



Proposal implementation for strategic investors of the state share of JSC “FARG”ONAAZOT”

**On performance of the Resolution of the President of the Republic of
Uzbekistan №-2340 from 28.04.2015.**



Name of Company	JSC «FARG'ONAAZOT»
Activity	Production of mineral fertilizers, defoliants and cellulose esters
Founded	1962 year
Location	Kirguli industrial zone, the northern part of the Fergana city
Area	388 hectares
Industrial area	121.9 hectares
Number of Employees	7 672 people.
- Workers	7 370 people.
- Management stuff	302 people.

Company Products

There are more than 30 types of products are producing in JSC
“Farg’onaazot”

The list of main products

Name of Product	Production Capacity (thousand tons/annual)	The main consumers
Granulated ammonium nitrate	450	Agricultural consumers
Nitrogen - phosphorus - fertilizer	66	
Carbamide (Urea)	330	
Nitrogen Fertilizer liquid	3,0	
Magnesium chlorate defoliant	30,0	
Sodium Chlorate	6,5	Intra consumption
Ammonium Hydroxide	450	
Cellulose Diacetate	15,0	Textile haberdashery industry
Acetate yarn	6,6	
Sodium Nitrate	2,0	Glass industry
Sodium bicarbonate(baking soda)	1,0	Food processing industry



Main production plants



Ammonia production plant AM-76

Commissioned – 1982 year

Production capacity - 400 thousand tons per year

The designer of technological part - GIAP Moscow, Russia

Origin of Equipment - Russia, Czechoslovakia, Japan



Production of concentrated nitric acid (AK-72) and ammonium nitrate (AC-72M) plant

Commissioned – 2003 year

Production capacity: nitric acid – 360 thousand tons,
ammonia – 450 thousand tons per year

The designer of technological part - JSC «Ozkimyosanoatloyiha»

Origin of Equipment – Russia, Czechoslovakia



Production of urea plant

Commissioned – 1985 year

Production capacity – 330 thousand tons per year

The designer of technological part - «Stamicarbon», Holland

Origin of Equipment – «ChemProjects», Czechlovakia

Main productions



Production of sodium chlorate and magnesium chlorate defoliant (HMD)

Commissioned – 2002 year

Production capacity: Sodium Chlorate – 6,5 thousand tons and Chlorate Magnesium Defoliant – 30 thousand tons per year.

The designer of technological part - JSC «Ozkimyosanoatloyiha»

Origin of Equipment– «Tecnip L.C.I», France



Production of cellulose esters

Commissioned – 1980 year

Production capacity : cellulose diacetate – 15 thousand tons and cellulose triacetate - 27 thousand tons per year

Technology and Equipment – «Monteedisson» Company, Italy



Production of acetate yarn

Commissioned – 1969 year

Production capacity– 6,6 thousand tons per year

Technology and Equipment – Russian

INDUSTRIAL INFRASTRUCTURE



External power supply for the company carried out by networks of 110 kV; 35kV; 6 kV grid.

The stated capacity of 75 mV. Supplier is JSC «FIEM».



Supply of thermal energy (steam) carried out its own boiler plant with a capacity of 120-180 tons / per hour.

The shortage of steam supplied by JSC «FIEM» in a volume 60-100 tons / per hour.



Natural gas mains is carried out in a volume of 88 m³ per hour.

Supplier is “Uztransgaz”.



The length of railways Enterprise -25.5 km. The number of access roads - 65.

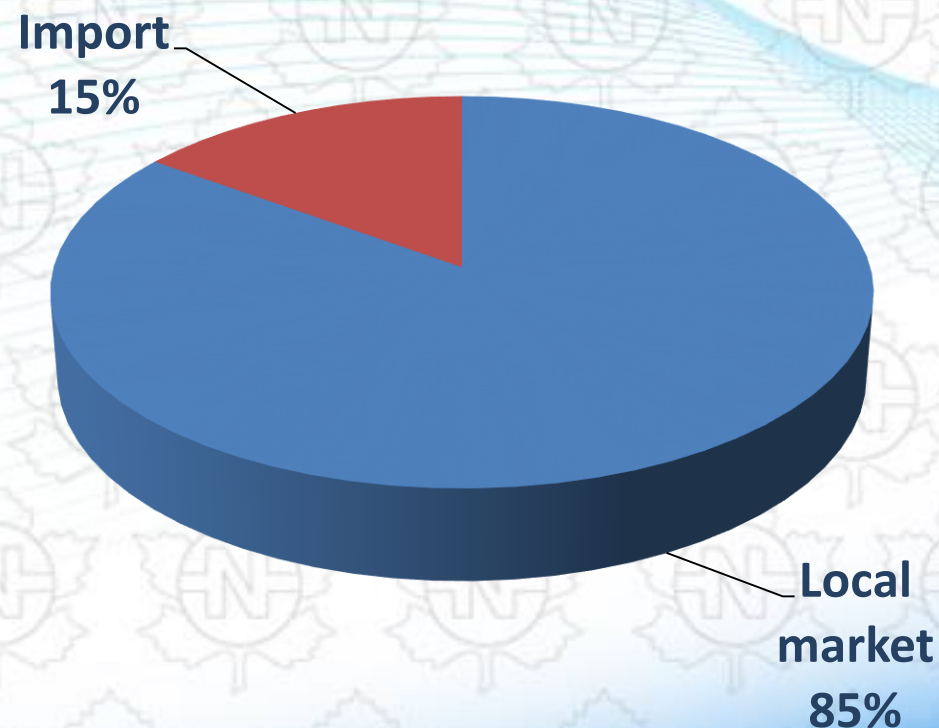
Bandwidth - 3.8 thousand tons per day.

PRIMARY PRODUCTS

List of main raw materials

N	Name of products	Unit of meas	Annual requirement	Country of Origin
1	Natural Gas	Mln/m ³	700	Republic of Uzbekistan
2	Acetic acid, synthetic	Tons	2 100	
3	Hydrochloric acid	Tons	800	
4	Formalin 37%	Tons	1 200	
5	Sulfuric Acid	Tons	7 500	
6	Cotton Cellulose	Tons	1 300	
7	Soda ash	Tons	2 500	
8	Technical Salt	Tons	10 000	
9	Granules of polyethylene	Tons	2 000	
10	Caustic Soda	Tons	5 000	Russia
11	Methyldiethanolamine	Tons	110	USA
12	Magnesite powder	Tons	2 000	Russia
13	Bichofite (Magnesium chloride)	Tons	6 500	Russia
14	Technical Acetone	Tons	1 300	Russia
15	Lubricant	Tons	100	Russia

Structure of buying materials



Integrated Management System

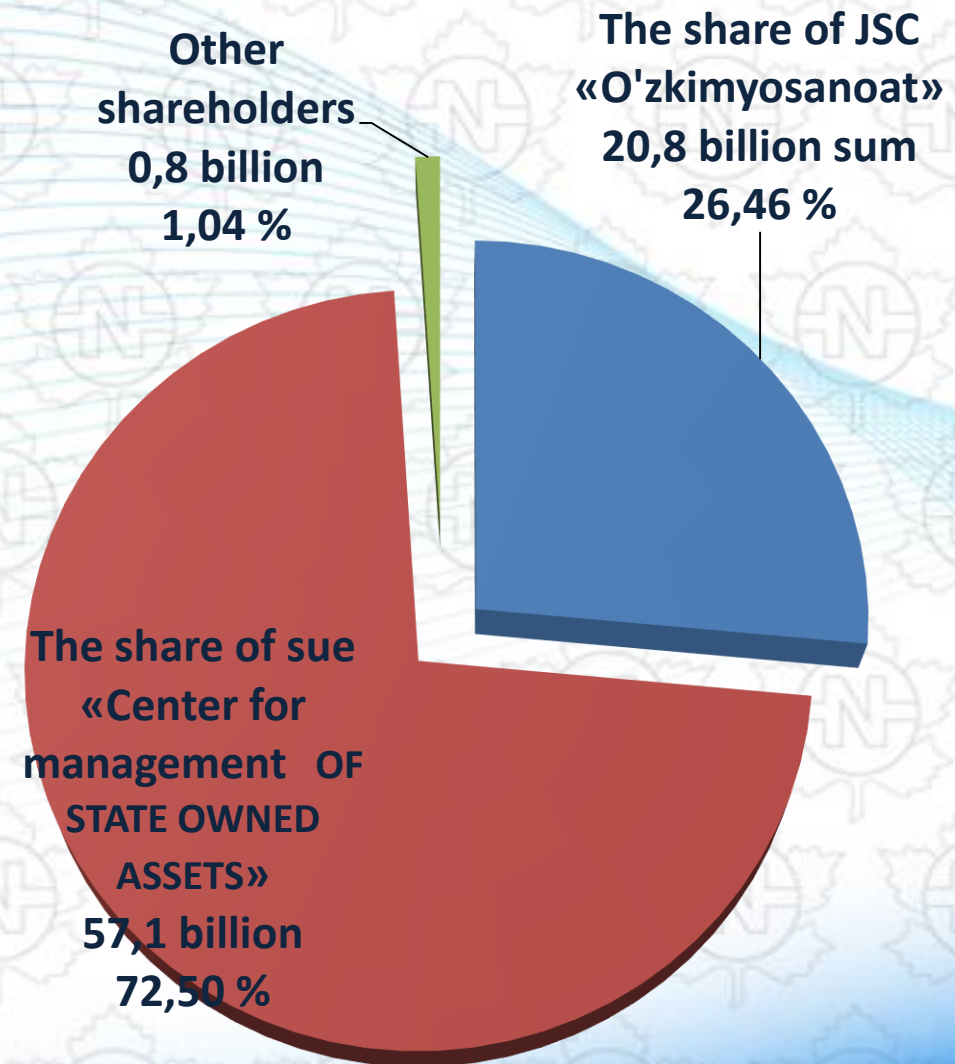
The company has implemented an integrated management system:

- The quality management system is in accordance with international ISO 9001 standard, 2008 year version.
- The environmental management system is in accordance with ISO 1400, 2004 year version.
- The system is designed and implemented, certified June 20, 2011.
- The system has expanded the scope of production of mineral fertilizers, defoliants, and cellulose acetate.



Shareholders of JSC «Farg`onaazot»

- Authorized capital - 78.7 billion sum.
- The authorized fund is divided 31.1mln. unit shares, including: 30,8mln.units simple and 0.3 mln. units preferred shares.
- In order to increase foreign investment, dramatically put up the level and role of private property in the economy 48% shares of JSC «Farg'onaazot» are set to implement a foreign investor(at the expense of the state share) with investment commitments of \$ 115.48 million US dollars .



INVESTMENT OBLIGATIONS

For the development of the enterprise the infusion of \$ 107.48 million of investment is needed.

Reconstruction and modernization of urea and ammonium nitrate plants

- **Justification:** The Presidential Decree of 04.10.2011 number PP 1623.
- **The project cost of OTEC - 62.48 million US dollars.**
- **Investment liabilities - 30.48 million US dollars.**
- **Project implementation period - 2015-2017.**

Upgrading outdated equipment

- **Justification:** The Cabinet of Ministers number 115 of 19.04.2012.
- **Investment - 67.0 million US dollars.**
- **Project implementation period - 2016-2020.**

The organization of manufacture of new products

- **Justification:** The need to diversify production.
- **The cost of the project - 10.0 million US dollars.**
- **Investment obligations - 10.0 million US dollars.**
- **Project implementation period - 2015-2020.**