



Live Responsibly

Sustainability Report 2010-11



CHAMBAL FERTILISERS
AND CHEMICALS LIMITED

CHAMBAL SUSTAINABILITY POLICY

Chambal is committed to build a sustainable enterprise for the benefit of its present and future generation of stakeholders. The Company has integrated responsible practices into its business strategies and operations to manage the three challenges – economic prosperity, social development and environmental integrity.

Guiding Principles

Towards this commitment, the Company shall:

- Build a sustainable enterprise that effectively balances financial strengths with social and environmental responsibilities.
- Deliver sustainable top-line and bottom-line growth while maintaining the highest corporate governance standards.
- Reduce its environmental footprint by investing in eco-friendly and reliable technologies and practices.
- Increase efficiency by optimum utilization of resources and technology.
- Promote sustainable farming practices to boost crop productivity in rural India through its soil testing facilities and advisory services.
- Work towards improving the quality of life by making the communities self reliant in areas within which it operates.
- Build lasting social capital through interventions in the infrastructure, healthcare and education domains for the community residing in the vicinity of its fertiliser plants.
- Ensure welfare, growth and safety of all people associated with it.
- Empower its employees and continuously develop their knowledge and skill sets, so that they realize their true potential and drive the Company's growth.
- Promote inclusive growth and equal opportunity by remaining a caste, gender and religion neutral organisation.



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Chairman's Message

Dear Stakeholder,

I have great pleasure in presenting Chambal's second Sustainability Report.

The defining challenges in the first few decades of the 21st century, which could well threaten future economic progress and social harmony are poverty, rising income inequities, unemployment and widespread depletion of natural resources, both planned and unplanned. The only possible antidote to these problems is the pursuit of sustainable value creation as exemplified by the Triple-Bottom-Line approach – which entails building economic, environmental and social capital on a sustainable and inclusive basis. This is a responsibility which has to be shouldered as much by governments as by corporates.

As one of India's largest private sector fertiliser companies, we are showing the way by walking the talk on sustainability. At Chambal, we have conceptualized our commitment to sustainability into a framework we term 'Live Responsibly'. To Live Responsibly is to create lasting shareholder value and wealth; build societal capital; and find more sustainable and inclusive ways of living and doing business.

For Chambal, 2010-11 has been a period of growth and profitability. We achieved the highest ever annual urea production and sales in Gadepan-I and Gadepan-II plants. Our company's Profit Before Tax (PBT) and Profit After Tax (PAT) increased by about 23% and 31% respectively as compared to 2009-10. The Economic Value Generated by the company in 2010-11 was ₹ 47525.78 million as compared to ₹ 36457.08 million in the previous year, an increase of about 30%.

Considering the huge gap in demand and supply of nitrogenous fertiliser in our country, new capacity addition is required without any further delay. The government is working on new policies to make additional investments in greenfield and brownfield



projects a viable proposition. After implementing the Nutrient Based Subsidy (NBS) scheme for phosphorous and potassium, the government is considering bringing in nitrogenous fertilisers under the NBS scheme. These policy changes will encourage high growth fertiliser companies such as Chambal to seriously consider capacity expansion.

We are committed to reducing our environmental footprint by judicious consumption of natural resources. Our two units at Gadepan are amongst the lowest water consuming plants in the industry. During the reporting year, the specific consumption of water was 4.92 cubic meters per MT of urea as against 5.05 cubic meters per MT of urea during 2009-10. In the reporting year, we also recorded our lowest ever energy consumption per tonne of urea i.e. 5.494 Gcal/MT.

We have a full-spectrum Corporate Social Responsibility (CSR) programme named 'Uttam Roshani', which has been designed to elicit public participation and leadership at the grass-root level. In 2010-11, we extended the limits of our CSR programme by undertaking two additional projects for addressing the needs of the communities around our Gadepan plants.

- The first project – a Public-Private Community Partnership initiative – is focusing on improving

sanitary practices in the area. The Company is building 715 toilets under the Total Sanitation Campaign of the Government of India, for below-the-poverty line families in 22 villages located near our plants at Gadepan.

- The second project involved adoption of ITI Sangod (Rajasthan) under the Public Private Partnership scheme of the Government of India. During the next few years, we plan to improve infrastructure and introduce additional technical courses in ITI Sangod for meeting the industry demand and generating gainful employment. Some of these activities will commence in FY 2011-12.

We believe that empowered and motivated employees are a core asset, critical for a company's long term success. That is why, we continuously review our employee retention strategy and make suitable interventions from time to time. Consequently, we recorded a steadily declining employee turnover rate for three consecutive years. In 2010-11, we granted Stock Options to senior managers and above.

Last year, our maiden sustainability report established our baseline Triple Bottom Line performance and spelt out the steps we had taken to build a sustainable enterprise. This year, we have widened the coverage of our 'Sustainability Report' and are reporting on all 49 core parameters for FY 2010-11. This conforms to A+ Application Level of GRI-G3 guidelines. The report has been externally assured by a third party - Ernst & Young.

As proud we are of our accomplishments on the sustainability front, we recognize that we have a long way to go before we can feel satisfied. I am confident that with your full cooperation and support we will achieve our sustainability goals sooner than later.

With best wishes,



Saroj K. Poddar
Chairman

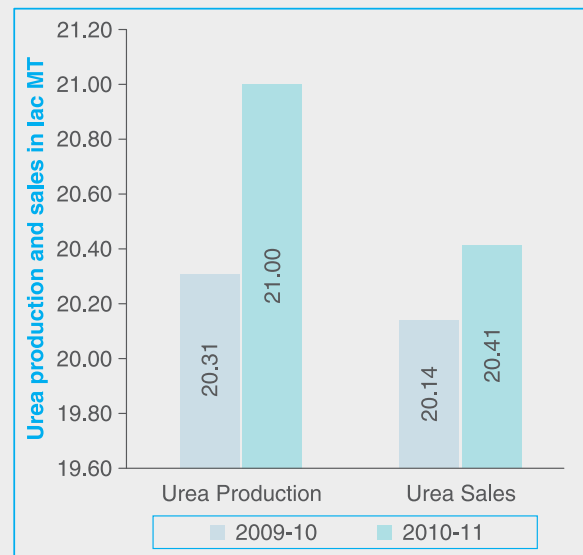


Sustainability Highlights 2010-11

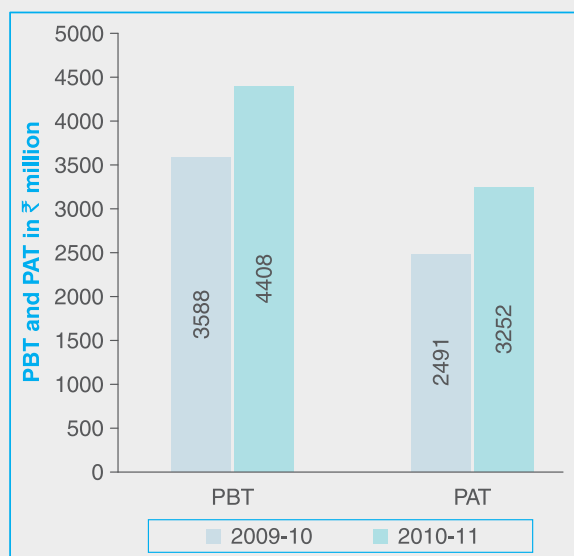
Shareholder Value Creation

- 2010-11 was yet another year of growth and prosperity for Chambal. During the year, the Company achieved the highest ever annual urea production and sales - 21.0 lac MT 20.41 lac MT respectively. (Graph 2)
- Total turnover of the Company for 2010-11 was ₹ 46464 million as against ₹ 35745 million in 2009-10.
- Profit Before Tax (PBT) and Profit After Tax (PAT) increased by 22.9% and 30.6% respectively. (Graph 1)
- Turnover of traded products went up by over two times - from ₹ 7610.9 million in 2009-10 to ₹ 16068.7 million in FY 2010-11.
- Economic Value Generated during the year was ₹ 47525.78 million as compared to ₹ 36457.08 million in 2009-10, an increase of 30.4%. (Graph 4)
- A dividend of ₹ 1.90 per equity share was paid in the reporting year.
- A plan to setup a Single Super Phosphate (SSP) plant at Gadepan initiated.
- Full-fledged marketing network started in Bihar in 2010-11.
- Plans to expand marketing reach to Maharashtra in 2011-12.

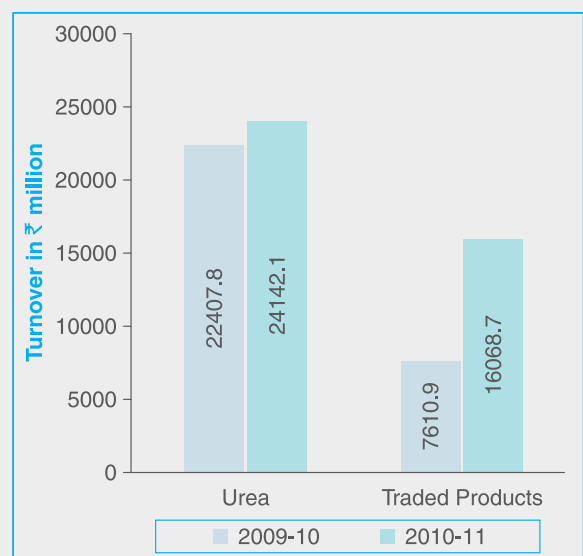
In its journey to become a 'sustainable corporation', Chambal is simultaneously working on three fronts: Creating shareholder wealth. Creating sustainable communities. And creating environmental capital.



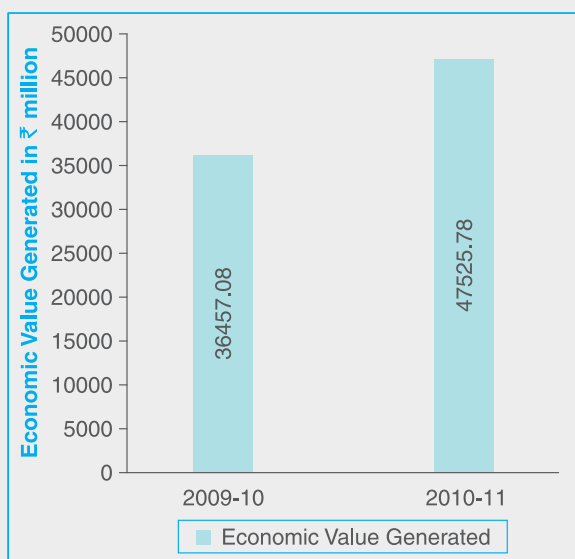
Graph 2: Urea Production and Sales



Graph 1: Profit Before Tax and Profit After Tax



Graph 3: Turnover



Graph 4: Economic Value Generated

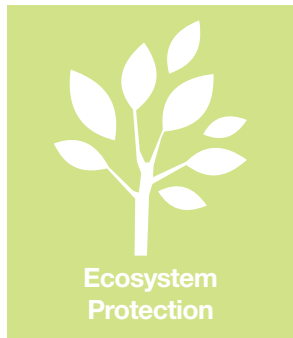
Environmental Capital Creation

- Chambal's specific water consumption in FY 2010-11 was 4.92 cubic meters per MT of urea as against 5.05 cubic meters per MT of urea during 2009-10.
- Chambal's specific energy consumption in FY 2010-11 was 5.54970 Gcal/MT of urea at Gadepan I and 5.44037 GCal/MT of urea at Gadepan II.
- Chambal's direct energy consumption in FY 2010-11 was 2.38 million Gcal (9955951.16 GJ) for Gadepan I and 2.21 million Gcal (9239374.56 GJ) for Gadepan II.



Societal Value Creation

- Chambal won the 'Golden Peacock Award for Corporate Social Responsibility' in 2010.
- Chambal has a steadily declining employee turnover rate for the last three consecutive years.
- In FY 2010-11, Chambal achieved a total of 3168 man days of training.
- Chambal granted Employee Stock Options to eligible employees in the fertiliser division and the Managing Director of the Company.
- A project to improve sanitary practices through 'community participation' and 'people led' programme was initiated in FY 2010-11. 715 toilets are being built under the Total Sanitation Campaign of the Government of India (a Public Private Community Partnership programme), for Below-the-Poverty-Line families in 22 villages around the Gadepan plants. In FY 2010-11, 300 toilets were constructed and handed over to the beneficiaries.
- Chambal adopted ITI Sangod (Rajasthan) under public-private partnership (PPP) scheme of the government. During the next few years, the company plans to improve infrastructure and introduce additional technical courses in ITI Sangod to meet the industry demand and to expand the skill set of the students.
- A centralized drinking water system was constructed at Gadepan village and decentralized drinking water facilities were constructed at Ballabhpura and Pachara villages in the vicinity of fertiliser plants in Rajasthan.
- Chambal started two Mobile Soil Testing Facilities for Kota and Sriganganagar districts in Rajasthan. This is in addition to Chambal's two Agriculture Development Laboratories (ADL) at Sriganganagar (Rajasthan) and Agra (Uttar Pradesh) and four satellite laboratories in Rajasthan.





To live responsibly is to create lasting shareholder value and wealth.

To live responsibly is to be concerned about the wellbeing of future generations and the present ones.

To live responsibly is to strive for better products and become even better individuals.

To live responsibly is to value the 'means' as much as the 'ends'.

To live responsibly is to balance the need to consume Earth's natural resources with the greater need to replenish them.


To live responsibly is to believe in the inter-connectedness and inter-dependence of all life forms.

To live responsibly is to create safer, healthier, happier individuals.

To live responsibly is to be fearless, transparent and fair in dealings.

To live responsibly is to build societal capital.

In other words, to live responsibly is to find more sustainable ways of living and discover more sustainable ways of doing business.



Chambal has a 25-year history of conducting business in a socially, environmentally and financially responsible manner.

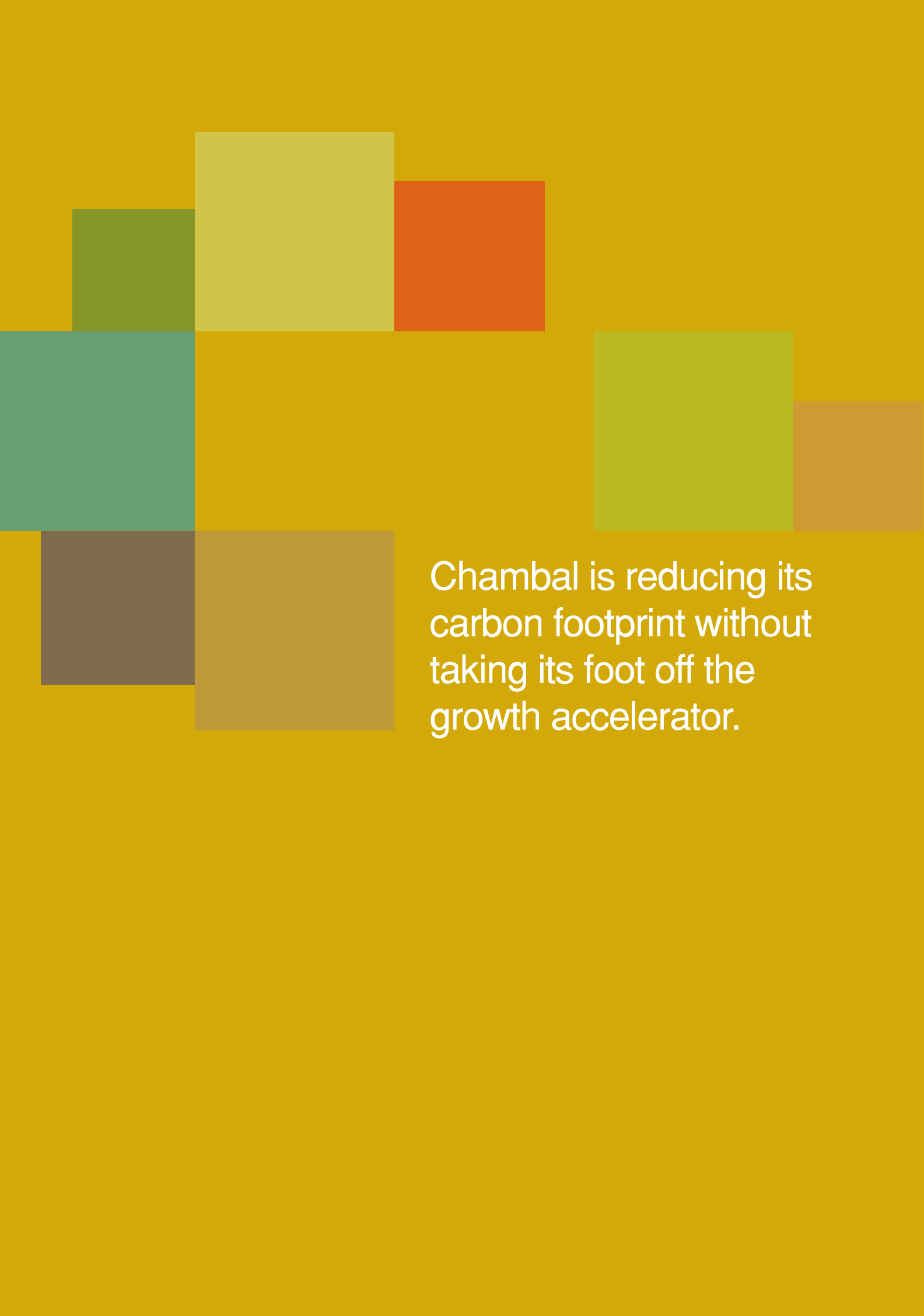
Sustainable practices are an integral component of our business strategies, manufacturing value chain, product life cycle and community development initiatives.

For Chambal, sustainability or the Triple Bottom Line approach is of abiding concern. Over the years, its investments in drivers of top-line growth and earnings have continued apace, together with investments in building environmental and social capital.

It has successfully mainstreamed sustainability by embedding it in its corporate DNA and creating awareness about it across the organization.

The positive impact of its sustainability initiatives, especially its efforts to create pioneering benchmarks is well acknowledged in industry.





Chambal is reducing its carbon footprint without taking its foot off the growth accelerator.

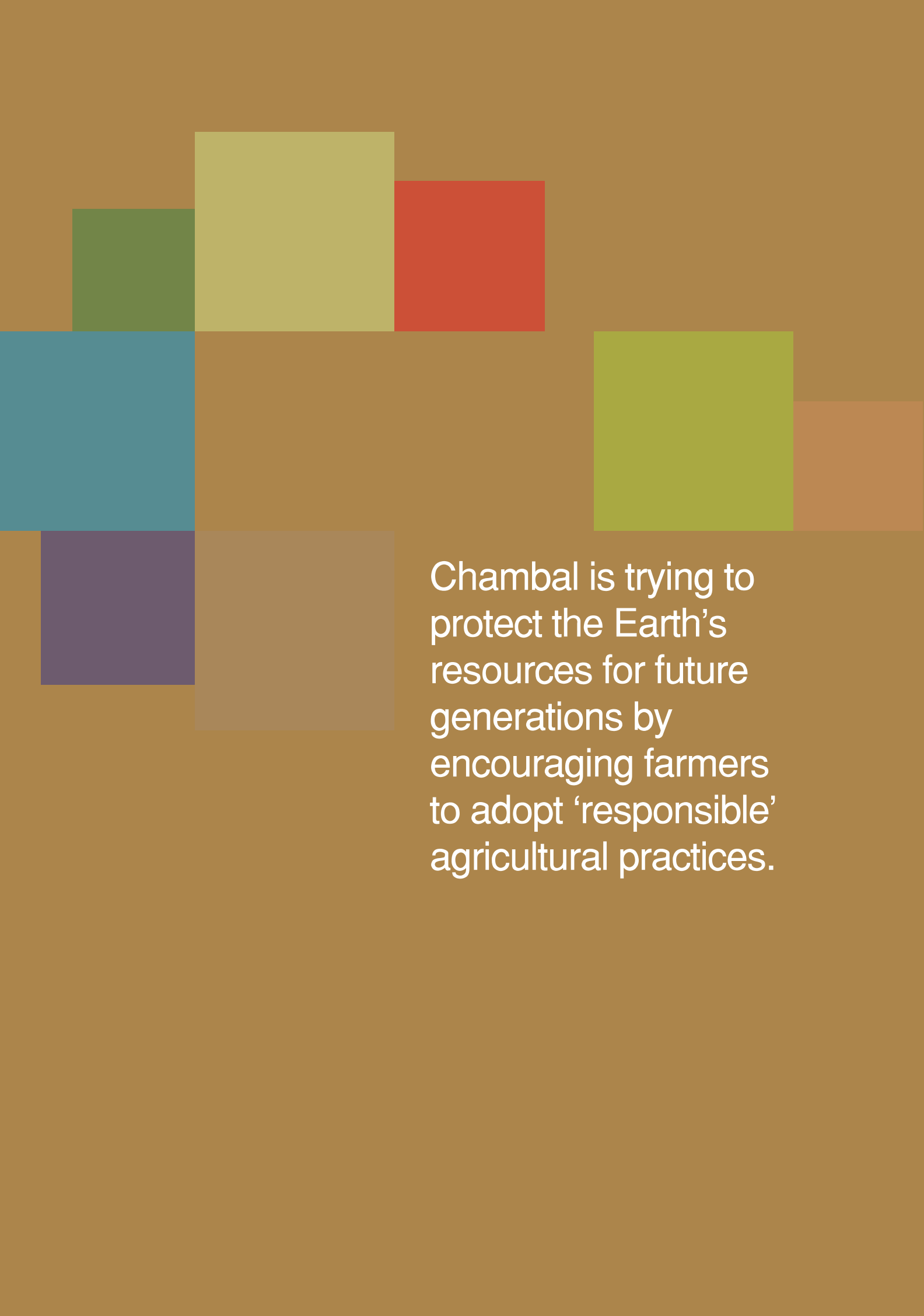
We are committed to balancing the goal of creating sustainable wealth with the aim of enriching the environment.

Chambal has introduced an integrated environment management system for ground water re-charging, energy co-generation, pollution control, green energy use and waste re-cycling.

Chambal conforms to the highest international environment related benchmarks: ISO-14001:2004 (Environment Management System Standard) and ISO-9001-2008 (Quality Management System Standard).

It recycles an overwhelming percentage of its effluents. The balance waste water is routed through a 65-km long irrigation network to maintain a green belt across the plant campus. Solid waste is safely and speedily disposed off. Use of polythene bags is banned at the plant site.





Chambal is trying to protect the Earth's resources for future generations by encouraging farmers to adopt 'responsible' agricultural practices.

Our Uttam Bandhan programme is playing a catalytic role in promoting sustainable farming.

Chambal's Uttam Bandhan programme, a pioneering attempt in improving agricultural productivity, increasing employability and securing livelihoods has empowered over 80,000 farmers in 10 states – Bihar, Chattisgarh, Gujarat, Haryana, Jammu & Kashmir, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh and Uttarakhand.

Uttam Bandhan is promoting scientific farming practices across the crop cycle; and helping farmers cope with problems such as crop selection, nutrient-deficient soils, inappropriate agri-inputs, low water tables and indiscreet use of fertilisers and pesticides.






Chambal is
strengthening
sustainable
development at the
village level through
public-private alliances
and self-help groups.

Our Uttam Roshani programme is promoting the participatory model of development based on the needs of local communities.

Chambal believes that to build sustainable social capital, local communities have to be involved in the development programmes and that business organizations can at best play a facilitating role.

Chambal has partnered NGOs, civil society, domain experts, local government and village self-help groups for making far reaching interventions in education, healthcare, agriculture and livestock development, infrastructure development, environment and entrepreneurial skill building in 22 villages that abut its Gadepan plants.



An abstract graphic design featuring a dark brown background. Several squares of various colors are arranged in a non-uniform pattern. The colors include shades of green, red, blue, purple, and brown. The squares are of different sizes and are positioned in a way that creates a sense of depth and movement. The text is located in the lower right quadrant of the image.

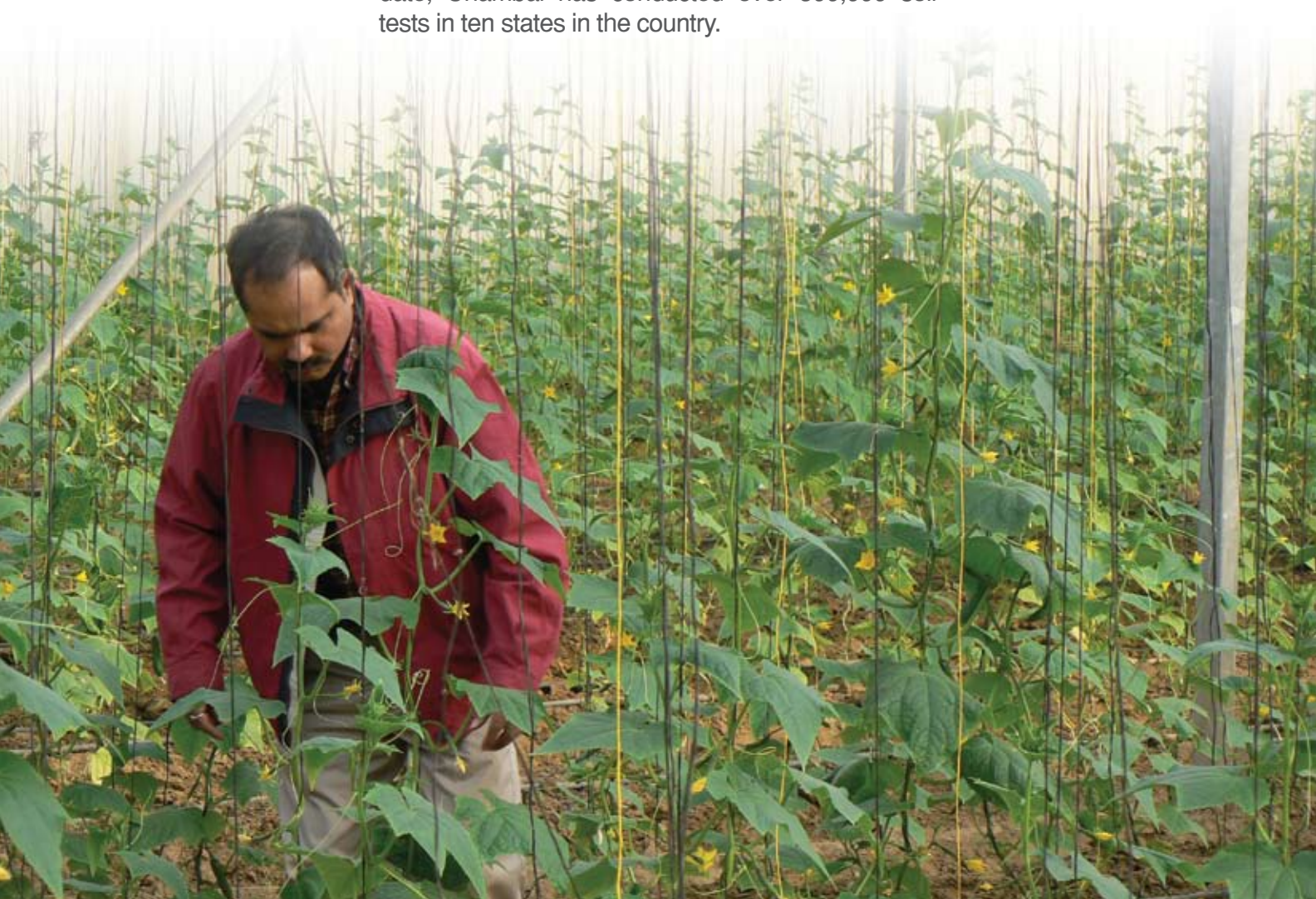
Chambal is seeking
sustainable ways to
strengthen the earning
power of farmers.

We are boosting crop productivity and incomes through a sustained soil re-vitalization programme.

Since soil health is the most critical factor that determines crop productivity and quality and farmer incomes, Chambal has initiated a pioneering soil management programme.

Chambal has set up agriculture development laboratories at Sriganaganagar and Agra, satellite labs at Kota, Baran, Bundi and Jhalawar, and two mobile vans for testing soil and water samples picked up from the farms. Based on the reports, farmers are advised on the correct use of macro and micro inputs, crop planning and rotation and good agriculture practices.

Around 65,000 tests are carried out every year. Till date, Chambal has conducted over 500,000 soil tests in ten states in the country.





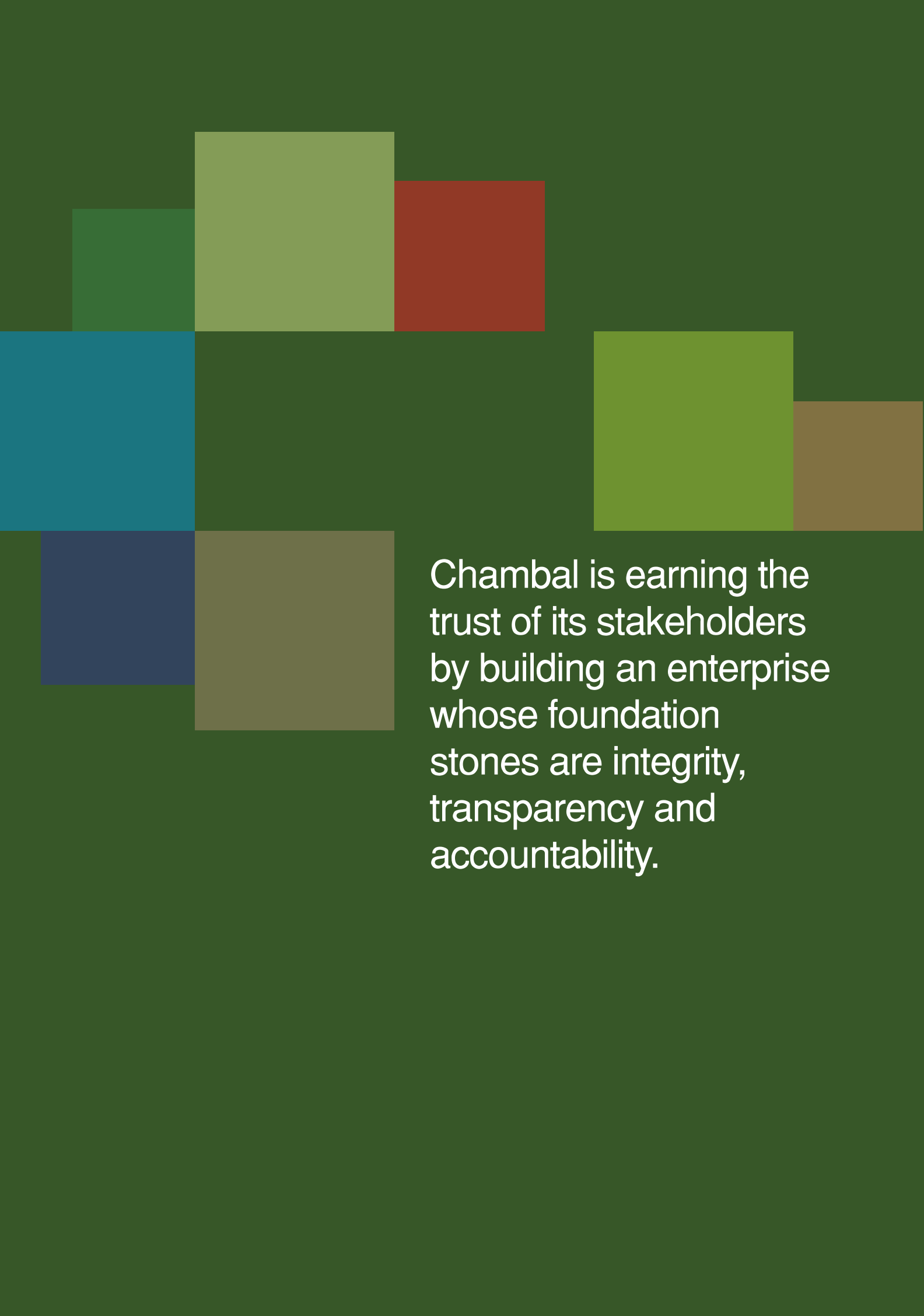
Chambal recognizes
that its success
as one of India's
largest private
sector companies is
meaningless without
a healthy, safe and
empowered workforce.

Our vision of a 'responsible' enterprise is one where our employees realize their potential and improve their quality of life.

For Chambal, an HR programme that aids professional growth, promotes equal opportunities for all (irrespective of caste, gender and religion), nurtures good corporate citizens, cuts attrition rates and strengthens the leadership pipeline is a strategic priority.

The company has a well-defined safety and occupational health programme conforming to OHSAS 18001:2007. This includes an onsite disaster management plan, mock-drills, safety audits and workshops, an onsite medical centre, health awareness programmes and regular health assessment of employees.





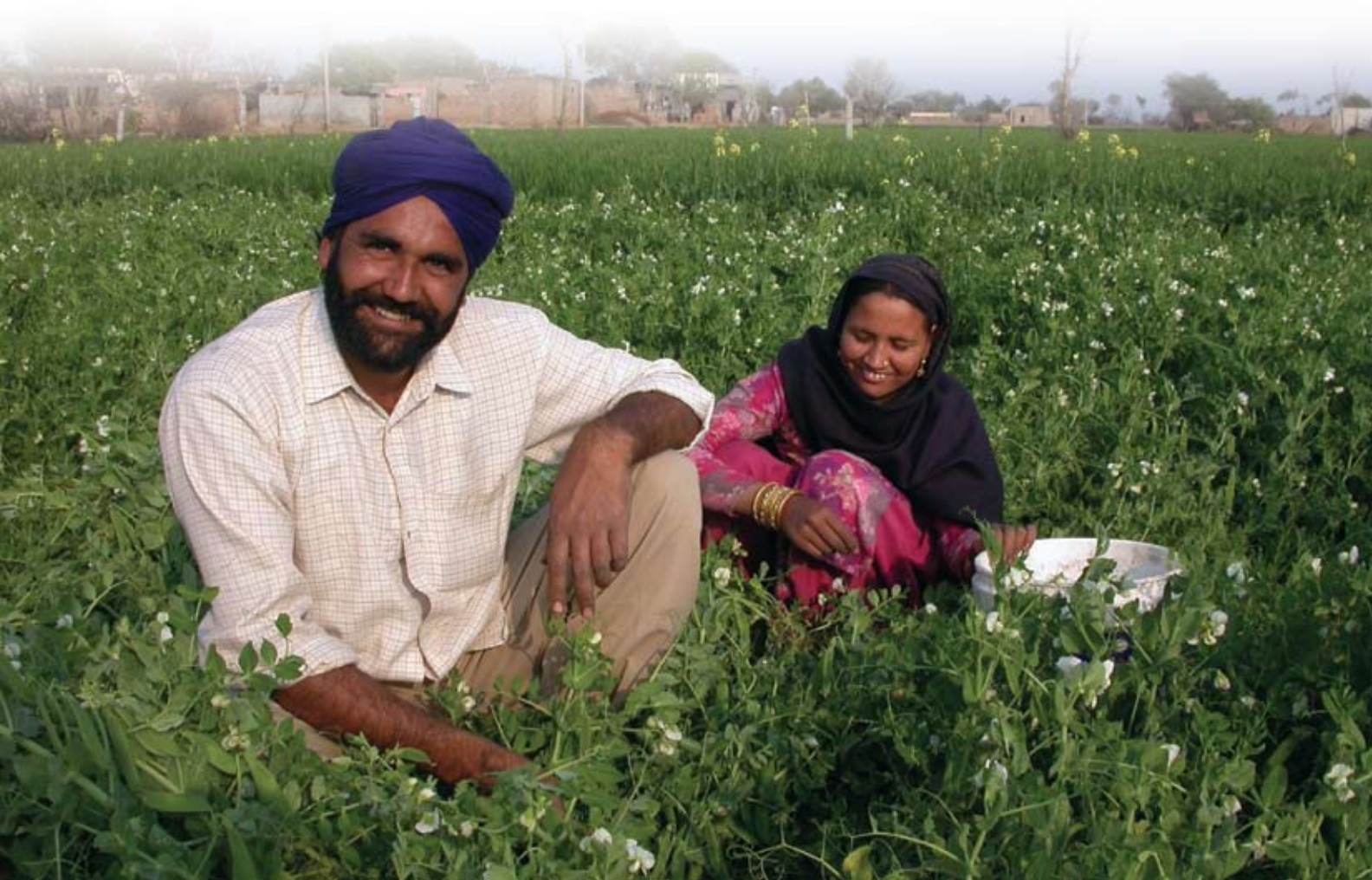
Chambal is earning the trust of its stakeholders by building an enterprise whose foundation stones are integrity, transparency and accountability.

We are committed to the highest standards of corporate governance while dealing with stakeholders and reporting to regulatory authorities.

For Chambal, corporate governance is not just a compliance issue. It is an important element for delivering value to business.

Chambal has adopted a self-initiated Code of Conduct and Ethics, whose mandate covers issues like regulatory compliance, conflict of interest, bribery and fair dealing, safety, environment, health and financial integrity.

The Board of Directors, core management team, functional heads and all senior employees are bound by this code in carrying out their responsibilities within and outside the organization.

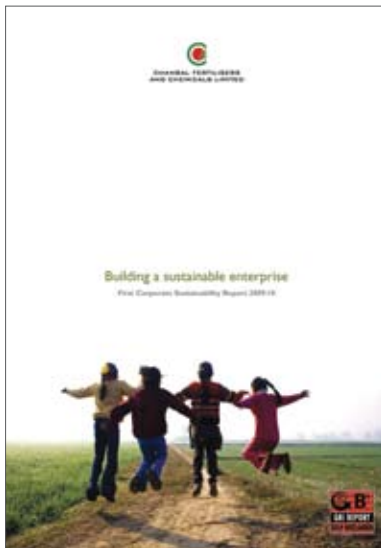


Report Parameters

Chambal Fertilisers and Chemicals Limited works closely with farmers and rural communities in India towards realising its vision of a sustainable world. This communication is part of a broader disclosure process, which includes Chambal's Annual Report and other publications.

Purpose and Audience of Reporting

Through the second edition of our Sustainability Report, we wish to communicate with our stakeholders about our sustainable development policies, practices and performance for FY 2010-11. Our first report 'Building a sustainable enterprise' had covered our triple bottom-line performance for FY 2009-10.



Defining the Report Content

The reporting principles and methodology of this report is in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting (2006) – GRI G3 Guidelines.

Indicator Selection and Application level

This report has been prepared as per 'A' Application level and includes all 49 core performance indicators and 7 additional indicators which are material to the organisation.

Boundary, Scope and Data Collection

The report boundary comprehensively covers our two urea plants, at Gadepan, District Kota, Rajasthan (India) and also covers social performance (social development and outreach, workforce break-up, employee turnover and product responsibility) of agri-business.

The Economic Performance data reported is drawn from Company's audited Annual Accounts for FY 2010-11 unless otherwise stated.

The performance data does not include data from residential township at Gadepan (Kota) and information related to traded products, unless otherwise explicitly stated. All financial figures in the report are in Indian Rupees, unless otherwise indicated.

Most of the performance indicators have been presented for three years - FY 2008-09, FY 2009-10 and FY 2010-11 in order to show trends, wherever possible.

This report was made possible through the collaborative efforts of our various departments: Production, Environment, Utilities, Safety, Technical, Stores, Marketing, Finance, Legal & Secretarial, Human Resources, CSR and Corporate Communications.

Disclaimer

The terms 'Chambal', 'the Company', 'the organisation', 'we', 'us', refers to Chambal Fertilisers and Chemicals Limited and are used purely for convenience sake and is not intended to mislead the reader.

Assurance

The contents of this report have been verified by an independent consultant, Ernst and Young Pvt. Limited. Their Assurance Statement is included in the report.

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Any query with respect to this report may be addressed to **Corporate Communications** at the above address or e-mail at corporate@chambal.in

Triple Bottom-line Strategy

Chambal Fertilisers and Chemicals Limited has been at the forefront of integrating social, economic and environmental parameters in its business pursuits. The Company understands that ‘sustainability’ will determine the level of its economic success and the nation’s well-being.

Global Sustainability Trends

Chambal keeps itself abreast with global sustainability concerns like energy consumption, eco-friendly packaging and responsible labeling and voluntary programmes like Responsible Care, IFA (International Fertilizer Association) guidelines, etc. The Company has also implemented voluntarily codes like Process Safety Management (PSM) to ensure high level of safety at its plants. **The Company benchmarks itself with the best in the international arena by continuously re-assessing and investing in its systems, processes and technologies.**

FERTILISER INDUSTRY

I. Raw Material

Natural gas is the major raw material for production of urea, which plays a vital role in the food security of the country. Over the last year, natural gas availability and

gas pipeline connectivity have been constrained and has posed challenges to the industry.

The international oil prices have a direct bearing on the gas prices due to a close correlation between oil and gas prices. Gas prices ruled high during the year and further escalated towards the later part of the year on account of political upheavals in some countries and natural calamities in Japan. Chambal’s two fertiliser plants operate with natural gas. Although the Company has long term Gas Supply Agreements for its requirement, gas supply from KG D-6 gas fields witnessed a significant decline. As a result, the Company had to resort to spot buying of costlier re-gasified natural gas.

II. Demand – Supply Scenario

While no new capacities have been added and urea production in the country has remained stagnant since 1999, demand of urea has been increasing over the years, resulting in a significant gap between domestic demand and supply. The main reasons for new capacities not coming up are non-conducive policy environment and absence of assured supply of natural gas on long term basis at affordable prices.



India imported over 6.6 million MT of urea during the financial year 2010-11, which was about 23% of the total urea consumption in the country. India being a major agrarian economy can ill afford the ever increasing dependence on imports of urea. The Government of India should address these concerns urgently.

III. Urea Pricing Policy

New Pricing Scheme (NPS) -Stage III for urea which was valid upto March 31, 2010, has been further extended provisionally. There are expectations that urea will also be covered under Nutrient Based Subsidy Scheme (NBS) during the Year 2011-12. Under NBS, the Government fixes subsidies on the basis of nutrient content in a product rather than a formula based subsidy linked to a product. The new policy seeks to emphasize the balanced nutrition of soil consistent with rational economic principles. The Government of India proposes to give fertiliser subsidy directly to the farmers as against routing it through fertiliser producers. The Government has constituted a task force to suggest a road map for this purpose.

IV. New Investment

The Fertiliser Investment Policy for urea of 2008 shifted from 'cost plus' approach to 'Import Parity Price' basis for the new investments. However, the Policy could not attract new investments. The Government is currently working on a suitable amendment to this policy to take care of the concerns expressed by the industry.

RISKS AND OPPORTUNITIES

I. Opportunities

In view of the supply-demand outlook for urea, there is an opportunity for us to expand our fertiliser business. Our focus has been to supply to the Indian farmer a bigger basket of products by adding more varieties of seeds, newer molecules for crop protection and other micronutrients.

II. Challenges

The largely agrarian Indian society is facing innumerable challenges like vagaries of weather, food security, and crop failure due to natural calamities. Chambal is committed to hand-hold the farmers through difficult times. To maintain high output from limited land resources, Chambal demonstrates better ways of doing agriculture through multiple interventions at the field level through its farmer advisory services. Ripple effects of these activities are discernable as more and more farmers are adopting these practices.

Chambal's soil management initiative is a pioneering move in this regard. Chambal has two Agriculture Development Laboratories (ADL) at Sriganganagar (Rajasthan) and Agra (Uttar Pradesh), two mobile soil testing vans and four satellite laboratories at Kota, Baran, Bundi and Jhalawar in Rajasthan. Till date, Chambal had conducted over 500,000 soil tests in ten states. Based on the condition and nature of the soil, the agro-climatic zone, available irrigation methods and infrastructure, Chambal advise the farmers on the correct use of macro and micro nutrient inputs; crop rotation and good agricultural practices. The Company also sets-up model farms for demonstration on latest agri-practices and crop diversification.

SUSTAINABILITY PARAMETERS

I. Economic Performance

Chambal Fertilisers has done well during 2010-11 and its Profit Before Tax increased by 30.6% over that of 2009-10. The Company sold 2.04 million MT of urea during the year 2010-11 which was marginally higher than the last year's sale of 2.01 million MT.

Chambal is continuously expanding its basket of products and marketing reach. It has started its full fledged marketing network in Bihar and is planning to further expand its marketing reach to Maharashtra. The turnover of traded products went up from ₹ 7610.9 million to ₹ 16068.7 million in the financial year 2010-11. The sales of DAP also more than doubled from 141647 MT in 2009-10 to 401487 MT in 2010-11. The sale of pesticides went up to ₹ 2120 million, an increase of 18% over 2009-10.

II. Environmental Protection, Health and Safety

The Company believes in sustainable development of society in which it operates. Accordingly, it has taken various initiatives and implemented environment protection programmes such as ground water recharging through rainwater harvesting, energy conservation measures, use of solar energy, etc.



(a) Environment Management

Chambal has established and maintained an Integrated Management System based on OHSAS-18001:2007, ISO-14001:2004 and ISO-9001:2008 for Environmental, Occupational Health & Safety and Quality. Details of our efforts in improving environment are briefly given below:

(i) Green belt – The area surrounding our Gadepan complex is experiencing a positive change in ecology due to development of a dense green belt/forest inclusive of about 2.3 lac trees in an area of about 213 hectares under the ‘Operation Green’ programme. Planting of new trees is a continuous process at Gadepan complex. The Green belt provides habitat to more than 100 species of birds. In the reporting year, 700 fruit and hundreds of other trees were planted.

(ii) Natural Resources – Water and gas are the two key natural resources we use for production of urea. From the beginning, water has been precious for us since our fertiliser plants are located in a water-scarce state. **To overcome this challenge we have been working tirelessly to reduce our water Consumption per MT of urea as well as implementing rainwater harvesting.** We are also committed not to use ground water for our operations. Treated waste water is being used in maintaining the green belt through a 65 kilometer long irrigation network spread all over the Gadepan complex, which, in turn, helps in saving fresh water. We had constructed a check-dam (Anicut) on nearby river Kalisindh (capacity 7 million m³) in 2003-04 and another check-dam (capacity 3.4 million m³) was constructed during the reporting year on Parwan river for rainwater harvesting. This check-dam was commissioned in June 2011. We are thus harvesting rain water through Anicuts. As a result of our continuous efforts, our two units at Gadepan are amongst the lowest water consuming plants in the industry. The trend of consumption shows a continual improvement. During the reporting year, the specific consumption of water was 4.92 cubic meters per MT of urea as against 5.05 cubic meters per MT of urea during 2009-10.

(iii) Waste Management – The Company is managing and operating well-designed programmes/treatment facilities to control pollution. The Company continues to follow the 3R concept – Reduce, Re-use and Re-cycle the effluents being generated. More than 71% of water used in the process is recycled water. Treated waste water is used in maintaining green belt. The Company has adopted best methods to manage solid/hazardous waste disposal after proper categorization.

Separate bins are provided for collection of various categories of waste. Horticulture waste is converted into manure.

(b) Safety Management

Chambal believes in building and maintaining excellent safety culture among its employees and contractor workforce. The aim is to prevent/ minimize all incidents and injuries, investigate all incidents including first aid injuries and near misses followed by implementation of ‘Corrective and Preventive actions’. We ensure that all jobs are adequately supervised, using necessary ‘Personnel Protective Equipment’ and strictly following safety precautions. We regularly conduct safety reviews and audits to create a proactive and learning organisation.

Fertiliser plants in India are classified as hazardous by the Government of India since they carry the risk of spillage/leakages of chemicals like naphtha, chlorine and ammonia. Our commitment to ‘zero accidents’ on account of spills of any hazardous material confirms that safety is an area of paramount importance to us. Over the years, we have been able to practically eliminate usage of naphtha except in emergency situations. We continuously review and upgrade our technologies and other safety measures to control accidental spills and ammonia leakages.

The Company implemented the Process Safety Management (PSM) system developed by Occupational Safety and Health Administration (OSHA), USA across its operations. Unlike USA, the PSM system is not mandatory in India but the Company has adopted it to focus on excellence through continual improvement of existing systems and employee involvement in safe operation of plants.

(c) Health & Hygiene

The Company accords high priority to hygiene monitoring at the workplace. It carries out employees’ health assessment through periodical medical examinations. The plant and processes are continuously upgraded to improve workplace hygiene and health standards. We impart necessary training to the employees and other workers to enhance their awareness towards health related matters. Comprehensive Work Environment Monitoring is carried out in-house as well as through external agencies on a regular basis to prevent any occupational disease.

(d) Quality Management

Adequate attention is accorded to maintain quality of end product and processes. Stringent monitoring

of defined parameters is done and improvement opportunities are availed for continual improvement. Apart from periodic internal audits, external audits are carried out by reputed agencies like DNV and National Safety Council of India. The gaps identified in the audits are rectified through an action plan.

III. Corporate Social Responsibility (CSR)

Chambal is committed towards the development of areas in the vicinity of its plants at Gadepan. The Company's CSR programme 'Uttam Roshani' has been designed to achieve sustainable economic, social and environmental development. The programme covers infrastructure development, health and hygiene, education, livelihood generation, women empowerment, agriculture and animal husbandry, etc. The Company is also constructing 715 toilets under Total Sanitation Campaign of the Government of India,



The Company is planning to upgrade this school from 8th standard to 10th standard. In the reporting year, there were 286 students in the school, out of which 103 were from nearby villages. The Company provides free mid-day meals to all children.



for below poverty line families under Public Private Community Partnership (PPCP) model in 22 villages around the fertiliser plants.

The Company operates a mobile healthcare unit in 14 surrounding villages. A team of doctors and volunteers provide free health checks and medicines to people at their doorstep. In addition, the Medical Centre in Gadepan campus provides free service to sick people from surrounding areas. Ambulance facilities are also provided to them round the clock for taking patients to Kota in time of emergency. The patients can also avail the services of visiting specialists for treatment. Camps for various ailments related to eye, gynecology, respiratory and skin diseases, family planning, blood donation, immunization and free health checks are regularly organized.

To provide quality education to children of our employees as well as from nearby villages, Chambal has established a school inside its campus at Gadepan.

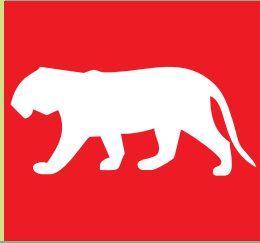
IV. Human Resources

Experienced manpower is a key asset and Chambal firmly believes in nurturing this all important resource.

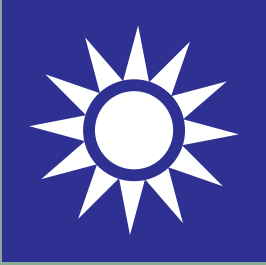
The Company is a merit-driven, equal opportunity employer, committed to include human resources from diverse social, economic, cultural, educational and regional backgrounds, thus embracing inclusivity and diversity.

Our sustainability reporting helped us in assessing the sustainability metrics and establish the baseline sustainability performance for our agri-business. We understand the importance of a 'Comprehensive Sustainability Strategy' to manage the challenges presented by our ever changing ecosystem. We believe our triple bottom-line reporting will help us in continuously reviewing and upgrading our 'Sustainability Management Systems'.





About Chambal Fertilisers



- Organisation Profile
- Shareholding Pattern
- Market Presence
- Awards and Recognitions
- Brands and Products

About Chambal Fertilisers

Organisation Profile

Chambal Fertilisers and Chemicals Limited is one of the largest private sector fertiliser producers in India. It was promoted by Zuari Industries Limited in 1985. Its two hi-tech nitrogenous fertiliser (urea) plants are located at Gadepan in Kota district of Rajasthan. The two plants produce over 2 million MT of urea per annum. The first plant was commissioned in 1993 and the second in 1999. These plants use state-of-the-art technology from Denmark, Italy, United States and Japan.

Today, Chambal Fertilisers has consolidated its position in the agri-business and diversified into other sectors. Its shipping division under the name India Steamship operates 6 Aframax tankers with a combined capacity of over 6,00,000 DWT. Birla Textile Mills is the textile division of Chambal Fertilisers, located at Baddi, in

Solan district of Himachal Pradesh. The mill has a state-of-the-art spinning unit with a capacity of over 83,000 spindles.

In addition, Chambal Fertilisers has a joint venture in Morocco for manufacturing phosphoric acid and subsidiaries in the software sector.

Shareholding Pattern

The equity shares of the Company are listed at the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited. Its shareholding pattern as on March 31, 2011 is given in Figure 1.

Market Presence

Chambal Fertilisers caters to the need of the farmers in ten states in northern, eastern, central and western regions of India and is the lead fertiliser supplier in the

CHAMBAL FERTILISERS AND CHEMICALS LIMITED

BUSINESS DIVISIONS



AGRI-BUSINESS



TEXTILE BUSINESS
Birla Textile Mills

BUSINESS DIVISIONS

DIVERSIFIED PORTFOLIO



SHIPPING BUSINESS
India Steamship

Indo Maroc Phosphore S.A. (IMACID), Morocco
A joint venture between Chambal, Tata Chemicals Limited and OCP, S.A., Morocco. It has set-up a Phosphoric Acid manufacturing facility in Jorf Lasfar, Morocco

Chambal Infrastructure Ventures Ltd.
Set up to explore business opportunities in the power sector in the states of Odisha and Chhattisgarh

India Steamship Pte. Ltd., Singapore
A wholly owned subsidiary engaged in shipping business in Singapore

CFCL Overseas Ltd., Cayman Islands
A special purpose Vehicle for holding Chambal's investment in Software Business

JOINT VENTURE AND SUBSIDIARIES

L I V E R E S P O N S I B L Y

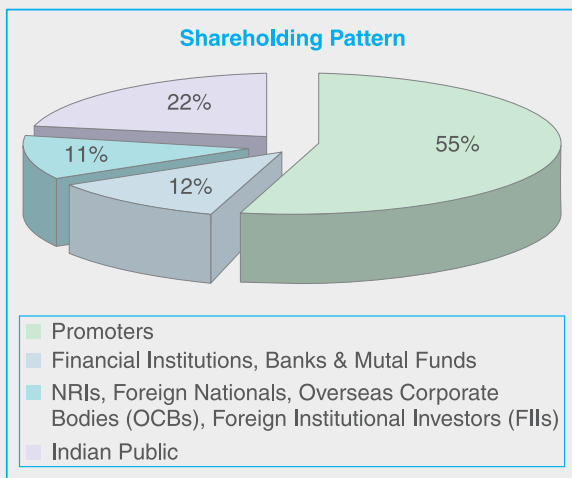
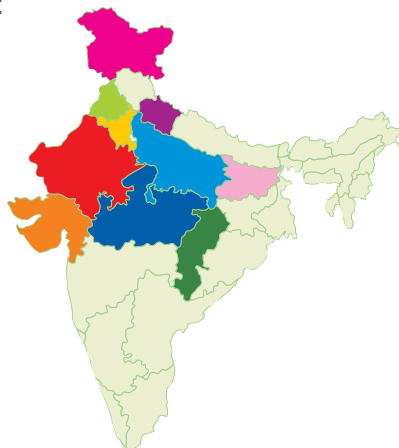


Figure 1: Shareholding pattern

state of Rajasthan. The Company has a vast marketing network comprising 11 regional offices, 1700 dealers and 20,000 village level outlets.

The agri-business division of the Company operates in the following states:

- Bihar
- Chattisgarh
- Gujarat
- Haryana
- Jammu & Kashmir
- Madhya Pradesh
- Punjab
- Rajasthan
- Uttar Pradesh
- Uttarakhand



Awards and Recognitions 2010 and 2011

11th Annual Greentech Environment Excellence Award 2010

Golden Peacock Award for Corporate Social Responsibility 2010.

FAI Environmental Protection Award 2010.

FAI award for 2nd Best Video Film 2010 – Environment.

FAI- Sriram Award for Best Article in Marketing 2010, second position.

Rajasthan Energy Conservation Award- 2010, second position.

West Central Railway Platinum Card Customer Award 2010-11.

West Central Railway Highest Rail-coefficient Award 2010-11.

FAI Best Technical Innovation Award 2010

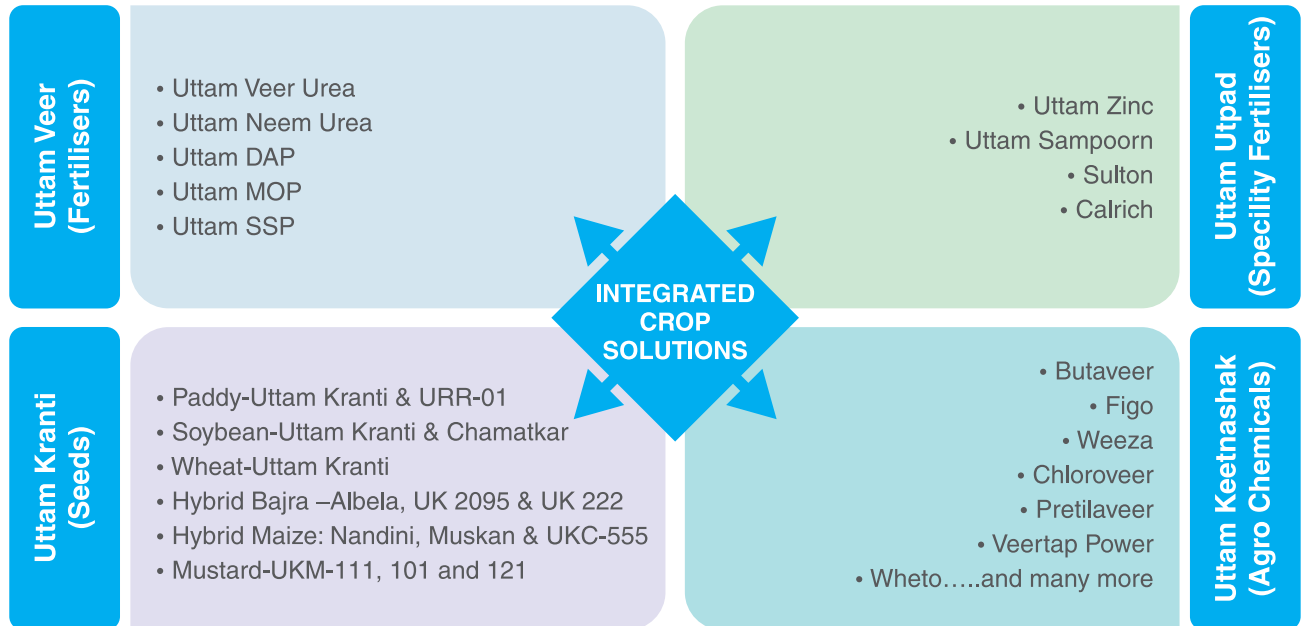
Brands and Products

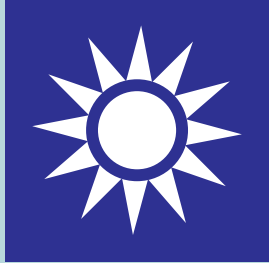
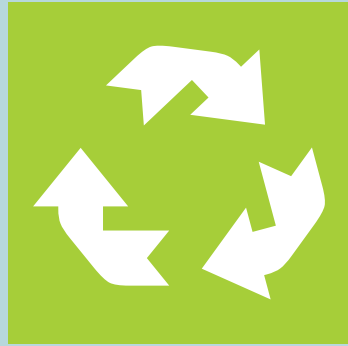
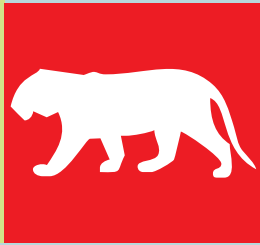
The key driver of Chambal's agri-business is a vision to provide integrated crop solutions to farmers. At the forefront of this vision is our flagship Uttam Bandhan programme, one of the largest technology based interventions by a private sector fertiliser Company, which is ensuring re-vitalization of cultivable land in



rural India. Chambal supplies products for each stage of the crop cycle and provides services which help promote sustainable agriculture. The Company provides, through its dealers, urea and other agri-inputs like DAP (Di-Ammonium Phosphate), MOP (Muriate of Potash), SSP

(Single Super Phosphate), pesticides, seeds and other micro nutrients. Most of these products are sourced from reputed suppliers and sold under the 'Uttam' umbrella brand. The Company is a leader in the pesticide business in north India.





Accountability Framework

- Board of Directors
- Governance Committees
- Investor Services
- Code of Internal Procedures and Conduct for Trading in Securities of the Company
- Code of Conduct and Ethics
- Prevention of Corruption
- Public Policy

Accountability Framework

Chambal is guided by the belief that businesses play an important role in nation building. In order to gain stakeholders' trust and confidence for long-term business success, values and principles need to be embedded in the DNA of the organisation. Our core strength of producing and marketing plant nutrients

makes us a key contributor for achieving the goal of national food security. This puts greater responsibility on our shoulders to conduct our business as per high standards of ethics and governance. Chambal believes that corporate governance is not only about creating checks and balances; but is also about imbibing a

Board of Directors



Mr. S K Poddar
Chairman



Mr. S S Bhartia
Co-Chairman



Mr. H S Bawa
Vice Chairman



Mr. Anil Kapoor
Managing Director



Mr. R N Bansal
Independent Director



Mr. D Basu
Independent Director



Mr. K N Memani
Independent Director



Mr. C S Nopany
Director



Ms. Radha Singh
Independent Director



Mr. Marco Wadia
Independent Director

culture of excellence and duty towards customers, shareholders, society and unwavering commitment to sustainable development. The primary objective of corporate governance is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness, to develop capabilities and identify opportunities that best serve the goal of value creation.

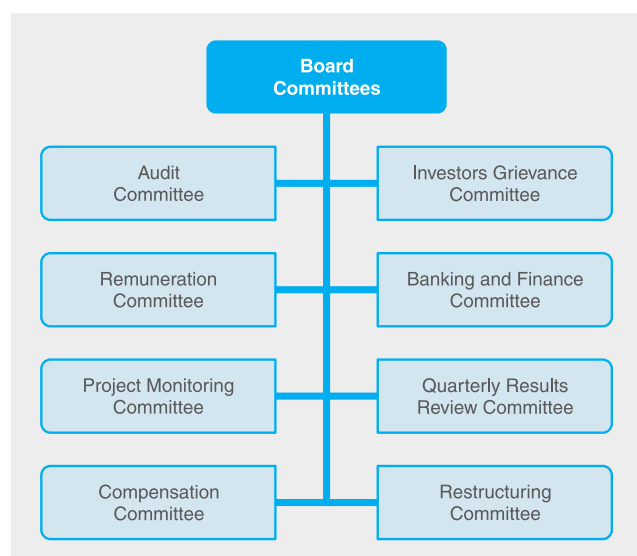
The Board of Directors strives to create an environment, which is conscience driven, accountable and ensures that the management and employees act with integrity and responsibility. **As the highest decision making body of the organisation, the Board relentlessly pursues long-term corporate values and sets the strategic framework for growth.**

As on March 31, 2011, the Board consisted of ten Directors, including one Managing Director and nine Non- Executive Directors, of which five are Independent Directors.

GOVERNANCE COMMITTEES

The Board of Directors reviews the performance of the Company from time to time. There are eight committees of the Board of Directors, which have been delegated specific powers and responsibilities.

Senior officials of the Company help the Directors in the discharge and implementation of their duties. The Company pays sitting fees to the Non-Executive Directors for attending the meetings of the Board and its committees. Apart from the sitting fee, the share holders of the Company at its Annual General Meeting held on August 27, 2010 had approved payment of commission to each of the Independent Directors of the Company for a period of 5 years starting from financial year 2010-11.



1. Audit Committee

The Committee deals with all matters provided in clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956. Additionally, the Committee's terms of reference include:

- Approve the internal audit programme.
- Review with the statutory auditors their findings, observations, suggestions, internal control systems, scope of audit, other related matters and major accounting policies followed by the Company.
- Review the contracts entered into by the Company valuing more than ₹ 75 million and the contracts entered into with the parties included in the register maintained under Section 301 of the Companies Act, 1956, if any and related parties transactions.
- Review internal audit reports related to internal control weaknesses.

2. Investors Grievance Committee

The Committee has the responsibility to approve matters relating to allotment of securities; issue of duplicate certificates; review and redressal of investor grievances, decide on dates of book closure/record dates, etc.

3. Remuneration Committee

The Committee recommends appointment of Managing Director(s)/Whole Time Director(s)/ Manager. It also reviews and approves remuneration including the compensation package, annual increment, incentives, additional perquisites, etc. of the Managing Director(s)/Whole Time Director(s) and Senior Executives of the Company.

4. Banking and Finance Committee

The Committee approves various types of borrowings including working capital facilities, loans, etc., and other matters specifically delegated by the Board from time to time.

5. Project Monitoring Committee

The Committee was formed to review progress of various capital projects and to approve contracts of a certain value.

6. Quarterly Results Review Committee

The Committee was formed to deal with all the matters pertaining to approval of the unaudited quarterly results of the Company.

7. Compensation Committee

The Committee was formed to formulate Employees Stock Option Scheme and its administration.

8. Restructuring Committee

The Committee was formed to explore various options to restructure the shipping business of the Company, recommend to the Board suitable option(s) for restructuring of the shipping business and do all other acts, deeds and things as may be necessary in this regard.

INVESTOR SERVICES

As on March 31, 2011, we had a base of 1,93,569 shareholders. To provide prompt service to the investors through quick redressal of investor grievances, we have an in-house Investor Service Centre. The motto of 'high investor satisfaction' is being pursued through proactive actions like reaching out to investors regularly, timely reminder to investors about unclaimed corporate benefits, etc.

CODE OF INTERNAL PROCEDURES AND CONDUCT FOR TRADING IN SECURITIES OF THE COMPANY

The Company has a Code of Internal Procedures and Conduct for Trading in Securities of the Company. This code, inter alia, prohibits purchase and sale of shares of the Company by its directors, officers, designated employees and their dependents while in possession of unpublished price sensitive information relating to the Company.

CODE OF CONDUCT AND ETHICS

In order to maintain the highest standards of ethics and governance while conducting our business and dealings, we have adopted a 'Code of Conduct

and Ethics'. The code acts as a guiding document for suggestive behavior in dealing with the Company, fellow directors, employees and the external operating environment. The purpose of this code of conduct is to promote conduct of business in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders. This code of conduct is also a tool in carrying out the Company's social responsibility in a more effective manner. It is applicable to Board of Directors and members of core management team including members of management one level below executive directors and all functional heads. The code covers issues like regulatory compliance, conflict of interest, bribery and corruption, safety, environment and health, financial and operational integrity etc.

All Board Members and senior executives of the Company affirmed their compliance with the Code of Conduct and Ethics during 2010-11. A certificate to this effect forms a part of the Annual Report for the year 2010-11.

The code is available at http://www.chambalfertilisers.in/Code_of_conduct.pdf

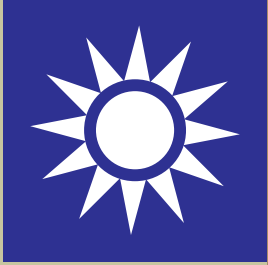
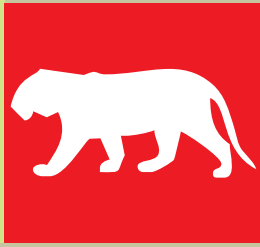
PREVENTION OF CORRUPTION

The Company believes that it has to set exemplary standards of ethical behaviour and therefore has 'Zero Tolerance' for Corruption at the workplace. In addition to the 'Code of Conduct and Ethics', it has an adequate internal system to control corruption. The system comprises authorization levels, supervision, checks and balances, financial limits of authority and procedures through documented policy guidelines and manuals, which provide that all transactions are authorized, recorded and reported correctly and compliance with policies and statutes are ensured. Due to this strict internal control system, the Company does not foresee any need to conduct any corruption related risk analysis and related trainings for its employees. Any proven cases of corruption result in immediate termination of service. During the reporting year there were no reported cases of corruption in the organisation.

PUBLIC POLICY

Chambal is actively involved in debates and discussions relating to public policies concerning our industry. We are members of various industry associations and safety councils both in India and abroad. We regularly participate in various industrial forums, share insights and present viewpoints on issues related to business, environment, society, etc.





Stakeholder Engagement

- Government of India/Regulators
- Investors & Bankers
- Employees
- Industry/Other Associations
- Suppliers/Vendors
- Local Communities
- Media
- Customers



Stakeholder Engagement

We believe that stakeholder engagement is central to sustainability. It enables us to think broadly about issues and their impacts and also helps us in formulating mutually beneficial strategies. Open and honest communication through a variety of traditional

and innovative ways with our stakeholders, provides us with valuable insights regarding emerging trends, business risks and opportunities. It also helps us in clearly defining our business goals, which are critical to maintaining our competitive edge.

Stakeholder Sub-Group	Method/Type of Engagement	Key Issues	Frequency
Government of India/ Regulators			
Ministry of Chemicals and Fertilisers	One-to-one interaction	Policy issues	Regular
Ministry of Environment and Forests		Project clearances	As per requirement
Ministry of Petroleum & Natural Gas		Gas supply	Regular
Rajasthan State Pollution Control Board	One-to-one interaction/ circulars/ responses/ plant visits/ report submissions	Statutory requirement	As per statutory/ business requirement
Factories Inspectorate		Statutory requirement	
Railway Board		Fertiliser transportation	
Investors & Bankers			
Shareholders	Advertisement in leading dailies (National/ Regional), business newspapers	Financial results announcement	Quarterly
	Chambal website/ Stock Exchange portals	Important company developments	Regular
	Shareholders Annual General Meeting	Company performance	Annual
	Mail/ E-mail	Annual Reports/ Half Yearly Results/Reminder for unpaid dividend	Periodical
	Mail/ phone/ e-mail	Queries from shareholders	Regular
Financial Institutions/ Bankers	One-to-one interactions	Submission of Information	Regular
Bankers (Consortium of 11 banks)	Consortium Meetings/ Audits	Working capital funding	Regular

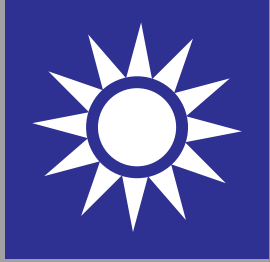
Employees			
Dy. General Managers and above	Performance Analysis Report Meetings	Review of business performance	Monthly
All Employees	Performance Management Systems	Performance improvement action plan	Management: Half yearly
		Career development plans	Non management: Annual
		Training needs	Trainees: Quarterly
	Intranet/ SAP Portal	Company information/ Policies/ Help desks	Continuous
	In-house Magazine	Company news, other information	Quarterly
	Employee Functions/ Picnics/ Get-Togethers	Celebrations	Regular
	Chambal Infoline (E-mail Newsletter)	Industry news	Weekly
Training Programs	Based on PMS	Regular	
Industry/Other Associations			
FAI (Fertiliser Association of India)	Our MD is a Director on the FAI Board	Key issues of fertiliser Industry	Quarterly board meetings
IFA (International Fertilizer Association)	Seminars/Conferences	Key industry developments	Annual
FICC (Fertiliser Industry Coordination Committee)	One-to-one interaction	Need based mostly subsidy related	As per business requirement
CII (Confederation of Indian Industry), Rajasthan Chamber of Commerce and Industry, Indian Chemical Manufacturers Association.	One-to-one interaction	Industry networking	As per business requirement
Employee Federation of India, The Employee Association of Rajasthan, Kota Divisional Employers Association	One-to-one interaction	Employee related	As per business requirement
National Safety Council, British Safety Council	One-to-one interaction	Trainings, safety promotion activity	As per business requirement

Suppliers/Vendors			
Contractors (Service providers)	One-to-one interaction/ Training Programmes	Need based/quarterly performance review	As per business requirement
Suppliers	Vendor Appraisal		Annual
Vendor Development	Contract Committee		Regular
Local Communities			
4 Gram Panchayats covering 22 villages in the vicinity of Chambal Plants at Gadepan (Rajasthan)	Health & Hygiene activities		Regular
	Agriculture & Animal Husbandry/ Livestock Camps		Regular
	Rural infrastructure development activities		Regular
	Vocational Training Programs/ women empowerment through Self-Help-Groups		Regular
	Education support to children		Regular
	Tree plantation		Regular
	Radio Program (Uttam Bandhan teen Sawal) on AIR-Kota	Crop related information	Weekly
Media			
National Media	Advertising Campaign		As per business requirement
	Corporate Interviews/ Press Releases		As per business requirement
	Website	Corporate Information	Continuous
Customers			
Farmers	Research Survey	Brand Health	Once in 2010-11
	Plant Visits/ One to one interaction	Crop / product related information	Regular
	SMS Service/ Phone Helplines		Regular
	Farmer Website		Continuous
	Chambal Ki Chitthi		Quarterly
	Farmer Meetings/ Training Programmes		Regular
	Jeep Campaigns		Regular
Business Partners/ Retailers/ Dealers	Training Programs/ Meetings/ Surveys		Regular

Table 1: Stakeholder groups and modes of engagement



Triple Bottom



Line Performance

Economic Footprint



Economic Footprint

In 2010, the global economy witnessed a slow but steady recovery from the economic slowdown and is estimated to have grown by 5%¹. While growth in emerging economies remained strong, advanced countries are facing uncertainties like large fiscal deficit, high public debt and unemployment levels. Global events like political turmoil in the Middle East, natural calamity in Japan, new fiscal pressures in U.S. and Euro-zone crisis also impacted the recovery. In several emerging economies, in addition to the signs of rising inflation, there has been a surge in capital inflows with the associated risk of bubbles in asset and credit markets.

In 2010-11, the Indian economy emerged with remarkable rapidity from the slowdown caused by the global financial crisis of 2008. The growth is estimated at 8.6%¹ inspite of uncertainties in the international markets and unseasonal late rains affecting the winter crop in 2010-11.

The agriculture sector in India is at a crossroad with rising demand of food items and relatively slower supply of many commodities resulting in frequent spikes in food inflation. The need for a second green revolution is being recognized more then ever before.

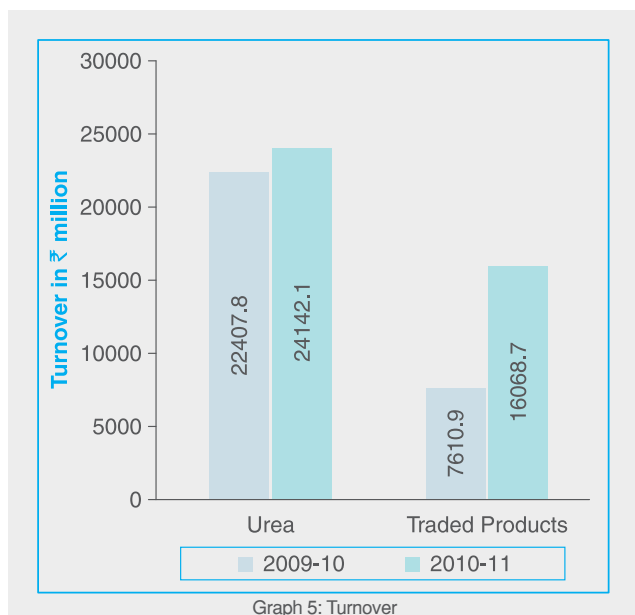
Performance Snapshot				
	FY 2008-09	FY 2009-10	FY 2010-11	Unit
Production				
Urea	1.92	2.03	2.10	Million MT
Sales²				
Urea	1.98	2.01	2.04	Million MT
Traded Items - Sales				
Di - ammonium Phosphate	220973	141647	401487	MT
Muriate of Potash	45356	86498	98278	MT
Single Super Phosphate	26875	697	72311	MT
Pesticides	1269	1625	1929	₹ Million
Micro-nutrients and Zinc	406	423	537	₹ Million
Seeds	403	298	439	₹ Million
Profit Before Tax (PBT)	3181	3588	4408	₹ Million
Profit After Tax (PAT)	2306	2491	3252	₹ Million
Employees	860	853	878	Number
Energy	4398353	4407733	4588682	Gcal
Specific Energy Consumption				
Gadepan I	5.676	5.640	5.550	Gcal/MT Urea
Gadepan II	5.565	5.432	5.440	Gcal/MT Urea
GHG Emissions	1096975.795	1032994.534	1065306.238	MT CO ₂
Specific Water Consumption	5.20	5.05	4.92	M ³ /MT Urea
Water Discharge	1334005	1307807	1144069	m ³
Air Emissions				
Urea Dust	757.73	751.33	783.12	MT
Ammonia	438.46	502.38	613.56	MT
NOx	383.05	399.47	413.14	MT

Table 2: Performance at a glance³

¹ Economic Survey of India 2010-11

² Ammonia Sales for the FY 2008-09, 2009-10 and 2010-11 was 5000 MT, 14000 MT and 18000 MT respectively

³ Economic Data pertains to the entire company



There is need to significantly step up both private and public investments in the agriculture sector to ensure sustained growth of around 4% per annum¹.

For Chambal Fertilisers, 2010-11 was yet another year of growth and prosperity. The Company achieved the highest ever annual urea production and sales in Gadepan-I and II plants during the year. The Company produced 2.100 million MT urea as against 2.031 million MT in 2009-10. Urea sales in the year 2010-11 were 2.041 million MT which was marginally higher than the last year's sale of 2.014 million MT. The production and sales of urea were higher due to achievement of higher stream days and higher plant throughputs after implementation of energy saving cum de-bottlenecking revamp projects for Gadepan- I and II plants.

The Company achieved new high in trading, particularly in the pesticide business. There was a substantial growth both in the revenue and profitability from the trading activity. The pesticide and micro-nutrient sales amounted to ₹ 2123.96 million and ₹ 592.42 million



respectively during 2010-11. Our Profit Before Tax (PBT) and Profit After Tax (PAT) increased by 22.9% and 30.6% respectively as compared to 2009-10. EBIDTA increased to ₹ 8063.3 million in 2010-11 from ₹ 6972.2 million in 2009-10.

Economic Value Generated by the Company in 2010-11 was ₹ 47525.78 million as compared to ₹ 36457.08 million in the previous year, an increase of 30.4%. The Company Board recommended a dividend of ₹ 1.90 per equity share in the reporting year. The

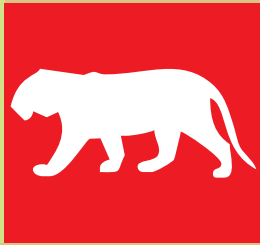
	2008-2009 ₹ Million	2009-2010 ₹ Million	2010-2011 ₹ Million
Economic Value Generated (EVG)	47245.86	36457.08	47525.78
Economic Value Distributed (EVD)			
Operating Costs	41829.45	30954.28	40866.11
Employee benefits and wages	906.00	986.07	1145.41
Payment to providers of capital	2072.42	1701.21	1888.64
Payment to government (Indian)	1002.70	1228.95	1284.48
Community Investments	6.18	18.20	8.44
Economic Value Retained	1429.13	1568.37	2332.70

Table 3: Economic Contribution at a glance

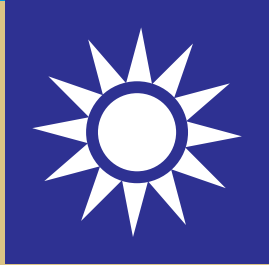
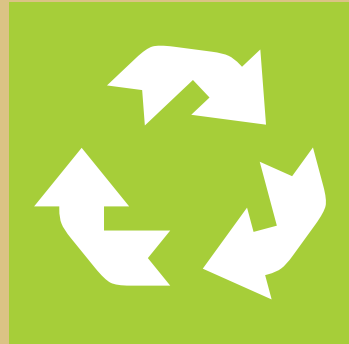
total dividend outgo will be ₹ 919.08 million (including dividend tax) in 2010-11. Total subsidy income of the Company in 2010-11 increased to ₹ 21,868.35 million from ₹ 16323.96 million in 2009-10.

Chambal considers India as its local market and understands the associated importance of procuring major input material from within the country. This practice of the Company not only makes good business sense but also has a positive impact on the local economy. In the reporting year, more than 75% of goods, materials and capital equipment at our Gadepan unit, Kota were procured from suppliers based in India.





Triple Bottom



Line Performance

Environmental Performance

- Enhancing Resource Efficiency
- Efficient Energy Management
- Green House Gas Emissions and Climate Change
- Preserving Water – A Scarce Resource
- Spill Management Systems
- Sustaining Biodiversity
- Other Air emissions
- Environmental Expenditure
- Responsible Effluent Treatment
- Waste Management

Environmental Performance

Owing to increasing population, agricultural demand is expected to continue rising in order to ensure abundant quantities of high-quality food, feed and fibre. As a fertiliser producing organization, Chambal is committed to provide sufficient crop nutrients so that farmers can satisfy the population's basic need of food. The Company also understands that environmental sustainability is probably the next great challenge it faces. Hence, it has embedded sustainable management practices in its operations. The Company has set up a well defined Environment Management System focusing on energy efficiency, pollution prevention and control, renewable energy use, reduce, recycle and reuse of waste and water. Raw materials, water, emissions and energy consumption continue to be material issues for our organisation. The Company constantly monitors and analyzes its performance on these material issues.

ENHANCING RESOURCE EFFICIENCY

Natural gas is the primary raw material for manufacturing ammonia, which, in turn, is used to produce urea. Urea production cost is directly dependent on the cost of natural gas. Taking cognizance of the fact that the major factor of competitiveness for Chambal is the availability, and price of natural gas, it has imbibed resource conservation and efficiency in the DNA of its operations. In addition to natural gas, the Company consumes process chemicals like poly alumina chloride, sulphuric acid, hydrochloric acid, lye, catalysts and resins in considerable quantities. Its primary product, urea is supplied to the end user - the farmer - in HDPE or PPE bags. To minimize

Increasing Resource Efficiency



Chambal produces an environment-friendly product - Neem Coated Urea (NCU). NCU has nitrification inhibiting properties, thereby ensuring availability of nitrogen for prolonged periods. NCU is produced by physically spraying neem extract (oil) especially triterpene on urea prills. Neem coated urea is a better product for farming since it has property of slow release of nitrogen, thereby increasing the efficiency of Urea.

Due to an increase in NCU demand in the country, Chambal is producing 35% of its total production as NCU.

To minimize handling losses and ensure smoother operations, Chambal has installed a neem oil bulk storage tank of 65 KL capacity along with heating, unloading and transfer systems. With this initiative, the Company expects some reduction in specific neem oil consumption.

consumption of chemicals, the Company is following resin replacement road map and monitors and tracks chemical consumption regularly. It has also trained operators for carrying out correct operational procedures to reduce regeneration failures. Total material consumption figures with respect to urea and ammonia production are given below:

Material	Unit	FY 2008-09	FY 2009-10	FY 2010-11
Natural Gas	000' Sm ³	722337	805019	834947
Hydrochloric Acid	MT	1210	1451	1534
Sulphuric Acid	MT	796	851	735.66
Lye	MT	562	670	727
Poly Alumina Chloride	MT	119	102	117
Packaging Bags	Nos'	38646840	40570664	42083601
Production	Unit	FY 2008-09	FY 2009-10	FY 2010-11
Ammonia	Million MT	1.10	1.18	1.22
Urea	Million MT	1.92	2.03	2.10

Table 4: Resource Consumption



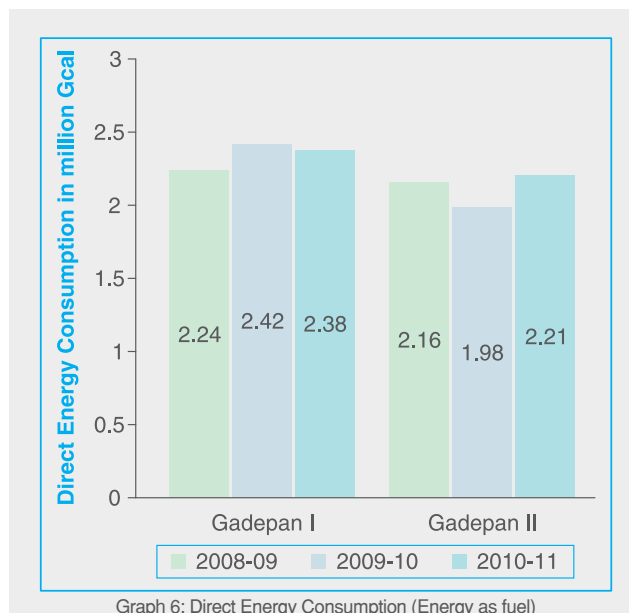
EFFICIENT ENERGY MANAGEMENT

The fertiliser industry is a highly energy intensive sector. The industry relies on direct and indirect sources of energy. The direct source of energy includes the use of natural gas, naphtha, coal, furnace oil etc. while the indirect sources include the use of electricity from the state grid. It consumes fossil energy sources such as natural gas, naphtha etc; not only as fuel but also as feedstock. Natural gas being the cleanest of fossil fuel, is preferred over naphtha.

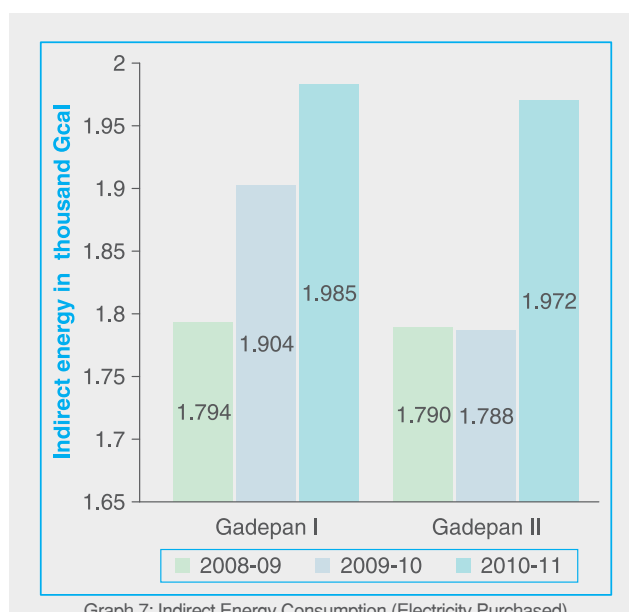
India had approximately 38 trillion cubic feet (Tcf) of proven natural gas reserves as on January 2010⁴. It is expected that natural gas demand will increase considerably primarily driven by power and fertiliser sectors. Despite the steady increase in India's natural gas production, demand has outstripped supply and the country has been a net importer of natural gas since 2004.

The fertiliser sector plays a critical role in the much desired self-sufficiency in food. At present, India has a large and diversified fertiliser sector and ranks second, next to China in world production of nitrogenous fertilisers. Hence, secure, reliable and affordable natural gas supply is vital for the agriculture sector. Rising energy demands and prices pose a challenge to agriculture based countries like India.

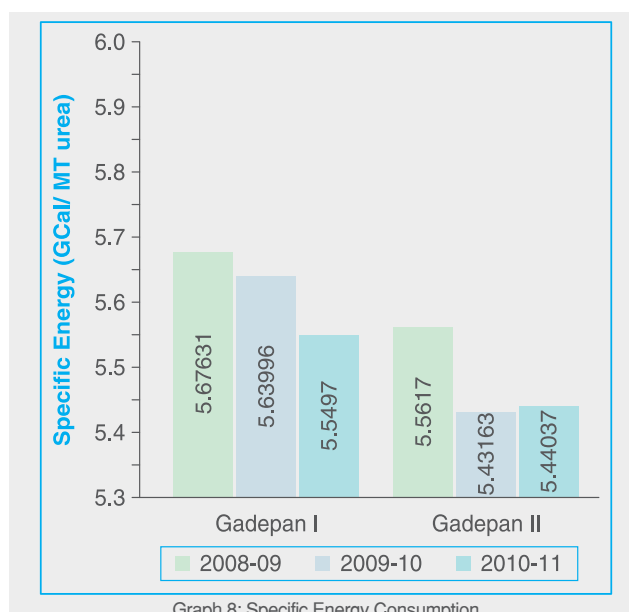
Chambal takes cognizance of the energy shortage and work towards technological and operational excellence to reduce its energy consumption, switch to renewable resources and to enhance energy efficiency. The Company has always been conscious of its energy use and has been proactive in installing energy efficient technologies. It installed KRES in 2009 and carried



Graph 6: Direct Energy Consumption (Energy as fuel)



Graph 7: Indirect Energy Consumption (Electricity Purchased)



Graph 8: Specific Energy Consumption

⁴ <http://www.eia.gov/countries/cab.cfm?fips=IN>

out revamping of plants in 2008-10. This year, it replaced the reciprocating compressor of packaged air conditioners with screw type compressors; and undertook other energy efficiency initiatives like replacing lighting fixtures with energy efficient tube lights in its administration building.

The Company's specific energy consumption in the reporting period was 5.54970 Gcal/MT of Urea at Gadepan I and 5.44037 GCal/ MT of Urea at Gadepan II. Overall energy efficiency improvement was mainly contributed by operating the plant with philosophy of two year annual turnaround, change of reformer tubes and catalyst for primary reformer in Ammonia-I and running additional drives on electric power subsequent to installation & commissioning of load manager for our gas turbines.

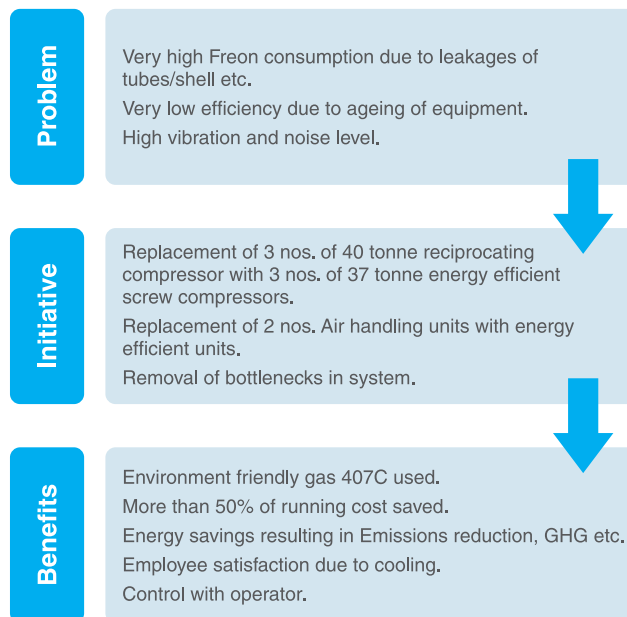
In the reporting period we primarily used natural gas as fuel and in case of unavailability of natural gas, we used naphtha. In the reporting period, we used only 2948.57 Gcal (12345.10 GJ) of naphtha which was approximately 88% less compared to last year.

Our total direct energy consumption for Gadepan-I was 2.38 million Gcal (9955951.16 GJ) and for Gadepan-II, 2.21 million Gcal (9239374.56 GJ).

We have our own natural gas based captive power plants; hence we buy only small amounts of electricity from the grid. In the reporting period, our indirect energy consumption was 3957.30 Gcal (16568 GJ),

Reducing Energy Consumption and Emissions

Replacement of reciprocating compressor of package air conditioner by screw type compressors.



which is approximately 0.09% of our total energy consumption.

We have also taken various other initiatives to improve process efficiency in 2010-11.

Initiative	Description	Benefit
Installation of Programmable Logic Controller (PLC) based Load Management System	<p>Before Installation of PLC based Load Management System, our operation requirements were met through one Gas Turbine Generator (GTG) with capacity enhancement through inlet air chilling system. In case of any problem / disturbance in inlet Air Chilling Systems the capability of the running machine will reduce and may cause overloading of the Gas turbines.</p> <p>Hence, a PLC based Load management system was installed to take care of relieving the Gas turbines from Over loading.</p> <p>The load shedding logics has been developed based on two independent criterion of GT capability and 4 step frequency delay. Due to increased capability, GT load was further increased by about 0.5MW; this let to running additional drives on power and subsequently contributed to improve efficiency.</p>	Improved reliability and overall efficiency
Installation of 2nd Unit of Bulk Flow Cooler (BFC) in Urea Product Handling (UPH)	<p>We were using one BFC plate bank of capacity 148 MT/hr for cooling the hot material during summer. We found that single BFC plate bank is not sufficient to cool the material of both the plants. High product temperature was causing a lot of nuisance like increased number of hold bags, handling of hot material, material setting in filled bags.</p> <p>Hence, an additional BFC plate bank was installed, which resulted in drastic reduction of quality related complaints during peak summer months.</p>	Material handling problem has reduced, quality of product to customer has also improved

Table 5: Process efficiency initiative in FY 2010-11

Earth Hour

This year, on 26 March, Chambalites observed 'The Earth Hour' by switching off the non – essential lights of their homes and offices for one hour, between 8:30pm and 9:30pm.

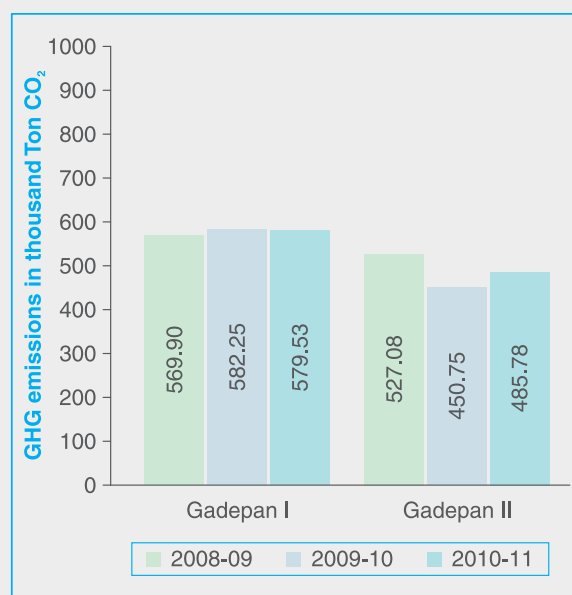
At Chambal, we feel that 'The Earth Hour' was about making a commitment to act in a responsible manner and in ways that didn't jeopardize the environment or deplete our world's limited natural resources.

GREEN HOUSE GAS EMISSIONS AND CLIMATE CHANGE

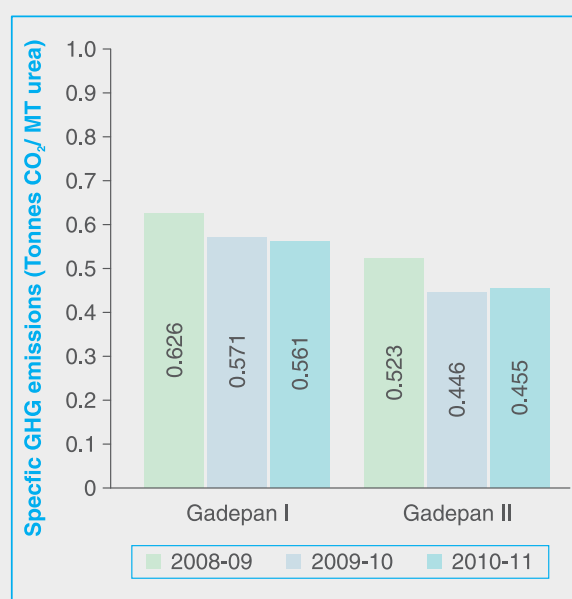
Climate change is one of the biggest concerns of the international community, which has also gained prominence in policy formulation at the national level. Climate change is no longer a theoretical phrase as its effects can now be felt on a seasonal basis whether it is a hotter than usual summer or an unseasonably warm winter. Global warming is a result of an increase in the levels of certain Green House Gases (GHG) in the atmosphere which trap heat, resulting in warming of the atmosphere.

The International Fertiliser Industry Association (IFA) estimates that 0.93% of the global green house emissions in 2007 came from the activities of the fertiliser industry. Additionally, it also estimated that 1.5% of global GHG emissions came from fertiliser use⁵.

Change in global temperature is expected to have severe impact on production levels of crops and livestock and fresh water supply⁶. This will have an adverse impact on agricultural growth. India, in particular, is vulnerable due to high dependence on agriculture. Impact on agriculture could severely impact the farmer, our biggest customer - which would in turn impact our economic sustainability. Hence, it



Graph 9: Total GHG Emissions⁷



Graph 10: Specific GHG emissions

becomes inevitable for us to take actions to mitigate climate change risks.

The major sources of emissions in fertiliser production are use of fossil fuel (natural gas, naphtha, etc) as feedstock and fuel. We primarily use natural gas – the cleanest of fossil fuel, as feedstock and fuel. Only in the case of unavailability of natural gas we use naphtha. Use of natural gas has helped us to keep our GHG emissions low. CO₂ formed during ammonia production is reused in urea production. Thus GHG emissions from our operations are primarily due to natural gas or naphtha consumed as fuel.

⁵ Source: Energy Efficiency and CO₂ Emissions in Ammonia Production, Feeding the Earth, published by The International Fertilizer Industry Association. Website: www.fertilizer.org/ifa/HomePage/LIBRARY/Publication-database.html/Energy-Efficiency-and-CO2-Emissions-in-Ammonia-Production.html

⁶ National Mission for Sustainable Agriculture

⁷ Excludes GHG emissions due to venting and flaring during plant upsets/trips and plant process.

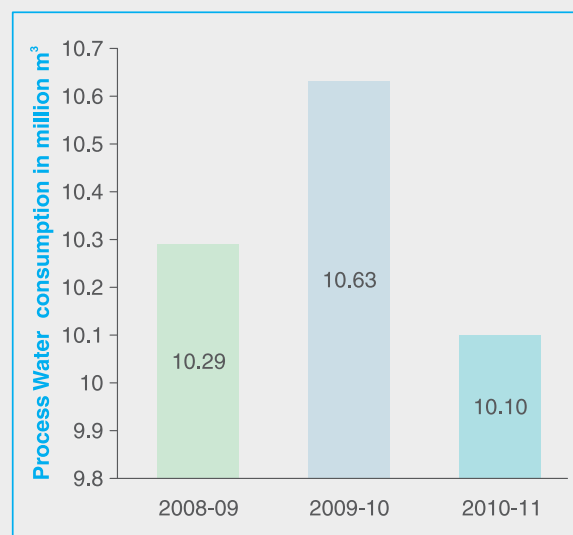
During the reporting period, GHG emissions from the use of natural gas, naphtha as fuel and using electricity from the grid are 1.07 million tCO₂.

In the reporting period, we estimated the 394.24 MT CO₂ emissions from employee transportation by buses and other vehicles (scope 3). Though these emissions are not significant in quantum, this exercise is a small effort from our side in understanding GHG impacts beyond the production process.

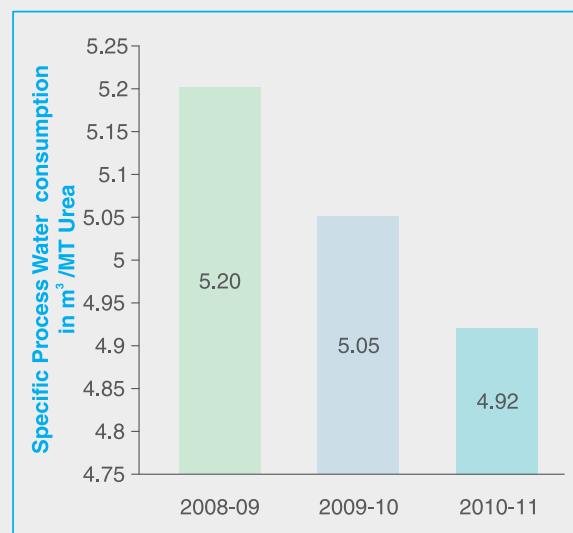
We are not only mitigating climate change by reducing energy consumption and use of cleanest fossil fuel but also by developing green cover around us. The green cover developed by us around our premises helps in sequestering CO₂ emissions from the atmosphere. In order to understand the GHG benefit of extensive green cover at Chambal, we conducted a preliminary study to estimate amount of CO₂ sequestered by trees. This exercise reaffirms Chambal's endeavour to mitigate climate change.

PRESERVING WATER – A SCARCE RESOURCE

We operate in the state that has only 1.1 percent of India's total water resources as against 10.5% of the country's geographical area and 5.5% of the country's population⁸. Since water is a scarce resource in our area of operations, we consider it our moral responsibility to take initiative for conserving water. We also understand that availability of consumable water is major bottleneck for sustaining and expanding our operations. Thus, we continued to make efforts to conserve this critical resource by harvesting, recycling, and reusing water. Our main source of water is the monsoon-fed Kalisindh River. In FY 2010-11 our total withdrawal (including township) from



Graph 11: Water consumption in plant process



Graph 12: Specific Process Water Consumption

Cooling Towers	Maintaining of COC at 1150 ppm by effective monitoring, thus optimizing blow down losses
	Replacement of Wooden drift eliminators (Design losses 0.05%) with D-15 cellular type drifts eliminators (Design loss 0.001%)
	Road map for maintenance of cooling towers cell
Fire Water Network	Monitoring of consumption, identification of leakages and prompt part replacement.
Drinking Water Network	Installation of flow meters at various sections.
	Awareness campaign among employees and townships residents to conserve water
	Initiation of line replacement job for B type houses main header.
	Initiation of procurement for replacement of remaining planned lines
DM Plant	Road map for replacing resins and carbon replacement in DM plant is being followed to reduce regeneration losses.
	Recovering of water from drain
	Air scoring in CPU ACF to reduce backwash water

Table 6: Water conservation initiatives in FY 2010-11 and operational philosophy to minimise water consumption.

⁸ <http://india.gov.in/allimpfrms/alldocs/15379.pdf>

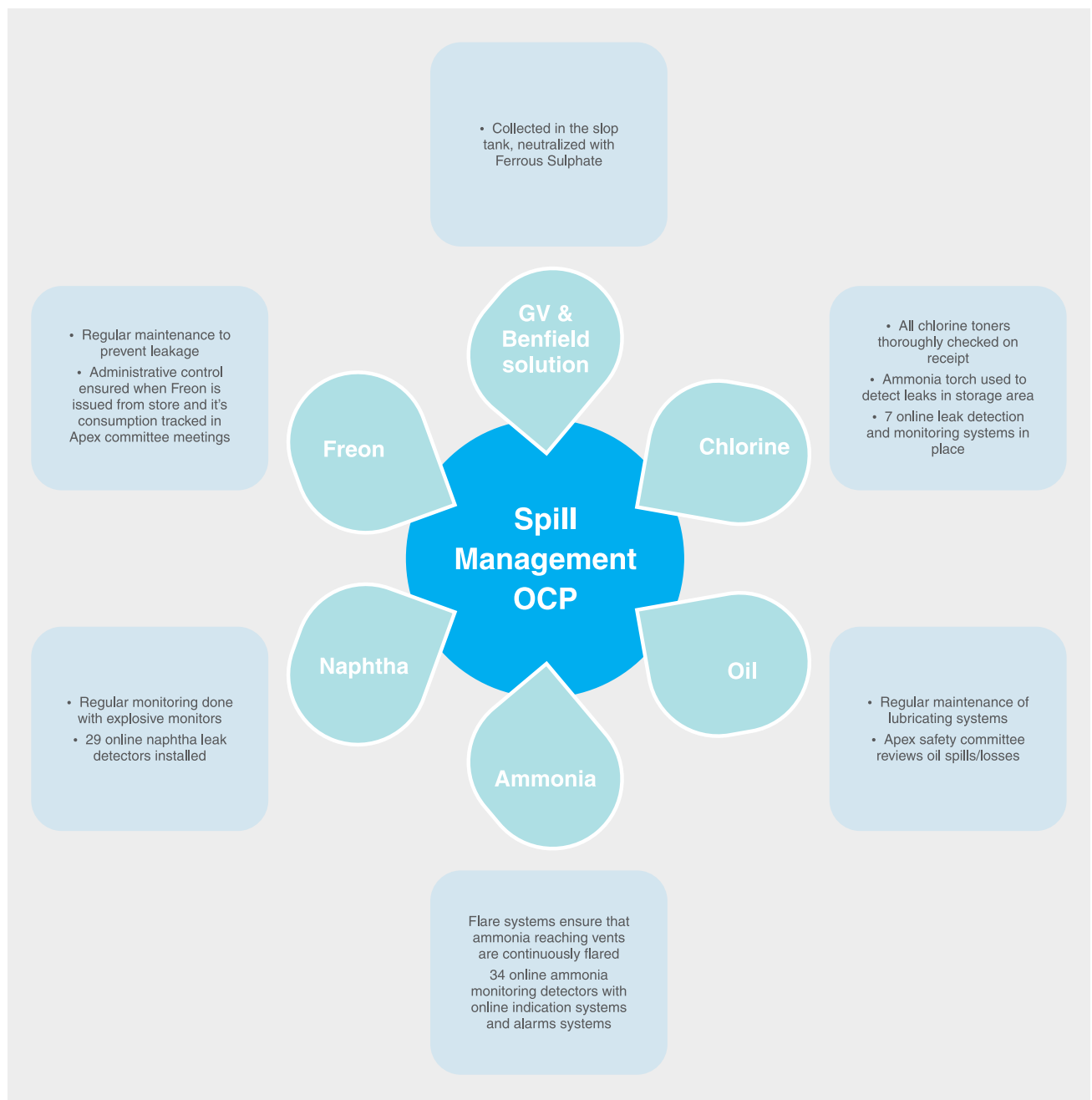
the river was 10988245 m³. In the reporting period, we installed monitoring devices, identified and attended various leakages and carried out maintenance of cooling towers to reduce our water consumption. **Our dedicated efforts to reduce our specific filter water consumption has resulted in filter water consumption per tonne of urea decreasing from 5.05 in FY 2009-10 to 4.92 in FY 2010-11.**

SPILL MANAGEMENT SYSTEMS

Under the HSEQ management system we have developed well-defined environmental Operation Control Procedures (OCP). These OCPs are guidelines which enable us to prevent and manage spills. GV (Geomarco Vetro Coke) and Benfield Solution,

chlorine, ammonia, urea, oil, freon and naphtha are few of the substances for which we have well defined spill management systems in place. In order to keep regular check on entire environment including drains, monitoring is carried out regularly and observations are recorded and reported to management.

We have a well defined reporting structure to manage spills in the event of spillage. For each spillage, we carry out root cause analysis and take corrective and preventive actions to ensure that such events do not occur again. We have identified the places where we can have spillage and for each of the scenarios we have worked out well defined spill management systems.



SUSTAINING BIODIVERSITY

According to the United Nations Development Programme (UNDP), 'Poverty and biodiversity are intimately linked. The poor, especially in rural areas, depend on biodiversity for food, fuel, shelter, medicines and livelihoods. Biodiversity also provides the critical 'ecosystem services' on which development depends, including air and water purification, soil conservation, disease control, and reduced vulnerability to natural disasters such as floods, droughts and landslides. Biodiversity loss exacerbates poverty, and likewise, poverty is a major threat to biodiversity.⁹ Hence, biodiversity and ecosystems need to be protected in order to preserve the quality of life. Many species have already become extinct and if trend continues many more will. Due to impact of biodiversity on quality of life, especially in rural areas, it is of great significance for us. In our endeavor to make our campus and nearby area green, we started plantations around the proposed site even before our manufacturing facility was constructed. We have also taken initiatives to conserve wildlife and preserve habitat of some endangered species at Sorsan preserve in Baran district of Rajasthan. We have setup a fund in collaboration with Hadoti Naturalist Society (a local body) and forest department, Government of Rajasthan to support wildlife conservation. With the efforts put up in the last two decades and continuous monitoring of the area in and around the campus, Gadepan has become an abode for many endangered and migratory species.

We have developed an ecological green township with modern facilities in the area which was once a rocky and barren land. We planted many local and exotic plants in the complex in such a way so that existing fauna was not affected. Today, we are proud that our ecological township has more than 500 acres of green cover, 100 species of flora, and several animal species including avian species (both local and migratory, including peacocks) monkeys, rabbits, reptiles and many non-predatory animals. Our township is ISO – 14001 and OSHAS – 18001 certified.



We also carry out interactions with Bombay Natural History Society (BNHS) on environmental issues. Officials of BNHS visit the campus from time to time and give suggestions and advice on improving the flora in the campus.

Creating Awareness by Celebrating World Environment Day

On June 5, 2010, we celebrated World Environment Day with the theme 'Biodiversity – Ecosystems Management and the Green Economy' to create awareness related to environment. The event provided valuable insights in water conservation and energy savings. Other events organised to engage employees and their families were

- Paintings on 'Natural habitat, water conservation, global warming and impact of GHG' by children
- Screening of 'An Inconvenient Truth' movie
- Drama by children on 'Reasons for scarcity of water'
- Poster competition on 'Global warming, energy and water conservation'
- 'On the spot' quiz
- Tree plantation drive

OTHER AIR EMISSIONS

Ammonia, urea dust, Suspended Particular Matter (SPM) and oxides of nitrogen and sulphur, are the major air emissions, excluding GHG emissions from our manufacturing process. Various control measures and initiatives that have been taken to minimize air emissions are given below.

- Use of Sulphur free fuel NG/RLNG
- Low NOx burners in Auxilliary Boiler and primary reformer
- Stacks having height more than statutory requirements
- Dedusting system to minimize urea dust
- Use of efficient prill bucket to reduce urea dust
- Natural draft Prilling tower with extra height to contain urea dust emissions
- Recovery of ammonia at various places
- Water curtains

⁹ <http://youthink.worldbank.org/4teachers/pdf/environment/story-biodiversity.pdf>

	FY 2008-09	FY 2009-10	FY 2010-11
kg CFC-11 equivalent (ODS emission)	35.37	25.03	30.86

Table 7: Ozone Depleting Substance (ODS) emissions

Parameter	Unit	FY 2008-09	FY 2009-10	FY 2010-11
NOx	MT	383.05	399.47	413.14
Urea Dust	MT	757.73	751.33	783.12
Ammonia	MT	438.46	502.38	613.56

Table 8: Air Emission Load (Yearly average values)



Parameter	Unit	FY 2008-09	FY 2009-10	FY 2010-11
NOx	Kg/ MT Urea production	0.2	0.2	0.2
Urea Dust	Kg/ MT Urea production	0.4	0.4	0.4
Ammonia	Kg/ MT Ammonia production	0.2	0.2	0.3

Table 9: Specific Air Emission Load (Yearly average values)

ENVIRONMENTAL EXPENDITURE

We continuously strive to minimize our ecological footprint primarily by minimizing waste and effluent generation and by treating waste and effluent in ways that are more stringent than the statutory requirements. We have well defined environmental management metrics, auditing and reporting framework that ensures environmental monitoring of various parameters is done regularly. We not only spend on waste treatment, effluent and emissions treatment but also on environmental management as we believe that

expenditure on environmental management actually reduces costs and helps to avoid liability in future. Our expenditure on waste, effluent treatment, emissions treatment and environmental management for the reported year was ₹ 3.49 million; which is significantly higher than last year.

We are proud to report that due to our proactive approach and committed efforts during the reporting year we had no non compliance with environmental laws and which also helped in revalidation of our ISO 14001: 2004 and OHSAS 18001:2007 certification.

Type of Expenditure	Description of Expenditure	Direct and Variable cost incurred in ₹ Million		
		FY 2008-09	FY 2009-10	FY 2010-11
Waste disposal, emissions treatment and remediation costs	Cost of treating wastewater or disposing solid waste/ sludge to an external contractor or destination plus operating and maintenance cost	0.86	1.12	2.63
	Cost for employing external authorities for lab testing and sampling	0.19	0.19	0.23
Prevention and environmental management costs	Annual costs of ISO 14001 and other such certifications for management systems	0.15	0.23	0.03
	Purchase of green fuel, recycled materials or any other such purchase to reduce environmental footprint	0	0	0.06
	Consent to operate and other environmental compliances	0.27	0.27	0.54
	Total	1.47	1.81	3.49

Table 10: Expenditure on Environment Management (Data has been rounded off)

RESPONSIBLE EFFLUENT TREATMENT

At Chambal, we continue to follow the guiding policy of treating the effluent at its source and recycling treated effluent back into the process. Under this concept, the Company treats and recycles various process condensates like:

- Ammonia Process Condensate (APC)
- Urea Process Condensate (UPC)
- Turbine Condensate
- Boiler blow down water.

Beside the above, the effluents generated from other points like seal water of pumps, steam traps and sample cooler drains are sent to the Effluent Treatment Plant (ETP) where they are further diluted by other effluent streams. ETP also receives treated effluents from DM plant, filter back wash water, etc. Treated effluents are utilized for horticulture / irrigation. We have also set up a Sewage Treatment Plant (STP) which treats sanitary wastewater from the township. The treated wastewater is used for irrigating the green belt.

In the reporting period, we revisited our methodology for calculating the quantum of water recycled in

Parameter	Unit	FY 2009-10	FY 2010-11	Permissible Limits (mg/l)
Biological Oxygen Demand	mg/l	10	7.9	30
Chemical Oxygen Demand	mg/l	69.5	63.7	250
Nitrate Nitrogen	mg/l	5.7	6	10
Total Ammonical Nitrogen	mg/l	5.4	5.7	50
Total Dissolved Solids	mg/l	1400	1548	2100
Total Kjeldahl Nitrogen	mg/l	18.4	16.4	100
Total Suspended Solids	mg/l	81	79	100

Table 11: Effluent discharge quality and their permissible limits

Parameter	Unit	FY 2008-09	FY 2009-10	FY 2010-11
Biological Oxygen Demand	MT	13.1	13.1	9.0
Chemical Oxygen Demand	MT	96.0	90.9	72.9
Nitrate Nitrogen	MT	7.9	7.5	6.9
Total Ammonical Nitrogen	MT	9.2	7.1	6.5
Total Dissolved Solids	MT	1868	1831	1771
Total Kjeldahl Nitrogen	MT	26.0	24.1	18.8
Total Suspended Solids	MT	110.7	105.9	92.1

Table 12: Effluent Load¹⁰

Parameter	Unit	FY 2008-09	FY 2009-10	FY 2010-11
Biological Oxygen Demand	Kg /'000 MT Urea Production	6.83	6.45	4.29
Chemical Oxygen Demand	Kg /'000 MT Urea Production	50.05	44.76	34.71
Nitrate Nitrogen	Kg /'000 MT Urea Production	4.12	3.69	3.29
Total Ammonical Nitrogen	Kg /'000 MT Urea Production	4.80	3.50	3.09
Total Dissolved Solids	Kg /'000 MT Urea Production	973.88	901.62	843.26
Total Kjeldahl Nitrogen	Kg /'000 MT Urea Production	13.56	11.87	8.95
Total Suspended Solids	Kg /'000 MT Urea Production	57.71	52.15	43.85

Table 13: Specific effluent load¹¹

¹⁰ Effluent load quantifies total weight of standard effluent parameters such as Biological Oxygen Demand (BOD), Total Suspended Solids (TSS), etc. e.g. tonnes/year discharged.

¹¹ Specific effluent load refers to the effluent load calculated per unit of product (urea).

In order to ensure better housekeeping in plant areas, sandstone flooring was done in FY 2010-11.

our systems. Using this methodology, the total water recycled during this year was nearly 71% as compared to 68.3% last year. The balance was used in irrigation network within the complex. We do not use fresh water for irrigation or horticultural purposes.

During the FY 2010-11 we used a total of 1144069 m³ of treated effluent water for irrigation.

WASTE MANAGEMENT

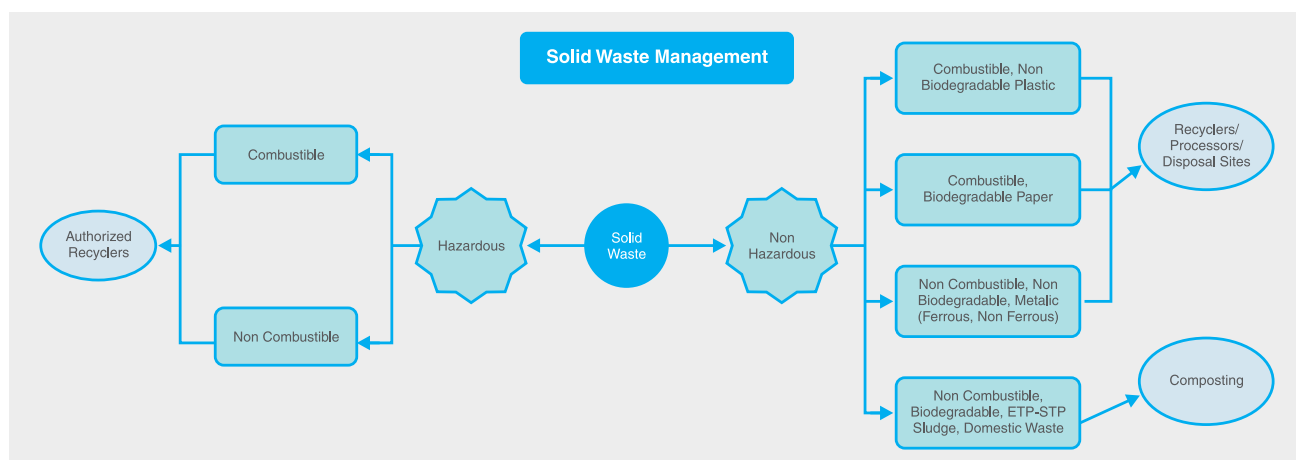
Waste generation is unavoidable in any industry. Waste minimization and disposal is a formidable challenge faced by industries in light of stringent statutory requirements for generation and disposal of waste. The problem of 'How to dispose waste or reuse economically, without degrading the environment?' led us to adapt principle of segregation at source and responsibility of the department generating the particular waste.

We have developed a comprehensive Waste Management Manual with the following primary considerations:

- Identification at the lowest component level
- Linking all possible sources of generation and location of generation
- Concept of waste bins based on categories, placement of bins nearest to generation point
- Methodology of shifting to larger categorized bins to collect wastes from smaller bins
- Identification of recyclers/reusers and methodology of lifting segregated components from bins directly for final disposal



To manage household waste we have provided non-biodegradable and bio-degradable bins to each household. We collect segregated waste from each house and send bio-degradable waste for composting and non bio-degradable waste for disposal to recyclers. Similar practice of collection and disposal are followed for domestic waste from bulk sources such as canteen, guest house, shopping centre, barracks. Composting of horticulture waste is carried out in NADEP¹² pits and used as manure in green belt. We understand the severe ramifications of using polythene bags; hence, we do not permit use of polythene bags in our township.



¹² A compost method developed by Naryan Devrao Pandri Pandey.

WASTE HEAT RECOVERY

Chambal Fertilisers generates around 20 MW of power through its gas based Captive Power Plant (CPP) for meeting the power requirement of its fertiliser plants. The said CPP cogenerates useful energy through waste heat recovery. The heat of exhaust gases from CPP is recovered in Waste Heat Boiler, which is used to produce useful energy i.e. medium pressure steam. This steam is then used for running various pumps with the help of steam turbines. Some of these steam-turbine driven pumps also have standby pumps which are driven with the help of electric motors. These standby pumps act as back up in the event of failure of the steam-turbine driven pumps. The total steam generation in this process is around 40 tonnes per hour, which is equivalent to 7 MW of power.

The wastes generated in our premises mainly comprise used oil, spent catalyst, lead batteries, ferrous waste and waste HDPE bags. We continue to dispose-off our hazardous waste, except bio-medical waste, to external companies which have certification and authorisation for transportation, treatment and final disposal of such

waste. We also generate small quantity of biomedical waste at our occupational health centre, which we dispose off in an environment friendly way as per the required norm. We strictly adhere to all laid down laws for storage and disposal of wastes.

Type of waste	Treatment and Disposal	2009-10 Amount (kgs)	2010-11 Amount (kgs)
Sharp waste	Autoclaved and Buried	4.58	4.91
Contaminated waste	Autoclaved ,chemically treated and buried	4.82	5.42
Disposable waste	Treated chemically and buried	4.82	5.32

Table 14: Disposal of Biomedical waste

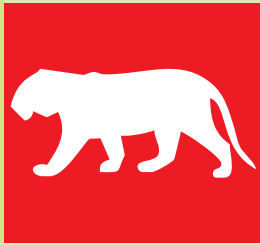
Name of Waste Disposed	Type of waste	Unit	FY 2008-09	FY 2009-10	FY 2010-11
Spent Oil	Hazardous	MT	21.58	23.36	25.74
Spent Catalyst	Hazardous	MT	0	83.16	163.81 ¹³
Ferrous Scrap MS drum	Hazardous	MT	0.72	1.09	1.06
Lead Acid Battery	Hazardous	MT	4.61	0.45	0.77
HDPE Scrap	Non-Hazardous	MT	42.43	44.19	59.07
Paper	Non-Hazardous	MT	11.74	10.91	7.63
MS Scrap	Non-Hazardous	MT	57.95	313.87	86.63
PVC	Non-Hazardous	MT	4.86	12.85	9.79

Table 15: Major categories of waste disposed off

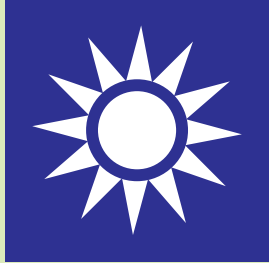
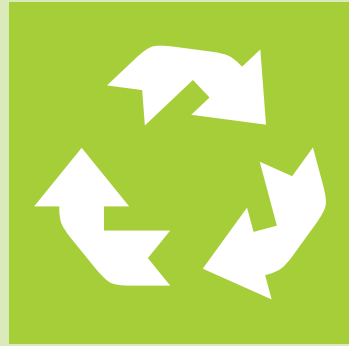
RAIN WATER HARVESTING

Chambal has taken important steps in water conservation towards ground water recharging through rain water harvesting. It has collaborated with the Department of Hydrology, Indian Institute of Technology, Roorkee, to develop rainwater harvesting systems in its premises. 13 potential locations where water can be harvested and stored have been identified. The first phase of the project was implemented in 2004-05 by constructing two recharge wells in the east side of township near Uttam Nagar gate. In the reporting year, the Company implemented two more schemes from the project. One recharge well was constructed near Kota-Baran gate and has a 300 feet deep bore well of 8 inch diameter. Another one has been built near the Administration building with 2 sets of 20 feet deep 40 recharge shafts.

¹³ Catalyst replaced during shut down



Triple Bottom



Line Performance

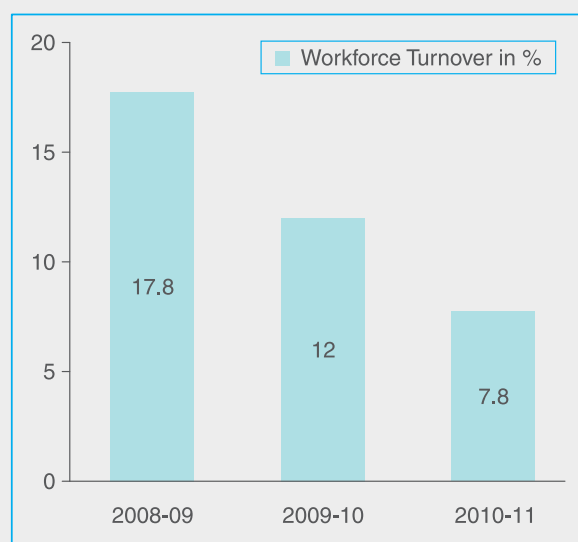
Social Responsibility

- Valuing Human Capital
- Workplace Safety
- Employee Healthcare
- Equal Opportunities for All
- Industrial Relations
- Partnering with the Community
- Product Responsibility

Social Responsibility

VALUING HUMAN CAPITAL

Chambal believes that a happy and a healthy workforce is its most productive asset; and that the availability of qualified and trained manpower is critical for its long term success. The Company is a merit-driven organisation and this is reflected in all its policies concerning recruitment, training, and promotion. Experienced manpower, especially from Chambal, is in high demand in the domestic as well as overseas markets. Chambal continuously reviews its retention strategy and has come out with suitable interventions, including stock options for key personnel. As a result, employee turnover has decreased as compared to the preceding two years.



Graph 13: Workforce Turnover

Holiday Homes for Employees

Chambal has two Holiday Homes exclusively for its executives and their families. These beautiful properties at Kasauli in Himachal Pradesh and Udaipur in Rajasthan can be availed by its executives at a nominal cost. This facility has helped in promoting work-life balance and is hugely popular among the employees.

Management Level	FY 2008-09		FY 2009-10		FY 2010-11				
	Male	Female	Male	Female	Male	Female	Less than 30 years	Between 30 to 50 years	More than 50 years
Senior Management	17	0	20	0	19	1	0	7	13
Middle & Junior Management	431	3	449	5	455	5	96	328	36
Workmen	311	10	334	11	340	10	141	182	27
GETs / TMOs / MTs	33	1	9	0	19	1	20	0	0
Trainees	54	0	25	0	28	0	28	0	0

Table 16: Composition of workforce (excluding contract workers) by category, gender and age

Chambal has a steadily declining employee turnover rate for the last three consecutive years

Chambal has a vibrant and young workforce. In the reporting year, the average age of its employees was 36.46 years as against 35.72 years in 2009-10. As on March 31, 2011, the total employee strength of its Agri-business division was 878. In addition, the Company engaged 915 contract workers during the reporting year.

The Company defines local persons as those who reside within India. The criterion for selection of all its employees is purely merit based. General Manager and above are regarded as senior management in the Company. While the Company does not have a specific policy which aims to promote hiring of these

senior officials from the local community, 100% of its senior management employees are from India.

Empowering the Workforce

Professional growth of its employees and strengthening of the leadership pipeline is a strategic priority for Chambal. Career progression of all employees is based on a well-structured and time-bound Performance Management System (PMS). In 2010-11, the management revisited and revised the PMS to incorporate competency mapping.

Training and Development

The Company invests in holistic development of its employees through mentoring, on-the-job training and various internal as well as external training

Employee Turnover ¹⁴ in 2010-11						
Management Level	Age Group			Gender		Region
	Less than 30 years	Between 30 to 50 years	More than 50 years	Male	Female	India
Senior Management	0	1	3	4	0	4
Middle & Junior Management	12	21	6	38	1	39
Workmen	11	11	0	22	0	22
GETs/TMOs/MTs	4	0	0	4	0	4
TOTAL	27	33	9	68	1	69

Table 17: Employee turnover by category, gender and age

Skill Enhancement and Personality Development 2010-11

787 People Trained in 47 Behavioural Training Programmes

- Communication skills
- Decision making
- Innovation and creativity
- Leadership skills
- Managerial effectiveness
- Negotiation skills
- Personality development
- English language
- Time management
- Transcendental meditation

BEHAVIOURAL

433 People Trained in 21 Technical Training Programmes

- Applied metallurgy
- Bearing maintenance
- Boiler operation and maintenance
- Centrifugal compressors and steam turbines
- Control logics and control net
- Cooling water and boiler feed water treatment
- CS 3000 DCS
- CSR training on monitoring and evaluation of projects
- EDG operation, maintenance and troubleshooting
- Energy conservation
- Gear drivers fundamental maintenance
- LV switchgear maintenance
- Maintenance of control valves
- Marketing training on agricultural inputs
- MS Project
- Root cause analysis
- SAP refresher
- Spare parts management
- Steam engineering
- Vibration analysis and on spot balancing
- Woodward governor

TECHNICAL

497 People Trained in 25 HSEQ Training Programmes

- HSEQ refresher training
- Defensive driving
- Electrical safety
- Fire fighting and emergency handling
- First aid certification
- Legislative responsibility of environment management
- Responsibility of safety committee
- Safety in chlorine handling/material handling
- Safety in working at height/in confined spaces scaffolding and emergency rescue

HSEQ

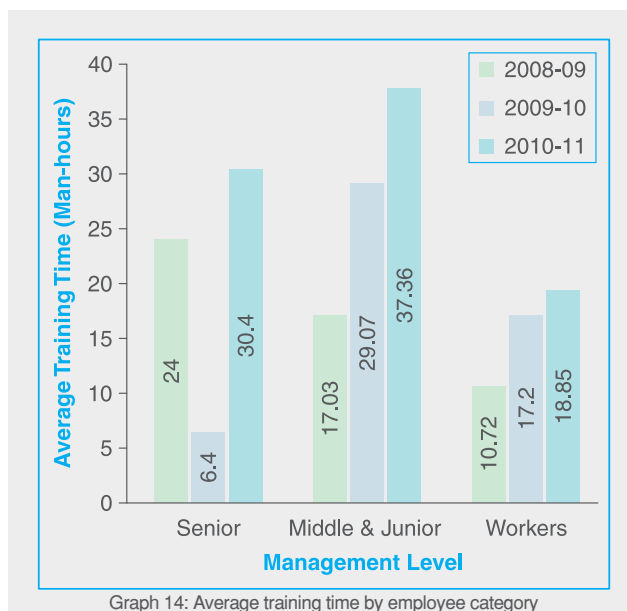
¹⁴ Number of employees who left the organization voluntarily or due to dismissal, retirement or death in service.

programmes. The training needs of its employees are captured through the annual PMS. These needs are then categorised and evaluated for organising customised training programmes. Based on this assessment, an annual training calendar is developed and circulated to all employees of the organisation. Chambal also has a self-development scheme for employees to enhance their knowledge and skills by enrolling in professional training courses. Under this scheme, 50% of the tuition fee subject to a maximum of ₹ 50,000 is reimbursed by the Company.

Furthermore, **the Company regularly trains its contractual workforce on various subjects like emergency handling, first aid, workplace safety, fire fighting, usage of PPEs (Personal Protective Equipment), environment management and general health and hygiene.** During 2010-11, around 16 HSE (Health, Safety and Environment) training programmes were conducted, in which more than 480 contractual workers participated.

Employee Benefit Schemes

Chambal has various employee benefit schemes to secure the financial future of its employees' which is critical for the Company's sustained growth. The Chambal employee senior staff superannuation fund and Chambal non-management employees



Graph 14: Average training time by employee category

superannuation fund provides for pension benefits to employees. The provident fund scheme is managed by Chambal through a trust. Employees who have completed 5 years of service are eligible for gratuity and the Company's employees group gratuity trust fund provides for gratuity benefits. Life insurance benefit to each employee is also covered under gratuity and superannuation schemes. All employees are eligible for the group personal accident scheme, group health insurance scheme and group term solution scheme.



In case of accidents, the personal accident scheme ensures compensation for treatment expenses, permanent / partial disability, permanent / temporary loss of earning capacity including salary component and death coverage. The health insurance scheme covers hospitalization expenses of employees and their family members, while under the term solution scheme life of each employee is insured. All retired employees and their spouses are covered under group health insurance policy up to the age of 85 years.

In addition, Chambal provides home, vehicle and furniture loans to employees according to eligibility at low interest rates. All management grade employees are supported for membership of one professional body, wherein the annual membership fee is borne by the Company.

Employee Stock Option Scheme

The members of the Company at the 25th Annual General Meeting held on August 27, 2010 approved the Employee Stock Option Scheme 2010 ('ESOP 2010') for grant of stock options exercisable into not more than 41,62,000 equity shares of face value of ₹ 10/- each to eligible employees and Managing Director of the Company. Each option when exercised would be converted into one fully paid up equity share of ₹ 10/- of the Company. The ESOS 2010 is administered by the Compensation Committee of the Board of Directors of the Company ('Committee'). The Committee has granted 31,50,000 stock options under ESOS 2010 to the eligible employees and Managing Director of the Company in two tranches during the Financial Year 2010-11.

WORKPLACE SAFETY

Fertiliser manufacturing units, particularly those manufacturing ammonia are amongst the most complex plants in the chemical industry. It involves handling of various hazardous substances and facing operational hazards such as explosions and spillage.

Parameters	2008-09	2009-10	2010-11
No. of Injuries	7	1	1
No. of Fatalities ¹⁵	3	0	0
Lost Days	18195	68	91
Injury Rate ¹⁶	0.291	0.051	0.050
Lost Day Rate ¹⁷	756.81	3.49	4.55
Near-misses reported	224	260	342

Table 18: Safety Statistics

¹⁵ The fatalities in the year 2008-09 relate to an independent contractor

¹⁶ Injury Rate = (Total No. of reportable injuries X 200000)/ Total No. of hours worked (permanent + contractual)

¹⁷ Lost Day Rate = (Total No. of lost days X 200000)/ Total No. of hours worked (permanent + contractual)

Safety Management Systems

To ensure safety of its employees, contractor workforce as well as equipment and machinery, Chambal has a strong integrated safety management system conforming to OHSAS 18001 standard. The township at Gadepan is also OHSAS-18001:2007 & ISO-14001:2004 certified.

Although not mandatory, Chambal has implemented the Process Safety Management System (PSM) based on 29 CFR 1910.119 developed by Occupational Safety and Health Administration (OSHA) of USA in its operations for proactive identification, assessment and control of hazards. During the reporting year, process incidents were reviewed as per PSM guidelines and trainings and audits were conducted for overall improvement.

Chambal realizes that terrorism is a major global threat and vital industries like it are also vulnerable to this menace. In 2010-11, a multi-pronged approach was adopted by the Company to fortify its security system by upgrading its security related infrastructure and technology like solar fence, perimeter road, CCTVs, access control, door frame metal detectors, etc were installed.

Emergency Handling

The Company has a well-defined onsite Disaster Management Plan (DMP) which also involves local administration and other industries in the area. In the year 2010-11, the DMP was reviewed and the identified gaps were rectified. Visits and consultations were done with near-by industries to learn from each other and improve. Its officials also participated in district crisis group meeting chaired by Collector, Kota district. Regular mock-drills and fire-drills are conducted to check the emergency preparedness



of the safety systems. Workshops and seminars are regularly organized to sensitize employees about DMP and other safety-related issues. During the reporting year, new safety and emergency handling equipments have been added and fire alarm system has been upgraded.

Safety Trainings

To maintain and improve upon the well established safety system, trainings were conducted by expert internal and external faculties on rescue, fire fighting and emergency handling, electrical safety, material handling, road safety, transport of hazardous chemicals, etc. During the reporting year, employees were sent to reputed institutes for specialized trainings and 175 employees were given First Aid refresher training. All senior officials of the Company at Gadepan underwent practical training on fire fighting.

Safety Review System

We have a structured three tier 'Safety Review System' which consists of plant, management and safe operations committees. There are 10 committees at the plant with representation from all concerned departments. These committees meet monthly or

PROACTIVE SAFETY CULTURE

- PROCESS SAFETY MANAGEMENT (PSM)
- DISASTER MANAGEMENT PLAN (ON-SITE & OFF-SITE)
- OHSAS 18001:2007
- JOB SAFETY ANALYSIS
- MOCK DRILLS
- FIRE DRILLS
- NATIONAL FIRE SERVICE DAY
- ROAD SAFETY WEEK

INCENTIVE AND PENALTY SCHEMES FOR SAFETY

REWARD SCHEME FOR SAFETY PROMOTION
 Instituted in order to encourage safety awareness, commitment, and practice amongst Company and contractual employees.

In 2010-11, rewards of amounts between INR 100 – 1000 were given for:

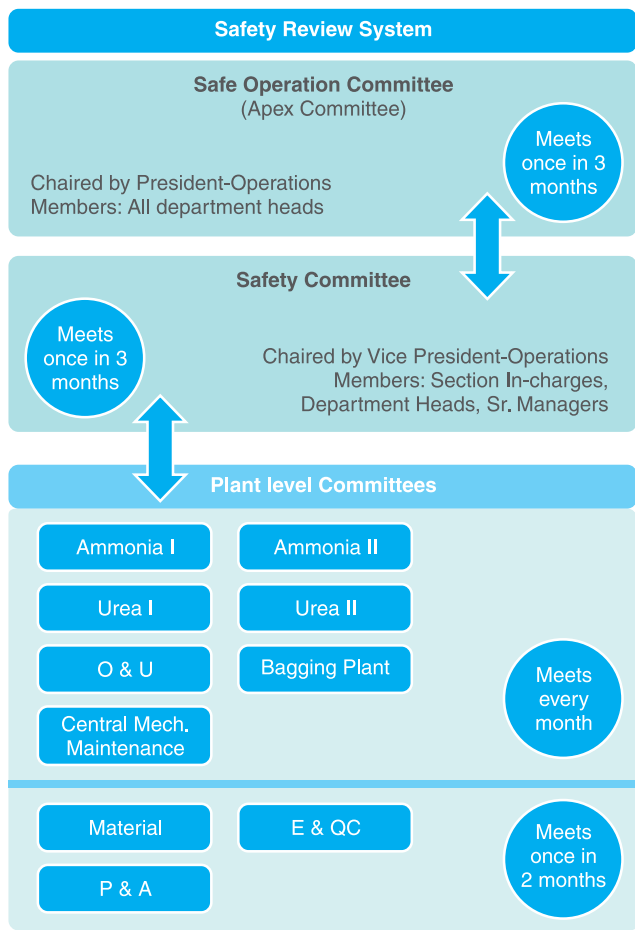
- Completion of 2 million man-hours without lost time injuries
- Safe turnaround
- Near misses reporting

EHS PERFORMANCE LINKED APPRAISAL SYSTEM
 In the annual appraisal system, 15 % of an employee's total score is based on his / her consciousness and awareness of HSE related issues, accident record, penalties, etc.

bi-monthly to review the safety systems. The Safe Operation Committee is the apex safety committee that comprises all department heads, headed by President-Operations and meets every three months. Each committee and its constituent members have clearly delineated roles and responsibilities for implementation, review and monitoring of health and safety aspects of the organisation. The safety system is also regularly reviewed by the Managing Director. EHS performance is reported to the Board of Directors.

Near Misses

To encourage safety awareness among employees and contractor workforce, a scheme of 'Near-Miss' reporting is in place. All near misses, minor injuries and incidents were reviewed, analysed, and corrective actions were taken. In the reporting year, 342 'near misses' were reported.



Safety of Contract Workers

For Chambal, wellbeing and safety of its contract workers is a priority.

The Company's agreements with contractors include provisions on various safety related issues e.g. right to levy penalties for any unsafe act or violation of safety norms by the workers.

The Company also has a system of nominating senior employees as 'safety stewards' for each of its contractors with the aim to promote safety awareness amongst workers. To identify lapses and areas of improvement, review meetings with contractors are conducted every quarter.

At the plant entrance, risks and precautions are explained to each worker. During execution the jobs are supervised by job in-charges and other senior officers to ensure safety compliance. Whenever any violation is observed, the concerned workmen and job supervisors are counseled and the violation is recorded.

All safety violations are noted under three categories - unsafe act, unsafe condition and unsafe practice. In 2010-11, 137 safety observations were made during 20-day annual plant shutdown in April 2010 and 183 during the rest of the year. Out of these 240 were classified as 'unsafe acts', 64 as 'unsafe conditions' and 16 as 'unsafe practices'. The Management has analysed the causes of these incidents and appropriate actions were taken to prevent recurrences in the future. During the reporting year, personal protection equipments (hand gloves, dust mask, ear plugs) were provided free to all contract workers.

Encouraging Proactive Safety Behavior

We have instituted various schemes to reward employees for exemplary and proactive operational safety related behavior and regularly organise events to promote the importance of good safety practices. We meet annually with our business associates after completion of the shutdown period to discuss matters pertaining to safety, their contribution, improvements made and desired. Better safety performers are recognised in an award ceremony.

EMPLOYEE HEALTHCARE

Chambal continuously monitors and upgrades its processes to improve health and hygiene standards. The work environment is monitored to prevent occupational hazards. An onsite medical centre, health awareness programmes and regular assessment

of employees are critical adjuncts of the Company's 'safety first' policy.

Health checks for employees working in hazardous environments are done once every six months. The production and process departments prepares a list of personnel who are exposed to occupational hazards like noise, urea dust and ammonia vapours, etc. The identified personnel undergo audiometry and/or spirometry tests depending on the nature of the exposure. If health check results persistently demonstrate deviations, the employee is relocated to some other area devoid of the hazard under intimation to the respective department/ functional head.

In FY 2010-11, there were no reported cases of Chronic Obstructive Pulmonary Disease (COPD), Noise Induced Hearing Loss (NIHL), audiometry and spirometry abnormality. 492 employees and 2669 contract workers underwent health checks in FY 2010-11. All food handlers (in the staff canteens and kitchens of guest facilities) are examined once every six months and are vaccinated against typhoid and de-wormed.

We regularly make our employees and their families aware about lifestyle diseases such as diabetes, hypertension and osteoarthritis; encourage adoption of preventive measures and provide facilities for treatment. In the reporting year, 73 persons were advised for detailed investigation as a result of deviations in their biochemical parameters like lipid profile, blood sugar, hypertension. The annual medical examination of employees has brought to light a marginal increase in stress related diseases like diabetes, hypertension, acid peptic and sleep related disorders. Hence, the Company plans to organise stress management workshops to train personnel in stress mitigation and to maintain a work-life balance.

State-of-the-art Health Centre Facilities

- Specialist services: ENT, Ophthalmologist, Gynecologist, Pediatrician, Dentist and Dermatologist
- Equipment include: Cardiac monitor, defibrillator, nebulizer, ECG machines, oxygenator, pulse oxymeter and fetal ultrasound
- Free ambulance service 24 x 7, with 3 fully equipped vehicles
- Tie-ups with leading hospitals in Kota, e.g. Fortis Modi, Sudha, Bharat Vikas Trust and Kota Blood Bank

The Company also carries out medical examination of all its employees working in non hazardous area once a year and once in six months for people working in hazardous areas at plant location. For all other employees (other than plant location) the frequency of medical examination is once in 2 years for those below 45 years of age and once a year for those above 45 years of age.

Health, Safety, Environment & Quality (HSEQ) Audits

At Chambal, teams of trained internal auditors regularly conduct HSEQ audits with special emphasis on house keeping, health and hygiene, safety, environment and quality. Senior officials of Company make surprise visits to plant and canteen to ensure highest standard of housekeeping and hygiene. In the reporting year, quantitative risk analysis was done by an external agency; ammonia storage safety was reviewed by the designer; and risk based inspection was under progress.

EQUAL OPPORTUNITIES FOR ALL

Chambal is a caste, gender and religion neutral organisation, committed to creating inclusive growth and equal opportunity. It is highly vigilant about ensuring that its contractors discharge their legal obligations with regard to workers' rights and welfare. It ensures that requisite laws with regard to decent work practices and labour welfare, viz. Equal Remuneration Act, Minimum Wages Act, Workmen Compensation Act, Maternity Benefit Act, etc are implemented. The Company's compensation structure is merit and responsibility based and does not differentiate between gender, caste and religion.

The Company has a prevention of sexual harassment policy in place for all employees (direct, contract,



temporary, part-time and trainees). The policy is binding on employees even if the alleged harassment is reported to have taken place outside the Company premises. An internal complaint committee of three members and headed by a female employee, is responsible for carrying out detailed investigations. The committee has been directed to furnish all findings to the Managing Director within a month of receipt of the complaint, while maintaining due confidentiality. In 2010-11, no such case has been reported.

Ensuring 'Child Labour / Forced Labour Free' Operations

Chambal is committed to preventing human rights abuses like child labour and forced / compulsory labour in all its operations. An elaborate process of background verification, medical fitness, address and age verification is followed along with compliance of other statutory requirements by the Industrial Relations (IR) department for contract workers. IR Department, after completing all formalities, issues a request letter to the security department, which cross-checks all the information furnished by the contractor and generates photo identity cards for the workers. In the reporting year, no case of 'child labour / forced labour' has been reported.

Although we are vigilant about human rights abuses by our suppliers, we do not have a defined formal policy for the same. We are planning to incorporate specific human rights clauses in our agreements with them within a stipulated time frame. Also the Company has not entered into any significant investment agreements in the reporting year.

INDUSTRIAL RELATIONS

Chambal has always had cordial relations with workers, staff and officers in the organisation. The Company has an effective system of formal and informal channels/ platforms like committee meetings, interaction with HR/IR department etc. where its employees are able to share their thoughts. The required welfare measures are implemented on continual basis to ensure a healthy work environment. Chambal fully subscribes to the Right to Freedom of Association of UN Universal declaration of Human Rights. The Company has never faced a demand by any of its employee groups to form a union due to embedded formal and informal channels of interaction. The Company follows the Factory's Act 1948, to specify minimum notice period(s) regarding significant operational changes.

Employee Suggestion Scheme

We believe that engaging employees in planning and designing operational strategies increases efficiency of our processes. Accordingly, we have instituted an employee suggestion scheme. The suggestions are evaluated by a committee and selected suggestions are awarded on national events like Republic day and Independence day.

Long Service Award

We have instituted a 'Long Service Award' in recognition of employees' long-term association with our organisation. The felicitation includes silver salvers and gold coins of varying weights for different lengths of service. In 2010, 88 people got the Long Service Award out of which 2 were for 25 years of service, 6 were for 20 years of service, 49 were for 15 years of service, 25 were for 10 years of service and 6 were for 5 years of service.

As on March 31, 2011, we have 16 re-instatement claim cases pending for adjudication before the Labour Court, Kota. Of these, 14 cases are related to contract workers and 2 cases pertain to ex-employees.

PARTNERING WITH THE COMMUNITY

Corporate Social Responsibility (CSR) has always been an integral part of Chambal's vision. To enlarge Company's role in improving life in rural India, the Company has embedded sustainability goals in its business strategies. It matches its commitment to create shareholder value by a corresponding commitment to create societal value. It has two multi-pronged programs -

- Uttam Roshani – around the plant area at Gadepan in Kota district of Rajasthan
- Uttam Bandhan – in the marketing territories

Uttam Roshani

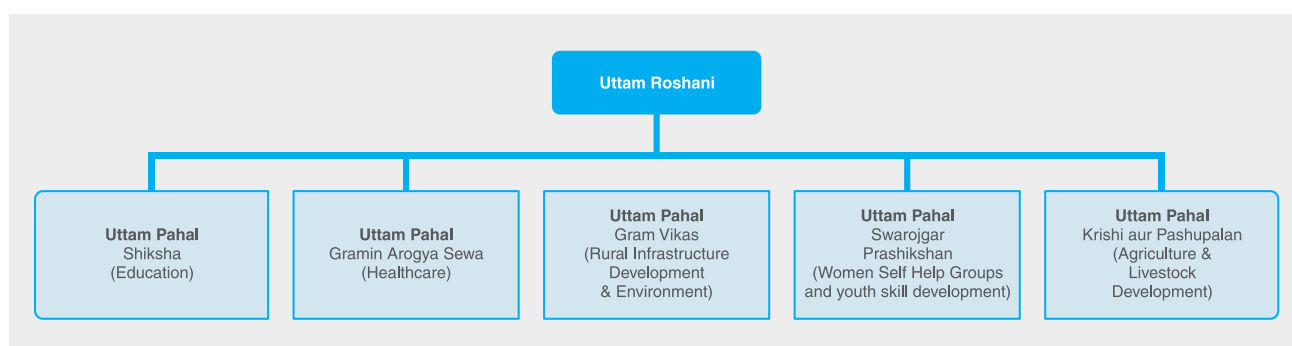
Chambal's full-spectrum CSR programme – Uttam Roshani has been designed to realize larger societal objectives such as sustainable economic, social, educational and environmental development.

Chambal has contributed in its own small way towards development of the agriculture sector in India by producing and marketing plant nutrients and various other agricultural inputs. Apart from serving the farming community in its marketing areas, the Company considers people residing in the vicinity of its plants to be important members of its family. The geographical focus of Uttam Roshani has been the 22 villages abutting the Gadepan plants. All the interventions have been designed and implemented in consultation with the local administration and with active participation of the local community.

Uttam Roshani has been designed in partnership with Gramin Vikas Trust (GVT), a non-profit development

Supporting Technical Education

Industrial Training Institutes (ITIs) were established by Government of India to fulfill the need of technically qualified manpower of the Indian industry. There are at present 1396 ITIs, some of which are in need of better management and upgradation. Chambal has adopted ITI - Sangod, (Rajasthan) under the Public Private Partnership (PPP) Scheme of the government. The Company has constituted an Institute Management Committee (IMC) to manage and develop this institute. It has received a loan of ₹ 250 lacs from the government for this purpose. During the next few years, the Company plans to improve infrastructure and introduce additional technical courses to meet the industry demand and generate employment. Some of these activities will commence in FY 2011-12.



organisation promoted by Krishak Bharti Co-operative Limited (KRIBHCO) with the support from Government of India and Department for International Development (DFID), U.K. The programme is headed by President-Operations and supported by a CSR coordinator. The five focused interventions under Uttam Roshani named 'Uttam Pahal', enable us to address the diverse needs of the community. These interventions were designed after conducting a need assessment survey. In addition to the CSR team, Uttam Mahila Samiti, a group of Chambal employees' spouses and Employee volunteers are critical to the successful delivery of this programme. After hand holding the local community during the initial phase, the Company hands over the management of these programmes to Gram Panchayats or other beneficiaries. In addition to these specific interventions, the Company works very closely with Panchayati Raj Institutions (Gram Panchayats) to educate their members on various Public Private Partnership (PPP) Schemes.

1. Uttam Pahal – Shiksha (Education):

To promote education among underprivileged children in the nearby villages, the Company provided stationery items, uniforms, woolens, shoes and other essentials to them. The Company has established computer kiosks in schools to promote computer literacy. Chambal also organized educational drives in villages to promote girl education.

Education related activities in FY 2010-11	Numbers
Healthcare Camps for young girls	191 students in 2 schools
Distribution of woolens	286 students in 2 schools
Scholarships to meritorious students	31 students in 9 schools
Distribution of shoes	130 students in 1 school

Table 19: Education related activities

In order to promote quality education, the Company encourages children from nearby villages to study in CF DAV School inside the Gadepan plant campus. In 2010-11, over 36% students in this school were from this community. Mid-day meals are being provided to all students at CF DAV School.

2. Uttam Pahal – Gramin Arogya Sewa (Healthcare):

Since villages near our plant do not have access to medical infrastructure, the Company has made arrangements for a mobile healthcare unit with a doctor and a nursing assistant, which visits two villages every day. It conducts health checks and distributes required medicines, free of cost. Medical cases requiring specialized treatment are referred to the district hospital at Kota. The medical centre in Gadepan campus provides free service to sick people from surrounding areas. In addition to this, they also avail the services of various visiting specialists in fields

Healthcare Programme	2008-09 (Nos.)	2009-10 (Nos.)	2010-11 (Nos.)
Patients treated by Gramin Arogya Sewa mobile health care unit	13076	19485	22485
Patients treated by specialist doctors	1641	2200	1553
No of times ambulance was provided to community members in emergency situations	216	189	171
Children covered under Pulse Polio immunization programme	169	95	75

Table 20: Healthcare related activities

Healthcare Camps	2009-10 No. of patients	2010-11 No. of patients
Camp for skin related diseases	Not Organized in the year	263
Camps for differently-abled person	Not Organized in the year	169
Eye Check-up Camp	1047	942
Family Planning Camp (Tubectomy & Vasectomy)	Not Organized in the year	61
Blood Donation Camp	149 units	152 units

Table 21: Health Camps

of pediatrics, gynecology, skin, dental, eye and ENT. The Company also provides emergency services to the community on 24X7 basis.

Apart from the above services, periodic health camps for various diseases were organized during the reporting year. The Company also organized a blood donation camp in association with Kota Blood Bank Society (KBSS) where our employees and their family members actively participated.

3. Uttam Pahal – Swarojgar Prashikshan (Women Empowerment through Self-Help Groups):

Self-help Groups (SHGs) are a unique method to implement developmental schemes at the grass root level by combining self management with access to low cost finances. It also helps the marginalized community come together to solve their problems through participatory approach. Chambal's SHG initiative is focused on women in the nearby villages and is being implemented with the help of an NGO - Gramin Vikas Trust. **These SHGs have been formed with the objective of micro financing, inter-loaning and promoting entrepreneurial skills.** During the reporting year, selected women were trained for bag / paper bag making, dona-pattal making and food processing.

Numbers of SHGs formed (Till March 31, 2011)	Numbers of female Members
25	297

Table 22: Self Help Groups



4. Uttam Pahal - Gram Vikas (Rural Infrastructure and Environment):

Absence of quality infrastructure - roads, drinking water, irrigation system, sewage treatment, power supplies, etc. – severely limits development and prosperity of

an Indian village. Chambal has taken a few, important steps in this regard. It has helped in construction of hand-pumps and tube-wells in surrounding villages. During the reporting year, a centralized drinking water system was constructed at Gadepan village and decentralized drinking water facilities were constructed at Ballabhpura and Pachara villages. Paved road was built at Ballabhpura village to improve the sanitary conditions. The Company built boundary walls at Ballabhpura and Gadepan Government schools; and supported the construction of two rooms in the school for differently-abled children at Kota. Chambal also renovated the crematorium at Gadepan and constructed three new crematoriums in Pachara, Pachara Ki Jhopariyan and Ballabhpura villages.

Operation Sanitation

Sanitation is critical to ensure rural health. Chambal is committed to enhance sanitation through 'community participation' and 'people led' programmes in the vicinity of its plants. The Company plans to improve sanitary practices through awareness campaigns and construction of toilets. Awareness about good sanitary habits is being spread by regularly organizing Information, Education & Communication (IEC) activities on health and sanitation in nearby villages and schools.

Chambal had also started a pilot project for construction of toilets for Below Poverty Line (BPL) households under Total Sanitation Campaign of the Government of India. This Public Private Community Partnership (PPCP) scheme is being implemented by an NGO, Gramin Vikas Trust. During the reporting year, 300 toilets were constructed and handed over to beneficiaries. The Company planned to construct a total of 715 toilets in 22 surrounding villages of 4 Gram Panchayats through this scheme. Till August 31, 2011 construction of another 384 toilets was completed. In light of the significant gender dimension of sanitation, this project is encouraging active involvement of women for implementation of the programme.

5. Uttam Pahal - Krishi aur Pashupalan (Agriculture and Livestock Development):

Agriculture and livestock development forms the backbone of rural livelihood and during times of stress, livestock becomes an alternate source of revenue for

the farmers. At the grassroot level, farmers are still dependent on less-productive breeds and remain largely unaware of the latest developments in the field of agriculture and animal husbandry. Recognising this gap, we decided to enhance the awareness levels of farmers in this regard. Two Uttam Krishi Clinics (UKCs) have been established in the vicinity of our plants.

The Uttam Krishi Clinic provides following services to the rural community:

- Quality vegetables and fruit saplings
- Vermi-compost/NADEP units
- Field demonstrations
- Free soil testing
- Agriculture consultancy
- Crop seminars in collaboration with Krishi Vigyan Kendras.
- Farmer training programmes for new and improved techniques
- Improved farm implements.

The Company regularly organizes veterinary camps (for vaccination and treatment of animal health related problems) in collaboration with veterinary department, Kota. During the reporting year, 3105 livestock were vaccinated for foot and mouth disease, hemorrhagic septicemia and enterotoxaemia in 15 camps. Chambal also has unique mass education programme called 'Uttam Bandhan Teen Sawaal' which is aired weekly on All India Radio, Kota. Under this programme, information

Agriculture and Livestock Development Initiatives	2010-11 Nos.
Soil Testing ¹⁸	1182
Farmer Training Programmes / crop seminars ¹⁸	16
Animal Vaccination ¹⁸	3105 vaccinations in 15 camps
Micro Irrigation (Drip irrigation system installed under National Horticulture Mission)	4 farmers / total land covered 7.11 hectare
Uttam Bandhan Teen Sawaal Program	52 episodes were broadcasted

Table 23: Agriculture and Livestock related data

¹⁸ In addition to Uttam Bandhan data on page 71

Leh Flash Floods - Chambalites rise to the occasion

On the intervening night of 6th & 7th August 2010, Leh in the state of Jammu and Kashmir, experienced one of the worst catastrophes in the region. At least 193 people died and thousands were injured as heavy rains triggered off flash floods and mudslides. Thousands more were rendered homeless and several villages were completely destroyed by the flash floods. To help the affected people of Leh during this difficult time, Chambalites decided to pool some resources and provide household items like quilts and pressure cookers. Chambal employees across all locations contributed to the noble cause.

about latest farm activities is disseminated and learning is reinforced through three questions, answers to which are eligible for prizes.

PRODUCT RESPONSIBILITY

Chambal is committed to maintain the quality of its products and to minimize any potential negative impacts it may have on people, environment and biodiversity. During the manufacturing process, all health and safety concerns are carefully assessed and addressed to maintain a safe working environment; and all emissions and discharges are strictly regulated. During the reporting year, the Company installed a second bulk flow cooler in the bagging plant. De-mineralization plant operations were also optimized to improve polish water quality.

While Chambal's flagship product – urea, poses minimal risk to human health during transportation and handling, its over-application can be harmful to soil and crop health. When applied to crops, urea hydrolyses into ammonium carbonate and subsequently, into nitrite and nitrates. This happens within 10-20 days of application as against the cultivation period of 90-100 days of most crops. As farmers tend to increase the



frequency and quantity of Urea application to ensure its availability at various crop stages, the excess Nitrates get washed away into the water bodies or leach into the soil, causing eutrophication and soil acidification. Also, the nitrification and de-nitrification process leads to release of nitrous oxide, a potent greenhouse gas.

Uttam Bandhan – Educating and Supporting the Farmer

As a part of its extended responsibility, Chambal is employing both new-age as well as traditional media for sharing information and technical know-how with farmers. **Chambal's Uttam Bandhan – a trend-setting agriculture and community development programme, is playing a key role in protecting and renewing arable land through the practice of sustainable agriculture.**

Under this programme, farmers are using various contact points to access information on scientific farming practices, learn about latest, high quality agri-inputs, locate authorized dealers, get the latest local weather forecast and know about non-farm businesses. Most significantly, it is empowering farmers to cope with problems like nutrient-deficient soils, low water tables and indiscriminate use of fertilisers and pesticides.

The delivery touch points for Uttam Bandhan are crop and product demonstrations, field trials, training programmes and farmer meets. The key agenda of these activities is to promote balanced use of fertilisers and advise farmers on suitable combination of nutrients for different kinds of soils. Plot demonstrations are conducted to showcase efficacy of Chambal products and give a preview of efficient agri-practices.

In addition, the Company has a toll-free telephone helpline 'Hello Uttam' which answers the farmer's



questions in his local language; and 'Chambal Ki Chitti', a quarterly newsletter of the Company which disseminates latest farming and product related information. This newsletter is published in three languages - Hindi, Punjabi and Gujarati. The Company

Uttam Bandhan Activities in FY 2010-11	Numbers
Soil & other samples tested by ADLs/ Mobile Vans	66992
Soil Sample Days	155
Farmer Meetings	5557
Farmer Training Programmes	143
Jeep Campaign Days	6885
Field Days	130
Fairs / Exhibitions	87
Dealer & Sub-dealer Meetings	54
Demonstrations/ Crop Seminars	975
Hello Uttam Queries	32739

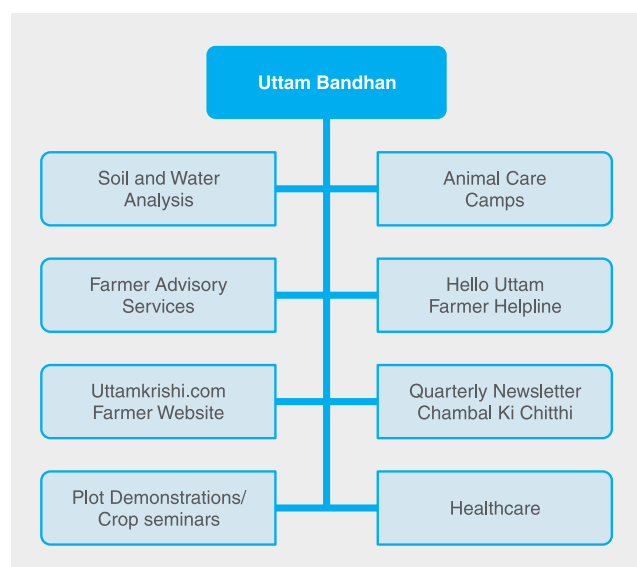
Table 24: Uttam Bandhan Activities

has an interactive Hindi portal - www.uttamkrishi.com -with the latest information on crops and agronomy. The Company also reaches out to the farming community through television and radio advertisements.

Addressing the Core Concern - Soil Health

Soil is the single most important factor that determines crop productivity and quality, ensures long term sustainability and promotes environment well-being. Since soil is neither inexhaustible nor self-sustaining, there is a need to test soil so that its health can be restored back.

Chambal's soil management initiative is a pioneering move in this regard. Chambal has two Agriculture



Chambal is actively engaged with farmers in restoring soil health



Soil samples are collected by Chambal



Re-vitalized soil boosts crop quality and productivity



Soil samples are tested at Chambal lab



Test report helps farmer plan balanced use of fertilisers and other inputs

Samples analyzed for

- a) Soil reaction
- b) Soil salinity
- c) Organic Carbon
- d) Phosphorous
- e) Potassium
- f) Micro-nutrients



Test report is shared with farmers



Test results used for preparing soil fertility maps

Development Laboratories (ADL) at Sriganganagar (Rajasthan) and Agra (Uttar Pradesh). In addition to the two ADLs, the Company has two mobile soil testing vans and four satellite laboratories at Kota, Baran, Bundi and Jhalawar in Rajasthan. The soil tests are done free of charge for Uttam Bandhan members. Till date, Chambal had conducted over 500,000 soil tests in ten states. In the reporting year, the Company tested 68,174 soil and other samples under its Uttam Bandhan and Uttam Roshani programmes.

Mobile Soil Testing Facility

In 2010-11, Chambal started two mobile soil testing facilities for Kota and Sriganganagar areas in Rajasthan. In these testing facilities, soil analysis is done in-situ and instant reports are given to the farmers.

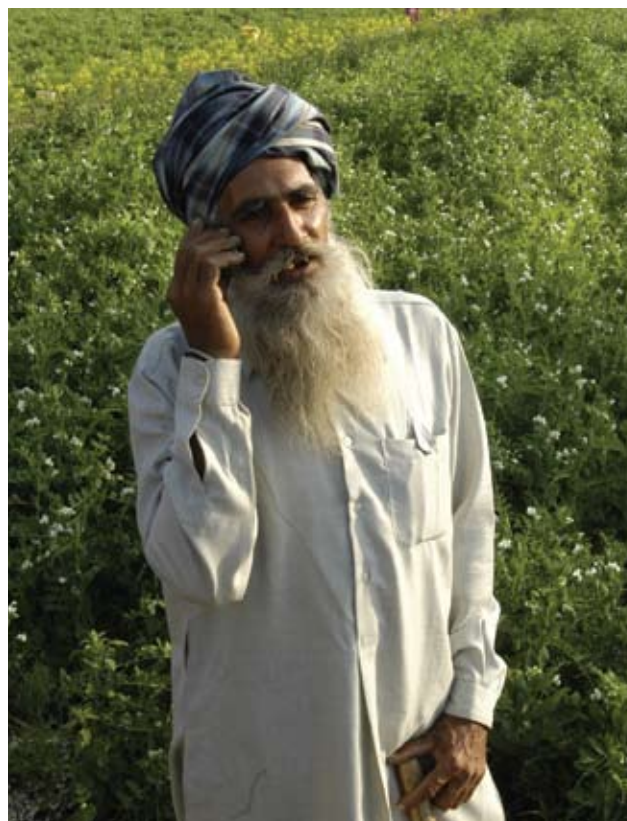
Measuring Satisfaction

We use various platforms to interact with our customers, gauge their satisfaction levels and get valuable feedback. Their comments and remarks are compiled and analysed for identifying the opportunities for improvement in our products and service delivery mechanism. **In the year 2010-11, we teamed up with a leading market research agency - AC Nielson to conduct a 'Brand Health Survey' in some key markets.** The research findings provided us with vital insights into customer requirements and expectations and necessary corrective action was taken.

Responsible Communications

We label our products as per the guidelines of The Fertiliser (Control) Order 1985 and Standards of Weights and Measures Act 1976. Our product labels inform customers about the following:

- Name of the manufacturer
- Trademark / brand name



- Name of fertiliser
- Percentage of various nutrients
- Gross and net weight (in kilogram)
- Maximum retail price
- Month and year of manufacture
- Contact details of manufacturer
- Address of manufacturing facility
- Handling precautions
- Toll-free Helpline number

We also provide Material Safety Data sheets to new dealers or channel partners as and when requested.

Toll-free Helpline Number on Bags

In 2010-11, we provided a direct call-in facility to our customers for all their queries by adding our toll-free helpline No. 1800 180 5550 on all packaging and promotional materials.

Ensuring Compliance

We adhere to ASCI (Advertising Standards Council of India) guidelines in all our marketing communications. During the reporting year, there were no fines relating to any non-compliance in this regard.



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Independent Assurance Statement

**The Management and Board of Directors
Chambal Fertilisers and Chemicals Limited
New Delhi, India**

Independent Assurance Statement

Chambal Fertilisers and Chemicals Limited (the 'Company') has retained Ernst & Young Pvt. Ltd. (EY) to provide independent assurance on its Sustainability Report for the financial year 2010-11 (the 'Report'). The management of the Company is responsible for the development of the Report, its content, and presentation. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content. Our responsibility in performing our assurance activities is to the management of the Company only. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk.

Assurance Standard

The assurance engagement was planned and performed in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence gathering procedures have been designed to obtain a limited level of assurance (as set out in ISAE 3000) on which our conclusions are based.

Key assurance procedures

The nature and scope of our work was based on our professional judgment and we have performed all the procedures deemed necessary to provide a basis for our conclusions. Within the scope of our engagement, we requested evidence on a sample basis to obtain a limited level of assurance on the contents of the Report that has been prepared using the reporting principles and criteria of GRI 2006 guidelines (GRI-G3).

Scope of assurance and methodology

The scope of our work for this assurance statement was limited to review of information pertaining to environment, health & safety (EHS) and social performance for the period 1st April 2010 to 31st March 2011. We conducted review and verification of data collection/ measurement methodology and general review of the logic of inclusion/ omission of necessary relevant information/ data and this was limited to:

- Review of major anomaly within the report as well as between the report and source data/information;
- Verification of the sample data and information reported at the manufacturing unit at Gadepan and corporate office in New Delhi;
- Execution of audit trail of selected data streams and information to determine the level of accuracy in collection, transcription and aggregation processes followed;

- Review of Company's plans, policies and practices, so as to be able to make comments on the completeness of the reporting and degree to which EY believes the report provides a fair and honest representation of the Company's activities.

The assurance was performed by our multidisciplinary team of professionals, who visited the unit in Gadepan, District Kota, Rajasthan and corporate office in New Delhi.

Exclusions

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2010 to 31st March 2011);
- Data and information on the economic and financial performance of the Company included in the Report;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention.

Observations

During our review process, we observed that:

- The Company has applied GRI-G3 Guidelines and protocols for preparation of the Report;
- The Company follows a structured process of engaging with local community and a framework for identifying and implementing community development projects;
- The system and procedures applied by the Company for collection, collation and interpretation of non-financial historical data on EHS and social performance parameters for inclusion in the Report are reliable;
- Going forward, robustness of sustainability data management systems and protocols in alignment with GRI Guidelines may be further strengthened.

Conclusion

On the basis of our assurance methodology, nothing has come to our attention that would cause us not to believe that the Report presents the Company's sustainability performance covering the indicators as mentioned in the Report.

Our Assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our Climate Change and Sustainability Services, and undertakes similar engagements with various Indian and international companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance with the Code.

Ernst & Young Private Limited

Sudipta Das

Partner

Dated: 12 October 2011

Place: Kolkata

GRI G3 Content Index		
Standard Disclosures Part I: Profile Disclosures		
1. Strategy and Analysis		
Profile Disclosure	Description	Reference
1.1	Statement from the most senior decision-maker of the organisation	4
1.2	Description of key impacts, risks, and opportunities	25
2. Organisational Profile		
Profile Disclosure	Description	Reference
2.1	Name of the organisation.	Cover Page
2.2	Primary brands, products, and/or services.	32
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	30
2.4	Location of organisation's headquarters.	Back cover
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	24
2.6	Nature of ownership and legal form.	30
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	31
2.8	Scale of the reporting organisation.	42
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	No significant changes
2.10	Awards received in the reporting period.	31
3. Report Parameters		
Profile Disclosure	Description	Reference
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	24
3.2	Date of most recent previous report (if any).	2009-2010
3.4	Contact point for questions regarding the report or its contents.	24
3.5	Process for defining report content.	24
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	24
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	24
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	24
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Mentioned at relevant sections
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	No significant changes
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	24
3.12	Table identifying the location of the Standard Disclosures in the report.	76
3.13	Policy and current practice with regard to seeking external assurance for the report.	24

4. Governance, Commitments, and Engagement

Profile Disclosure	Description	Reference
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	34-36
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	35
4.3-4.11	Board Structure, Shareholder Recommendation, Avoidance of conflict of Interest, selection of Board Members, Vision and Mission, Code of Conduct, Discussions about Sustainability Issues in the Board, Evaluation of Performance of Governance body with respect to sustainability issues, Precautionary Approach.	34-36 + Annual Report
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	24-28
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	39
4.14	List of stakeholder groups engaged by the organisation.	38-40
4.15	Basis for identification and selection of stakeholders with whom to engage.	38-40
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	38-40
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	38-40

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

G3 DMA	Description	Reference
DMA EC	Disclosure on Management Approach EC	42
DMA EN	Disclosure on Management Approach EN	46
DMA LA	Disclosure on Management Approach LA	58
DMA SO	Disclosure on Management Approach SO	65
DMA HR	Disclosure on Management Approach HR	58
DMA PR	Disclosure on Management Approach PR	68

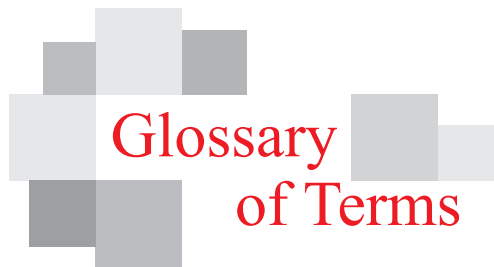
STANDARD DISCLOSURES PART III: Performance Indicators

Economic

Performance Indicator	Description	Reference
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	42,43
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	49-50
EC3	Coverage of the organisation's defined benefit plan obligations.	60
EC4	Significant financial assistance received from government.	43
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	44
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	59
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	65-69

Environment		
Performance Indicator	Description	Reference
EN1	Materials used by weight or volume.	46
EN2	Percentage of materials used that are recycled input materials.	46
EN3	Direct energy consumption by primary energy source.	47
EN4	Indirect energy consumption by primary source.	47
EN5	Energy saved due to conservation and efficiency improvements.	48
EN8	Total water withdrawal by source.	50-51
EN10	Percentage and total volume of water recycled and reused	54
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	52
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	52
EN 13	Habitats protected and restored	52
EN16	Total direct and indirect greenhouse gas emissions by weight.	49
EN17	Other relevant indirect greenhouse gas emissions by weight.	50
EN19	Emissions of ozone-depleting substances by weight.	52-53
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	53
EN21	Total water discharge by quality and destination.	53
EN22	Total weight of waste by type and disposal method.	56
EN23	Total number and volume of significant spills.	51
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	71
EN 27	Percentage of products sold and their packaging materials that are reclaimed by category	Packaging material not reclaimed
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	No non-compliance
EN30	Total environmental protection expenditures and investments by type.	53
Social: Labor Practices and Decent Work		
Performance Indicator	Description	Reference
LA1	Total workforce by employment type, employment contract, and region.	58
LA2	Total number and rate of employee turnover by age group, gender, and region.	58-59
LA4	Percentage of employees covered by collective bargaining agreements.	64
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	64
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	61

LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	63-64
LA10	Average hours of training per year per employee by employee category.	60
LA 12	Percentage of employees receiving regular performance and career development reviews	59
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	35,58
LA14	Ratio of basic salary of men to women by employee category	64
Social: Society		
Performance Indicator	Description	Reference
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	65-68
SO2	Percentage and total number of business units analyzed for risks related to corruption.	36
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	
SO4	Actions taken in response to incidents of corruption.	36
SO5	Public policy positions and participation in public policy development and lobbying.	36
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	No non-compliance
Social: Human Rights		
Performance Indicator	Description	Reference
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	64
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	64
HR4	Total number of incidents of discrimination and actions taken.	64
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	64
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	64
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	64
Social: Product Responsibility		
Performance Indicator	Description	Reference
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	68-71
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	71
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	71
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	71
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	No non-compliance
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	No non-compliance



Glossary of Terms

ABCI	Association of Business Communicators of India
ADL	Agriculture Development Laboratory
AIR	All India Radio
APC	Ammonia Process Condensate
ASCI	Advertising Standards Council of India
BFC	Bulk Flow Cooler
BNHS	Bombay Natural History Society
BPL	Below Poverty Line
BSE	Bombay Stock Exchange
CCTV	Closed Circuit Television
CFC	Chlorofluorocarbon
CFCL	Chambal Fertilisers and Chemicals Limited
CII	Confederation of Indian Industry
CO ₂	Carbon di oxide
COC	Cycle of Concentration
COPD	Chronic Obstructive Pulmonary Disease
CPU ACF	Condensate Polishing Unit Activated Carbon Filter
CSR	Corporate Social Responsibility
DAP	Di Ammonium Phosphate
DCS	Distributed Digital Control
DFID	Department for International Development, U.K.
DM Plant	Dimineralisation Plant
DMP	Disaster Management Plant
DNA	Deoxyribo Nucleic Acid
DNV	Det Norske Veritas
DWT	Dead Weight Tonnage
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
EC	Economic Performance Indicators
ECG	Electrocardiogram
EDG	Emergency Diesel Generator
EHS	Environment Health and Safety
EN	Environment Performance Indicators
ENT	Ear, Nose and Throat Specialist
ESOP	Employee Stock Option
ETP	Effluent Treatment Plant
EVD	Economic Value Distributed
EVG	Economic Value Generated
FAI	Fertiliser Association of India
FCO	Fertiliser (Control) Order
FICC	Fertilizer Industry Coordination Committee
FII	Foreign Institutional Investors
FY	Financial Year
Gcal	Giga Calories
GET	Graduate Engineer Trainee
GHG	Greenhouse Gases
GJ	Giga Joule
GRI	Global Reporting Initiative
GRI G3	Global Reporting Initiative, Generation Three
GTG	Gas Turbine Generator
GV	Geomarco Vetro Coke
GVT	Gramin Vikas Trust
HDPE	High Density Polyethylene

HR	Human Rights Performance Indicators
HR	Human Resource
HSEQ	Health, Safety, Environment & Quality System
IEC	Information, Education and Communication
IFA	International Fertilizer Association
IMACID	Indo Maroc Phosphore S.A.
IR	Industrial Relations
ISO	International Organization for Standardization
ITI	Industrial Training Institute
KBBS	Kota Blood Bank Society
KG-D6	Krishna Godavari Basin
KRES	KBR Reformer Exchange System
KRIBHCO	Krishak Bharti Co-operative Limited
LA	Labour Performance Indicators
MD	Managing Director
MOP	Muriate of Potash
MS Scrap	Mild Steel Scrap
MT	Management Trainee
MT	Metric Tonne
N ₂ O	Nitrous Oxide
NADEP	A compost method developed by Naryan Devrao Pandri Pandey
NBS	Nutrient Based Subsidy
NCU	Neem Coated Urea
NGO	Non Government Organisation
NH ₃	Ammonia
NIHL	Noise Induced Hearing Loss
NO _x	Oxides of Nitrogen
NPS	New Pricing Scheme
NSE	National Stock Exchange
OCBs	Overseas Corporate Bodies
OCP	Operation Control Procedures
ODS	Ozone Depleting Substances
OHSAS	Occupational Health & Safety Advisory Services
PAR	Performance Analysis Report
PAT	Profit After Tax
PBT	Profit Before Tax
PLC	Programmable Logic Controller
PMS	Performance Management System
PPCP	Public Private Community Partnership
PPE	Personal Protective Equipment
PPP	Public Private Partnership
PR	Product Responsibility Performance Indicators
PSM	Process Safety Management
PVC	Polyvinyl Chloride
SHGs	Self Help Groups
SMS	Short Messaging Service
SO	Social Performance Indicators
SPM	Suspended Particulate Matter
SSP	Single Super Phosphate
STP	Sewage Treatment Plant
Tcf	Trillion Cubic Feet
TMOs	Trainee Marketing Officers
UK	Uttam Kranti
UKCs	Uttam Krishi Clinics
UN	United Nations
UNDP	United Nations Development Programme
UPC	Urea Process Condensate
UPH	Urea Product Handling



Feedback Form

Please tick (✓) the most appropriate box.

	Poor	Average	Good	Very Good	Excellent
1. Coverage of issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Quality of the information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Clarity of the content	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Completeness of the information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Relevance of the information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Kindly suggest areas where more detailed information may be reported					

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.....

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7. Kindly suggest what other issues/areas could be covered in the report

.....

.....

.....

Name:

Designation:

Organisation:

Contact Address:

.....

.....

Phone No.:


E-mail:

Chambal Fertilisers sincerely thanks you for your time and comments.

Kindly mail your feedback to:

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 Phone: +91 11 46581300/ 41697900
 Fax: + 91 11 40638679
 E-mail: corporate@chambal.in

Application Level

	C	C+	B	B+	A	A+
Mandatory	Self Declared					
		Assured		Assured		Assured
Optional	Third Party Checked		Externally		Externally	Externally
		Report		Report		Report
	GRI Checked					

Disclaimer:

Forward looking statements mentioned in this report are provided to bring forth our sustainability plans and activities. These statements are based on our current understanding of macro-economic and sustainable development issues as widely debated in the world.

Undue reliance on these forward looking statements is not advised because these statements reflect management's current analysis of future events, which might not prove to be exact in this rapidly changing world.



**CHAMBAL FERTILISERS
AND CHEMICALS LIMITED**

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