92 of the Annual Report 2014-15.
CSR, Safety and Sustainability Committee	In terms of Section 135 of the Companies Act 2013, the scope of the CSR, Safety and Sustainability Committee includes, inter-alia, corporate social responsibility (CSR). For detailed information on this committee, refer to pages 92-93 of the Annual Report 2014-15.
Risk Management Committee	Revised Clause 49 mandates top 100 listed companies as on March 31, 2014, to constitute the Risk Management Committee. As per Clause 49 of the Listing Agreement, the committee shall lay down procedures to inform the board members about the risk assessment and minimisation procedures and the board shall be responsible for framing, implementing and monitoring the company's risk management plan. Although non-mandatory, the company constituted a Risk Management Committee of the board on February 6, 2015. For detailed information on this committee, refer to page 93 of the Annual Report 2014-15.

MANAGEMENT OF BUSINESS ETHICS

TCL has adopted a Whistleblower policy to provide a formal mechanism for employees to report their concerns about unethical behaviour, actual or suspected fraud, or violation of the company's Conduct or Ethics policy. The policy provides for adequate safeguards against victimisation of employees, who avail of the mechanism, and provides for direct access to the chairman of the Audit Committee. It is affirmed that no personnel of the company has been denied access to the Audit Committee. The Companies Act 2013 specifically mentions the type of resolutions passed by the shareholders.

The resolutions to be passed by the shareholders are: (1) Ordinary Resolutions, which are required to be passed by a simple majority and (2) Special Resolutions, which are required to be passed by three-fourths of the majority.

The said resolutions are generally passed at the general meetings of the company. Some of the resolutions can also be passed by a postal ballot.

Annual General Meetings / Extraordinary General Meetings are held from time to time where minority shareholders can express their opinions to the chairman of the company and the other directors.

REMUNERATION POLICY

The company's philosophy for remuneration of directors, key managerial personnel and other employees is based on the commitment of fostering a culture of leadership and trust. The Nomination and Remuneration Committee reviews remuneration packages applicable to the managing director, executive director and non-

AVOIDING CONFLICT OF INTEREST

▶ The corporate governance philosophy of the company has been further strengthened with the adoption of the Tata Code of Conduct, Tata Business Excellence Model, Tata Code for Prevention of Insider Trading and Code of Corporate Disclosure Policies.

▶ The company, through its board and committees, endeavours to strike and deliver the highest governing standards for the benefit of its stakeholders.

▶ The company has adopted the Tata Code of Conduct for all its employees, including the whole-time directors.

▶ The board has also approved a Code of Conduct for the non-executive directors. The Code of Conduct for the employees as well as the non-executive directors is posted on the company's website.

▶ Further, all the board members and senior management personnel of the company, as on March 31, 2015, have affirmed compliance with the respective Codes of Conduct.

▶ A declaration to this effect signed by the managing director forms part of the Annual Report.

executive director. For detailed information on the remuneration policy and the remuneration paid to the managing and executive directors and non-executive directors, refer to pages 89 and 90 of the Annual Report.

NON-EXECUTIVE DIRECTORS:
Non-executive directors were paid sitting fees of Rs20,000 for every meeting of the board or committee attended (except for Stakeholders Relationship Committee, Ethics and Compliance Committee, where the sitting fee was Rs5,000 per meeting).

The remuneration by way of commission to the non-executive directors is decided by the board of directors and distributed to them based on their participation and contribution at the board / committee meetings, and the time spent on matters other than at the meetings. In terms of the approval of the members at the 75th Annual General Meeting of the company held on August 26, 2013, the commission is paid at a rate not exceeding one per cent of the company's net profits, calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act 1956. For details, refer to page 90 of the Annual Report.

DETERMINING THE COMPOSITION OF THE BOARD
The board has a Nomination and Remuneration Committee which makes recommendations on the composition of the board. The composition and terms

of reference of the Nomination and Remuneration Committee is given on page 89-90 of the Annual Report 2014-15.

BOARD OVERSIGHT FOR SUSTAINABILITY PERFORMANCE
The Audit Committee and CSR, Safety and Sustainability Committee of the board specifically review and oversee the identification and management of economic, environmental and social performance including relevant risks and opportunities, adherence to, or compliance with, internationally agreed standards, codes of conduct and principles in every quarter.

For more details, please refer to the Corporate Governance Report which forms part of the Annual Report of the company for the year ended March 31, 2015.

TATA CHEMICALS' OVERALL ECONOMIC PERFORMANCE FOR FINANCIAL YEAR 2014-15

FINANCE- AND VALUE-BASED MANAGEMENT

In 2014-15, the company's turnover increased by Rs1,188 crore, to Rs16,913 crore from Rs15,725 crore, representing 7.6% year-on-year growth. The Direct Economic Value generated in 2014-15 was Rs17,321 crore.

PROFIT BEFORE TAXES

On a year-on-year basis, profit before taxes (PBT) and exceptional items increased to Rs1,358 crore in 2014-15 from Rs901 crore.

The PBT after exceptional items was Rs1,159 crore in 2014-15 compared to Rs(519) in the previous year. The Return on Capital Employed (ROCE) for the year was 9.75%.

EARNINGS PER SHARE

In 2014-15, earnings per share (basic) was Rs23.41 compared to Rs(40.51) in the previous year.

APPROPRIATION OF PROFIT

In 2014-15, Tata Chemicals achieved a profit after tax of Rs596 crore (a raise from Rs(1,032) crore in the previous year). At the board meeting held on 27 May 2015, the Board of Directors recommended a dividend payment of Rs10 per qualifying share and a special dividend of Rs2.5 per qualifying share on the occasion of the company's Platinum Jubilee year. The total dividend payable (including dividend tax) on qualifying shares for financial year 2014-15 will be Rs382 crore.

BALANCE SHEET STRUCTURE

In 2014-15, the company's total assets increased by Rs634 crore.

NET CASH

Cash and cash equivalents balance decreased to Rs1,464 crore in March 2015 from Rs1,753 crore in the previous year.

STATEMENT OF CASH FLOWS

In 2014-15, cash from operating activities stood at Rs1,274 crore on account of funds in trade and other receivables and trade payables, other liabilities and provisions.

Direct Economic Value Added (Rs Crore)

Direct economic value generated - Economic value distributed
(-412)

Community investments
23

Minority & Associates
211

Payments to government Company taxes
425

Borrowing Cost & Foregin Exchange loss on borrowings (Net)
454

Dividends to all shareholders
318

Employee wages and benefits - Employee Salaries
1,256

Operating costs
15,046
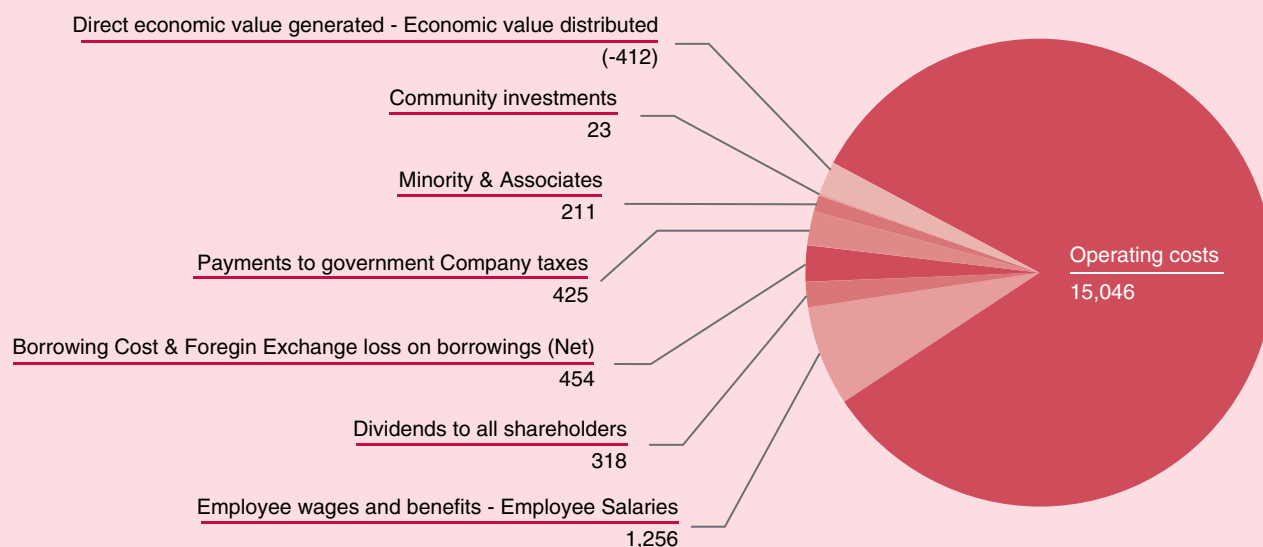
* Includes Rs 19.88 crore for TCL (10.2 crore as per Companies Act, Rs 9.7 crore outside Companies Act)

In 2014-15, net cash generated from investing activities was Rs(655) crore, and Rs(1,087) crore was used in financing activities.

EMPLOYEE BENEFITS

Tata Chemicals' employees are covered through various employee benefit plans, including provident fund, pension schemes, gratuity, superannuation and family benefit schemes. Total contribution to provident fund and other funds was Rs112.58 crore. Other benefits provided are detailed in the Employee Investment section.

Wages to be offered to an employee are mentioned in respective State Factory Rules. The company has a fixed minimum entry-level wage as the full-time wage offered to an employee in the lowest permanent employee category. During the year, Rs1,255.77 crore was incurred over payments and provisions for employees, a 3.4% year-on-year rise.

LOCAL SUPPLIER AND EMPLOYMENT

The organisation has a diverse workforce and believes in providing equal opportunities to all. There is no specific practice for the preference of local residents in the management cadre. However, efforts are made to recruit from across the country, especially from disadvantaged locations, for example, northeast India and Kashmir. The principle of equal opportunity is applicable to the selection of suppliers and vendors, irrespective of whether they are local or not. In this case

local supplier is the one where there are no transnational payments involved. All vendors are selected based on the vendor selection and qualification process. Key selection criteria are conformation to legal and regulatory compliance, cost and quality of supplies, OEM suppliers, ISO certification, etc.

In all cases, preference is given to suppliers from the neighbourhood, all other things being equal. As an added push for sustainability, Tata Chemicals has recently released the Sustainability Guidelines for its suppliers. Based on the guidelines, the company plans to put processes in place for self-assessment of suppliers.

GOVERNMENT SUBSIDY

In 2014-15, a sum of Rs2,942.24 crore was accrued towards subsidies for the fertiliser business.

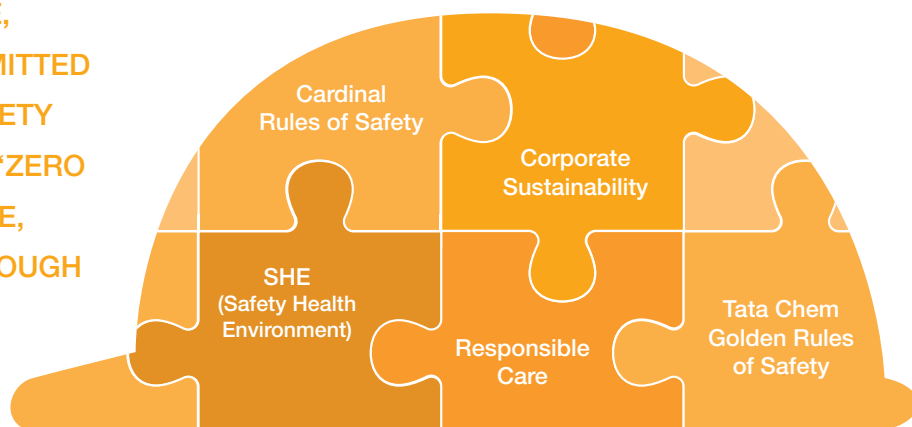**INDIRECT IMPACT**

Besides providing direct employment, the company also provides indirect opportunities for employment and livelihood generation, both through contractors and vendors as well as various community development initiatives. More details on community development programmes are available in the Community Investments section.

(Further details are available in Annual Report 2014-15)

Safety & Health

WITH SAFETY AS A CORE VALUE, TATA CHEMICALS (TCL) IS COMMITTED TO CONTINUALLY IMPROVE SAFETY PERFORMANCE BY TARGETING 'ZERO HARM' – ZERO HARM TO PEOPLE, ASSET AND ENVIRONMENT THROUGH WORLD-CLASS SAFETY, HEALTH AND ENVIRONMENT (SHE) PRACTICES.

Cardinal Rules of Safety

Corporate Sustainability

SHE (Safety Health Environment)

Responsible Care

Tata Chem Golden Rules of Safety

TCL has a board-level CSR, Safety and Sustainability committee (CSS committee) that focuses exclusively in this area. The Chief Safety, Engineering and Project Officer has a direct access to the chairman of CSS committee. Senior leadership plays a critical role in encouraging positive attitude towards safety and helps create an environment that fosters safety culture by setting direction and establishing clear and transparent policies.

TCL Corporate SHE policy is the umbrella policy. The subsidiaries have their own policy aligned to local regulatory and safety directorates. Chemical industries like ours deal with twin issues of chemical hazards and occupational safety & health.

People come first at TCL and their health and safety is of prime importance. We need to address various challenges to ensure a safe and healthy work environment. These include asset integrity due to ageing assets, atmospheric conditions such as proximity to sea and the nature of materials we handle. These factors lead to accelerated ageing due to corrosion, erosion and fatigue, which challenges the safety associated with asset integrity since it could pose a serious threat to human and process safety.

Lost Time Injury Frequency Rate 2014-15 (LTIR)

Year	TCL, India	TCM	TCNA	TCE
2011-12	1.08	0.42	8.16	10.77
2012-13	0.50	1.60	8.23	10.34
2013-14	0.43	1.87	4.37	9.28
2014-15	0.43	0.46	13.70	4.91
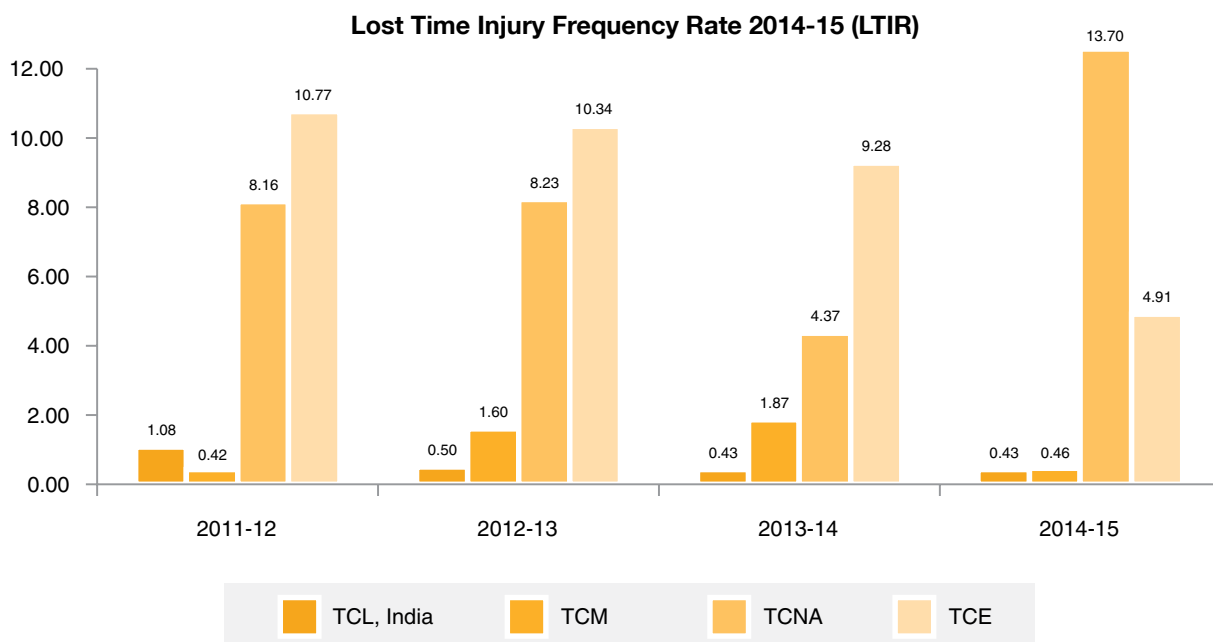
Voluntary standards such as OHSAS 18001, Responsible Care, British Safety Council guidelines and AIChE-CCPS Guidelines help ensure continual improvement in the SHE performance. Our fertiliser manufacturing sites were awarded with Sword of Honour by British Safety Council in the past. In 2014-15, our Mithapur and Haldia plants were recertified for British Safety Council's 5-Star rating.

We deploy an integrated approach towards a safety culture that draws upon individual and group values, attitudes, competencies and patterns of behaviour as well as determines the commitment of the organisation towards safety management programmes. Our leadership continuously works towards establishing, sustaining and improving the safety culture through safety culture drivers. Over the years, we have witnessed a transformation from a traditional approach (safety being associated with safety managers) to a model of collective ownership with individual empowerment and accountability. Senior managers seek to demonstrate an effective safety leadership and have integrated this with their daily responsibilities and duties.

Our continual improvement journey towards 'Target Zero Harm' ensures that our Long-Term Strategic Plan (LTSP), while balancing the stakeholders' needs, focuses on key SHE challenges and risks. For the key lead and lag measures related to health and safety, targets are set considering past performance, stakeholder, legal and voluntary requirements, best practices in learning and sharing, and benchmarking with leading companies.

Key inputs on health and safety-related projects and initiatives consider the following:
- Site's process capabilities
- Hazardous equipment
- Machines
- Labour processes
- Learning from past incidents
- SHE challenges

These may need to be evaluated from an engineering and/or process improvement perspective. Safety performance is linked with individual Performance Linked Variable Pay (PLVP) or incentives, as applicable. Conscious efforts are made to ensure an active engagement of workforce in promoting safety and achieving a safe and healthy work environment.

We believe that what gets measured is improved in a structured manner. All identified key performance indicators (KPIs) are monitored at a defined frequency to evaluate performance. Steps like internal/external

Several cross-functional teams have been formed for safety improvement initiatives:

- ▶ 'Suraksha Jyot', a safety excellence initiative at Mithapur
- ▶ Process Safety Management at Babrala
- ▶ SRESHTO at Haldia
- ▶ Safety Amnesty at TCE

audits, periodic inspection by experts/safety inspectors; daily behaviour observation and post project monitoring are implemented to help ensure safe execution of the action plans.

OCCUPATIONAL HEALTH AND SAFETY

The high hazard areas and activities are assessed at all locations of Tata Chemicals. Employees are specially trained to tackle associated hazards and all possible means are adopted to reduce risk. We strive to lower the risk to the extent possible. Additional periodic medical check-ups, which are tailored as per work area hazards of the people working in an area, are ensured to identify risks to human health as early as possible.

Ergonomic surveys are conducted time-to-time to ensure workplace lighting and safe working postures. Action plans are finalised based on survey results as well as tracked and reviewed for an effective closure. Training and workshops on 'Positive Health Options', yoga classes, stress management, first-aid, etc., are conducted to make employees aware of adopting better approaches to good health and well-being.

We ensure there are proper medical facilities at all sites and have tie-ups with other hospitals to make use of the specialised medical facilities. At sites with a trade union presence, there is a formal agreement between the management and the trade unions over relevant safety and health topics. Various formal committees are formed at site level, namely works/central safety committee, plant/department safety committee, canteen committee, wellness committee, etc. These are joint committees comprising management and unionised employees. These committees work in various areas of occupational health and safety such as implementation of best practices, risk control, etc.

These committees and CFTs meet periodically to discuss the defined agendas on health and safety. As a part of 'Management of Change' process, safety training has been made mandatory in case of a change in technology/process/equipment, etc. Specialised trainings are conducted for the employees working under high risks such as working at a height, confined space entry, handling hazardous chemicals, etc. These have higher priority and are often considered under retraining plans. Overall, the employee training needs are identified and captured through a structured process to address individual, operational and organisational training needs.

KEY INITIATIVES

Suraksha Jyot

Mithapur has introduced an innovative safety excellence programme called 'Suraksha Jyot' to review the risks of all activities through physical observation and ensure an effective implementation by communicating to workforce in a focused manner. It is planned to cover entire chemical complex with the help of dedicated cross-functional teams in a time bound manner. Employees are given specialised safety training focusing on behaviour aspects and cultural improvement to ensure sustenance of this initiative.

SRESHTO

To ensure a continual improvement towards achieving a common goal of 'Target Zero Harm', an initiative called 'Securing Reliability of Equipment and Structure at Haldia through Team-work and Obsession (SRESHTO)' has been launched at Haldia. SRESHTO addresses the issues of ageing assets and equipment reliability to help

Total Recordable Injury Frequency Rate (TRIFR)

	2011-12	2012-13	2013-14	2014-15
TCL, India	1.78	1.23	1.10	0.68
TCM	8.39	5.75	4.53	1.60
TCNA	17.23	15.55	16.09	36.26
TCE	14.13	12.92	11.35	9.01

● TCL, India ● TCM ● TCNA ● TCE
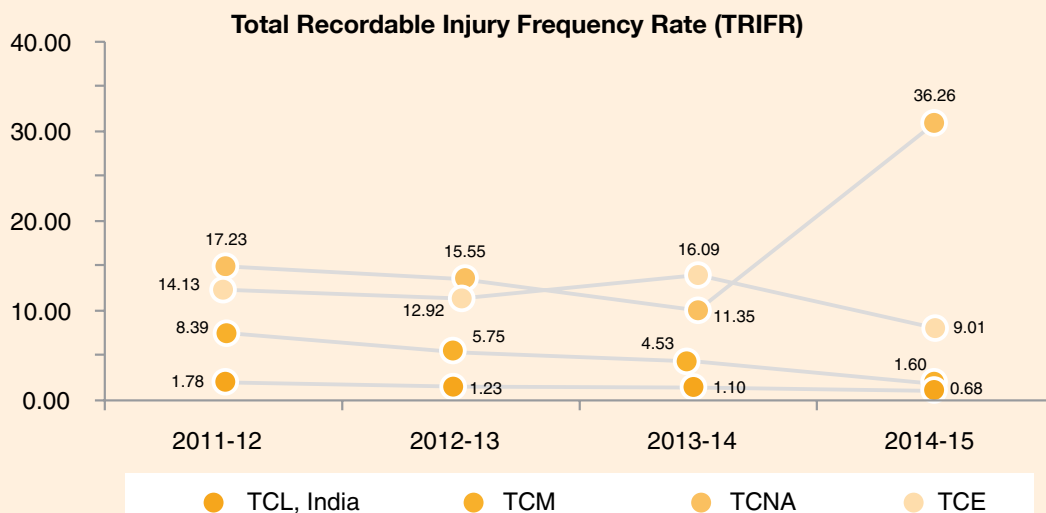
build a safe work environment. The programme makes cultural transformation to institutionalise and strengthen systems through robust planning, scheduling and quality control with better co-ordination amongst line functions.

Rail Safety Management

Tata Chemicals Magadi (TCM) owns and operates railway infrastructure of approximately 146KM from Magadi to Konza. Last year, TCM carried out benchmarking with Bamburi Cements, one of the leading cement industries in Kenya, for rail safety management.

Safety Amnesty

To reinforce the importance of safe behaviour, Tata Chemicals Europe (TCE) operations launched Safety Amnesty wherein employees could come forward and explain what risks they took without having the fear of punishment. Key unsafe conditions/practices, thus identified, were further analysed and improved. Based on the outcome of Safety Amnesty, a new safety communication strategy, 'Safety is a State of Mind', was launched that includes a video message, poster and email campaign.

RAMP

Tata Chemicals North America (TCNA) has launched the Reliability through Asset Management & Production OEE (RAMP) for a long-term asset management plan to ensure safe and reliable assets by having time bound asset replacement plan and a proactive, predictive and preventive maintenance plan. Management by Walking Around (MBWA) is also conducted at TCNA to ensure safety improvements.

Responsible Manufacturing

OPERATIONAL EXCELLENCE AND CUSTOMER CENTRICITY HAVE BEEN TATA CHEMICALS' CORE COMPETENCIES FOR MANY YEARS. DRIVING OUR MANUFACTURING PROCESSES IN A GREEN AND RESPONSIBLE MANNER HELPS US ACHIEVE THESE CORE COMPETENCIES. THE COMPANY HAS IDENTIFIED WHAT IT TERMS THE 'FEW' AREAS OF FOCUS – FOOD AND FUEL, ENERGY AND ENVIRONMENT AND WATER AND WELLNESS.

We have in place processes that help go beyond compliance, ensuring that we continuously improve to manage and address risks including those arising out of climate change. One of such measurement process is Green Manufacturing Index. This index helps us monitor and measure various parameters on energy, water, waste, emissions, etc. Key targets for these are also included as a part of the Green Manufacturing Index. Reduction in carbon footprint has been defined as an objective in enterprise BSC with targets for Green Manufacturing Index and CO_2 emissions. The improvement projects focuses on specific energy consumption, emission reduction, water consumption reduction, etc. which helps not only reduce the carbon footprint but also reduce costs.

In order to meet the strategic objective of growing new businesses, TCL is supported by its Innovation Centre (IC) at Pune and Centre for Agri solutions and Technology (CAT) at Aligarh. These units collaborate with companies and research institutes and aid in the development of a pipeline of innovative products with sound business rationale. Energy efficient operations are a key to short-term and long-term strategic plans to reduce GHG emissions. Capital investments for development and incorporation of new technologies are part of our short-term and long-term strategic plans.

TCL has a Board Level CSR, Safety and Sustainability (CSS) committee to review performance and sustainable investments. Corporate Sustainability Steering Group monitors and reviews the plans. The progress is tracked on carbon abatement measures through a carbon-focussed dashboard with the help of key performance indicators. In order to make climate change and sustainability part of the organisational DNA, sustainability and specifically climate change has been incorporated into the company's long-term strategic planning process. Similarly, a Responsible Manufacturing Index for existing operations and a green filter have been embedded within the capital approval, supplier evaluation and mergers and acquisition processes to ensure that sustainability considerations are a part of all business decisions.

Energy

Energy is a significant material aspect for Tata Chemicals. Energy-related goals are taken according to the Balance Score Card and Responsible Manufacturing Index.

Thus energy conservation is a key aspect of TCL operations across geographies. Energy generation sources include natural gas with co-gen facility at Babrala and TCE. Mithapur uses coal with co-gen facility. Along with fossil fuels, TCM, TCNA, TCE and Haldia also use grid power as an additional source of energy. Babrala also uses solar power and a small quantity of wind power is used by Mithapur in its township. The cement production at Mithapur and fertiliser at Babrala falls under the Perform, Achieve & Trade (PAT) scheme.

To manage the downstream energy consumption, TCL dispatches more than 90% (touching 98% for TCNA) volume of its total products through rail transport. We use highly efficient state-of-the-art product transporting modes such as Lupa Bulkers, ISO tankers.

Energy cost is a critical differentiation factor between synthetic soda ash and natural soda ash. The rising cost of energy had been the major reason for closing down of TCE's Netherlands and Winnington operations along with TCM's PAM plant being mothballed. At present, TCE does not have renewable energy sources.

Energy Consumption

Chart: Energy Consumption (Thousand TJ) and Sp. Consumption (TJ/Thousand MT) for 2012-13, 2013-14, 2014-15

	2012-13	2013-14	2014-15
TCL, India	32.2	34.3	32.8
TCM	1.6	1.9	1.1
TCNA	16.825	17.278	17.087
TCE	NR	NR	7.13
Sp. Energy	6.01	6.38	7.04
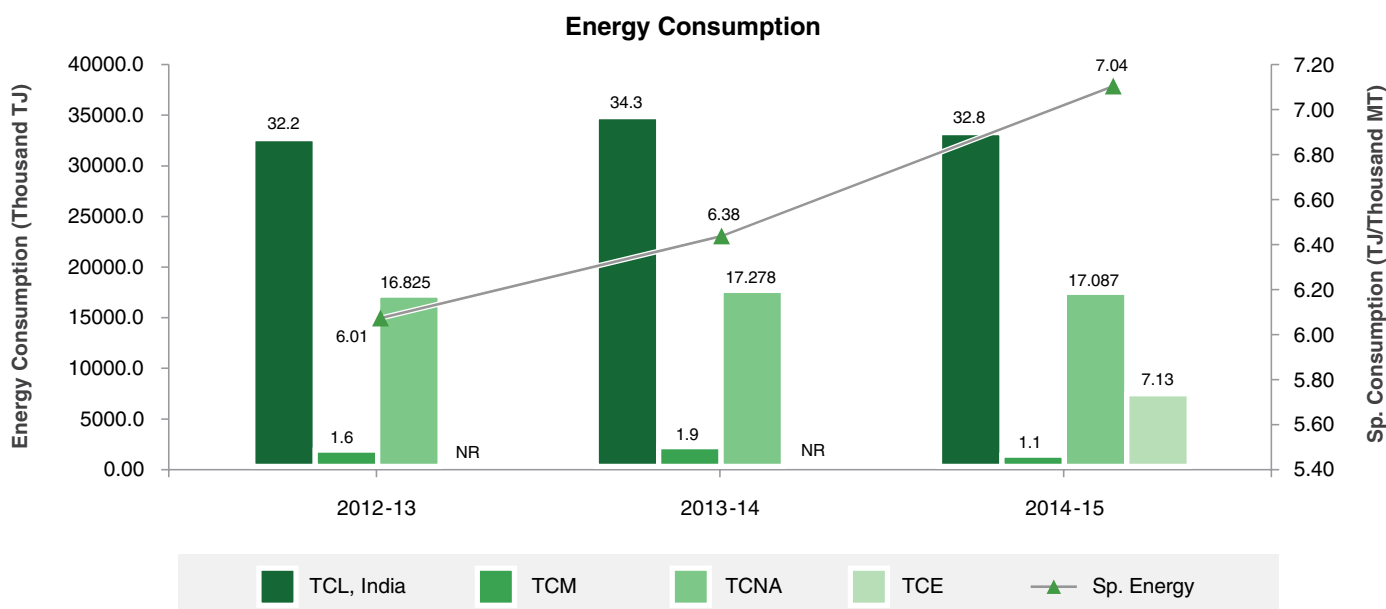
TCL Babrala is one of the lowest energy consuming units among the fertiliser units in the world and the most energy efficient unit in India. Babrala is working to improve energy management by implementing ISO 50001 to monitor and manage energy use.

TCE's soda ash plant is one of the lowest carbon emitters in the EU.

KEY INITIATIVES ACROSS TCL GEOGRAPHIES

▸ Babrala has adopted alternative energy use by installing 100% roof top solar water geysers in its township and plant area. To further utilise solar energy, a roof top solar photo voltaic plant of 150kW has been installed. It also works with end consumers (farmers) for efficient use of energy and water by using innovative Laser Land Levelling techniques, which have resulted in approximately 15-20% reduction in fresh water and fuel usage.

▸ Haldia has initialised the use of renewable energy by utilising a biomass-based gasifier and waste-heat recovery. Annually around 220,407 KWH of energy was saved via projects taken up at Haldia like installation of Variable Frequency Drives and Energy savers in lighting circuits.

▸ Mithapur Township uses wind power. Tata Power Renewable Energy Limited has commissioned a 25 MW solar power plant at Mithapur.

▸ TCE CHP (Consolidated Heat Power) plant has an overall efficiency over 80%, which is a best in class standard. A heat optimisation project and a LSS task on electricity usage – Transvac project of installing a new steam turbine (£5.5m) saves around £400k energy while generating additional 12.5 MW of power for the same amount of steam produced.

▸ Initiatives undertaken at TCM include introduction of solar lighting and use of LED bulbs instead of mercury bulbs.

Emissions

Emissions are a material aspect to the organisation as they have impact on climate change and air quality. Emission-related goals are measured against Balance Score Card and Green Manufacturing Index.

Over the years, TCL has introduced internal norms to provide a safe and better environment for the surrounding communities. The stacks are monitored as per the schedule made under ISO 14001 and results are well within the limits. The ISO 14001 certification does not currently include the British Salt business. Furthermore, all environmental regulations are being adhered to, and in-house monitoring is done on a daily basis. Half-yearly external monitoring is also done by a third party. The organisation measures emissions from the combustion processes using continuous emission and opacity monitors. These measures are reported to the US EPA, IMA/NA, CDP and GRI-G4 reporting.

Combustion of natural gas and coal for electrical and steam generation result in NOx and SOx emissions. None of the Tata Chemicals' operation processes across geographies consume or generate ozone depleting substances (ODS).

KEY INITIATIVES ACROSS TCL GEOGRAPHIES:

▸ Haldia has started monitoring total fluorides instead of gaseous fluorides since 2004. As per E&I, an additional scrubber was designed and installed in the SSP plant.

▸ Emissions at Mithapur are reduced by taking up initiatives like MUW FBD and Vacuum system modifications; replacement of flash vessel and its bypass system at power plant; utilisation of effluent solids in cement manufacturing; renewable energy generation by wind mill and increase of production of bicarbonate.

▸ At TCNA, soda ash product is delivered in bulk quantities: approximately 95% by rail and 5% by diesel semi-trucks. Fugitive emissions are controlled by bag-houses and scrubbers with no impact on the environment. Recent installation of low NOx burners has resulted in a 75% reduction in NOx emissions.

▸ TCM doesn't generate NOx, SOx and other significant air emissions.

▸ At TCE, two projects lead to a reduction in Scope-1 emissions:

   i) Lostock site – PRDS refurbishment project gave significant reduction in steam losses.

   ii) Middlewich site – Following a major overhaul,

G100 evaporator was returned to service in March 2015, which improved process energy efficiency per gas usage by 15% per tonne of salt produced.

Water

Water being a significant natural resource, is a material issue for Tata Chemicals. All measures to reduce water usage are implemented and water sources are metered and monitored regularly.

The organisation has set forth stringent targets year-on-year to reduce water consumption, and reviews it on a weekly basis. TCL India carried out a detailed water footprint and sustainability assessment as per Water Footprint Network Netherlands methodology. Direct product water footprints and site water footprints were established for blue, green and grey water.

Babrala is situated in river Ganga basin, thus ground water availability through deep bore wells is high but no significant impact is being observed as it is far away from the river. Babrala has been recycling 81% of plant effluent water within the system and the rest is treated and reused along with domestic sewage for irrigation purpose in the green belt areas. Haldia meets its water requirement through two deep tube wells and the state Public Health Engineering Department (PHE), which supplies treated river water from Geokhali. TCL, Mithapur has sustained its zero dependence on ground water by adopting various in-house water conservation measures as well as management of the rain-fed lakes and innovative seawater desalination technologies. More than 99% of all water needs at Mithapur are met by seawater due to its effective process integration and

Water withdrawal by source 2014-15 (EN-8)

- Ground water
- Surface Water
- Municipal supply
- Rainwater collected

0.809% 0.003% 4.928% 94.26%
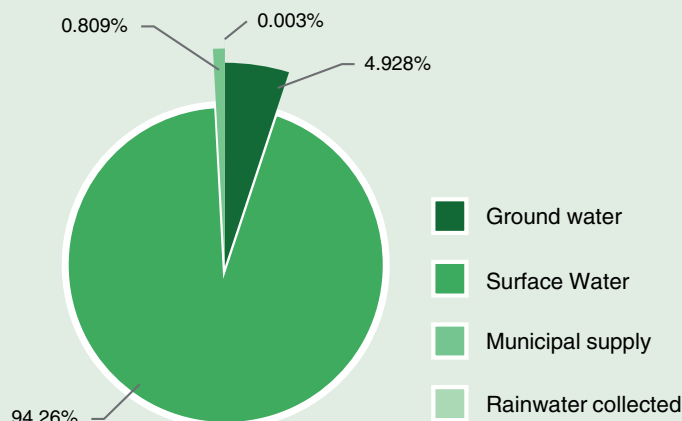
water pinch analysis. Mithapur recycles around 94% of water utilised.

At TCE, water usage at the four sites consists of a mixture of town water (drinking water quality) provided by a third party and abstracted water from various sources. Some of the water is abstracted by us through licensed permits issued by our regulator – the Environment Agency. The water used on the sites is metered and abstracted water licenses are complied with. At the sodium bicarbonate facility, majority of the water is abstracted from the river Weaver.

TCM has an elaborate system of evaluation through the civil section – how the water is tapped from the intake point, its flow to the Magadi town's water tank station and its treatment and distribution to the various areas where it is utilised.

KEY INITIATIVES ACROSS TCL GEOGRAPHIES:

- Babrala conserves and recharges water by collecting rain water and making recharge pits.

- Haldia reduces fresh water withdrawal and recovers phosphates; by recycling most of the effluent generated from phosphoric acid plants. Excess effluents from sulphuric acid plant (SAP), phosphoric acid plant (PAP) and Demineralised (DM) water plant is treated in ETP before discharge. Effluent from phosphoric acid plant is taken to large gypsum ponds where gypsum settles down and is then sold as a by-product.

- Company has developed structures for rain water storage in new housing development in Mithapur township. Strengthened rain water collection system and created new rain water collection ponds.

- TCSRD (Tata Chemicals Society for Rural Development) has been implementing various water conservation projects especially in Mithapur region, where non-availability of quality water is a biggest concern. TCSRD has been following an integrated and comprehensive approach to meet the objective of providing adequate, assured and good quality water to the community for agriculture, animal husbandry, drinking and household use.

- At TCM, fish spring water from natural springs is recycled back directly to the lake without any treatment as it is used to wash away (housekeeping) product spillages from conveyors and dissolve soluble salts in the washery stage of product processing.

- At TCNA, initiatives to reduce water consumption are underway – approximately, 84% of the water that previously was lost to the evaporation ponds as part of tailings disposal is now recovered.

Ground Water withdrawal 2014-15 (KL)

Million KL

6.7 (2011-12) · 6.5 (2012-13) · 6.1 (2013-14) · 5.9 (2014-15)
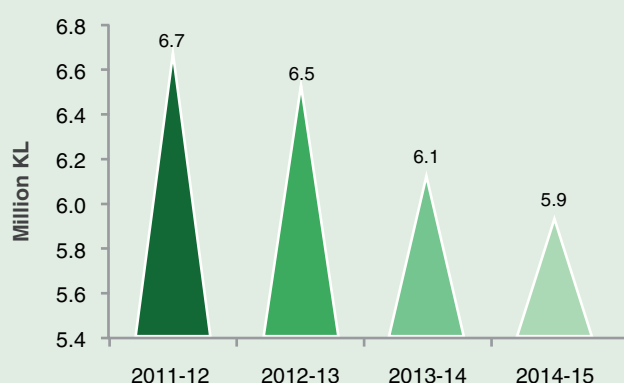
Waste

Tata Chemicals focuses on effective integration with the basic philosophy of resource optimisation, use of alternative sources and maximisation of recycle and reuse by innovation.

Waste is a significant material aspect as it tends to degrade the environment if not managed suitably. Waste-related goals are taken in Balance Score Card and Responsible Manufacturing Index.
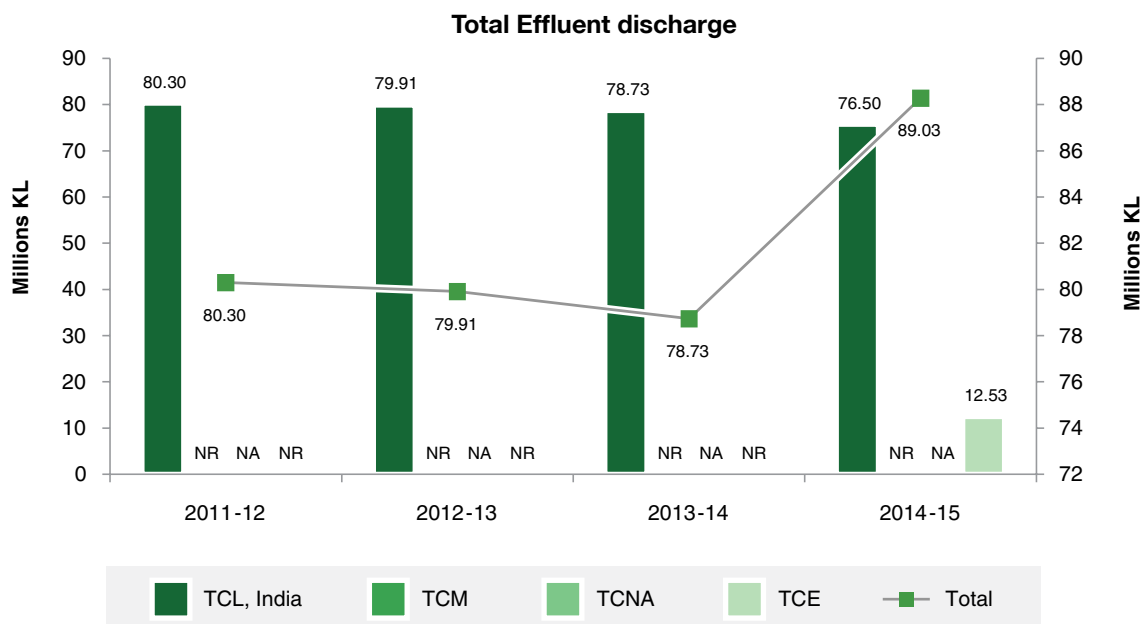
HAZARDOUS AND NON-HAZARDOUS WASTE

Minimising the amount of waste produced is the key objective of Tata Chemicals, from both an economic and environmental perspective. We have implemented on-site segregation of waste at all the sites. As per classification, all hazardous and non-hazardous waste across locations is sold to authorised and registered dealers and organic waste is composted. Treated effluent at Haldia is discharged into a drainage channel called the green belt channel and finally joining Hooghly river. TCSAP operates as a zero discharge facility. This includes industrial waste, waste water, sewage and garbage, and excludes hazardous waste which is managed by a third party. A monthly SHE Performance Matrix tracks the performance on waste minimisation activities and incorporates a monthly SHE audit, which audits the storage and segregation of waste on site. At TCE, all effluent discharges to water courses and sewers are regulated by consent to discharges. For Tata Chemicals Magadi (TCM), planned water discharges include water discharge through effluent pumps at factory and water from oil separators that flow to the lake.

No quantity of transported, imported, exported, or treated waste; deemed hazardous under the terms of the Basel Convention 2 Annex I, II, III, and VIII is shipped internationally by any of Tata Chemicals' sites. No water bodies and related habitats are significantly affected due to discharges of water and runoff by any of the sites of Tata Chemicals.

There was no incidence of significant spillage at TCL, India; TCM and TCNA sites in the reporting period. For FY 2014-15, there was one spillage that was classed as significant at TCE. Although the environmental impact was minimal and undetectable, some hydraulic oil from

Total Effluent discharge

	2011-12	2012-13	2013-14	2014-15
TCL, India	80.30	79.91	78.73	76.50
TCM	NR	NR	NR	NR
TCNA	NA	NA	NA	NA
TCE	NR	NR	NR	12.53
Total	80.30	79.91	78.73	89.03

Legend: TCL, India | TCM | TCNA | TCE | Total

TCL, Babrala has implemented 100% reuse of waste water (treated domestic and industrial effluent) and collected rain water for agricultural use and irrigation in the green belt.

Primary recycled material at TCSAP is decahydrate crystal configuration of soda ash that develops in the holding ponds. This material is mechanically harvested and returned to the process to supplement the production output. Malfunctions in the product load-out area have resulted in soda ash product spillage. This material is collected using vacuum trucks and returned to the production process for recycling.

At Haldia plant, 100% of phospho-gypsum generated during manufacturing of phosphoric acid at Haldia plant is sold as by-product. The sulphur sludge generated in sulphuric acid manufacturing is used as filler in single super phosphate. It reduces virgin material consumption, silver sand as well as provides additional nutrient to plants as elemental sulphur. Utilisation of molten sulphur, a neighbouring refinery by-product is sourced through specially designed steam jacketed tankers directly. Utilisation of molten sulphur reduces equivalent quantity of imported sulphur.

the failure of a third party's tanker hydraulic system, when delivering soda ash, entered the river Weaver. This was immediately reported to the UK environmental regulator, the environment agency. Although 120 litres is thought to have leaked from the hydraulic system, due to the swift actions of the tanker driver and site personnel, no more than one tenth of this volume reached the river Weaver, with no visible or measurable detrimental environmental impact.

Responding to climate change concerns

Tata Chemicals' sustainable enterprise strategy has always focussed on green technologies and uses clean development mechanisms. Tata Chemicals has adopted the climate change policy issued by the Tata Group, which includes mapping carbon footprint and creating an abatement strategy for sustainable manufacturing.

TCL's strategy includes identifying opportunities for carbon abatement; investing in low carbon growth and tapping into opportunities presented by the emerging low carbon technologies. It has identified abatement levers, low carbon growth opportunities and carbon offset opportunities towards that end. The carbon abatement measures are chosen on the basis of the techno-commercial feasibility of implementation, maturity and availability of technologies and the magnitude of emissions reduction. It has also adapted its businesses to become energy-efficient, use less water and is also innovating with new chemicals and fertiliser products and agri-services for carbon conscious growth.

We have in place processes that help transcend mere compliance, ensuring that we continuously improve to manage and address risks including those arising out of climate change. Reduction in the carbon footprint has been defined as an objective in enterprise BSC (Balance Scorecard) with targets for Responsible Manufacturing Index and CO_2 emissions. The improvement projects focus on specific energy consumption, emission reduction, water consumption reduction, etc., which not only help reduce the carbon footprint but also reduces costs.

In the absence of mandated carbon emission cuts, TCL has chosen a path, which balances the imperatives of growth, while ensuring measurable action on climate change; it leads to a carbon-managed future. We have taken up the goal of 20% reduction in emission intensity by 2020 and to achieve it, we have drawn a three-pronged strategy, which includes: identifying opportunities for carbon abatement, investing in low carbon growth and tapping into opportunities presented by the emerging low carbon technologies. We actively monitor our existing products and services, and also invest in developing new climate friendly products through innovation and research. We have also explored CDM opportunities and have registered projects for GHG reductions with UNFCCC.

Technology upgradation helped us become the benchmark for energy efficient operations. These benchmark operations have gained the company a brand value and financial benefits. Most of our operations globally have efficient steam and power co-gen systems, which have improved over the years.

We are also addressing energy efficiency issues directly by waste reduction initiatives and novel technological advances which offer the prospect of utilising low grade heat, further enhancing energy efficiency and reducing GHG emissions.

The Carbon Disclosure Project (CDP) is an international, not-for-profit organisation providing a global system for companies and cities to measure, disclose, manage, and share vital environment related information. It works to transform the way the world does business to mitigate the effects of climate change and protect our natural resources. TCL is responding to CDP since FY 2008-09 for climate change and has achieved 99 score with 2nd position in the Carbon Disclosure Leadership Index (CDLI) for FY 2014-15.

Biodiversity

We conducted EIA studies to assess the impacts of its operation on nearby biodiversity and surrounding environment. The findings of the study illustrates that no significant negative impact has been observed on the native flora and fauna. While operating in harsh ecological conditions/semi-arid conditions at Mithapur site, TCL has restored the ecological balance in the surrounding habitats by converting wastelands into a greenbelt.

Our commitment towards continual improvement is triggering new programmes such as grassland development, mangrove conservation and regeneration at west coast near Mithapur, restoration of highly alkaline soil conditions at Babrala site and at east coast for the Aila affected region of Sundarban near Haldia. For preserving biodiversity of Okhamandal we conducted a biodiversity reserve plantation project, implemented with support of employee volunteers, which seeks to preserve indigenous vegetation. Under the project, 90 acres were afforested with 12 native species of vegetation. Also projects like community conserved wetland, eco clubs program and organic waste converter continued around at all three manufacturing sites.

We have initiated the process for biodiversity mapping and are improving the same at the Babrala township area. We continue to support species conservation efforts through the Dharti Ko Arpan programme.

Eleven miles from TCNA's Green River plant, down a dusty dirt track that leads onto the high plateau of Sweetwater County, work commenced in August on a new ventilation shaft. Because the new shaft is on land that is a natural habitat for sage grouse and migratory antelope, the Wyoming Game and Fish Department has been consulted. The extractor fans at the top of the shaft have been orientated so as not to disturb sage grouse breeding grounds nearby.

The Charakla Saltworks form a large manmade wetland which sustains a diverse waterfowl population – both native and migratory. The presence of 121 species of birds has been recorded at the Charakla saltworks over the period of time and this site is the only active nesting site for the Caspian Terns (Hydroprognecaspia) in the country.

TCL has undertaken an ex-situ attempt for conservation of the native flora by raising a 150 acre botanical reserve at Mithapur. The reserve has an exclusive 30 acre plantation of the endangered Gugal (Commiphorawightii) plant.

The Great Indian Bustard (Ardeotisnigriceps) and the Lesser Florican (Sypheotidesindica) were to be found in the Okhamandal region, where the Mithapur chemical plant is located, until the late 1980s. However, because of the disappearance of their grassland habitats due to the rampant spread of the Gando Baval (Prosopisjuliflora) bush, these birds have not been sighted for more than 20 years now. Also fauna species like the Indian Wolf (Canis lupus) have become endangered species.

Natural capital

As per Natural Capital forum, natural capital can be defined as the world's stock of natural assets which include geology, soil, air, water and all living things.

It is from this natural capital that humans derive a wide range of services, often called ecosystem services, which make human life possible.

Tata Chemicals Farm Essentials business has taken up the project to map its natural capital in consultation with IBBI (India Business Biodiversity Initiative). Some key initiatives derived from this mapping include:

▸ Tata Chemicals Haldia used to import its total requirement of sulphur as raw materials for our sulphuric acid plant. Since the last couple of years we have established a system by which we purchase molten sulphur from nearby industry, which is a waste product for them. We are now gradually increasing the use of molten sulphur for feeding our sulphuric acid plant, replacing the import of solid sulphur.

▸ TCL holds about 1,500 acres of land at Babrala, out of which more than 35 per cent land is under green cover. The annual rainfall in the area is approx. 600 - 650 mm. During heavy rainfall most of water flows down as run-off from the site to the nearby river. To further utilise the open land area and conserve the rain water through rain water harvesting, it was decided to identify some areas where the flowing water can be diverted during heavy rainfall. A topographical survey of the site was conducted and three areas were identified which could be used as proposed catchment areas for rainwater harvesting.

TCL will be piloting natural capital mapping at its other sites also in the coming years.

The rise of the sea level due to climate change has intensified the coastal erosion problem and altered the sand dune contours at the marine turtle nesting beaches in the Okhamandal region. The sand dune slopes have been eroded due to strong waves and now feature steep inclines which the turtles are unable to negotiate to reach their nesting site. This is bound to adversely affect the population growth of the endangered Olive Ridley (Lepidochelys Olivacea) and the Green Turtles (Cheloniamydas) in the years to come. TCL runs the Marine Turtle monitoring program for the same.

To further boost marine conservation in Gujarat, Wildlife Trust of India and Tata Chemicals signed a Memorandum of Understanding (MoU) on International Whale Shark Day, 30th August 2014. A total of 70 whale sharks were rescued during the year taking the total rescue figure till date to 490. Another strategic partnership MoU with Gujarat Government for the Whale Shark Conservation and Mithapur Coral Reef Restoration projects was signed in January 2015 at Gandhinagar as part of the Vibrant Gujarat Summit.

Work on restoration of Mithapur coral reef has been initiated and is continuing. This covers an area of around 1 sq.km. The project is being implemented in partnership with the Wildlife Trust of India, the implementation partners and the Gujarat State Forest Department. Work on transplantation of local coral species has been successful and laying of limestone and concrete blocks underwater for creation of coral garden is in progress.

AT TATA CHEMICALS, OUR GOAL IS TO MAKE AN ORGANISATION THAT IS EVEN MORE RESPONSIBLE, TRANSPARENT AND RESPONSIVE TO ITS STAKEHOLDER'S NEEDS. TO STRENGTHEN RESPONSIBLE CARE APPROACH, TCL PRACTICES PRODUCT STEWARDSHIP CODE AS AN ACT OF MINIMISING THE HEALTH, SAFETY, ENVIRONMENTAL AND SOCIAL IMPACTS OF ITS PRODUCTS AND PACKAGING THROUGHOUT ALL LIFECYCLE STAGES, WHILE ALSO MAXIMISING ECONOMIC BENEFITS. PRODUCT SAFETY ENCOMPASSES SELECTION OF SAFE RAW MATERIAL, USE OF SAFE PROCESSES AND ADOPTION OF SAFE PRACTICES FOR HANDLING PRODUCTS.

While chemical products provide many benefits to society, they must also be managed in a responsible way to minimise any adverse effects on humans and the environment. Our employees take this responsibility very seriously, working hard to ensure that our products are manufactured, stored, transported, used, disposed and recycled in a manner that shows high regard for human health, safety and environmental stewardship. Along with our manufacturing operations, our stakeholders, such as suppliers, distributors, contractors, retailers, and consumers, also play an important role to minimise the impacts on the triple bottom line.

Some of our products and services whose design has incorporated social or environmental concerns, risks and/or opportunities are listed below:

CUSTOMISED FERTILISER – PARAS FARMOOLA
This is a Research and Development-based innovative offering, and an area (soil) and crop-specific nutrient, which enhances crop productivity, promotes balanced application of nutrients and improves soil health.

WATER PURIFIER
Tata Swach: Safe drinking water is a basic human need and its non-availability has been a major concern worldwide. The vision for Tata Swach is to reduce the incidence of waterborne diseases by making safe drinking water accessible to all. Tata Swach is an offline household water purification system, which purifies water without electricity or running water. Since its launch, Tata Swach has been the recipient of many prestigious awards across the world. In the coming year, this will focus further on reaching the bottom of the pyramid.

AGRI SOLUTIONS SERVICES
Tata Kisan Sansar and Tata Kisan Parivar: Tata Kisan Sansar (TKS) is a one-stop agri input shop and farmer's solutions shop, offering a range of agri products and

services. It has played an important role in empowering the farmer community. Tata Kisan Parivar Membership Programme is a unique relationship initiative aimed at the most important stakeholder in value chain – the end consumer, i.e. farmer. This is a bond with a selective membership that attracts progressive farmers with a positive attitude. TKS provides a range of innovative and unique services to farmers through a dedicated team of Krishi Preraks and agronomists, giving them an

extra edge over traditional farming practices and, thus, empowering farmer community.

TKS promotes value-added activities such as farmer meets, a repository of agriculture knowledge, soil, water and plant testing laboratories, demonstration farms, etc, thus helping improve agriculture yield. Enhancing farm produce contributes positively towards national food security, socio-economic improvement of farmers and improvement in CO2 capture. Through our 957 Tata Kisan Sansar centres, we cover around 26,000 villages and reach out to approximately 2.6 million farmers.

TATA SALT

It is a pioneer in promoting iodised salt in the country. Double fortified salt (with iron) is a new innovation that addresses the health concern of anaemia in the country.

PULSES

Dal (pulses) is the mainstay diet of a majority of Indians, cutting across social and economic strata. Tata I-Shakti was launched with a mission of not only bridging the existing gap between demand and supply of pulses in

the country but also providing reliable quality, hygienic pulses to Indian households and pioneering the 'unpolished dals' category. Launched in 2010, it is now available across 21 states in India. Following the Farm-to-Fork model, pulses are sourced through a strong network of farmer groups in order to provide quality, healthy, tasty and nutritious products to consumers. The brand also introduced a 'Dal on Call' initiative to drive direct sales from consumers.

PRODUCT INFORMATION

Product information on the physical dimensions and chemical compositions, nutritional information and nutrient content is provided through our product labels; pack declaration catalogues and advertising messages in mass media such as television, print publications, radio and social media. Information on our products is available 24x7 on the company or brand website and at the call centre. All packages, both retail and bulk, contain product information including the product manager's address/CRM (customer relationship manager) contact number to enable consumers to correspond.

All of our information is voluntary with various branding elements and is available with no comments on competitors or any regional bias statements. Wherever applicable, specific certification requirements of regulatory authorities and markets, like ISI, FSSAI, Halal, etc., are provided on the product labels and/or catalogues.

ADVERTISING

TCL believes in advertising its products and improving market image on its own merits without encroaching on others through unethical means. We engage only reputed advertising agencies that are members of ASCI and, hence, all our advertising is as per ASCI codes. The procedure to be followed and adherence to applicable standards codes is under the control of the ethics counsellor. There have been no cases of non-adherence to regulations.
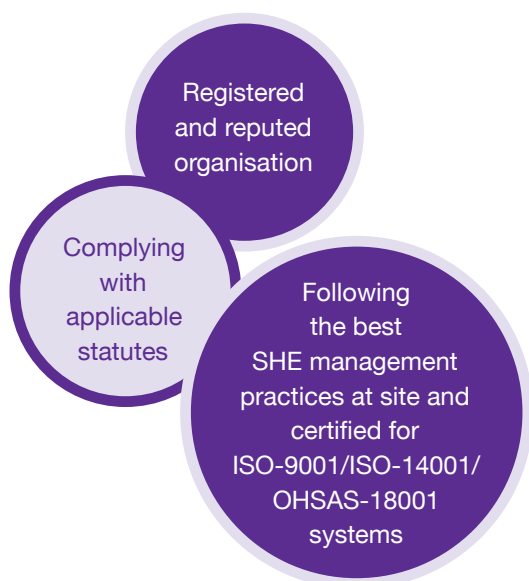
PACKAGING

The plant at Mithapur, India, and all the packing centres of Tata Salt are Hazard Analysis at Critical Control Point (HACCP) certified. Tata Salt is one of the first salt brands in the country to be HACCP certified until last leg of distribution, making it the most hygienic salt available in India. As a sustainability initiative, reusable primary outer bags have been introduced by the salt team wherein the finished product, packed in 1 kg PET poly pouches, is repacked in the used primary bag, thus reducing the overall usage of high-density polyethylene (HDPE) and making the outer packaging more environment-friendly.

We are continuously working on reducing packaging through innovative solutions such as jumbo bags. We have increased the use of bulkers, especially for soda ash. We started moving bromine in a bulk form through ISO tankers and use bulkers for fly ash. Currently, we have seven bulkers for soda ash, two ISO tankers for bromine and transporters' bulkers for fly ash. All put together, we have moved 19,860 MT in bulk form in 2014-15, a four-fold increase. This initiative will reduce, and if possible, eliminate the consumption of HDPE/PP bags, leading to a reduction of CO_2 emission, apart from helping automation both at our plant and at customer locations.

Product safety starts from the selection of raw materials. These are handled, stored and used in accordance with SHE guidelines. The selection of material suppliers comprises the following critical criteria:

Registered and reputed organisation

Complying with applicable statutes

Following the best SHE management practices at site and certified for ISO-9001/ISO-14001/ OHSAS-18001 systems

After selection, suppliers' SHE management practices are re-evaluated by site visits and interaction at the shop floor to ascertain whether they are practicing and following SHE practices as stated in the supplier performance rating checklist. This enables gap identification and further improves their management systems. Our expertise and experiences are also shared with them for dealing with SHE issues related to their operations and practices. The supply chain member conducts training and improves awareness among concerned stakeholders on handling, storage, transportation and distribution.

Supply chain

Extracting minerals on four continents, Tata Chemicals is leading the way in promoting principles of sustainable supply chains.

Underground mining in Wyoming may be the most obvious mining activity in Tata Chemicals but in terms of volumes it accounts for under half of the minerals extracted by the Group companies each year. Four and a half million tonnes of trona are mined mechanically from beneath Green river. Two million tonnes of limestone are mined using traditional blasting techniques in India for use in the synthetic manufacture of soda ash at Mithapur. In Kenya 1.5 million tonnes of trona are dredged from the lake and 2 million tonnes of salt are extracted. In the UK, solution mining of brine at British Salt produces half a million tonnes. Alongside these captive mining operations, another 3 million tonnes of coal, coke and limestone are procured each year.

Managing the impact of these diverse operations is an important part of the Group's sustainability plan. While the mining techniques vary, common principles mean all Tata Chemicals companies operate responsible mining practices. Responsible sourcing, especially of mined materials, means many different things.

There is a growing need for integrating environmentally sound choices into supply chain management. From an economic and governance perspective we focus on risk and supply chain management as well as accountability and transparency.

TCL's key suppliers are for its major raw materials like natural gas, limestone, raw brine, solar salt,

coal, bittern, phosphoric acid, potassium chloride, rock phosphate, ammonia, sulphur, MoP, DAP and packing material (HDPE bags) for the manufacture of our wide product range. There are also suppliers who provide manufacturing equipment/machines/apparatus (mechanical, electrical, civil, instrumentation, laboratories) to TCL. Wherever required, TCL also does annual maintenance contracts with such suppliers. The respective State Electricity Boards supply electricity at locations wherever required. The other key suppliers for TCL include transport and logistics (rail and road) providers for transportation of its raw materials and finished products.

The total number of suppliers engaged by TCL is around 380 and estimated number of suppliers in the supply chain is close to 3,000. Our suppliers are spread across geographies where TCL has its operations. The type of suppliers at TCL comprise contractors, distributors, independent contractors, manufacturers, primary producers, sub-contractors, wholesalers, brokers and consultants. Tata Chemicals Europe has a 4PL contract with a strategic partner who manages all domestic and international logistics on our behalf. We lease a number of warehouses in UK and Europe, one of which is a pharmaceutical grade warehouse.

At TCM, supply chain function is subdivided with logistics and shipping. Logistics function covers all rail and road operations for outbound cargo, warehouse operations at both KNTC and Kajiado, direct sales and invoicing in Magadi, Kajiado and KNTC.

At TCNA, supply chain and procurement groups work closely to drive supply chain sustainability. The procurement manager has the ultimate responsibility for the group with purchasing and warehouse supervisors reporting to that position.

There was no change in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination.

During this period, TCE changed the operational nature of its sodium bicarbonate plant at Winnington, which is now a standalone plant (i.e. no longer integrated to an ammonia soda plant). As a result the company now has to purchase CO_2 which it does so from a leading industrial gas producing company. TCE has also been sourcing coke for use in the manufacture of soda ash from new suppliers in anticipation of its long serving coke supplier ceasing operations within the next 18 months.

KEY PROCESSES AND ROLES PLAYED BY SUPPLIER/PARTNER/COLLABORATOR/CHANNEL PARTNER

Key work process	Key supplier/Partner/Collaborator/Channel partner	Roles played in enhancing competitiveness/innovation
Customer and market focus	BHA, distributor, dealer, stockist, TKS, retailer, advertising agencies, market research agencies	Enhance market access, market awareness and competitive intelligence, TKS store brands auto invoicing to customers, packing for speciality products, FGD, Chem connect, monitor and improve stakeholder engagement (CSI, BEI)
Supply chain management	RM and fuel, packaging, transporters, railways, alliance partners, C&F/RH agents, stevedores	Increase cost competitiveness, improve service levels, product and service innovations, sustainability
Technology and manufacturing management	Technology suppliers, equipment manufacturers, maintenance and spares providers, external auditors/consultants	Enhance awareness of new technologies, increase information on industry benchmarks, improve plant and product efficiency, bulk flow cooler, advance process control, enhance awareness of best practices

At TCM, Kajiado warehouse as a point of sale was opened, thereby enhancing the scope of logistics function.

At TCNA, the new sourcing policy was written and put into place in late 2014. Through negotiations several key suppliers have been established in the local community to better serve plant operations. As the procurement team continues to build supplier relationships we will continue to expand on these programmes and try to move additional key suppliers into the community.

In TCL, India, we have a vendor development programme to promote local contractors and service providers. We also promote skills and livelihood development in the neighbouring community through various training and community development programmes. We established an apprentice training centre to improve capacity and skills of more than 100 apprentices every year. The centre provides support to people from socially backward community backgrounds.

TCL keeps exploring the potential for development of suppliers hailing from socially and economically backward communities. Our consumer products business has a mission to increase schedule caste/ schedule tribes (SC/ST) community participation in its third party workforce over a period of three to five years. We initiated a sponsored professional training programme for developing functional skills and competencies of SC/ST and other economically backward candidates to make them employable in the sales and marketing field as front line sales force.

As a new initiative to promote even greater supplier-partner participation in sustainability initiatives, TCL has established supplier sustainability guidelines. As a part of it, a supplier sustainability self-assessment tool has been developed to assess suppliers and partners on sustainability criteria that include governance, safety, health, labour practices, human rights and impacts on environment and society. We have assessed 40% of the key suppliers at the Mithapur site. We have also conducted capacity building and awareness sessions on crop nutrition at the business locations to progressively implement the same.

TRANSPORTATION

Transportation is a critical aspect of distribution safety

that depends on selection of the right form of transport and route. TCL participates in many sustainability initiatives of customers, wherein the company is invited to participate for knowledge sharing, active involvement in development of codes, or for declarations.

Knowledge and awareness of transporters on product safety and their role in case of emergency play a vital role in accident management. Regular checks and training programmes ensure safe distribution of the product. All suppliers and vendors are advised to provide material safety data sheets (MSDS), along with all materials and chemicals, for complete information and use of the right personal protective equipment (PPE) while handling unwanted emergencies. MSDS boards for bulk fertilisers have also been provided to dealers so as to create and promote safe handling, storage and use of fertilisers.

Every year in December or January, advanced training is undertaken for drivers who carry hazardous chemicals in trucks and tankers. They also get a Transport Emergency (TREM) card. To further enhance safety, we have established the emergency chlorine helpline – a dedicated 24X7 phone line setup to extend help during any chlorine-related emergency. Every quarter, safety department provides training to workmen involved in loading bromine. Safety department also conducts on-the-floor mock drills for employees, contractors, and loading and packaging workmen to check their preparedness during emergencies. Job Safety Analysis (JSA) card is issued for CC/marine chemicals, both in English and Gujarati.

Incidents related to product spills, transport accident, bad products and packaging quality are tracked and assessed by supply chain and field employees.

Suppliers and distributors' meetings are used as a platform to express the company's expectation from distributors, suppliers and transporters. This forum is used to provide all relevant information and training on handling, storage, transportation and distribution of products, as and when required. No significant spills were reported this year.

CUSTOMER ENGAGEMENT

The customer requirement and the company's image are determined primarily through customer satisfaction surveys for each customer group, customer contact programmes, e-customer care, customer feedback captured by our ChemConnect call centre, senior leadership visits, annual distributor's conference, COO club, customer care system as well as other listening and learning posts. Kano model helps us in identifying parameters to evaluate the dissatisfaction, satisfaction and delight of the customer. The feedback and complaints provide opportunities for improvement.

Avalon Consulting, Integrated Marketing & Research Services (IMRS) and IMRB conduct customer satisfaction studies on a quarterly/half yearly/annual basis for TCL, covering all the Indian territories and international markets where the company exports. We track brand equity index through brand track studies conducted by Nielsen to measure brand loyalty among end consumers for salt and farmers for the crop nutrition range. We also conduct a dissatisfaction survey for our chemical industry once in two years through Avalon Consulting.

A written undertaking is given to all the customers about non-disclosure of their responses received for the customer satisfaction index (CSI) surveys. The 100% primary data relating to customers is on the ERP (SAP) in the form of master data, which is fully secured; no unauthorised access is available to anyone. Changing/creating options are given only to key authorised individuals. We do not share or sell this information except if required under any regulation, but only after the consent of the concerned person. As such, there is no standard procedure to monitor compliance with legal statutes, but for voluntary codes our approach is to maintain the brand equity index, monitoring GRP at the time of campaigns.

Market studies such as monthly retail audit by Nielsen or IMRB household panel are conducted on a regular basis. Detailed analysis of CSI findings is carried out to serve customers in a better way and determine future and expected needs of the customers. The Voice of the Customer (VOC), i.e. customer feedback/suggestion/perception, is gathered from various sources like regular customer visits by the sales team, feel the pulse (customer visits by the sales team), communication meetings, quality function deployment, CSI, customer circles DART reports and COO club meets, are integrated on a regular basis to serve as inputs for current and future products, services and customer support.

A web-enabled Customer Care System (CCS) has been deployed to effectively manage all customer complaints. Customers of industry essentials are provided with a separate and unique user ID and password for logging complaints on the CCS. Consumers are also provided contact numbers/e-mail id/address of the customer care cell/ChemConnect on packs and bags. This web enablement of the system helps reduce complaint handling time and ensures expeditious closure of complaints.

Facility to delegate resolution of complaints has been added in the CCS recently; this helps in early resolution. Customer can also view detailed resolution and give their feedback on the system. If resolution is not in line with customer satisfaction, the complaint is rebooked for further action; this helps in customer involvement and enhances engagement levels. A toll-free number allows farmers to register complaints, suggestions or inquiries about our products/services. All consumer products are registered with the FSSAI and adhere to all the requirements under it. Farm essentials, living essentials, industry essentials business and stakeholders have benefitted from deployment of various modes of engagements, as shown in the section of stakeholder engagement.

SBU	Consumer Satisfaction (in %)
Chemicals	83
Water purifier	Consumer survey is carried out once in two years. It was not carried out in FY14-15
Consumer products	76 (average of all)
Crop nutrition and agri products	79

Employee Well-being

WE, AT TATA CHEMICALS LIMITED (TCL), ENSURE THAT OUR VALUES, ETHICS AND DIMENSIONS OF CARE AND WELFARE ARE INCORPORATED IN OUR HUMAN RESOURCE (HR) POLICIES AND PROCESSES AND NURTURED THROUGH OUR PRACTICES.

The HR team at TCL acts as a strategic partner for businesses to achieve its strategic objectives by creating an engaging environment for the workforce. Our HR team is structured as Corporate HR and Business HR, which includes various locations in India and overseas. Corporate HR focuses on evaluating and improving HR systems, shaping policies and framework and establishing the strategic road map with a long-term perspective. Our Business HR is embedded in the business with a focus on delivering the business objective through various people interventions. TCL being a diverse organisation, operating in four geographies, our HR processes are customised to meet the local regulatory and business requirements and culture.

EMPLOYMENT

The recruitment process at TCL is triggered by a Manpower Requisition Form (MPR), which has been recently digitised (e-MPR) in India to eliminate paper work and facilitate tracking and reporting. TCL deploys multiple sourcing strategies to ensure supply of talent as per business needs. These include placement consultants, Tata group companies, employee referrals, internal job postings (SHInE +) in India and campus hiring. The candidates are recruited based on evaluation with regard to functional knowledge, behavioural skills and/or leadership attributes. To ensure a constant induction of fresh ideas into the system, TCL recruits trainees from engineering and management institutes across the country and experienced lateral hires. Although the overall attrition rate in TCL is under control, attracting and retaining talent at remote manufacturing locations continues to be a challenge. Retention strategies include

offering competitive salaries and benefits, job rotations, secondments and overseas deputations, learning and education allowance, performance rewards, involvement in special projects, career progression avenues and an overall challenging work environment.

At Tata Chemicals Europe (TCE), over 65 percent of our employees live close to our sites. While unemployment in the area is around the UK average, manufacturing has been declining, so TCE is one of the few remaining domestic companies in this sector. We employ most of them from the local area to provide employment opportunities to locals. As per the Cheshire West and Chester Council (CWAC) report, in terms of diversity, 99 percent of Northwich and the surrounding areas are occupied by white British or Irish people. TCE monitors the demographics of the area, and those employed, using data from the HR system. A small percentage (1.5) of our employees comes from an ethnic background other than white British. Within the UK, there are strict employment legislative requirements that we adhere to. Employment policies are also in place to ensure we follow the requirements, starting from fair employment practice to flexible working. At TCE, employment contracts ensure we comply with all legislative requirements related to the Working Time Directive. Every year, we publish our pay rates on the TCE intranet for employees to know the rate for their grade. TCE has an employee handbook that outlines the benefits and policies regarding holidays, sickness, health and safety,

etc. All grades within TCE are collectively bargained for (except where it is merit-based).

CONTRACT WORKFORCE

In India, TCL's contract workforce stands at approximately 4,000, and is spread across three manufacturing sites at Mithapur, Babrala and Haldia. The contract workforce is employed under contractors. TCL monitors all contractors to ensure they have complied with the statutory norms. As a monitoring system, TCL audits the contractors' records and registers with the following objectives:

- ▶ To ensure all returns are submitted as per the statutory timeline, with accurate information from the contractors received in time

- ▶ All records and registers maintained by the contractors are as per TCL's statutory norms

- ▶ To ensure continual improvement in record management that would lead to data accuracy and control of manpower.

An individual contractor gets paid only after receipt of certification from the personnel department. If any lapses occur in filing statutory returns or maintaining accurate records, the penalty is deducted as per the terms of agreement. As per the agreement clause, it is mandatory for all suppliers and contractors to pay their employees in keeping with the Minimum Wage Act; TCL does not accept any deviation. Appropriate action is taken if the norms are flouted. Contractors are given regular training to manage the statutory requirements and records of their employees; hence, all contractors are well-versed with our norms and understand the seriousness of compliance.

At TCE, while recruiting contractors, we work with a strategic recruitment supplier who ensures that the contracted resource receives equal payment as the full-time employees. We recognise both UNITE and GMB, and have good partnership arrangements in place, wherein we meet on a regular basis to discuss business. We work closely with our master recruitment vendor to ensure our contract employees are paid in line with our employees.

LABOUR RELATIONS

Labour management is critical at Mithapur, as industrial peace is necessary to ensure better and higher production for achieving the organisation's goal. The

number of employees in the bargainable category is 1,169, and approximately 4,000 more are working through contractors. We are one of the few companies in India to have implemented the 'Code of Discipline' by way of recognition of the union. This is considered a fair and transparent recognition system for the unions, and is used as a best practice by few governments/public sector units.

At Mithapur, we completed a long-term settlement deed with the union on 12 July 2015, from which 950 unionised employees benefited and the plant runs smoothly without any ambiguity. Similarly, at Haldia, the long-term settlement deed was signed in March 2015. We have actively adopted the concept of Joint Management Council (JMC) to proactively address any issues or concerns of an administrative nature or related to facilities or any other issues arising from day-to-day operations.

At the Mithapur plant, we adopted the 'Social Accountability – 8000' standards, certified by the international certification agency. At the Haldia plant, workmen can avail a number of mechanisms to redress their grievances. Some of these mechanisms are drop boxes, We Care Portal, etc.

The Tata Code of Conduct, which is widely publicised at TCE, prohibits any form of discrimination and has a formal mechanism for raising issues. In the past 12 months, TCE has witnessed only one grievance related to potential bullying or harassment.

We believe in the empowerment model and adopt a participatory approach towards a problem's solution, which helps in increasing cohesiveness, bonding and participative management. The committees reflecting this approach are listed below. Representatives from all sections of the workforce, with maximum diversity, are chosen to participate.

Following the major business restructuring in 2014, TCE has rebuilt the people framework to ensure that we are aligned to the business and its future success. These changes mean that the human capital framework has shifted significantly. Key areas have been to ensure we have integrity in our data. We have developed the HR and payroll system to ensure compliance with HMRC as well as provided a self-service system for our managers and employees to access people data round the clock.

Facility	Examples
Joint Management Council	A joint forum to address issues or concerns of administrative nature or related to facilities.
Works Safety Committee	A joint forum to discuss improvement possibilities related to safety matters.
Canteen Committee	A joint committee for improving canteen facilities.
Sports Committee	A committee comprising all cadre employees for promotion of sports and sportspersons.
Cultural Committee	A committee comprising all cadre employees for promotion of arts and entertainment of among people in the town.
House Allotment Committee	A committee comprising all cadre employees to decide the norms for house allotment and address concerns, if any, ensuring equal empowerment.
Town Safety Committee	A joint forum comprising all cadre employees and merchants to discuss improvement possibilities related to township safety matters.
Kamdar Club Committee	A committee of workmen to decide about facilities related to sports, entertainment and a library in Kamdar (Workmen) Club.

Detailed people data and robust people policies and frameworks drive our ability to attract and retain employees and enable them to develop. We envisage our efforts in these areas will result in an improved profitability and cement our success.

We respect the right of our employees to join a union and are committed to establishing a constructive dialogue with those recognised representatives. We have built the strength of the collective bargaining arrangements with our union partners and now meet more regularly with standing agenda items. Our 2020 vision is to make this company a great place to work so that people get inspired to do great work every day and take pride in the organisation.

At the TCNA, Wyoming, there is a labour union named United Steelworkers Union, which represents over 350

OUR POLICIES INCLUDE:

▶ Prevention of sexual harassment at the workplace

▶ Conduct and Discipline Policy

▶ Smoking- and substance-free workplace

▶ Prohibition of Smoking at Public Places Policy

▶ Working Hours Policy

▶ Leave Policy

▶ Death in Service Policy

▶ Housing Loan Interest Subsidy Policy

▶ Medical Assistance Policy

▶ Leave Travel Assistance Policy

▶ Cardinal Rules of safety and consequence management

non-management employees on site. We have a five-year labour contract with this union. All labour issues involving union members are negotiated with this union. A grievance process and an arbitration process have been established.

EMPLOYEE ENGAGEMENT

To ensure a supportive and encouraging work environment, TCL has focused efforts towards employee engagement and regular monitoring of employee engagement levels. While TCL uses a number of formal and informal mechanisms to assess the engagement levels of its workforce, the annual global ESS (Xpress), which guarantees anonymity to the respondent, gives a true picture of the employee engagement levels. In 2014-15, the engagement score was 73% compared to 68% in the previous year.

Post the survey communication, focussed group discussions (FGDs) were held at the organisation/BU/site/function level to create action plans to address specific concern areas. These action plans are then reviewed at the monthly review meetings such as AQC and SBUC. Managers with more than five direct reports receive a manager scorecard that enables them to identify specific workgroup-related engagement factors for improvement.
Other mechanisms to

gauge employee engagement are through FGDs, skill-level meetings, town halls and exit surveys for various workforces. These inputs have ushered in policy-related changes, for example, flexi work timings at office locations, paternity leave and health and wellness.

Goal and strategy alignment, performance-linked scheme, communication channels, township benefits and allowance and rewards & recognition are some examples of how engagement levels are sustained. 'Awaaz' at Mithapur, 'We Care' at Haldia and 'HR Clinic' at Babrala were some of the programmes that helped address employee issues and grievances as well as enhance employee engagement.

A rewards & recognition framework was launched and adapted as Special Thanks and Recognition Scheme (STARS) at Babrala and as 'E-Spark' at Mithapur to recognise employees for their contribution and upholding the TCL values.

The leadership team interacts with the new candidates in every quarter through the 'Let's Chat' forum. Other informal engagement measures include participation in organisational initiatives such as cross-functional teams (CFTs), theatres, cultural events, family days and CSR events.

We use other measures, such as retention rate, regrettable losses, employee referrals, response to internal job postings and improved safety indicators to check engagement levels. The voluntary attrition rate was 8.1%, lower than 8.6% recorded in FY 2013-14. At TCE, the overall engagement score is up 12%. While we have a long way to go, all senior managers are targeted towards achieving a further 11% increase by next year. Some key improvement areas have been identified, including senior leadership and employee development. To address these issues, we have an engagement forum that makes employees look at ways to improve engagement. This year, we embarked

on a new employee induction to ensure everybody understands the TCE way and how they contribute to it. We have developed our communication channels and have an employee board where nominated representatives meet the MD and other senior managers quarterly to discuss the company's future strategy.

TRAINING AND EDUCATION

In India, TCL equips the workforce with current and future competency requirements arising from the business plans, and changes in the external environment, by assessing the competency gaps as well as redesigning and customising the training programmes.

The induction programme branded as Induction Course for Enabling Positive Traction (InCEPT) has been enhanced to include three phases of induction in case of lateral recruits.

Several learning initiatives are made available to the employees across the organisation to build or enhance role-critical competencies through functional, behavioural and leadership training in these areas. These include 'Jagruti' for the front-line field force in the agribusiness, technical capability programmes at manufacturing sites, on-the-job projects by Management Development Programme (MDP) and extensive focus on safety awareness initiatives. MDP has been redesigned to incorporate relevant inputs to enable people to handle future challenges. Employees can continuously upgrade their competencies and skills at their own pace from any location through various e-learning platforms, such as Skill Soft, in our organisation.

As part of the increased focus on safety, various training programmes and initiatives, such as SurakshaJyot at Mithapur, Process Safety Management at Babrala and SRESHTO at Haldia, were rolled out. Other initiatives include adoption of the DuPont Safety Systems, e-learning modules, Safety Stewards, Safety Stars and contractor safety management.

We have a programme in place, Katalyst Program, to develop and deploy the internal faculty for other

programmes such as AMT, safety, sustainability, MBE, LSS and technical training. Besides saving cost on external facilitators, this initiative acts as a great motivator for internal talent.

An e-enabled learning portal, 'MyGurukool', helps the training manager track adherence to training needs. The talent management process, SpringBoard, in India is designed with the objective of building technical and functional specialist and leadership pipeline for the business. Other initiatives included nominating for

DURING THE FISCAL YEAR, ABOUT 76% OF TCL EMPLOYEES WERE INCLUDED IN AT LEAST ONE TRAINING PROGRAMME. A TOTAL OF 1,581 PROGRAMMES (INTERNAL/EXTERNAL) WERE CONDUCTED. THE NUMBER OF TRAINING DAYS WERE 15,357.

quality training programmes at the Tata Management Training Centre (TMTC). At Mithapur, TCL runs a government-recognised apprentice training school, wherein we push our employees from workmen cadre, apart from the Mithapur and Okhamandal students, to get certified on certain skills. The workmen cadre employees even go for ITI certification to enable growth in the organisation. This helps in ensuring a qualified and certified workforce in the organisation.

At TCE, we adopt e-learning programmes from our parent company TCL, which are utilised by our employees. We have also developed our own internal LMS system, an e-learning portal that is accessed by all employees to enable self-development. Developing our leaders' potential helps to keep them engaged as well as develops strong expert leadership for our company well into the future. Our new leadership programme for site managers, who lead the largest number of employees, is the key to our business. We have also introduced an Assessment for Development Centre for our identified talent within the business. This is for our 'emerging' and 'leadership' talent. Every successful candidate will have an individual development plan that includes mentoring and secondments to develop their knowledge and expertise in our business. The

new LMS system is for all employees. It provides an e-learning portal with mandatory training, to ensure we comply with the legislative requirements such as health and safety, and refresher training. The system automates certificates and reminders to ensure compliance. Moreover, it has developmental modules for all employees to access and take control of their development. We have also developed an online performance management system for 2015. All eligible employees now have their objectives online for the first time. We have achieved 100 per cent completion on this. At TCNA, training and education is classified as MSHA required safety training and skill development training. All WY employees are provided with mandatory MSHA training annually. In addition, all employees are offered a career development plan, and a training plan is a component of this. These plans are monitored by our Learning & Development supervisor. We gear this training to meet the corporation's goals. Training is offered to all employees.

EMPLOYEE BENEFITS

Ensuring a safe work environment for our employees continued to be an area of focus. We launched many interventions such as audits, trainings, rewards & recognitions, and process and design improvements. The company has a set of employee-friendly people policies and benefits, which we review every year to ensure these policies are contemporary and aligned with our values. All employees are covered under Group Personal Accident Insurance or Workmen Compensation Insurance.

At Mithapur, a Group Gratuity Scheme has been initiated for workmen recruited on a contract basis. For contract workmen, we have a Suraksha scheme to cover financial assistance towards death or disablement. Special care is administered to women employees with regard to amenities, travel, child care, flexi hours, etc.

In India, the employee medical insurance cover has been enhanced to Rs300,000. Additional coverage options of Rs200,000 or Rs400,000 have also been extended on a co-share basis. We monitor workforce health through annual health check-ups. Medical facilities and medical officers are available at all company locations to quickly respond to any eventuality. TCL won the Aarogya Workplace Health award.

Summary of employee benefits:

Facility	Examples
Education-related	Sabbatical, professional assistance, higher education support, scholarships, sponsorships
Wellness-related	Annual medical check-ups, wellness initiatives, canteen, ergonomics, counselling, health insurance, flexi working hours, maternity leave policy, hospital facilities
Recreation-related	Leave Travel Assistance, clubs, fun at work, holiday bonus
Township Amenities	Housing, subsidised electricity transport, uniforms
Safety-related	Emergency support, PPEs, Ergonomics, Suraksha Scheme
Financial Support	Retirement benefits, family benefit schemes, professional allowance, site allowance, perks, advisory services, pension plans

In 2014, we revised all core policies at TCE to ensure they are in line with any new legislation in the UK. Furthermore, we developed new policies to reflect new laws such as shared parental leave. TCE has a number of family-friendly policies and benefits, including flexible working hours, shared parental leave, child care vouchers, generous holiday entitlements and the advantage scheme (offers discounts at many major retailers). We also have an occupational health provision for all employees.

The HR provides HR clinics every week to address employees' queries regarding HR or payroll. This year, we are looking to achieve the 'Investors in People' accreditation. We will also launch the Employee/ Manager of the Month award and reward winners with gift vouchers. We have an employee referral scheme, wherein employees can earn up to £500 for recommending a new employee.

TCNA makes available a competitive package of employee benefits. The company shares in the cost of these benefits with its employees. These benefits are made available to employees immediately upon hire and include medical, dental, vision, life and disability insurances. In addition, we offer a wide range of additional benefits, including vacation, sick leave, an

on-site medical clinic, personal time and educational assistance. Tata continues to monitor the competitive landscape to ensure that employees are provided with a competitive benefit package.

MyTCEworld is an off shoot of MyTCLworld. This is a fantastic repository for all things related to the employees, from health and safety to HR. It allows 24x7 access to all our policies and benefits such as:

- ▶ HR policies
- ▶ Staff handbook
- ▶ Manager guidance
- ▶ Employee referral scheme
- ▶ Pay and benefits page (includes pension portal/advantage scheme/kiddivouchers/ gourmet society/EAP/gym membership/ medicash/PMI/payroll giving/TATA privilege).

DIVERSITY

TCL is an equal opportunity employer and also follows the diversity agenda of the Tata group, with focus on gender diversity and affirmative actions. A diversity council has been set up in India, with members from various businesses to drive the agenda. The focussed effort has led to one percent increase in women employees in India this year.

To ensure the inclusion of diversity in terms of knowledge, culture and region or language, recruitment is done across the country and aligned to the role requirements. For instance, recruitment for manufacturing sites or the customer-facing field force (SO/SE, crop advisors, etc.) is largely done from the local community to leverage diversity in terms of knowledge of local conditions, culture and language. TCE values all employees and their contributions, with a long-standing commitment to foster equal opportunity and intolerance of discrimination.

*For more information visit: **www.tatachemicals.com***

Community Development

COMMUNITY DEVELOPMENT AT TATA CHEMICALS IS AN IMPORTANT DRIVER FOR ITS BUSINESS GROWTH AND IT EXTENDS WELL BEYOND COMPLIANCE. THE ESTABLISHMENT OF THE TATA CHEMICALS SOCIETY FOR RURAL DEVELOPMENT (TCSRD) EMPHASISES THE COMPANY'S COMMITMENT IN THIS REGARD.

The society works to protect and nurture the rural population around TCL's facilities, and helps people achieve self-sufficiency in natural resource management, provides livelihood support and helps in improving the quality of life by providing health, education and infrastructure support. All the community development interventions fall under the bigger umbrella of sustainability. The vision of TCSRD "Development that enables sustainability and community empowerment" drives all its development interventions. It also takes into account location specific and business specific concerns, and requirements while implementing the community development initiatives.

An integrated and participatory approach followed by TCSRD, ensures that the community members become the real managers and owners, and work towards their own development and that of the society at large. To assess the impact of their community development interventions, TCSRD conducts the community satisfaction survey every year. This helps TCSRD build a stronger foundation for an inclusive society.

The company's inter-related development interventions in India are named as BEACoN (Blossom – Enhance – Aspire – Conserve – Nurture):

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

PROMOTION AND DEVELOPMENT OF TRADITIONAL HANDICRAFTS – OKHAI
Tata Chemicals Society for Rural Development (TCSRD) has been playing a pioneering role in promoting the Saurashtra handicrafts at Mithapur, Karjobi at Babrala and jute craft at Haldia under one brand "OKHAI". At

present, the project is supporting 585 women. The goal is to reach out to over 1000 artisans. This year, sales touched Rs103.4 lakh, sure signs that Okhai is on a growth trajectory.

CLUSTERS DEVELOPMENT

The programme strives to develop entrepreneurship qualities in rural women and guide them adeptly to engage themselves in productive enterprises. It aims to empower women and alleviate poverty by providing them another means of livelihood. At Mithapur, six clusters have been established and are growing over the years. The sales in all the six clusters during the year increased to Rs11,33,021. At Babrala, Sevarthi cluster has been established where in the products of six group enterprises (bandhej, incense products, mobile charger, honey, paper envelop and Ladli sanitary napkin) are sold

under the brand Sevarthi. This year, the sales in all the six clusters increased to Rs4,37,593. A 25-days design and technical upgradation workshop was organised by NIFT, Gandhinagar in the crafts of jute work and mud (clay) conducted for 60 women. Another 20 days training on jute work was provided to 46 women at Babrala.

ENHANCE

Poverty alleviation and income enhancement of the communities.

AGRICULTURE DEVELOPMENT PROGRAMME

- At Babrala, agriculture development programme has helped in increasing the productivity, enhancing the farm income and in providing opportunities for both direct and indirect employment. Promotion of modern farm technologies and equipment's, development of Krishi Gyan Kendra, diversification of cash crops,

intercropping, crop demonstration, and linkage with government schemes have benefitted 1,034 farmers from 50 villages.

- Interventions like afforestation and horticulture, I-Kisan portal, aquaculture, community farmers meet, sea weeds fertiliser, Khetamrut Organic and Natural Pesticide production, etc. were taken up covering close to 15 villages and benefitting around 300 farmers. Projects like SRI (System of Rice Intensification), mushroom and sunflower cultivation were taken up at Haldia.

ANIMAL HUSBANDRY

The reach of the animal husbandry programme at Babrala crossed to more than 290 villages covering more than 60,000 cattle owners. Programmes like Animal Health Care, Vaccination, Animal Health Centre (OPD), Animal Health Camp, Breed Improvement, and Balance Nutrition benefitted the cattle owners. Mithapur and Haldia conducted activities like deworming camp, poultry farming and pond management, covering 52,243 animals from 12 villages, benefitting 420 farmers/households.

UDAY FOUNDATION

195 youth are employed by Uday at Mithapur and Babrala. Uday Foundation continues to provide customer support to Tata Sky, Tata Chemicals (Chem Connect) and MEA (Passport helpline). Babrala has tied up with Rural Shores organisation to deliver services to Ministry of Corporate Affairs (MCA), National Skill Development Corporation (NSDC), Snapdeal and E&Y.

INFRASTRUCTURE DEVELOPMENT SUPPORT

- Infrastructure development programme is the key to rural development as it helps improves rural economy and quality of life. TCSRD since its inception has given importance to this programme as it is essential for the overall development of community.

- Projects like construction of brick pavement track, individual toilets and school boundary wall were undertaken at Babrala. 170 meters of track was constructed, adding to a total of 30,100 meters laid so far. TCSRD supported construction of 401 toilets and boundary walls for 3 schools benefitting 600 students.

- At Haldia, construction of boundary wall for a primary school of Kumarchak area was done. At Mithapur, eight cattle troughs, five 5 cattle sheds and a boundary wall for one cattle shed was constructed. 450 running meters of drainage channel was also constructed.

- To support school infrastructure, two rooms were constructed in primary schools and seven rooms in high schools. TCSRD renovated 5 anganwadis' covering Arambhada, Bhimrana, Varvala and Dwarka villages.

ASPIRE

Facilitate and empower local communities to improve education and skills and enable sustainable socio-economic development

EDUCATION

- For TCSRD, education is an important tool for overall development of community. TCSRD has been tackling the issue of quality of education by introducing innovative ways of teaching and training of the teachers.

- During the reporting year, education programmes like e-library, Learning Enhancement Program (LEP), teacher training, scholarships, child learning and improvement, SNDT center, IGNOU and National Open University, career resource center, Shala Pravesh Utsav, adult literacy classes, residential summer camp on spoken English and personality development, and were

implemented, benefiting close to 6,500 across the three sites.

- Under the Learning And Migration Programme (LAMP), America India Foundation partner organisations worked closely with community and government schools to strengthen school governance system and quality of education in 443 villages covering seven districts of Gujarat and 30,761 community members were reached through village level meetings. The state government funded TCSRD to start three hostels for LAMP, one at Varvala and two at Gurgath. 72 children whose families migrate for nearly 8 months have been enrolled.

- Around 2,345 children, 118 volunteers, 31 schools from 232 villages participated in Bal Utsav organised at Mithapur, Haldia and Babrala with an objective to increase the enthusiasm of children in studies, self-confidence, and to give them motivation through other activities along with studies.

VOCATIONAL SKILL DEVELOPMENT

Skills and knowledge are the driving forces of economic growth and social development of any particular area. The people become more productive, innovative and competitive through skill development training. TCSRD offers a range of vocational training courses catering

to the needs of different segments of the society. Over the years, it has led to a remarkable change in the life of the youth. Around 2,500 benefitted through Vocation Training Centres, corporate collaborations like Larsen & Toubro, Taj Resorts and Palaces, Sevarthi outlets, vocational training alumni meets, new Skill Development Centre, Innovation and Knowledge Sharing week and Youth Employability Scheme (YES).

CONSERVE

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

DHARTI KO ARPAN

- Nature conservation projects like whale shark conservation, coral reef restoration, mangrove plantation, biodiversity reserve plantation, marine turtle monitoring, community conserved wetland, monitoring of birdlife, ECO Clubs Programme and Organic Waste Converter continued around all three manufacturing sites.

- To further boost marine conservation in Gujarat, Wild Trust of India and Tata Chemicals signed a Memorandum of Understanding (MOU) on International Whale Shark Day, 30 August, 2014. A total of 70 whale sharks were rescued during the year taking the total rescue figure till date to 490. Another strategic partnership MOU with Gujarat Government for the Whale Shark Conservation and Mithapur Coral Reef Restoration projects was signed in January 2015 at Gandhinagar as part of the Vibrant Gujarat Summit.

- Climate-neutral Village Project, solar powered electric fencing, energy efficient cooking stoves, biogas plants, solar street lights, etc, continued for mitigation of climate change impacts.

- Land development programme and water management and conservation like Mission Jal and drip irrigation were also carried out at Babrala, Mithapur and Haldia.

NURTURE

Improve the health status of community through preventive and curative measures

HEALTHCARE

- Improving health of rural community is an important part of TCSRD overall strategy.

- This year, 12,548 patients were examined and treated at 105 Out Patient Department (OPD) in health care camps organised across three sites. The most prevalent health problems at the OPD were skin problems, anemia, water borne diseases and cold and cough. Haemoglobin and nutrition check-up was done for 200 young girls during the camp.

- At Babrala, Haldia and Mithapur, seven eye camps were organised to address the issue of vision problems. Around 1,948 people were screened, 250 patients were provided medicine and spectacles and 219 went for the free cataract operation.

- Awareness and training programmes like capacity building of Accredited Social Health Activist (ASHA) and anganwadi workers, AIDS awareness, No Tobacco Day, health awareness camps and thalassemia awareness camps continued across three sites.

NUTRITION

- Immunisation and counselling drives could cover 14,894 infants and children to support reduction of infant mortality rate (IMR). Malnutrition

mitigation programme addressed around 280 children. TCSRD Haldia, initiated 1,000 days 'Swasthya Angan' programme to reduce malnourishment among children below two years of age in the Sutahata block in association with Integrated Child Development Services (ICDS) and Child In Need Institute (CINI). With an objective of reducing the incidence and prevalence of malnutrition among children (less than five years) in the surrounding villages of Sriperumbudur plant, seven nutritional clubs were formed with 200 women members.

▶ To enhance the nutritional status and quality of life, promotion of homestead herbal and kitchen garden was initiated in targeted three villages largely dominated by SC/ST population in Sriperumbudur. With an objective to improve the availability of home-made food and nutritional items such as herbs, vegetables, fruits; 29 Homestead Herbal Gardens (HHGs) were formed with 675 members. 326 women attended six herbal and vegetable HHG training workshops. 5,121 herbal saplings were also distributed to 509 families.

SANITATION

Under the Swachh Bharat Mission, TCSRD, Babrala has taken up the initiative to construct toilets in 17 schools. At Mithapur, 38 individual sanitation units were constructed with support from TCSRD and beneficiary contribution. Around 40 villagers along with TCL volunteers participated in the village cleaning. By participating in cleanliness drives, 4 Rabari groups of Vasai village have started constructing toilets at their home.

SAFE DRINKING WATER

In Sutahata block, renovation/construction of school toilet block with proper facilities was done in seven schools. For girls, installation of sanitary napkin vending machine and electric incinerator was done in five high schools. As a result of this programme, 5,000 boys have the access to improved sanitary facilities; 2,500 girls have the access to improved sanitary complex. Total 3,500 students underwent detailed meetings, trainings on health and hygiene including personal hygiene matters. Under the Command Area Development Programme (CADP) Phase II – Gramiya Jal Swacchata Samiti have been formed in different villages of Okhamandal. Piped drinking water supply have been provided to 2,500 households. In farm areas (Vadi Vistar) of six villages, 167 Roof Rain Water Harvesting Structures (RRWHS) of 10,000 litres capacities have been constructed to enhance source of irrigation. At Babrala, 55 hand pumps were repaired with support of state government and community people.

RELIEF PROGRAMMES

Tata Chemicals continues its support during any wide scale disaster that affects the countries where we are located.

COMMUNITY DEVELOPMENT AROUND TCM

Tata Chemicals Magadi (TCM) operates in the mining industry and as such the surrounding community perceives itself as the source of the wealth of the organisation. This coupled with historical factors on dependence on the company and informal treaties with the initial owners makes the community one of the key stakeholders in the operations of TCM.

Process for identification of potential impact: A comprehensive assessment and mapping of community issues was conducted in June 2014 by a technical committee. The process involved the community leadership committee (SWOT) mandated to engage between the company and the community. This committee came up with action plans that included

a concrete assessment of the community aspect. TCM established the Magadi Soda Foundation (MSF) to spearhead the community deliverables through fundraising and implementation of projects that deliver community needs as a way to manage and mitigate potential impacts from the community. MSF is focused on enhancing positive impacts as a core but also to mitigate any potential negative impacts before they arise. It has in place a strategic plan for five years from 2014-2019 that provides a framework for addressing the community agenda. In that framework are detailed implementation plans. The foundation has eight clear strategic objectives that define high level outputs.

The core programmes and focus areas are: education, health, WASH, livelihoods, and infrastructure. We are members of The UN Global Compact and as stated, a pilot entity for IS0 2600 and are recognised leaders in this area. There are clear communication channels and grievance procedures available through the community liaison office. The community members through the SWOT organ are free to air grievances and supervise the resolution thereof.

The community is traditionally male dominated but we have programmes that are focused on women empowerment in terms of livelihoods and human rights. Magadi township has provided infrastructure to a community that otherwise would be rural and cut off. The company has invested in the Magadi hospital and is running three schools and a yearly bursary programme and is thus a model organisation in contribution to the aspects of health and education. TCM is the major source of livelihoods to the community. We are hedging against this risk by exploring alternative forms of

livelihoods like beadwork for women and arid agriculture programmes.

COMMUNITY DEVELOPMENT AROUND TCNA

At TCNA we support community by working through organisations like the United Way and local food banks. Employees and the company donate money to support initiatives of these not-for-profit organisations. In addition, our employees donate their own time to assist in the community in a variety of functions. Some of our employees coach local sports teams, work in outreach programmes through their respective churches, or volunteer for local school boards and government. The company does not direct nor involves itself in these private activities. We always strive to be a good corporate citizen and adhere to all local, state and federal regulations and laws.

COMMUNITY DEVELOPMENT AROUND TCE

TCE has a social policy strategy that targets our local community and focuses on the following areas:

- Payroll Giving (providing the facility for employees to donate to their chosen charities direct from their gross salaries).

- Fundraising – supporting employees in raising funds for charity, including our local supported charity, St Lukes

- Providing employees the opportunity to volunteer locally in the community by giving them one days paid leave

- Schools – developing closer links with local schools, supporting with education visits; mentoring and attendance at local schools career fairs

- National Fundraising Events – supporting national UK fundraising events and Tata's Founders Day

We have a complaints process in place. We respond to complaints as quickly as possible and monitor the number and type of complaints received with the objective of reducing these to zero. There are no material negative impacts on our local communities. The number of complaints have been falling steadily, and although not in the period covered by this sustainability report, we have had no complaints since June 2015.

For further information on projects and achievements, please visit www.tcsrd.org; www.okhai.org

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Independent Assurance Statement to Tata Chemicals Limited on their Corporate Sustainability Report for the Financial Year 2014-15

To the Management of Tata Chemicals Limited, No. 24, Bombay House, Homi Mody Street, Fort, Mumbai 400001, India.

Introduction

We have been engaged by Tata Chemicals Limited ('TCL' or 'The Company') to provide limited assurance on its Sustainability Report ('the Report') for the Financial Year (FY) 2014-15. The Report was prepared by TCL according to the Global Reporting Initiative's (GRI) G4 guidelines 'in-accordance' – comprehensive option for sustainability reporting.

Scope of Limited Assurance Engagement

Our scope of assurance included data and information on material aspects pertaining to TCL's India, US, UK and Kenya operations provided for the period 01 April 2014 to 31 March 2015 based on Global Reporting Initiative's (GRI) G4 Guidelines as listed below.

The General and Specific Standard Disclosures that were subjected to assurance are as follows:

General Standard Disclosures:
- Identified Material Aspects and Boundaries (G4-17 to G4-23)
- Stakeholder Engagement (G4-24 to G4-27)
- Report Profile (G4-28, G4-29, G4-30, G4-31)
- Governance (G4-34 to G4-49)
- Ethics and Integrity (G4-56 ,G4-57)

Specific Standard Disclosures:
- Environmental
  - Materials (G4-EN1, G4-EN2), Energy (G4-EN3, G4-EN5, G4-EN6, G4-EN7), Water (G4-EN8, G4-EN10), Emissions (G4-EN15, G4-EN16, G4-EN18, G4-EN20, G4-EN21), Effluents and Waste (G4-EN23), Products and Services (G4-EN27)
- Labor Practices and Decent Work,
  - Employment (G4-LA1), Occupational Health and Safety (G4-LA6), Training & Education (G4-LA9),
- Human rights
  - Non-discrimination (G4-HR3)
- Society
  - Local Communities (G4-SO1, G4-SO2)
- Product Responsibility
  - Customer Satisfaction (G4-PR5)

Limitations in Conducting the Assurance

Our assurance process was subject to the following limitations:

- Verification of statements was limited to data and information presented in the Report for the period 01 April 2014 to 31 March 2015. Data and information in the Report outside this reporting period was not subject to verification.
- Any statement/ remarks/ comments indicating intention, opinion, belief and/ or aspiration by TCL were excluded from the scope of assurance.
- Determine which, if any, recommendations should be implemented.
- The Assurance Statement does not include verification of financial performance indicators/information that was sourced from TCL's FY 2014-15 Annual Report.

Assurance Standards and Guidelines Used

We conducted the assurance in accordance with

- Limited Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and
- Type 2, Moderate level assurance requirements of AA1000 Assurance Standard 2008 by AccountAbility.
  - Under this standard, we have reviewed the nature and extent of adherence to the AA1000 AccountAbility Principles and the quality of publicly disclosed information as part of the Report limited to performance indicators/information required by GRI G4 Guidelines.

Independence Requirements

A multidisciplinary team having necessary skills and experience in ISAE 3000, AA1000AS, stakeholder engagement, auditing environmental, social and economic information conducted the assurance. We conducted our engagement in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to this assurance engagement including not being involved in the writing of the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Work Undertaken

Our procedures include assessment of the risks of material misstatements of selected performance indicators and disclosures and underlying internal controls relevant to the information published in the Report. Our procedures were designed to gather sufficient and appropriate evidence to determine that the selected performance information is not materially misstated.

We have undertaken –
- Review of materiality and stakeholder engagement framework deployed at TCL.
- Assessment of the systems used for data collection and reporting of the General Standard Disclosures and Specific Standard Disclosures of material aspects as listed in the assurance scope above.
- As part of the verification process, we have conducted site visits to the following facilities of TCL:
  1. TCL Babrala, Uttar Pradesh, India
  2. TCL Mithapur, Gujarat, India
  3. TCL Haldia, West Bengal, India
  4. Tata Chemicals Soda Ash (Partners) Wyoming, USA
- Interviews with TCL personnel responsible for data collection, collation and reporting.
- Interaction with the TCL's Sustainability Board, Sustainability Working Committee members and Senior Management at the corporate office and unit level on TCL's Sustainability initiatives.
- Testing of the sample data and the supporting evidences through a risk based approach.
- Comparing the information presented in the Report to corresponding information in the relevant underlying sources to determine whether all information mentioned in the report is supported by underlying data.
- Review of the Report to ensure that there is no material misrepresentation of disclosures as per scope of assurance and our findings.

Our Conclusions

Based on our review of the Report, nothing has come to our attention that causes us to believe that the information in the Report, in all material aspects, is not fairly represented in line with our findings given below:

As per AA1000AS 2008 principles:

- *Principle of Inclusivity:* TCL has engaged with its significant stakeholders through formal and informal channels and the feedback of the same has been used in defining the contents of the Report. However, the process of engagement with external stakeholders can be further strengthened through thematic engagement plans that will help document the expectations and areas of concerns of the external stakeholders and company's response to them.

- *Principle of Materiality:* The material issues are arrived through a consultation process involving company's management and selected stakeholders at the corporate and unit level. However TCL materiality assessment process should be extended to all its international sites. TCL has to adopt a uniform approach to identify, prioritize and address material aspects in supply chain, and report its performance as per G4 guidelines.

- *Principle of Responsiveness:* TCL has responded to stakeholders' concerns through existing and structured engagements at multiple levels. TCL may develop a process through which the stakeholder concerns are reviewed by the sustainability committee and the decisions incorporated into the sustainability agenda of the company.

Nothing has come to our notice for us to believe that the data presented in the Report and verified by us as per the scope of this engagement is not reliable. Data transcription and calculation errors were detected but the same was resolved during the assurance process.

Our Observations

Following is an excerpt from the observations reported to the management of TCL. These do not, however, affect our conclusions regarding the Report stated above.

- Data traceability, interpretation and completeness for international sites needs to be improved. Internal data validation audits may be considered for robust data management systems.
- TCL may consider to include a detailed account of its stakeholder engagement. The expectations and concerns expressed by the stakeholders may be linked to the initiative adopted by TCL.
- TCL may consider developing an issue centric or stakeholder centric report theme and accordingly present the contents.
- Overseas site's sustainability coordinators competence needs improvement on GRI G4 requirements for stakeholder engagement, materiality assessment, and completeness of reported data.

Responsibilities

TCL is responsible for developing the Report contents. TCL is also responsible for identification of material sustainability issues, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of TCL in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to TCL those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than TCL for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Santhosh Jayaram
Director
KPMG
24 February 2016

AA1000
Licensed Assurance Provider
000-25

Annexures

GRI-G4 STANDARD DISCLOSURES 2014-15

ECONOMIC INDICATORS

Aspect	GRI Code	Parameter	Unit	2010-11	2011-12	2012-13	2013-14	2014-15
		Direct Economic Value Generated						
		a) Revenues	Rs Crores	11,156	14,011	15,129	16,033	17,321
		Economic value distributed						
		a) Operating costs	Rs Crores	8,378	10,608	11,916	14,114	15,046
		b) Employee wages and benefits - Employee Salaries	Rs Crores	846	993	1,126	1,215	1,256
Economic Performance	EC1	**c) Payments to providers of capital**						
		Dividends to all shareholders	Rs Crores	255	255	255	255	318
		Borrowing Cost & Foregin Exchange loss on borrowings (Net)	Rs Crores	351	511	631	738	454
		d) Payments to government - Company taxes	Rs Crores	316	408	351	337	425
		Minority & Associates	Rs Crores	193	202	210	224	211
		e) Community investments	Rs Crores	9	6	9	14	23
		Economic value retained						
		Direct economic value generated - Economic value distributed	Rs Crores	808	1,027	631	-864	-412

Aspect	GRI Code	Parameter
Economic Performance	EC3	Coverage of the Organization's Defined Benefit Plan Obligations
		Total contribution to Provident Fund and other funds was Rs 112.58 crore. Total contribution to group insurance scheme - Rs 0.03 crores.Total contribution to Provident Fund and other funds was Rs 112.58 crore. Total contribution to group insurance scheme - Rs 0.03 crores.
	EC4	Financial Assistance Received From Government
		Total sum of Rs 2,942.24 crore was accrued towards subsidies for the fertiliser business
	EC7	Development and impact of infrastructure investments and services supported
		The total community investments done were Rs 23.26 crore (Rs 10.195 crores as per Companies Act and Rs 13.1 crore outside Companies Act).

ENVIRONMENT INDICATORS

Aspects	Description	UoM	2012-13	2013-14	2014-15
Materials	**EN1 - Materials used by weight or volume**				
	Limestone	MT	1,845,280	1,755,459	1,789,870
	Raw Brine for MUW	KL	4,194,506	4,329,083	3,847,115
	Solar salt (inclusive of purchased quantity if any)	MT	1,757,070	1,707,328	1,685,542
	Bittern	MT	1,964,740	2,689,625	2,887,360
	Ammonia liquid	MT	81,820	92,436.88	105,628
	Potassium Chloride (MOP)	MT	105,926	117,508.79	185,559
	Packaging Material	MT	74,908,952	76,483,867	82,101,879
	Lubricating Oil	KL	265.06	295.98	451.87
	Trona	MT	5,482,465	5,150,326	5,494,073
	50Kg Wpp Bags	No.			4,466,903
	EN2 - Percentage of materials used that are recycled input materials				
	% Limestone as recycled input	%	69.63	73.39	73.54
	Sodium Carbonate	%	9.70	16.80	0.07
	Sulphur Sludge	%	21.48	12.28	0.01
Energy	**EN3 - Energy Consumption Within the Organization**				
	Total Energy from Fossil Fuel	TJ	33,759	35,953	57,718.76
	Total Energy from Purchased Electricity (Non-renewable)	TJ	494.11	497.03	369.78
	Energy from Non-renewable sources	TJ	34,253	36,450	50,966
	Energy from Renewable sources	TJ	6.37	5.47	5.65
	Total Energy Consumed	TJ	34,259	36,455	58,094.20
	EN5 - Energy Intensity				
	Energy intensity within Organisation (from non-renewable sources)	TJ/MT of Prod-uction	0.004	0.004	0.007
Water	**EN8 - Total Water Withdrawal by Source**				
	Ground Water	KL	6,511,999	6,103,302	5,911,519
	Total Surface water - Wetlands + lake + river + oceans	KL	98,100,902	95,411,330	113,078,558
	Purchased Water	KL	937,207	982,412	970,765
	Rainwater collected directly and stored by the organization	KL	17,624	3,611	3,104
	Total Water withdrawal	KL	105,567,732	102,500,655	119,963,945
	EN10 - Percentage And Total Volume Of Water Recycled And Reused				
	Water Recycled and Reused	KL	89,984,009	89,226,636	98,939,204
	% of total water recycled and reused	%	85.24	87.05	82.49

Aspects	Description	UoM	2012-13	2013-14	2014-15
Emissions	**EN 15 - Direct greenhouse gas (GHG) emissions (Scope 1)**				
	Total Scope-1 GHG Emission	MT of CO2e	5,033,806.46	4,995,109.14	4,970,038.38
	EN 16 - Energy Indirect Green House Gas (GHG) Emissions (Scope 2)				
	Total Scope-2 GHG Emission	MT of CO2e	535,685.74	462,260.25	281,332.39
	EN 17 - Other Indirect Green House Gas (GHG) Emissions (Scope 3)				
	Total Scope-3 GHG Emission	MT of CO2e	120,618.58	118,060.51	113,949.80
	EN 18 - Greenhouse Gas (GHG) Emission intensity				
	Emission intensity for Scope-3		0.68	0.66	0.65
	EN 19 - Reduction of Greenhouse Gas (GHG) Emissions				
	Reduction of Greenhouse Gas (GHG) Emission	MT of CO2e		6,051.72	-57,640.85
	EN 20 - Emissions of Ozone Depleting Substances (ODS)				
	Amount of ODS produced	MT	0.00	0.00	0.00
	Amount of ODS imported	MT	0.00	0.00	0.00
	Amount of ODS exported	MT	0.00	0.00	0.00
	EN 21 - NOx, SOx, and Other significant Air Emissions				
	Total Particulate Matter	MT	3,794.55	3,900.60	3,740.15
	Total SOx emission	MT	6,927.40	6,045.29	6,172.39
	Total NOx emission	MT	4,173.8	4,105.18	3,535.24
	Additional row - Ammonia (NH3)	MT	703.13	767.10	1,018.22
	Fluorides	MT	46.56	49.39	54.83

Aspects	Description	UoM	2012-13	2013-14	2014-15
Effluents and Waste	**EN 22 - Total water discharge by quality and destination**				
	Total Effluent Discharge	KL	79,909,955.96	78,730,608.48	89,027,767.04
	Ammonical nitrogen	MT	174	195.70	240.38
	Total Suspended Solids	MT	12,431.0	10,223.62	15,033.80
	Biological Oxygen Demand (BOD)	MT	23.4	22.91	5.36
	EN 23 - Total weight of waste by type and disposal method				
	Total Waste	MT		712,960.17	772,141.32
	Non hazardous Waste	MT	799,870.23	713,433.71	772,977.64
	Hazardous Waste	MT	327.52	97.95	552.30
	Biomedical Waste	MT	5.70	4.59	4.38
	Other Waste	MT	0.69	34.61	3.11
	EN 24 - Total number and volume of significant spills				
	Number of Spills	No.	0	0.00	1.00
	Spills having potential liability/impact	No.	0	0.00	0.00
	Volume of Spills	KL	0	0.00	0.01
Compliance	**EN 29 - Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations**				
	Monetary	USD			235,585.00
	Non-Monetary				0.00
	Cases brought through Dispute Resolution mechanism	No.			0.00
Transport	**EN 31 - Total environmental protection expenditures and investments by type**				
	Total environmental protection expenditures and investments	INR	653,973,921.43	737,299,209	943,042,679
Production quantities		MT	8,423,936.43	8,394,437.80	8,248,535.85

SOCIAL INDICATORS

Aspect	Parameter							
	LA1 - Total number and rates of new employee hires and employee turnover by age group, gender, and region							
	Category		Sub-Category	Total employees	New Hires	Turnover	Turnover Rate	Contract Employees
Employment	**Total**			4959	567	569	11.47	4181
	Age (yrs)	India	29	619	189	74	11.95	
			30 – 50	1186	64	78	6.58	
			Over 50	**1262**	**2**	**139**	**11.01**	
		TCM	29	199	81	55	27.64	
			30 – 50	554	124	147	26.53	
			Over 50	170	38	16	9.41	
		TCE	29	41	7	0	0.00	
			30 – 50	207	21	22	10.63	
			Over 50	150	13	8	5.33	
		TCNA	29	52				
			30 – 50	263	Not tracking at the moment			
			Over 50	256				
	Gender	India	Male	2921	225	279	9.55	
			Female	146	30	12	8.22	
		TCM	Male	830	208	207	24.94	
			Female	93	35	11	11.83	
		TCE	Male	349	32	26	7.45	
			Female	49	9	4	8.16	
		TCNA	Male	522	Not tracking at the moment			
			Female	49				
	Region	**India**		**3067**	**255**	**291**	**9.49**	**4181**
		TCM		**923**	**243**	**218**	**23.62**	**0**
		TCE		**398**	**41**	**30**	**7.54**	**0**
		TCNA		**571**	**28**	**30**	**NA**	**0**

% employees under collective bargaining

25.58%

Aspect	Parameter	
Employment	**LA3 - Return to work and retention rates after parental leave, by gender**	
	Total number of employees that were entitled to parental leave	568
	Male	373
	Female	195
	Total number of employees that took parental leave	34
	Male	27
	Female	7
	Total number of employees who returned to work after parental leave ended	34
	Male	27
	Female	7
	Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	31
	Male	24
	Female	7
	Return to Work Rate	
	Male	100
	Female	100
	Retention rate	
	Male	100
	Female	100

Aspect	Parameter
Training and Education	**LA9 - Average hours of training per year per employee by gender, and by employee category**
	Average hours of training per year per employee for operations in India is 40, TCM is 0.27 and TCE is 11.88. TCNA estimates each employee receives between 12-20 hours of training per year depending on position.

Aspect	Parameter
Training and Education	**LA10 - Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings**
	Approx 1591 internal and external training programs were conducted that aimed to upgrade employee skills. Funding support for external training or education was Rs. 2,05,00,000 (corporate budget). Outplacement programs were delivered by third party at TCE.

Aspect	Parameter				
Training and Education	**LA11 - Percentage of employees receiving regular performance and career development reviews, by gender and by employee category (Segregation for TCL, India employees only)**				
	Category / Gender	Management	Officers	Non-Management	Contractual Workforce
	Male	952	827	1142	4077
	Female	76	30	40	104

Aspect	Parameter				
	LA12 - Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity				
	Composition of Governance bodies				
	Board of directors				
	Gender	Age Group (yrs)			Minority groups
		Under 30	30 – 50	Over 50	
	Male		2	7	0
	Female			1	0
	Executive Committee				
	Gender	Age Group (yrs)			Minority groups
		Under 30	30 – 50	Over 50	
	Male	0	5	9	0
	Female	0	0	2	0
	Breakdown of Employees by level				
	Management				
	Gender	Age Group (yrs)			Minority groups
		Under 30	30 – 50	Over 50	
	Male	196	644	212	0
	Female	32	52	11	1
	Officer				
	Gender	Age Group (yrs)			Minority groups
		Under 30	30 – 50	Over 50	
	Male	402	505	186	1
	Female	15	43	8	0
	Non-Management				
	Gender	Age Group (yrs)			Minority groups
		Under 30	30 – 50	Over 50	
	Male	158	661	1113	0
	Female	35	40	48	1

Aspect (left column, vertical): Diversity and Equal Opportunity

Aspect	Parameter			
	Breakdown of Employees by Function			

Engineering

Gender	Age Group (yrs)			Minority groups
	Under 30	30 – 50	Over 50	
Male	274	361	534	0
Female	11	4	7	0

Sales & Marketing

Gender	Age Group (yrs)			Minority groups
	Under 30	30 – 50	Over 50	
Male	46	226	48	0
Female	7	25	4	0

Production

Gender	Age Group (yrs)			Minority groups
	Under 30	30 – 50	Over 50	
Male	348	393	455	1
Female	12	3	5	0

Scientists

Gender	Age Group (yrs)			Minority groups
	Under 30	30 – 50	Over 50	
Male	1	16	7	0
Female	0	0	2	0

Support Services

Gender	Age Group (yrs)			Minority groups
	Under 30	30 – 50	Over 50	
Male	63	389	320	0
Female	18	58	43	2

Aspect	Parameter	Unit	2011-12	2012-13	2013-14	2014-15
Occupational Health and Safety	**LA6 - Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work related fatalities, by region and by gender**					
	Work Related Fatalities - TCL, Global	No.	3	1	0	1
	Total Lost Time Injury (LWC) - TCL, Global	No.	49	41	36	35
	Total Recordable Injury (LWC+RWC+MTC) - TCL, Global	No.	98	82	79	79
	Total Recordable Injury Frequency Rate (TRIFR) - TCL, Global	No./Mn Man-hrs	3.73	2.97	2.88	2.60
	Lost Time Injury Frequency Rate (LTIR) - TCL, Global	No./Mn Man-hrs	1.86	1.48	1.31	1.15
	Occupational Disease Rate - TCL, Global	No./Mn Man-hrs	0.00	0.00	0.00	0.07
	Lost Day Rate - TCL, Global	Lost days/Mn Man-hrs	722	250	79	244

Abbreviations

ADAPT	Action for Downturn Alleviation of Profit in Turbulent Times		**EPM**	Enterprise Process model
AGM	Annual General Body Meeting		**EMP**	Environment Management Programme
AIChE	American Institute of Chemical Engineers		**ERP**	Enterprise Resource Planning
AMAI	Alkali Manufacturers' Association of India		**ESF**	Effluent Solid Filtrate
AMT	Achievement Motivation Training		**ETP**	Effluent Treatment Plant
APC	Apex Policy Committee		**EXCOM**	Executive Committee
AQC	Apex Quality Council		**JMC**	Joint Management - Worker Health & Safety Committee
ASCI	Advertising Standards Council of India		**FAC**	First Aid Case
BCSD	Business Council for Sustainable Development		**FAEA**	Foundation for Academic Excellence and Access
BELP	Business Excellence Leaders Programme		**FAI**	Fertiliser Association of India
BPO	Business Process Outsourcing		**FICCI**	Federation of Indian Chambers of Commerce and Industry
BSC	Balance Score Card		**FSSAI**	Food Safety and Standards Authority of India
BSC	British Safety Council		**GET**	Graduate Engineer Trainee
CAT	Centre for Agriculture & Technology		**GHG**	Greenhouse Gas
CCEMC	Corporate Capital Expenditure Management Committee		**GRI**	Global Reporting Initiative
CCS	Customer Care System		**GRIMCO**	Gujarat Rural Industries Marketing Cooperative
CDM	Clean Development Mechanism		**HACCP**	Hazard Analysis Critical Control Points
CDP	Carbon Disclosure Project		**HAZOP**	Hazard and Operability Study
CFA	Carry Forward Agency		**HDPE**	High Density Poly Ethylene
CFO	Chief Financial Officer		**HIRA**	Hazard Identification and Risk Analysis
CFT	Cross Functional Team		**HOPE**	Harnessing Opportunities for People Empowerment
CII	Confederation of Indian Industry		**IC**	Innovation Centre
CO2e	Carbon Dioxide Equivalent		**ICRISAT**	International Crop Research Institute for Semi-Arid Tropics
CoP	Community of Practices		**ICSI**	Internal Customer Satisfaction Index
CoRE	Corporate Roundtable on Development of Strategies for the Environment and Sustainable Development		**IFA**	International Fertiliser Industry Association
CPB	Consumer Products Business		**IGNOU**	Indira Gandhi National Open University
CPCB	Central Pollution Control Board		**ILO**	International Labour Organisation
CRDP	Customer Relationship Development Programme		**ISO**	International Organisation for Standardisation
CRS	Crushed Refined Soda		**ISI**	Indian Standards Institute
CTC	Carbon Tetra Chloride		**JMC**	Joint Management Committee
CS	Corporate Sustainability		**JV**	Joint Venture
CSI	Community / Customer Satisfaction Index		**KAM**	Key Account Management
CSPI	Corporate Sustainability Protocol Index		**KSS**	Knowledge Sharing Sessions
CSR	Corporate Social Responsibility		**LCA**	Life Cycle Assessment
CSSGM	Corporate Sustainability Steering Group Meeting		**LTIR**	Lost Time Injury (Frequency) Rate
DAP	Di-Ammonium Phosphate		**LTS**	Long Term Settlement
EGA	Employee Growth Scheme		**LTSP**	Long Term Strategic Plan
EIA	Environmental Impact Assessment		**LWC**	Lost Work Day Case

MBE	Management of Business Ethics	**SPM**	Suspended Particulate Matter
MD	Managing Director	**SPOC**	Single Point of Contact
MDP	Management Development Programme	**SRM**	Supply chain Relationship Management
MNP	Marine National Park	**SRTT**	Sir Ratan Tata Trust
MOP	Muriate of Potash	**SS**	Support Services
MOU	Memorandum Of Understanding	**SSP**	Single Super Phosphate
MSDS	Material Safety Data Sheet	**SSERC**	Sweet Sorghum Ethanol Research Consortium
MT	Metric Tonne	**STPP**	Sodium Tri-Poly Phosphate
MT	Management Trainee	**TBEM**	Tata Business Excellence Model
MTC	Medical Treatment Case	**TCDAV**	Tata Chemicals Dayanand Anglo-Vedic
NABARD	National Bank for Agriculture & Rural Development	**TCL**	Tata Chemicals Limited
NFC	Neutral Filter Cake	**TCOC**	Tata Code of Conduct
NGO	Non-Government Organisation	**TCSRD**	Tata Chemicals Society for Rural Development
NRM	Natural Resource Management	**TERI**	The Energy Research Institute
OD	Ozone Depletion	**TJ**	Terra Joule
ODS	Ozone Depleting Substances	**TKN**	Total K-jeldhal Nitrogen
ODSE	Other Directly Supervised Employees	**TKS**	Tata Kisan Sansar
OHI	Occupational Health Index	**TLP**	Tata Leadership Practices
OHSAS	Occupational Health and Safety Advisory Services	**TQMS**	Tata Quality Management Services
OPD	Out Patient Department	**TRIR**	Total Recordable Injury (Frequency) Rate
PIPE	Personal and Inter Personal Effectiveness	**TSDF**	Treatment, Storage & Disposal Facility
PF	Pulmonary Function	**UK**	United Kingdom
PFI	Population Foundation of India	**UN**	United Nations
PHE	Public Health Engineering	**UNFCCC**	United Nations Framework Convention on Climate Change
PIPE	Personal & Interpersonal Effectiveness	**UNGC**	United Nations Global Compact
PMS	Performance Management System	**US**	United States
POSH	Prevention Of Sexual Harassment	**USA**	United States of America
PPC	Portland Pozzolana Cement	**VDU**	Visual Display Unit
PPE	Personal Protective Equipment	**VFD**	Variable Frequency Drive
PSI	Professional Service Industries	**VOC**	Voice of Customer
QFD	Quality Function Deployment	**WASMO**	Water and Sanitation Management Organisation
RC	Responsible Care	**WPRM**	Weekly Performance Review Meeting
RCA	Root Cause Analysis	**YOY**	Year on Year
RWC	Restricted Work Case		
SA	Social Accountability		
SAM	Soda Ash, Magadi		
SBU	Strategic Business Unit		
SDM	Strategy Deployment Mechanism		
SDP	Supervisor Development Programme		
SDTT	Sir Dorabji Tata Trust		
SHE	Safety, Health and Environment		
SHES	Safety, Health, Environment and Sustainability		
SHG	Self Help Group		
SLA	Service Level Agreement		
Sp.	Specific		
SPCB	State Pollution Control Board		
SPL	Standard Performance Level		

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

Date : 15th January 2010

Managing Director

TATA

Quality Policy
Tata Chemicals Limited commits itself to become the company of choice by providing products and services at competitive costs. We will continually enhance product quality, process performance and skills of our employees leading to customer delight.

Quality Objectives
• Develop Employee skills to meet internal and external customer requirements.

• Improve systems and processes in line with changing customer needs.

• Upgrade product quality by process improvement.

• Adhere to specified requirements (internal and external) on quality and deliveries.

• Strengthen the Supplier / Partner relationship.

• Meet cost targets.

• Improve satisfaction index of Channel Partners (Dealers, Distributors, C&F agents, etc) through support and development.

• Improve Customer Satisfaction Index and reduce customer complaints and dissatisfaction.

TATA CHEMICALS LIMITED

Date: 21ˢᵗ May 2009

Managing Director

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 benefit.

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

Date: 21ˢᵗ May 2009

Managing Director

TATA

SOCIAL ACCOUNTABILITY POLICY

It is our policy to conduct our business in a socially responsible manner by complying with all the requirements of SA 8000 standard.

To that end we are committed to:

• Comply with applicable state, national and international legislations, ILO and UN conventions on ethical business.

• Continual improvement in our performance through management reviews, open communications and providing a favourable employment environment.

• Actively promote and encourage the pursuit of ethical excellence not only within the company but also amongst our suppliers and customers.

TATA CHEMICALS LIMITED

Dated: 22nd January, 2009
Place: Mumbai

Managing Director

Community Development Policy

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

• Designing, evolving and implementing sustainable, replicable and scaleable 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

Date: 21ˢᵗ May 2009

Managing Director

Affirmative Action Policy

Tata Chemicals Limited abides by the Tata Group Affirmative Action Policy and commits to the following:

• Tata Chemicals Limited believes in social equity

• The company adheres to the principle of equal opportunity, irrespective of caste, whether in recruitment or career advancement within the organization

• The company is also committed to directly conducting or supporting initiatives to ensure an equal footing for socially and economically disadvantaged sections in the country at large, and specifically the Scheduled Caste and Scheduled Tribe communities.

• Towards the ultimate goal of enhancing their employability and entrepreneurship abilities, Tata Chemicals Limited is committed to creating and promoting access to quality education and technical skills and competencies for members of the SC/ST communities. Further, to speedily enable these communities overcome the social discrimination that has prevented them from realizing their potential as productive members of society, Tata Chemicals Limited will assist members from these communities for employment opportunities and as business associates, provided everything else (merit for employment: cost and quality for business associates) is equal.

TATA CHEMICALS LIMITED

Date: February 14, 2011

Managing Director

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

Date: 21ˢᵗ May 2009

Managing Director

TATA
Climate Change
Grey to Green

TATA

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.

Ratan N Tata
Chairman, Tata Sons

TATA CHEMICALS LIMITED

Date: 11ᵗʰ January, 2010   We have adopted above "Climate Change Policy   Managing Director
Revision No. - 0   for Tata Companies" for implementation

TATA CHEMICALS

FEEDBACK FORM FOR SUSTAINABILITY REPORT 2014-15

We hope you enjoyed the opportunity to learn about us, and now we want to hear what you have to say. We value your suggestions to improve our performance.

1. Meeting your information requirements pertaining to Economic, Social & Environment :

   ☐ Excellent   ☐ Very Good   ☐ Good   ☐ Average Poor

2. Openness and transparency in providing information about material issues in the report:

   ☐ Excellent   ☐ Very Good   ☐ Good   ☐ Average Poor

3. Clarity and ease of understanding:

   ☐ Excellent   ☐ Very Good   ☐ Good   ☐ Average Poor

4. Presentation, Design and Layout:

   ☐ Excellent   ☐ Very Good   ☐ Good   ☐ Average Poor

5. Suggest any other material issues & areas to be covered in the next report

_____
_____
_____
_____

Name:_____
Designation:_____
Organisation:_____
Contact Address:_____
Email:_____

Please email your feedback at **sustainability@tatachemicals.com** or write to:

MS. ALKA TALWAR
Chief CSR and Sustainability Officer
Tata Chemicals Limited
Leela Business Park, Andheri Kurla Road
Andheri East, Mumbai, 400059

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