



50TH ANNUAL REPORT 2015-2016



MADRAS FERTILIZERS LIMITED

Board of Directors



A B KHARE
CHAIRMAN & MANAGING DIRECTOR



Dr. A K PADHEE, IAS
GOI Nominee Director



SHRI PIYUSH SRIVASTAVA, IES
GOI Nominee Director



SHRI U SARAVANAN
Director - Technical



SHRI ALIREZA ZAMANI
NICO Nominee Director



SHRI YASIN REZAZADEH
NICO Nominee Director



SHRI PAYMAN EHTESHAMI
NICO Nominee Director



CA. SUNIL VASHISHT
Non-Official Director



Dr. HEMANT A THAKORE
Non-Official Director



SHRI C RAMESH
Non-Official Director



Smt. VANATHI SRINIVASAN
Non-Official Director



Dr. CHRISTY FERNANDEZ
Special Director - BIFR



MADRAS FERTILIZERS LIMITED

BOARD OF DIRECTORS (As on 26.08.2016)

Chairman & Managing Director

Shri A B Khare

Directors

Dr A K Padhee, IAS
Shri Piyush Srivastava, IES
Shri U Saravanan
Shri Alireza Zamani
Shri Yasin Rezazadeh
Shri Payman Ehteshami
CA. Sunil Vashisht
Dr Hemant A Thakore
Shri C Ramesh
Smt Vanathi Srinivasan
Dr Christy Fernandez

Audit Committee

CA. Sunil Vashisht
Dr A K Padhee, IAS
Dr Hemant A Thakore
Shri C Ramesh
Smt Vanathi Srinivasan
Shri Alireza Zamani

Stakeholders Relationship Committee

Shri Alireza Zamani
Shri A B Khare
Dr A K Padhee, IAS
Shri U Saravanan

Risk Management Committee

Shri A B Khare
Dr A K Padhee, IAS
Shri Alireza Zamani
Shri U Saravanan

Corporate Social Responsibility Committee

Smt Vanathi Srinivasan
Dr Hemant A Thakore
Shri A B Khare
Shri U Saravanan

Executives

Shri A B Khare
Chairman & Managing Director

Shri U Saravanan
Director – Technical

Shri J Vinayan
Chief Vigilance Officer (Addl.Charge)

Shri H Gunasekaran
General Manager (Plant)

Shri V Muralidharan
General Manager (F&A) & Company Secretary

Shri K M Raja Manoharan
General Manager – (P&A) - (Addl.Charge)

Shri T Paul Premkumar
General Manager (M&D) - (Addl.Charge)



MADRAS FERTILIZERS LIMITED

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Registered Office

Manali, Chennai – 600 068
Tamil Nadu, India

Principal Bankers

State Bank of India
State Bank of Patiala
State Bank of Hyderabad

Auditors

B Thiagarajan & Co.
Chartered Accountants
VIGFIN HOUSE
Old No. 15, New No. 24, Yogambal Street,
T. Nagar, Chennai - 600 017.



MADRAS FERTILIZERS LIMITED

Madras Fertilizers Limited

(A Government of India Undertaking)

CIN - L32201TN1966GOI005469

Regd Office: Post Bag No.2, Manali, Chennai – 600 068. Tel : 25942281 / 25945203 Fax : 25943613

Website : www.madrasfert.nic.in email : cs@madrasfert.co.in

NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of Madras Fertilizers Limited will be held on 28th September, 2016 at MFL Training Centre Auditorium, (North Entrance Gate), MFL Plant, Manali, Chennai 600 068 at 03.00 p.m. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2016 and the Statement of Profit & Loss for the year ended on that date together with the Reports of Directors' and the Auditors thereon.

2. To fix remuneration of Statutory Auditors for the Financial Year 2016-17 and in this regard to consider if thought fit to pass with or without modification(s), the following resolution as an ORDINARY resolution:

“RESOLVED THAT pursuant to the provisions of Section 142(1) and other applicable provisions, if any, of the Companies Act, 2013, the Statutory Audit Fee for the financial year 2016-17 be and is hereby fixed at ₹ 3,00,000/- to M/s. J V Ramanujam & Co, (MD0377), Statutory Auditors, subject to other terms and conditions laid down by the C&AG in their letter No. CA.V/COY/CENTRAL GOVERNMENT, MFL(1)/75 dated July 11, 2016.”

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT Dr A K Padhee, IAS, (DIN No.00730620) be and is hereby appointed as Director of the Company”

4. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT Shri Piyush Srivastava, IES, (DIN No.07266407) be and is hereby appointed as Director of the Company”

5. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT Shri A B Khare, (DIN No.07416463) be and is hereby appointed as Chairman and Managing Director of the Company”.

6. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of the Companies Act 2013 read with Companies (Audit and Auditor) Rules 2014, Shri P R Tantri, Cost and Management Accountant, who has been appointed by the Board as Cost Auditor to conduct the cost audit of the Company for fertilizers for the financial year 2016-17 as per the directions which may be issued by the Central Government in this regard at a fee of ₹. 1,00,000/- besides reimbursement of travelling and out of pocket expenses at actuals be and is hereby ratified.”

7. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT Dr. Hemant A Thakore (DIN No 07565337), be and is hereby appointed as Non-official Director of the Company”.

8. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT CA. Sunil Vashisht (DIN No 01967138), be and is hereby appointed as Non-official Director of the Company”.

9. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT Shri C Ramesh (DIN No 06558099), be and is hereby appointed as Non-official Director of the Company”.



MADRAS FERTILIZERS LIMITED

10. To consider and, if thought fit, to pass with or without modification the following resolution as an Ordinary resolution:

“RESOLVED THAT Smt Vanathi Srinivasan, be and is hereby appointed as Non-official Director of the Company”.

By Order of the Board

Chennai
Aug 12, 2016

A B Khare
Chairman & Managing Director

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Proxy form, in order to be effective must be duly completed, stamped and lodged with the Registered Office of the Company not less than forty eight hours before the commencement of the meeting. As per Section 105 of the Companies Act, 2013, a person appointed as proxy can act on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company.

2. During the beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than 3 days of notice in writing is given to the Company.
3. Members/Proxies should bring the duly filled in attendance slip enclosed herewith to attend the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 22-09-2016 to 28-09-2016 (both days inclusive).
5. M/s. Integrated Enterprises (India) Ltd, Kences Towers, II Floor, No.1, Ramakrishna Street, T Nagar, Chennai 60017 are the Registrar and Transfer Agents and Depository Participants of the Company for physical / electronic shares and all correspondences with regard to transfer of shares etc may be addressed to them directly.
6. The relevant records are available for inspection by the Shareholders at the Registered Office of the Company at any time during the working hours till the date of the meeting.

7. Members may please note that NO GIFTS will be distributed at the meeting

8. Voting through electronic means

- i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 50th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv) The remote e-voting period commences on 25th September, 2016 (9:00 am) and ends on 27th September, 2016 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v) A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- vi) The process and manner for remote e-voting are as under:
 - A. Members whose email IDs are registered with the Company/ Depository Participants(s) will receive an email from NSDL informing them of their User-ID and Password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process:



MADRAS FERTILIZERS LIMITED

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- (i) Open email and open PDF file titled; "MFLAGM" remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Enter the user ID and password as initial password/PIN noted in step (i) above. Click on Login.
- (v) The Password change menu will appear. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note the new password. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "REVEN" of Madras Fertilizers Limited.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and Remember to "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorization letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through e-mail to esakics@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) :
- (i) The Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
- REVEN (Remote e-voting Event Number)
USER ID _____ PASSWORD/PIN _____
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- vii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or contact National Securities Depository Ltd. Via email at evoting@nsdl.co.in.
- viii) Login to the e voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
- ix) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- x) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2016.
- xi) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 21st September 2016, may obtain the user ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing user ID and password for casting his/her vote. If he/she forgot his/her password, he/she can reset his/her password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com.
- xii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- xiii) Mr. V Esaki, Practicing Company Secretary (CP No.11022) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xiv) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xv) The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any,
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to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

xvi) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.madrasfert.nic.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Ltd.

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (8:00 am to 4:45 pm) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

9. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013:

Item No.3: Appointment of Dr.A K Padhee, IAS as Director

Dr. A K Padhee, IAS was nominated by the Government of India for appointment as Director in pursuance of Article 85 (a) and 86 read with Article 88 of the Articles of the Association of the Company in place of Shri Heeralal Samariya, IAS. Dr. A K Padhee, IAS was appointed as Director on the Board of the Company by the Board of Directors effective January 14, 2016. As per the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, Dr. A K Padhee, IAS will hold office only up to the date of Annual General Meeting.

A notice under section 160 of the Companies Act, 2013 has been received from a member proposing the appointment of Dr A K Padhee, IAS as a Director, liable to retire by rotation.

None of the Directors is interested in the resolution, except Dr.A K Padhee, IAS, as it concerns his appointment.

Item No.4: Appointment of Shri Piyush Srivastava, IES as Director

Shri Piyush Srivastava, IES was nominated by the Government of India for appointment as Director in pursuance of Article 85 (a) and 86 read with Article 88 of the Articles of the Association of the Company in place of Shri Rajiv Yadav, IAS. Shri Piyush Srivastava, IES was appointed as Director on the Board of the Company by the Board of Directors effective January 14, 2016. As per the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, Shri Piyush Srivastava will hold office only up to the date of Annual General Meeting.

A notice under section 160 of the Companies Act, 2013 has been received from a member proposing the appointment of Shri Piyush Srivastava, IES as a Director, liable to retire by rotation.

None of the Directors is interested in the resolution, except Shri Piyush Srivastava, IES as it concerns his appointment.

Item No.5: Appointment of Shri A B Khare, CMD as Director

Shri A B Khare, Chairman and Managing Director was appointed by the President of India vide Department of Fertilizers Order No.84/2/201-HR-I dated January 05, 2016. Shri A B Khare was appointed as Chairman and Managing Director of the Company by the Board of Directors effective January 14, 2016 in place of the former Chairman and Managing Director, Dr.I Vijayakumar.

Shri A B Khare will hold office for a period of five years with effect from the date of assumption of charge of the post or till the date of his superannuation or until further orders whichever is the earliest.

None of the Directors is interested in the resolution, except Shri A B Khare, CMD as it concerns his appointment.

Item No.6: Appointment of Cost Auditor for the year 2016-17

The Board at its 278th meeting held on May 29, 2015 approved the appointment of Shri P R Tantri, Cost Accountant as the Cost Auditor for the Financial Year 2015-16 at a remuneration of ₹ 85,000/- excluding reimbursement of out of pocket expenses at actuals.

As per Sec. 148(3) of the Companies Act, 2013 read with Companies (Cost Records and Cost Audit) Rules, 2013, the Cost Auditor should be appointed by the Board on such remuneration which may be ratified by the members in General Meeting.

Accordingly, the Board in its 282nd meeting held on May 27, 2016 has approved the appointment of Shri P R Tantri, Cost Auditor, for conducting the Cost Audit of the company for the year 2016-17 at the remuneration of ₹ 1,00,000/- Shri P R Tantri has also communicated his willingness to take up the assignment.

In accordance with the provisions of Sec 148(3) of the Companies Act, 2013 the remuneration fixed for the Cost Auditor has to be ratified by the members in the General Meeting. Accordingly, the above proposal has been submitted for ratification of the members.



MADRAS FERTILIZERS LIMITED

Item No. 7: Appointment of Dr Hemant A Thakore as Non-Official Director

The Appointments Committee of the Cabinet (ACC) vide O.M.No.2/13/2016-EO(ACC) dated June 06, 2016 has approved the appointment of Dr Hemant A Thakore as Non-Official Director on the Board of Madras Fertilizers Limited with effect from June 06, 2016 for a period of three years or until further orders, whichever is earlier.

Pursuant to the sub-section (4) of section 149, MFL, being a listed company shall have at least one-third of the total number of directors as independent directors. Accordingly, Dr Hemant A Thakore has been appointed as Non-Official Director on the Board of MFL with effect from June 6, 2016. In the opinion of the Board, he fulfils the conditions specified in the sub-section (6) of section 149 of Companies Act, 2013 for such an appointment. His appointment shall be approved by the Company in general meeting as provided in sub-section (2) of section 152 of the Companies Act, 2013.

None of the Directors is interested in the resolution, except Dr Hemant A Thakore, as it concerns his appointment.

Item No.8 : Appointment of CA. Sunil Vashisht as Non-Official Director

The Appointments Committee of the Cabinet (ACC) vide O.M.No.2/13/2016-EO(ACC) dated June 06, 2016 has approved the appointment of CA. Sunil Vashisht as Non-Official Director on the Board of Madras Fertilizers Limited with effect from June 06, 2016 for a period of three years or until further orders, whichever is earlier.

Pursuant to the sub-section (4) of section 149, MFL, being a listed company shall have at least one-third of the total number of directors as Independent Directors. Accordingly, CA. Sunil Vashisht has been appointed as Non-Official Director on the Board of MFL with effect from June 6, 2016. In the opinion of the Board, he fulfils the conditions specified in the sub-section (6) of section 149 of Companies Act, 2013 for such an appointment. His appointment shall be approved by the Company in general meeting as provided in sub-section (2) of section 152 of the Companies Act, 2013.

None of the Directors is interested in the resolution, except CA. Sunil Vashisht, as it concerns his appointment.

Item No. 9: Appointment of Shri C Ramesh as Non-Official Director

The Appointments Committee of the Cabinet (ACC) vide O.M.No.2/13/2016-EO(ACC) dated June 06, 2016 has approved the appointment of Shri C Ramesh as Non-Official Director on the Board of Madras Fertilizers Limited with effect from June 06, 2016 for a period of three years or until further orders, whichever is earlier.

Pursuant to the sub-section (4) of section 149, MFL, being a listed company shall have at least one-third of the total number of directors as independent directors. Accordingly, Shri C Ramesh has been appointed as Non-Official Director on the Board of MFL with effect from June 6, 2016. In the opinion of the Board, he fulfils the conditions specified in the sub-section (6) of section 149 of Companies Act, 2013 for such an appointment. His appointment shall be approved by the Company in general meeting as provided in sub-section (2) of section 152 of the Companies Act, 2013.

None of the Directors is interested in the resolution, except Shri C Ramesh, as it concerns his appointment.

Item No. 10: Appointment of Smt. Vanathi Srinivasan as Non-Official Director

The Appointments Committee of the Cabinet (ACC) vide O.M.No.2/13/2016-EO(ACC) dated June 06, 2016 has approved the appointment of Smt. Vanathi Srinivasan as Non-Official Director on the Board of Madras Fertilizers Limited with effect from June 06, 2016 for a period of three years or until further orders, whichever is earlier.

Pursuant to the sub-section (4) of section 149, MFL, being a listed company shall have at least one-third of the total number of directors as independent directors. Accordingly, Smt. Vanathi Srinivasan has been appointed as Non-Official Director on the Board of MFL with effect from June 6, 2016. In the opinion of the Board, she fulfils the conditions specified in the sub-section (6) of section 149 of Companies Act, 2013 for such an appointment. Her appointment shall be approved by the Company in general meeting as provided in sub-section (2) of section 152 of the Companies Act, 2013.

None of the Directors is interested in the resolution, except Smt. Vanathi Srinivasan, as it concerns her appointment.

By Order of the Board

Chennai
Aug 12, 2016

A B Khare
Chairman & Managing Director



MADRAS FERTILIZERS LIMITED

Details of Directors seeking appointment / reappointment at the Annual General meeting scheduled to be held on September 28, 2016 (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015)

Name of the Director	Dr. A K Padhee	Shri Piyush Srivastava	Shri A B Khare	Dr Hemant A Thakore	CA Sunil Vashisht	Shri C Ramesh	Smt Vanathi Srinivasan
Date of Birth	15.08.1969	05.05.1968	01.11.1956	25.07.1963	03.08.1956	19.03.1949	06.06.1970
Date of Appointment on the Board	14.01.2016	14.01.2016	14.01.2016	06/06/2016	06/06/2016	06/06/2016	06/06/2016
Relationship with other Directors and Key Managerial Personnel	None	None	None	None	None	None	None
Expertise in Specific Functional areas	Administrative function	Economic Administration	Technical	Medicine	Finance	Political	Legal and Political
Qualification	Phd. MPA	MA (Eco) M.Phil	BE (Chemical)	MBBS, MD, FCCP, MCAI	B.Com, FCA	BA (LL.B)	B.S.C., BL, ML
Board Membership of other Companies as on March 31, 2016	PDIL	-	Fortune Biotech Ltd	-	-	-	-
Chairman / Member of the Committee of the Board of Directors of the Company as on March 31, 2016							
Audit Committee	PDIL	-	-	-	-	-	-
Shareholders Grievance Committee	-	-	-	-	-	-	-
Nomination & Remuneration Committee	-	-	-	-	-	-	-
Other Committees	-	-	-	-	-	-	-
Shareholding in the Company (as on 31/03/2016)	Nil	-	-	-	-	-	-

Note: 1. Detailed profiles of the above Directors are given as part of the Annual Report. The Directorships, Committee Memberships and Chairmanships do not include positions in foreign companies, unlisted companies and private companies, position as an advisory board member and position in companies under Section 8 of the Companies Act, 2013. Information pertaining to remuneration paid to the Directors who are being appointed/re-appointed and number of Board meetings attended by them during the year 2015-16 are provided in the Corporate Governance Report.