



11th April, 2011

1. Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai -400001
2. National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G-Block,
Bandra-Kurla Complex,
Mumbai - 4000051

Sub: Investment in Greenfield Port-based Ammonia-Urea Fertilizer Manufacturing Complex in Gabon, Africa.

Dear Sirs,

Tata Chemicals Limited (TCL) today executed binding Agreements to acquire a 25.10% stake for USD 290 Million as a strategic investor in stream 1 of a Greenfield port-based ammonia-urea fertilizer manufacturing complex in the Republic of Gabon, Africa. Other Shareholders in the project are Olam International Limited (Olam) with 62.90% and Republic of Gabon (RoG) with 12% equity. Olam a Singapore based Company listed on SGX-ST is a leading global integrated supply chain manager and processor of agricultural products and food ingredients with a direct presence in 65 countries.

The project comprises of a setting up of 1.3 Million TPA of urea (Stream 1) with an option to expand into another stream of 1.3 Million TPA of Urea (Stream 2). While the execution of Stream 1 has already commenced, the Stream 2 option will be evaluated and decision to implement the same is expected to be taken in about 24 months. Stream 1 of the overall project has a 36 month development and construction period and the full operational capacity would be 1.3 M MT Urea p.a. (2,200 MT Ammonia and 3,850 MT Urea per day). Combined, the project can potentially have a capacity of 2.6 M MT p.a. This plant is envisaged to be one of the lowest cost urea manufacturing facilities globally. Strategically located near Gabon's main seaport, it also enables efficient and cost effective material handling and proximity to target markets i.e. Africa, North America, Latin America and India.

RoG would provide requisite land to the project, sufficient gas at competitive fixed price for both the streams under a 25 year competitive fixed-price natural gas contract and 10 year tax holiday after commencement of commercial production and a 10% concessional tax rate thereafter. TCL with its existing expertise to run efficient fertilizer plants would provide the Project Management Consultancy and Operations and Maintenance Service post the project commissioning.

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TCL, Olam and RoG would also set up a Sales and Marketing Joint Venture (SMJV) for selling entire output of the project. TCL, Olam and ROG will hold 42.5%, 42.5% and 15% equity stake respectively in SMJV. Up to 25% of the output would be reserved for Indian markets for sales through the TCL network, subject to de-canalisation in India.

Submitted for your information and records.

For TATA CHEMICALS LIMITED

A handwritten signature in dark ink, appearing to read 'Rajiv Chandan', is written over the printed name.

**RAJIV CHANDAN
COMPANY SECRETARY & HEAD - LEGAL**

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