



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

REF: CFCL/SE/ 01

November 03, 2015

BSE Limited
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai – 400 001

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051

Dear Sir,

It is hereby informed that the Board of Directors at its meeting held on November 3, 2015 has approved setting up of a new Urea plant at the existing site at Gadepan, Distt. Kota, Rajasthan. The other details are as under:

Sr. No.	Particulars	
1.	Existing Capacity	1.73 Million MT of Urea per annum (Re-assessed capacity as per Government of India)
2.	Existing Capacity Utilisation	106.94% (Based on actual production of 1.85 Million MT of Urea during the Financial Year 2014-15)
3.	Proposed Capacity Addition	1.34 Million MT of Urea per annum
4.	Period within which the capacity to be added	Approximately 34 months from March 2016
5.	Investment Required	Approximately USD 900 Million (Approximately Rs. 5940 Crore)
6.	Mode of Financing	Combination of debt and other means including internal accruals
7.	Rationale	The demand of Urea in the country outstrips the supply and the balance requirement is met through imports. The Government of India has issued New Investment Policy 2012 for Urea (as amended vide notification dated 07.10.2014) to boost the domestic Urea production. The Company intends to expand in its core business of Urea manufacturing by setting up a new production facility.

The Board of Directors have also approved raising of funds through borrowings upto USD 750 Million (Rs. 4950 crore) (including margin money for working capital) to part finance the aforesaid project.

The commencement of aforesaid project is subject to achieving financial closure.

You are requested to take the same on records and notify your constituents accordingly.

Thanking you,

Yours sincerely,
for **Chambal Fertilisers and Chemicals Limited**

Rajveer Singh
Assistant Vice President – Legal & Secretary