



GUJARAT STATE FERTILIZERS & CHEMICALS LIMITED

Fertilizernagar – 391 750, Vadodara, Gujarat, INDIA.

Fax / Registered Post A.D.

NO.SEC/SES/LISTING/2014

February 5, 2014

Fax No.022 - 22723121-22723719

Fax No.022-26598237-26598238

The Corporate Relationship Department
Bombay Stock Exchange Limited
1st Floor, New Trading Ring
Rotunda Bldg., P.J.Towers, Dalal Street
Fort, MUMBAI - 400 001

The Manager, Listing Department
National Stock Exchange of India Ltd.
'Exchange Plaza', C/1, Block G
Bandra-Kurla Complex
Bandra (East), MUMBAI - 400 051

Dear Sirs,

Kindly note that the Company has challenged the Office Memorandum (OM) bearing No.:23011/5/2012-MPR dated 06-01-2014 issued by Dept. of Fertilizers, Ministry of Chemicals and Fertilizers before the Hon. High Court, Gujarat for recovery of so called undue benefits to the P&K fertilizer producing companies for use of cheap domestic gas in the production of P&K fertilizers from the date of issue of the said OM.

It may be noted that the said decision of the Dept. is in complete contrast/contradiction with the extant Nutrient Based Subsidy (NBS) Policy under which fertilizer companies get the subsidy at a fixed amount irrespective of the cost of Fertilizers they produce. The Company has contested the matter from the standpoint of adherence to the rule of law.

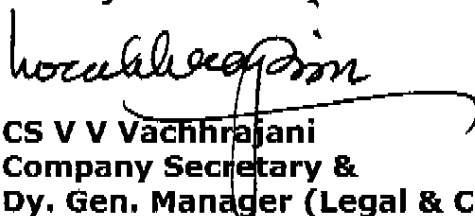
The implementation of the said memorandum has been stayed by the Hon. Court of Gujarat.

This is for your kind information please.

Thanking you.

Yours Faithfully

For **Gujarat State Fertilizers & Chemicals Ltd.**


CS V V Vachhrajani
Company Secretary &
Dy. Gen. Manager (Legal & Corp.Comm.)