



Dear Friends,

1st January, 2013

The number 13 (thirteen) is the smallest number having eight letters in its name spelled out in English. In Hindi, 13 is called as 'Terah', which means 'your's'. It not only represents your karmas (deeds) but in the spiritual context, it could also mean that everything belongs to one God/Creator including the soul present in every human being. It is not incidental that the 13th chapter of the Bhagwad Gita contains its most significant, most illuminating and most mystical portions, it is described as

"Ksetra Ksetrajna Vibhaga Yoga"

Or "Yoga in relation to the difference between the Field and the Knower of the Field". The divine lord says that he resides as knowledge in all beings and is the illuminator of all light, beyond darkness of all ignorance, and therefore Supreme

Knowledge, knowing which, there would be nothing to be known further.

Ushering in 2013, the 13th year of the 21st century on this note will clear any inhibitions and superstitions that surround the number. But a vision to strive for supreme knowledge devoid of learning's from the past is at best futile and at IFFCO we keep that as a basis for every step we take for the betterment of the Indian farmer.

The past year was a mixed bag for us as on the one hand we had to put up with a gloomy economic scenario but on the other hand we literally took a giant leap by extending our presence to the other side of globe by planing to set-up an Ammonia Urea project in Canada. In India, We will start the work for expansion of our Ammonia Urea Unit at Kalol as Kalol II. The capacity of Kalol II will be 1.28 million TPA of Urea.

The IFFCO Canada Enterprise Limited is an opportunity between two large agricultural leaders and, even better, two cooperatives (La Coop Fédérée and IFFCO), from two large agricultural economies, to play a central vital role in a rapidly changing agricultural industry, this is one of its kind partnership to establish an Ammonia Urea project in Bécancour, Canada. With a combined investment of \$1.2-billion, the project will allow production and marketing of urea fertiliser and in the long term help in bridging the demand and supply lacunae in Urea in India.

Another significant event in 2012 which is worth mentioning is the 97th amendment to the constitution of India which has made formation of cooperatives a fundamental right. IFFCO welcomes this decision as this will give a much needed impetus to the cooperative movement in India.

Talking of impetus, the efforts of IFFCO were recognized at various platforms in the past year. The Paradeep unit was awarded the FAI award for technical innovation, the Greentech award for outstanding achievement in Environment management, the Phulpur unit was awarded for best production performance for Nitrogen (Ammonia) while the Aonla plant was recognized

for its environment protection by FAI. IFFCOs Agriculture extension activities were also recognized by FAI.

The last year was a difficult year for the global economy in general and Indian economy in particular, add to this the vagaries of the Indian monsoons which came to fore in 2012 coupled with serious devaluation of the Rupee vis a vis the Dollar made the prices of the raw material dearer for us and we were forced to revise prices and as a result in the period April till December, 2012 we registered a production of 33.60 Lakh MT for Urea, 25.40 Lakh MT for NP/NPK/DAP with a total production of around 59 Lakh MT and we registered a Profit (Before Tax) of Rs. 706.37 Crore for the given period.

In these circumstances of high inventories and not so conducive market conditions our Marketing Division stood their ground and it was largely through their efforts that IFFCO registered Sales of 42.50 Lakh MT for Urea, 23.50 Lakh MT for NP/NPK/DAP and total of around 66 Lakh MT. I would also like to extend my sincere thanks here to our member cooperatives especially marketing federations and cooperative societies for their cooperation it was due to them that we could serve over 5.5 crore farmer members.

You will also be happy to know that all our Joint Ventures are on track and I must mention that the Jordan project is nearing completion and we hope to begin commercial production by mid-2013. This will add to our existing capabilities and further strengthen our position in India.

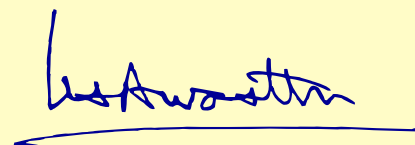
I would like to assert on the fact that while working; especially in plants, we need to assure ourselves that all of us are following the designated safety & security measures. We had to remember that Safety is the biggest investment and the only gateway for success in all forms. Follow the defined safety procedures & work for a better tomorrow.

I am sure that our Society will continue to grow and IFFCO will surpass all the preceding records to emerge as a global leader in the fertiliser market and be a force to reckon with. I would like

to extend my sincere regards to our Chairman Sh. N.P Patel, our Vice Chairman Sh. B.S Nakai and other distinguished members on the Board of IFFCO for showing the way forward. I am also thankful to Government of India especially the Department of Fertilizers, Ministry of Agriculture and Cooperation along with our Joint Venture partners and our Associates around the world along with their respective Governments for extending valuable support to us from time to time; I would also like to thank the Indian and International Media for their valuable support. Above all, I am thankful all the members of the IFFCO family including the IFFCOs employee union, officers Association, our contractors, suppliers and their respective employees.

I wish you and your family a very Happy New Year 2013 . May god bless you and your family with best of health and fill your life with happiness.

With regards and good wishes.



U. S. Awasthi
Managing Director



Indian Farmers Fertiliser Cooperative Limited

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