

## Tata Chemicals to commission new plant next year

Tata Chemicals Thursday said its fertiliser plant in Babrala, Uttar Pradesh, will start production by middle of next year.

'The customised fertiliser plant is under construction and that will start production by middle of next year,' Kapil Mehan, executive director of Tata Chemicals, told reporters here on the sidelines of a seminar organised by the Indian Chamber of Commerce.

The mechanical completion of the plant is expected to be done by July 2010, he said.

'We have already placed orders for equipment for the plant and work is progressing on schedule.'

The plant will have a capacity of 130,000 tonnes per annum.

Talking about the present market trends, Mehan said: 'We believe that the market is recovering. Demand is also recovering. Quarter on quarter, we see an improvement.'

Tata Chemicals hopes to produce over three million tonnes of fertilisers this year, he said.

'In the urea facility, we expect to produce more than 25 percent than 2008-09. Last year, the company produced 1.8 million tonnes.'

Consumption dipped during the kharif season due to less rainfall. But the company expects it to increase by 4-5 percent during the rabi season.

'We are positive on our outlook for the rabi season (October-March) primarily because of late monsoon and signs of farmers going aggressive on sowing,' Mehan said.

Kharif crop fertiliser consumption was down by 2-3 percent.

Tata Chemicals has manufacturing facilities in India, Britain, the US, [Europe](#) and Africa.

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