

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

Strong leadership and effective corporate governance practices have been the Company's hallmark and it has inherited these from the Tata culture and ethos. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Director. In addition, the Company has adopted a Code of Conduct for Non-Executive Directors. The Company's Corporate Governance philosophy has been further strengthened through the Tata Business Excellence Model, Governance Guidelines for Board Effectiveness, the Tata Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Policy.

The Company has an active, experienced and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

The Company is in compliance with the requirements stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and also the erstwhile Clause 49 of the Listing Agreement with regard to corporate governance.

2. BOARD OF DIRECTORS

Composition of the Board

The composition of the Board of Directors of the Company is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act'). As on 31st March, 2016, the Board comprised eight Directors, out of which seven are Non-Executive Directors and one Managing Director. Out of seven Non-Executive Directors, five (i.e. 62.50%) are Independent Directors (including one woman Independent Director).

All Directors possess the requisite qualifications and experience in general corporate management, finance, banking, marketing and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company. Detailed profile of the Directors is available on the Company's website: www.tatachemicals.com.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. None of the Directors of the Company is related to each other.

None of the Independent Directors on the Board serve as an Independent Director in more than seven listed companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 (1) of the Listing Regulations. The Managing Director of the Company does not serve as an Independent Director in any listed company.

Board Procedure

The annual calendar of Board Meetings is agreed upon at the beginning of the year.

In order to reduce paper consumption and maximum utilisation of technology, the Company has adopted a web based application for transmitting the agenda and pre-reads for the Board and Committee meetings. The Directors receive the agenda and pre-reads in electronic form through the application which can be accessed through the iPads. The said application is highly secured.

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions and to discharge its responsibilities effectively. The Managing Director apprises the Board on the overall performance of the Company. The Board also, *inter-alia*, reviews the strategy, annual business plan and capital expenditure budgets, compliance reports of the laws applicable to the Company, review of major legal issues, internal financial controls and financial reporting systems, minutes of the Board Meetings of the Company's subsidiary companies, adoption of quarterly / half-yearly / annual results, transactions pertaining to purchase / disposal of property, major accounting provisions and write-offs / write backs, corporate restructuring, minutes of the meetings of the Audit and other Committees of the Board.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, the Board is also kept informed of major events and approvals are taken wherever necessary.

Meetings Held

The Board met 8 (eight) times on the following dates during the Financial Year (FY) 2015-16:

25th April, 2015	6th November, 2015
27th May, 2015	17th December, 2015
5th August, 2015	10th February, 2016
20th October, 2015	22nd March, 2016

The gap between two meetings did not exceed one hundred and twenty days.

The Seventy-Sixth Annual General Meeting (AGM) of the Company was held on 11th August, 2015.

Board of Directors

The composition and category of Directors, their attendance at the Board Meetings and at the last AGM held during the FY 2015-16 and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March, 2016 are as follows:

Name of the Director	Category of the Director	Number of Board Meetings held during the FY 2015-16	Number of Board Meetings attended during the FY 2015-16	Whether attended AGM held on 11th August, 2015	Number of directorships in other public limited companies*		Number of committee positions held in other public limited companies**	
					Chairman of the Board	Board Member	Chairman of the Committee	Committee Member
Mr. Cyrus P. Mistry DIN - 00010178	Chairman, Non-Independent, Non-Executive	8	7	Yes	9	-	-	-
Mr. R. Gopalakrishnan [@] DIN - 00027858	Vice-Chairman, Non-Independent, Non-Executive	8	5	Yes	-	-	-	-
Mr. Nusli N. Wadia DIN - 00015731	Independent, Non-Executive	8	6	Yes	4	3	-	-
Mr. Prasad R. Menon [@] DIN - 00005078	Non-Independent, Non-Executive	8	4	Yes	-	-	-	-
Mr. Nasser Munjee DIN - 00010180	Independent, Non-Executive	8	8 [^]	Yes	2	7	4	1
Mr. E. A. Kshirsagar DIN - 00121824	Independent, Non-Executive	8	8	Yes	-	6	5	1
Dr. Y. S. P. Thorat DIN - 02652734	Independent, Non-Executive	8	7	Yes	-	2	1	2
Ms. Vibha Paul Rishi DIN - 05180796	Independent, Non-Executive	8	8	Yes	-	8	-	4
Mr. Bhaskar Bhat [§] DIN - 00148778	Non-Independent, Non-Executive	8	4	NA	3	5	-	2
Mr. R. Mukundan DIN - 00778253	Managing Director	8	8	Yes	-	3	-	-
Mr. P. K. Ghose [@] DIN - 00034945	Executive Director & CFO	8	3	Yes	-	-	-	-

Notes:

* Excludes directorships in associations, private limited companies, foreign companies, companies registered under Section 8 of the Act, Government Bodies and Alternate Directorships

** Represents Chairmanships / Memberships of Audit Committee and Stakeholders Relationship Committee in listed as well as unlisted public limited companies

[@] Mr. R. Gopalakrishnan retired as a Vice Chairman and Director w.e.f. 25th December, 2015; Mr. Prasad R. Menon resigned as a Director w.e.f. from 21st October, 2015; and Mr. P. K. Ghose retired as an Executive Director & CFO w.e.f. from 30th September, 2015

[^] Mr. Nasser Munjee participated in 1 meeting through videoconference

[§] Mr. Bhaskar Bhat was appointed as an Additional Director w.e.f. 20th October, 2015

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Shareholding of Directors as on 31st March, 2016 is as under:

Name of the Director	No. of Ordinary shares held	% of Paid-up Capital
Mr. Cyrus P. Mistry (Chairman)	16,000	0.01%
Mr. R. Mukundan (Managing Director)	500	0.00%

Apart from the above, no other Director is holding any shares in the Company. The Company has not issued any convertible instruments.

Independent Directors

Terms and conditions of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act, Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment have been disclosed on the website of the Company.

Familiarisation Programme for Independent Directors

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuing basis.

Pursuant to the provisions of the Act and Regulation 25 (7) of the Listing Regulations, the Company has, during the year, conducted familiarisation programmes for its Independent Directors. The details of familiarisation programmes for Independent Directors are available on the Company's website on the following link : <http://www.tatachemicals.com/investors/policies/pdf/familiarisation-programme-hours.pdf>.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 22nd March, 2016 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;

- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Nusli N. Wadia, Mr. E. A. Kshirsagar, Dr. Y. S. P. Thorat and Ms. Vibha Paul Rishi attended the Meeting of Independent Directors. Mr. Nusli N. Wadia chaired the Meeting. Mr. Nasser Munjee participated in the meeting through videoconference.

Appointment / Re-appointment of Directors

As required under Regulation 36 (3) of the Listing Regulations, particulars of the Directors seeking appointment / re-appointment are given in the Explanatory Statement to the Notice of the AGM.

Code of Conduct

Whilst the Tata Code of Conduct is applicable to the Whole-time Directors and employees of the Company, the Board has also adopted a Code of Conduct for Non- Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV to the Act (Code for Independent Directors) and Regulation 17(5) of the Listing Regulations, both of which are available on the Company's website.

All the Board members and Senior Management of the Company as on 31st March, 2016 have affirmed compliance with their respective Codes of Conduct. A declaration to this effect, duly signed by the Managing Director, forms part of this report.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration that these Directors would be entitled under the Act as Non-Executive Directors, none of the Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates.

Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

3. AUDIT COMMITTEE

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions.

All the items listed in Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and in Section 177 of the Act are covered in the terms of reference.

Terms of Reference

The terms of reference of the Audit Committee, *inter-alia*, are:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Discuss and review, with the management and auditors, the annual/quarterly financial statements before submission to the Board;
- Review of the Company's accounting policies internal accounting controls, financial and such other matters;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit, etc;
- Evaluate auditors' performance, qualification, independence and effectiveness of Audit process;
- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Review the adequacy of internal audit and risk management function;
- Review the adequacy of internal control systems and ensure adherence thereto;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the revised Tata Code of Conduct for Prevention of Insider Trading;
- Scrutinise inter-corporate loans and investments;
- Review the Company's compliance with the legal and regulatory requirements and the Tata Code of Conduct and effectiveness of the system for monitoring the same;
- Review the functioning of Whistle Blower Mechanism of the Company which shall include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure and frequency of internal audit;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee has been granted powers as prescribed under Regulation 18 (2) (c) of the Listing Regulations.

Meetings Held

During FY 2015-16, 8 (eight) meetings of the Audit Committee were held on the following dates:

15th April, 2015	3rd November, 2015
26th May, 2015	1st December, 2015
15th July, 2015	20th January, 2016
3rd August, 2015	9th February, 2016

The gap between two meetings did not exceed one hundred and twenty days.

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Composition and Attendance

Name of the Member	Category	No. of meetings attended
Mr. Nasser Munjee (Chairman)	ID	8
Mr. R. Gopalakrishnan*	NED	6
Mr. E. A. Kshirsagar	ID	8
Dr. Y. S. P. Thorat	ID	8

ID - Independent Director; NED - Non-Executive Director

Note:

* Mr. R. Gopalakrishnan ceased to be a member w.e.f. 25th December, 2015 upon retirement

Mr. Nasser Munjee is an eminent Economist and leading banker. All members of the Audit Committee are financially literate and have accounting and related financial management expertise.

The Company Secretary acts as the Secretary to the Committee. The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18 (1) of the Listing Regulations.

The Managing Director, Chief Financial Officer, Statutory Auditor, Chief-Internal Audit and Risk Management and Vice President & Group Corporate Controller attend and participate at all the meetings of the Committee. The Chief Operating Officers and Chief Human Resources Officer attend the meetings where Internal Audit Reports are discussed. The Committee from time to time also invites such of the executives, as it considers appropriate, to be present at the meetings.

During the year, the Committee reviewed the key audit findings covering operational, financial and compliance areas, internal financial controls and financial reporting systems to the Committee. The Chairman of the Audit Committee briefs the Board about the significant discussions at the Audit Committee meetings. The minutes of each of the Audit Committee are placed in the next meeting of the Board.

Mr. Nasser Munjee, Chairman of the Audit Committee, was present at the last AGM held on 11th August, 2015.

Tata Code of Conduct for Prevention of Insider Trading

The Company has adopted a revised Code of Conduct for Prevention of Insider Trading under the amended SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down guidelines for procedures to be followed and disclosures to be made while trading in securities of the Company. Mr. Rajiv Chandan, General Counsel & Company Secretary, has been appointed as the 'Compliance Officer' for ensuring the compliance with and for the effective implementation of

the Regulations and the Code across the Company. Mr. John Mulhall, Chief Financial Officer, has been designated as the 'Chief Investor Relations Officer' to ensure timely, adequate, uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information.

The details of dealing in the Company's securities by Designated Persons are placed before the Audit Committee on quarterly basis.

4. NOMINATION AND REMUNERATION COMMITTEE (NRC)

Terms of Reference

The terms of reference of the NRC, *inter-alia*, are:

- Make recommendations to the Board regarding the setup and composition of the Board;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Formulate criteria for evaluation of Independent Directors and the Board;
- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;
- Devise a policy on Board diversity;
- Recommend to the Board the appointment or reappointment of Directors;
- Recommend to the Board, the appointment of KMP and executive team members;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;

- Review matters related to remuneration and benefits payable upon retirement and severance to the Managing Director/ Executive Director(s), KMP and executive team members;
- Oversee familiarisation programmes for Directors;
- Review HR and people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Provide guidelines for remuneration of Directors on material subsidiaries;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Perform other activities related to the charter as requested by the Board from time to time.

Meetings Held

During FY 2015-16, 5 (five) meetings of NRC were held on the following dates:

27th May, 2015	4th November, 2015
9th July, 2015	22nd March, 2016
14th September, 2015	

Composition and Attendance

The composition and the terms of reference of the NRC are in compliance with the provisions of Section 178 (1) of the Act and Regulation 19 of the Listing Regulations.

Name of the Member	Category	No. of meetings attended
Mr. Nusli N. Wadia (Chairman)	ID	5
Mr. Cyrus P. Mistry	NED	5
Mr. R. Gopalakrishnan*	NED	4
Mr. Nasser Munjee	ID	5 [^]
Mr. Bhaskar Bhat [#]	NED	NA

ID - Independent Director; NED - Non-Executive Director

Notes:

* Mr. R. Gopalakrishnan ceased to be a member w.e.f. 25th December, 2015 upon retirement

[^] Mr. Nasser Munjee participated in 3 meetings through videoconference

[#] Mr. Bhaskar Bhat was appointed as a member at the Board Meeting held on 22nd March, 2016 after the NRC Meeting

Mr. Nusli N. Wadia, the Chairman of the NRC, was present at the AGM of the Company held on 11th August, 2015.

Board and Director Evaluation

During the year, the Board has carried out an annual performance evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process of the Board, its Committees and Directors. The criteria for Board Evaluation include, *inter-alia*, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various committees, effectiveness of Board processes, information and functioning.

Criteria for Evaluation

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at the Board / Committee meetings and guidance / support to management outside the Board / Committee meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all the Board members and motivating and providing guidance to the Managing Director. Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of committee composition and effectiveness of meetings.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Remuneration of Directors

The Company's philosophy for remuneration of Directors, KMP and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy. The principles governing the Company's Remuneration Policy is provided in the Board's Report.

Managing Director / Executive Director

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and Executive Director. Annual increments are recommended by the NRC within the salary scale approved by the members of the Company and are effective 1st April each year. NRC recommends on the commission payable to the Managing Director and the Executive Director out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the Managing Director and the Executive Director.

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Details of Remuneration:

Name of the Director	Salary (₹)	Perquisites and Allowance (₹)	Commission** (₹)	Retirement Benefits paid (₹)	Total Remuneration (₹)
Mr. R. Mukundan - Managing Director	78,00,000	1,38,43,958	2,30,00,000	NA	4,46,43,958
Mr. P. K. Ghose - Executive Director & CFO *	33,00,000	48,08,486	1,50,00,000	2,26,85,237	4,57,93,723

Notes:

* Mr. P.K. Ghose retired w.e.f. 30th September, 2015

** Commission relates to FY 2015-16, which will be paid during FY 2016-17

Non-Executive Directors

During FY 2015-16, the Company revised the sitting fees from ₹ 20,000 per meeting to ₹ 30,000 per meeting to the Non-Executive Directors for attending each meeting of the Board, Executive Committee of the Board, Audit Committee and NRC; and for Stakeholders Relationship Committee, the sitting fees was revised from ₹ 5,000 per meeting to ₹ 20,000 per meeting. The Non-Executive Directors were paid ₹ 20,000 per meeting for attending each meeting of the CSR, Safety and Sustainability Committee, Risk Management Committee and Independent Directors Meeting.

The members have at the AGM of the Company held on 26th August, 2013, approved the payment of commission to the Non-Executive Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Companies Act, 1956. The said commission is decided each year by the Board of Directors and distributed amongst the Non-Executive Directors based on their attendance and contribution at the Board and certain Committee meetings, as well as the time spent on operational matters other than at the meetings. The Company also reimburses the out-of-pocket expenses incurred by the directors for attending the meetings.

Details of Commission and Sitting Fees paid to the Non Whole-time Directors for the FY ended 31st March, 2016 is given below:

Name of the Director	Sitting Fees (₹)	Commission (for FY 2015-16 payable in FY 2016-17) (₹)
Mr. Cyrus P. Mistry	4,20,000	Nil*
Mr. R. Gopalakrishnan**	4,60,000	95,80,000
Mr. Nusli N. Wadia	3,60,000	35,35,000
Mr. Prasad R. Menon [^]	2,20,000	27,80,000
Mr. Nasser Munjee	5,20,000	56,50,000
Mr. E. A. Kshirsagar	5,40,000	39,30,000
Dr. Y. S. P. Thorat	6,20,000	39,25,000
Ms. Vibha Paul Rishi	2,40,000	19,00,000
Mr. Bhaskar Bhat [#]	1,50,000	12,00,000
Total	35,30,000	3,25,00,000

Notes:

* Mr. Cyrus P. Mistry, being Executive Chairman of Tata Sons Limited, has not accepted any commission from the Company

** Mr. R. Gopalakrishnan ceased to be a Director w.e.f. 25th December, 2015 upon retirement

[^] Mr. Prasad R. Menon ceased to be a Director w.e.f. 21st October, 2015 due to resignation

[#] Mr. Bhaskar Bhat was appointed as an Additional Director w.e.f. 20th October, 2015

As per the practice, commission to the Directors is paid after the annual accounts are adopted by the members at the AGM.

The Company has not granted any stock options to its Directors.

Service Contracts, Severance Fees and Notice Period

Terms of Agreement of Managing Director	Mr. R. Mukundan
Period of Contract	5 years upto 25th November, 2018
Severance fees / notice period	The Contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance fees.

Retirement Policy for Directors

The Governance Guidelines on Board effectiveness adopted by the Company provides for the retirement age of Directors. As per the Governance Guidelines, the Managing and Executive Directors retire at the age of 65 years, Non-Independent Non-Executive Directors retire at the age of 70 years and the retirement age for Independent Directors is 75 years subject to the tenure specified under Section 149 of the Act.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee are as under:

- To look into redressal of investors' complaints and requests such as transfer of shares / debentures, non-receipt of dividend, annual report, etc.

- To resolve the grievances of the security holders of the Company.

Meetings Held

During FY 2015-16, 2 (two) meetings of Stakeholders Relationship Committee were held on 3rd August, 2015 and 19th October, 2015.

Composition and Attendance

Name of the Member	Category	No. of meetings attended
Dr. Y. S. P. Thorat (Chairman)	NED-ID	2
Mr. R. Mukundan	MD	2

NED - ID - Non-Executive Director, Independent Director; MD - Managing Director

Status of Investor Complaints as on 31st March, 2016 and reported under Regulation 13 (3) of the Listing Regulations, is as under:

Complaints as on 1st April, 2015	: 2
Received during the year	: 29
Resolved during the year	: 30
Pending as on 31st March, 2016	: 1*

* As on 26th May, 2016, the Company has submitted Action Taken Report to SEBI and the same is pending for their review

The correspondence identified as investor complaints are letters received through statutory / regulatory bodies and letters pertaining to fraudulent encashment etc.

Name, designation and address of the Compliance Officer

Mr. Rajiv Chandan
 General Counsel & Company Secretary
 Tata Chemicals Limited
 Bombay House, 24 Homi Mody Street, Fort, Mumbai 400 001
 Tel. No.: +91 22 66658282
 Fax No.: +91 22 66658144
 Email- investors@tatachemicals.com

On the recommendations of the Committee, the Company has taken various investor friendly initiatives like sending reminders to the investors who have not claimed their dividends, encourage dematerialisation of shares, etc.

6. EXECUTIVE COMMITTEE OF THE BOARD

Terms of Reference

The terms of reference of the Executive Committee of the Board are as under:

- To periodically review the ongoing capital expenditure and the investments made by the Company;

- To examine new proposals for investments from the standpoint of their business and financial impact;
- To formulate the future strategic direction and business development of the Company.

In addition to the above terms of reference for this Committee, the Committee is expected to review the following items before they are presented to the Board:

- Business and Strategy of the Company;
- Long-term financial projections and cash flows;
- Capital and Revenue Budgets and Capital Expenditure programmes;
- Acquisitions, divestments and business restructuring proposals;
- Senior management succession planning;
- Any other item as may be decided by the Board.

Meetings Held

During FY 2015-16, 3 (three) meetings of Executive Committee of the Board were held on 17th June, 2015, 14th September, 2015 and 9th March, 2016.

Composition and Attendance

Name of the Member	Category	No. of meetings attended
Mr. Cyrus P. Mistry (Chairman)	NED	3
Mr. R. Gopalakrishnan*	NED	2
Mr. Nusli N. Wadia	ID	1
Mr. Prasad R. Menon*	NED	2
Dr. Y. S. P. Thorat	ID	2
Mr. Bhaskar Bhat [^]	NED	1
Mr. R. Mukundan	MD	3
Mr. P. K. Ghose*	ED & CFO	2

ID - Independent Director; NED - Non-Executive Director; MD - Managing Director; ED & CFO - Executive Director & CFO

Notes:

* Mr. R. Gopalakrishnan ceased to be a member w.e.f. 25th December, 2015 upon retirement; Mr. Prasad R. Menon ceased to be a member w.e.f. 21st October, 2015 due to resignation and Mr. P. K. Ghose ceased to be a member w.e.f. 30th September, 2015 upon retirement

[^] Mr. Bhaskar Bhat was appointed as a member w.e.f. 10th February, 2016

7. CSR, SAFETY AND SUSTAINABILITY COMMITTEE

Terms of Reference

The terms of reference of the CSR, Safety and Sustainability Committee are as under:

- Review and monitor the sustainability, environmental, safety and health policies and activities across the Tata Chemicals group;

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- Provide guidance to the management to ensure that all long-term strategic proposals made to the Board include safety, health, environment and sustainability implications;
- Investigate or cause to be investigated, any extraordinary negative sustainability, environment, health and safety performance or issues of asset integrity which can impact safety, health, environment and sustainability where appropriate;
- Formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act and have oversight over its implementation;
- Recommend the amount to be spent on CSR activities;
- Monitor the Company's CSR policy periodically.

The Board has also adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. A CSR Report giving details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms a part of the Board's Report.

Meetings Held

During FY 2015-16, 4 (four) meetings were held on 24th April, 2015, 15th July, 2015, 19th October, 2015 and 20th February, 2016.

Composition and Attendance

Name of the Member	Category	No. of meetings attended
Dr. Y. S. P. Thorat (Chairman) [#]	ID	4
Mr. Prasad R. Menon [*]	NED	3
Mr. Nasser Munjee	ID	3
Mr. Bhaskar Bhat [^]	NED	NA
Mr. R. Mukundan	MD	4

ID - Independent Director; NED - Non-Executive Director; MD - Managing Director

Notes:

[#] Dr. Y. S. P. Thorat was appointed as the Chairman w.e.f. 22nd March, 2016

^{*} Mr. Prasad R. Menon ceased to be Chairman and Member w.e.f. 21st October, 2015 due to resignation

[^] Mr. Bhaskar Bhat was appointed as a Member w.e.f. 22nd March, 2016

Chief-Safety and Chief-CSR & Sustainability are the permanent invitees to the meetings of the Committee. The General Counsel & Company Secretary attends the meetings.

8. RISK MANAGEMENT COMMITTEE (RMC)

Regulation 21 of the Listing Regulations mandates top 100 listed companies based on market capitalisation as on 31st March, 2016 to constitute the RMC. Although non-mandatory, the Company has constituted a RMC of the Board. The roles and responsibilities of the Committee are as per the Charter adopted by the Board and includes monitoring and review of the risk management plan and reporting the same to the Board periodically as it may deem fit, in addition to any other terms as may be referred by the Board, from time to time.

Terms of Reference

The terms of reference of the RMC are as under:

- Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management;
- Review and approve the Enterprise Risk Management (ERM) framework;
- Review the Company's risk appetite and strategy relating to key risks, including market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks;
- Oversee Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels;
- Review and analyse risk exposure related to specific issues, concentrations and limit excesses, and provide oversight of risk across organisation;
- Review compliance with risk policies, monitor breach / trigger trips of risk tolerance limits and directs action;
- Nurture a healthy and independent risk management function in the Company;
- Oversight of operating subsidiaries.

Meetings Held

During FY 2015-16, 4 (four) meetings were held on 25th June, 2015, 26th August, 2015, 23rd November, 2015 and 25th January, 2016.

Composition and Attendance

Name of the Member	Category	No. of meeting attended
Mr. E. A. Kshirsagar (Chairman)	ID	4
Mr. R. Mukundan	MD	4
Mr. P. K. Ghose*	ED & CFO	1
Mr. John Mulhall**	CFO	3
Mr. Sudhir Dalvi [^]	Chief- IA & RM	1

ID - Independent Director; NED - Non-Executive Director; MD - Managing Director; ED & CFO - Executive Director & Chief Financial Officer Chief- IA & RM - Chief - Internal Audit & Risk Management

Notes:

* Mr. P. K. Ghose ceased to be a member w.e.f. 30th September, 2015 upon retirement

** Mr. John Mulhall was appointed as a member w.e.f. 5th August, 2015

[^] Mr. Sudhir Dalvi ceased to be a member w.e.f. 5th August, 2015

The Company has a well-defined risk management framework in place. The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis Chapter of this Annual Report.

9. SUBSIDIARY COMPANIES

Regulation 16 of the Listing Regulations defines a 'material subsidiary' as subsidiary, whose income or net worth exceeds

20% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Under this definition, the Company does not have any unlisted material subsidiary incorporated in India. It is, therefore, not required to have an Independent Director of the Company on the Board of such subsidiary.

The subsidiaries of the Company function independently, with an adequately empowered Board of Directors and sufficient resources. For more effective governance, the Minutes of Board Meetings of subsidiaries of the Company are placed before the Board of the Company for its review on quarterly basis and a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are also placed before the Board.

Pursuant to the explanation under Regulation 16 (1) (c) of the Listing Regulations, the Company has formulated a policy for determining material subsidiaries which is disclosed on the Company's website at the following web link: http://tatachemicals.com/investors/policies/pdf/material_subsidary.pdf.

10. GENERAL BODY MEETINGS

Location, day, date and time of AGMs held during the last 3 years and special resolutions passed are given as below:

Year	Location	Day, Date and Time	Special resolutions
2014-15	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020.	Tuesday, 11th August, 2015 at 3.00 p.m.	There was no matter that required passing of Special Resolution
2013-14	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020.	Thursday, 21st August, 2014 at 3.00 p.m.	(i) Approve borrowing limits of the Company (ii) Creation of Charge on the assets of the Company (iii) Offer or invitation to subscribe to Non-Convertible Debentures on Private Placement
2012-13	Birla Matushri Sabhagar, 19, Vithaldas Thackersey Marg, Mumbai 400 020.	Monday, 26th August, 2013 at 3.00 p.m.	Commission to Non Whole Time Directors of the Company

Postal Ballot

During FY 2015-16, no resolution was put through by Postal Ballot. No special resolution is proposed to be passed through postal ballot.

6th August, 2015, for second quarter ended 30th September, 2015 the results were published on 7th November, 2015 and for the third quarter ended 31st December, 2015 the results were published on 11th February, 2016.

11. MEANS OF COMMUNICATION

The quarterly / half-yearly/annual results were published at least in one English newspaper on the next day of the meeting for that quarter i.e. for quarter and year ended 31st March, 2015, the results were published on 28th May, 2015, for the first quarter ended 30th June, 2015 the results were published on

The quarterly results are published in the Indian Express (English), Business Standard (English), Business Line (English), Loksatta (Marathi), Free Press Journal (English) and Navshakti (Marathi).

The financial results are displayed under 'Investor Relations' section of the Company's website viz.,

CORPORATE GOVERNANCE REPORT

www.tatachemicals.com. They are also filed with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited through BSE Online Portal.

The official press releases, presentation made to the members at the AGM, the presentation made to the institutional investors and analysts and the transcripts of the call with analysts for quarterly/annual results are available on the Company's website under "Investor Relations".

Management Discussion and Analysis forms part of the Annual Report.

Company's Website

The Company's website is a comprehensive reference on Tata Chemicals' management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, updates and news. The section on 'Investor Relations' serves to inform the members by giving complete financial details, annual reports, shareholding patterns, presentation made to institutional investors and analysts, corporate benefits,

information relating to stock exchanges, Registrar and Share Transfer Agents, etc. The section on 'Media' includes all major press releases, awards and campaigns.

Material events or information as detailed in Regulation 30 of the Listing Regulations are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE Limited through BSE Online Portal. They are also displayed on the Company's website under the 'Investor Relations' section.

The Company has also uploaded the names of the members and the details of the unclaimed dividend by the members on its website. The members can log in and find out whether their dividend for any of the years is outstanding. The link for the same is - http://tatachemicals.com/investors/unclaimed_dividends.html.

12. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24239MH1939PLC002893.

Annual General Meeting date, time and venue

Date and Time	: Thursday, 11th August, 2016 at 3.00 p.m.
Venue	: Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai - 400020
Financial Year	: April to March
Book Closure Date	: Thursday, 4th August, 2016 to Thursday, 11th August, 2016 (both days inclusive for the purpose of AGM and Dividend)
Dividend payment date	: On and from Thursday, 18th August, 2016
Listing on Stock Exchanges	: (a) The Company's Ordinary Shares are listed on the following Stock Exchanges: <ul style="list-style-type: none"> (1) BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. (2) National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051. (b) Non Cumulative Debentures (NCDs) The Company's NCDs are listed on the following Stock Exchange under Debt segment : <ul style="list-style-type: none"> (1) National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051. The Company has paid the Annual Listing fees to these Stock Exchanges for the FY 2015-16.
Debenture Trustee	: IDBI Trusteeship Services Ltd. Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001. Tel: +91 22 40807000, Fax: +91 22 6631 1776

Stock Code:

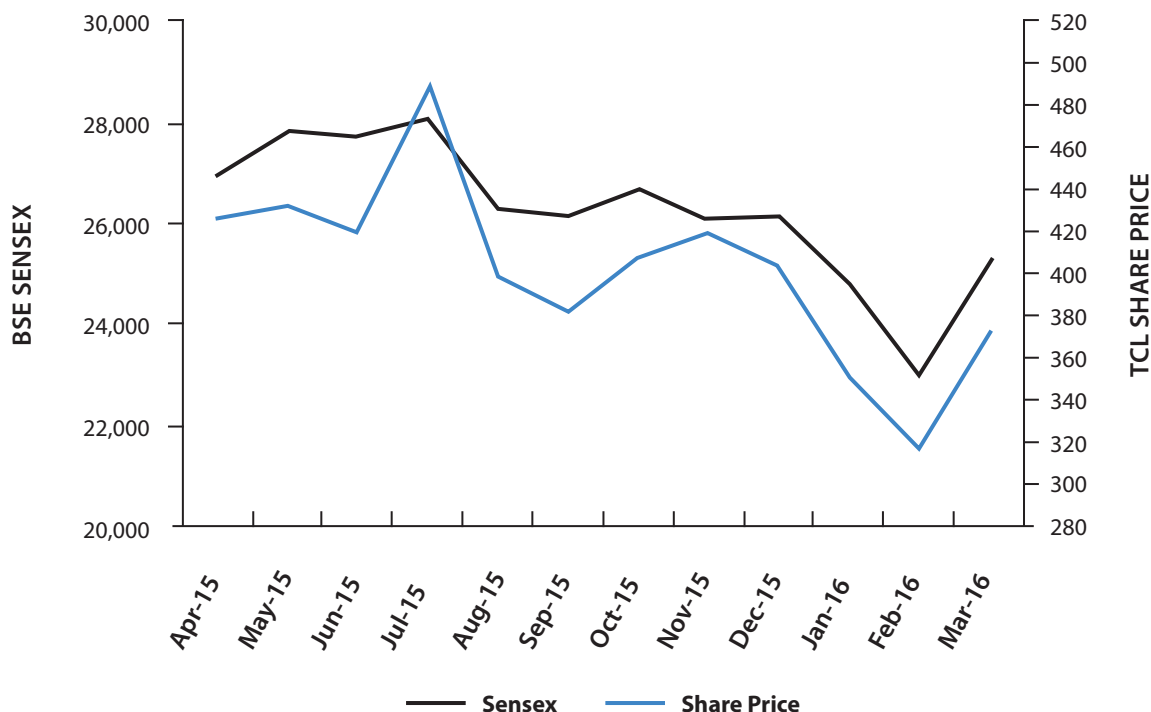
BSE Limited, (Physical Segment)	: TATACHM770
BSE Limited, (Demat Segment)	: 500770
National Stock Exchange of India Limited	: TATACHEM EQ
International Securities Identification Number (ISIN) in NSDL and CDSL for Equity Shares	: INE092A01019

Market Price Data:

Market price data - monthly high / low of BSE / NSE depicting liquidity of the Company's Ordinary Shares on the said exchanges is given hereunder.

Month	BSE (in ₹)		NSE (in ₹)	
	High	Low	High	Low
Apr-15	460.00	408.05	460.00	408.60
May-15	454.85	416.00	455.00	415.55
Jun-15	435.25	403.85	435.40	403.35
Jul-15	525.70	429.90	526.00	428.20
Aug-15	503.25	372.40	503.35	372.50
Sep-15	405.00	363.30	403.00	364.10
Oct-15	427.00	380.00	427.70	379.85
Nov-15	437.20	403.80	437.00	402.05
Dec-15	439.25	382.40	438.70	382.20
Jan-16	417.45	340.00	417.50	339.05
Feb-16	375.00	310.05	375.00	309.60
Mar-16	381.55	316.30	383.10	315.70

Graphical Representation of Performance of Tata Chemicals Limited's Share Price (average of closing price of BSE and NSE) in comparison with BSE Sensex.



CORPORATE GOVERNANCE REPORT

Registrar and Share Transfer Agents

Members are requested to correspond with the Company's Registrar and Share Transfer Agents - TSR Darashaw Limited quoting their folio no. / DP ID and Client ID at the following addresses:-

- (i) For transfer lodgement, delivery and correspondence:

TSR DARASHAW LIMITED
 Unit: **Tata Chemicals Limited**
 6-10 Haji Moosa Patrawala Industrial Estate,
 20 Dr. E. Moses Road, Mahalaxmi,
 Mumbai 400 011
 Business Hours: 10.00 a.m. to 3.30 p.m. (Monday to Friday)

Tel. No.: + 91 22 6656 8484
 Fax No.: + 91 22 6656 8494
 Email: csg-unit@tsrdarashaw.com
 Website: www.tsrdarashaw.com

- (ii) For the convenience of members based in the following cities, transfer documents and letters will also be accepted at the following Branch Offices/ agencies of TSR Darashaw Limited (TSRD):

- | | |
|---|---|
| <p>1. TSR Darashaw Limited
 503, Barton Centre, (5th Floor),
 84, Mahatma Gandhi Road,
 Bengaluru 560 001.
 Tel.: + 91 80 2532 0321
 Fax: + 91 80 2558 0019
 Email: tsrdlbg@tsrdarashaw.com</p> | <p>2. TSR Darashaw Limited
 Tata Centre, 1st Floor,
 43, J. L. Nehru Road,
 Kolkata 700 071.
 Tel.: + 91 33 2288 3087
 Fax: + 91 33 2288 3062
 Email: tsrdlcal@tsrdarashaw.com</p> |
| <p>3. TSR Darashaw Limited
 2/42, Ansari Road,
 1st Floor, Daryaganj,
 Sant Vihar,
 New Delhi 110 002.
 Tel.: + 91 11 2327 1805
 Fax: + 91 11 2327 1802
 Email: tsrdldel@tsrdarashaw.com</p> | <p>4. TSR Darashaw Limited
 "E" Road,
 Northern Town, Bistupur,
 Jamshedpur 831 001.
 Tel.: + 91 657 242 6616
 Fax: + 91 657 242 6937
 Email: tsrdljsr@tsrdarashaw.com</p> |
| <p>5. Agent of TSRDL
 Shah Consultancy Services Limited
 3, Sumatinath Complex, 2nd Dhal,
 Pritam Nagar, Ellisbridge,
 Ahmedabad 380 006.
 Telefax: + 91 79 2657 6038
 Email: shahconsultancy8154@gmail.com</p> | |

Share Transfer Process

Shares in physical forms are processed by the Registrar and Share Transfer Agent within 15 days from the date of receipt, if the documents are complete in all respects. The Managing Director, General Counsel & Company Secretary, DGM-Secretarial and Legal and Sr. Manager-Secretarial have been severally empowered to approve transfers.

Secretarial Audit

- Pursuant to Regulation 40(9) of the Listing Regulations, certificates have been issued, on a half- yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).
- Ms. Jigyasa Ved of M/s. Parikh & Associates, Practicing Company Secretaries, has conducted a Secretarial Audit of the Company for FY 2015-16. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report.

Distribution of Shareholding as on 31st March, 2016

Range of Holdings	Number of Shares	Amount (₹)	% to capital	Number of Shareholders	% of Shareholders
1 to 500	1,82,50,041	18,25,00,410	7.17	1,65,783	89.48
501 to 1,000	77,71,286	7,77,12,860	3.05	10,385	5.60
1,001 to 2,000	73,19,090	7,31,90,900	2.87	5,088	2.75
2,001 to 3,000	39,68,340	3,96,83,400	1.56	1,592	0.86
3,001 to 4,000	24,68,987	2,46,89,870	0.97	700	0.38
4,001 to 5,000	19,94,893	1,99,48,930	0.78	435	0.23
5,001 to 10,000	52,01,426	5,20,14,260	2.04	735	0.40
Above 10,000	20,77,82,215	2,07,78,22,150	81.56	557	0.30
Total	25,47,56,278	2,54,75,62,780	100.00	1,85,275	100.00

Category of Shareholding as on 31st March, 2016

Category	Number of Shares	Percentage
Promoter and promoter group	7,88,25,857	30.94
Resident Individuals	4,87,56,311	19.15
Foreign Holdings	5,65,63,528	22.20
Public Financial Institutions	3,48,12,046	13.66
Government / Government Companies	14,30,784	0.56
Other Companies, Mutual Funds	3,40,34,570	13.36
Nationalised Banks	3,33,182	0.13
Total	25,47,56,278	100.00

Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories, viz. NSDL and CDSL.

Percentage of Shares held in Physical form	: 3.03
Electronic form with NSDL	: 93.89
Electronic form with CDSL	: 3.08

The Company's Ordinary shares are regularly traded on the BSE and NSE.

Plant Locations
Indian Locations:

Chemicals Division	: Mithapur 361 345, Okhamandal, Gujarat
Fertiliser Division	: Indira Dham, P. O. Box No. 1, Babrala 202 521, Dist. Badaun, Uttar Pradesh
Haldia Works	: P. O. Durgachak, Haldia, Dist. East Midnapore, West Bengal - 721 602
Chennai Works	: 317/2B, 317/2 C1, 317/2 C2, Vayalur Road, Kiloy Village, Sriperumbudur Taluk, Kancheepuram, Dist. - 602 105

Overseas Locations :

USA - Chemical Soda Ash	: Tata Chemicals North America Inc., Green River Basin, Wyoming
UK-Chemicals	: Tata Chemicals Europe Limited:
	(i) Northwich East (Lostock)
	(ii) Northwich West
	(iii) Middlewich
Kenya - Chemicals	: Tata Chemicals Magadi Limited, Lake Magadi, Kenya

Address for correspondence : Tata Chemicals Limited, Bombay House, 24, Homi Mody Street, Fort, Mumbai 400001.
Email : investors@tatachemicals.com website: www.tatachemicals.com

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity - None.

CORPORATE GOVERNANCE REPORT

13. COMMODITY PRICE RISK/FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Commodity price risk and hedging activities - Tata Chemicals Limited, India purchases a variety of commodities related to raw materials and finished products for trading. The Company manages the associated commodity price risks through commercial negotiation with customers and suppliers.

Foreign Exchange risk and hedging activities - Tata Chemicals Limited, India is exposed to foreign exchange risks on its imports of raw materials / trading goods / capital item purchases and borrowings denominated in foreign exchange. The Company has a robust internal policy, approved by its Audit Committee, to manage foreign exchange risks. Hedging is regularly carried out to mitigate the risks in line with the approved policy.

14. OTHER DISCLOSURES**Related Party Transactions**

All related party transactions that were entered into during the FY 2015-16 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on related party transactions as approved by the Board is uploaded on the Company's website and the link for the same is http://www.tatachemicals.com/investors/policies/pdf/tcl_rpt_policy.pdf.

Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by these authorities.

Whistleblower Policy and Vigil Mechanism

The Company has adopted a Whistleblower policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Conduct or Ethics policy. The policy provides for adequate safeguards against victimisation

of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. No personnel of the Company has been denied access to the Audit Committee.

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act / Companies Act, 1956, as applicable.

CEO / CFO Certification

The Managing Director (CEO) and the Chief Financial Officer have certified to the Board in accordance with Regulation 17 (8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO / CFO certification for the Financial Year ended 31st March, 2016.

Mandatory Requirements

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

Non-Mandatory Requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27 (1) read with Part E of Schedule II of the Listing Regulations are as under:

- Chairman of the Board - The Non-Executive Chairman maintains a separate office, for which the Company does not reimburse expenses.
- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The position of the Chairman and the Managing Director is separate.
- The Internal Auditor reports to the Audit Committee.

DECLARATION BY THE MANAGING DIRECTOR

I, R. Mukundan, Managing Director of Tata Chemicals Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26 (3) of the Listing Regulations for the year ended 31st March, 2016.

For Tata Chemicals Limited

Mumbai, 26th May, 2016

R. Mukundan
Managing Director

INDEPENDENT AUDITORS' CERTIFICATE

TO THE MEMBERS OF TATA CHEMICALS LIMITED

We have examined the compliance of conditions of Corporate Governance by **TATA CHEMICALS LIMITED** (the 'Company'), for the year ended 31st March, 2016, as stipulated in:

- Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from 1st April, 2015 to 30th November, 2015.
- Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from 1st April, 2015 to 1st September, 2015.
- Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period from 2nd September, 2015 to 31st March, 2016 and
- Regulations 17 to 27 [excluding regulation 23(4)] and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under first paragraph above, during the year ended 31st March, 2016.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)

Mumbai, 26th May, 2016