CHAMBAL FERTILISERS AND CHEMICALS LIMITED

REF: CFCL/SE/ 01

January 28, 2016

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

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Dear Sir,

This disclosure is being made in pursuance of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

As informed vide our letter dated January 21, 2016, the Board of Directors of Chambal Fertilisers and Chemicals Ltd (the "**Company**") in their meeting held on January 21, 2016 gave their consent / approval to CFCL Technologies Limited ("**CFCL Tech**"), a subsidiary of the Company incorporated under the laws of Cayman Islands, to sell and dispose-off the business that is being carried through its subsidiaries and step down subsidiaries including ISGN Solutions Inc., USA.

ISGN Corporation, USA, ISGN Solutions Inc., USA and ISG Novasoft Technologies Limited, India are downstream subsidiaries of CFCL Tech and accordingly these entities are subsidiaries of the Company.

We have been informed by CFCL Tech today that its subsidiaries have entered into following agreements for sale of entities / business:

a) ISGN Corporation, USA has entered into a stock purchase agreement ("**Stock Purchase Agreement**") dated January 28, 2016 to sell and transfer its entire shareholding in its wholly owned subsidiary - ISGN Solutions Inc., USA to Firstsource Group USA, Inc.; and

b) ISG Novasoft Technologies Limited has entered into a slump sale agreement ("**Slump Sale Agreement**") dated January 28, 2016 to sell and dispose-off part of its business / undertaking i.e. Business Process Outsourcing business to Firstsource Process Management Services Limited, India as a going concern on slump sale basis.

The details as required to be disclosed in terms of Listing Regulations are as under:

i) Stock Purchase Agreement

Sr. No.	Description	Particulars
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	The consolidated revenue of ISGN Solutions Inc., USA (including its subsidiaries) during the year ended December 31, 2014 was USD 25.9 Million and its Net worth on consolidated basis as on that date was USD 16.91 Million. However, ISGN Solutions Inc., USA being a step down subsidiary of CFCL Tech, its accounts were consolidated with the Company through its intermediate holding entities. Hence, the Company

		has not ascertained the individual contribution of the income and networth of ISGN Solutions Inc., USA and its subsidiaries in the consolidated income and net worth of the Company in the last financial year. The Revenue and Net worth of Chambal Fertilisers and Chemicals Limited on standalone and consolidated basis during the financial year ended / as on March 31, 2015 is as under: **a) Standalone Basis** i) Revenue – Rs. 8882.14 crore ii) Net worth – Rs. 2315.55 crore **b) Consolidated Basis** i) Revenue – Rs. 9737.74 Crore ii) Net worth – Rs. 2251.11 Crore
2.	Date on which the agreement for sale has been entered into	January 28, 2016
3.	The expected date of completion of sale/disposal	Within 4 months from the date of execution of the Stock Purchase Agreement
4.	Consideration received from such sale/disposal	The expected total consideration to be received by ISGN Corporation, USA is USD 12.56 Million.
5.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	Firstsource Group USA, Inc. is a Company incorporated in USA having its principal place of business at 1661 Lyndon Farm Court, Louisville, KY 40223 ("Buyer"). The Buyer does not belong to the promoter / promoter group / group companies.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".	No

ii) Slump Sale Agreement

Sr. No.	Description	Particulars
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	ISG Novasoft Technologies Limited ("**Seller**") is engaged in two separate businesses i.e., (i) the business of providing business process outsourcing services ("**BPO Business**"); and (ii) technology product engineering services ("**Technology Business**") in the US mortgage sector. In terms of the Slump Sale Agreement, the Seller proposes to sell and transfer the BPO Business on a slump sale basis as a going concern.

		The standalone revenue of the Seller during the year ended December 31, 2014 was Rs. 80.93 crore and its net worth as on that date was Rs. 62.43 crore. The Seller was not required to disclose segment wise revenue, results and assets & liabilities in the financial statements for the year ended December 31, 2014 and accordingly these details are not readily available. In view of the above, the Company cannot ascertain the individual contribution of the income and networth of BPO Business of the Seller in the consolidated income and net worth of the Company in the last financial year. The Revenue and Net worth of Chambal Fertilisers and Chemicals Limited on standalone and consolidated basis during the financial year ended / as on March 31, 2015 is as under: **a) Standalone Basis** i) Revenue – Rs. 8882.14 crore ii) Net worth – Rs. 2315.55 crore **b) Consolidated Basis** i) Revenue – Rs. 9737.74 Crore ii) Net worth – Rs. 2251.11 Crore
2.	Date on which the agreement for sale has been entered into	January 28, 2016
3.	The expected date of completion of sale/disposal	Within 120 days from the date of execution of the Slump Sale Agreement.
4.	Consideration received from such sale/disposal	The expected total consideration to be received by the Seller is Rs. 3 Crore.
5.	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	Firstsource Process Management Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 3rd Floor, Block 5A & 5B, Pritech Park – SEZ, Marathalli, Sarjapur Outer Ring Road, Bellandur, Bengaluru – 560 103 ("**Buyer**"). The Buyer does not belong to the promoter / promoter group / group companies.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length".	No

7.	Area of business of the entity	The Seller is engaged in BPO Business and Technology Business.
8.	Rationale for transaction	The Seller is desirous of selling its BPO Business considering the financial condition, competitive position and prospects of the business.
9.	Brief details of change in shareholding pattern (if any) of listed entity	There will not be any change in the shareholding pattern of the Company due to this transaction.

The consummation of the aforesaid transaction(s) is subject to fulfillment of various conditions precedent as detailed in the transaction documents including requisite corporate and other approvals.

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

Thanking you,

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



Rajveer Singh
Assistant Vice President – Legal & Secretary