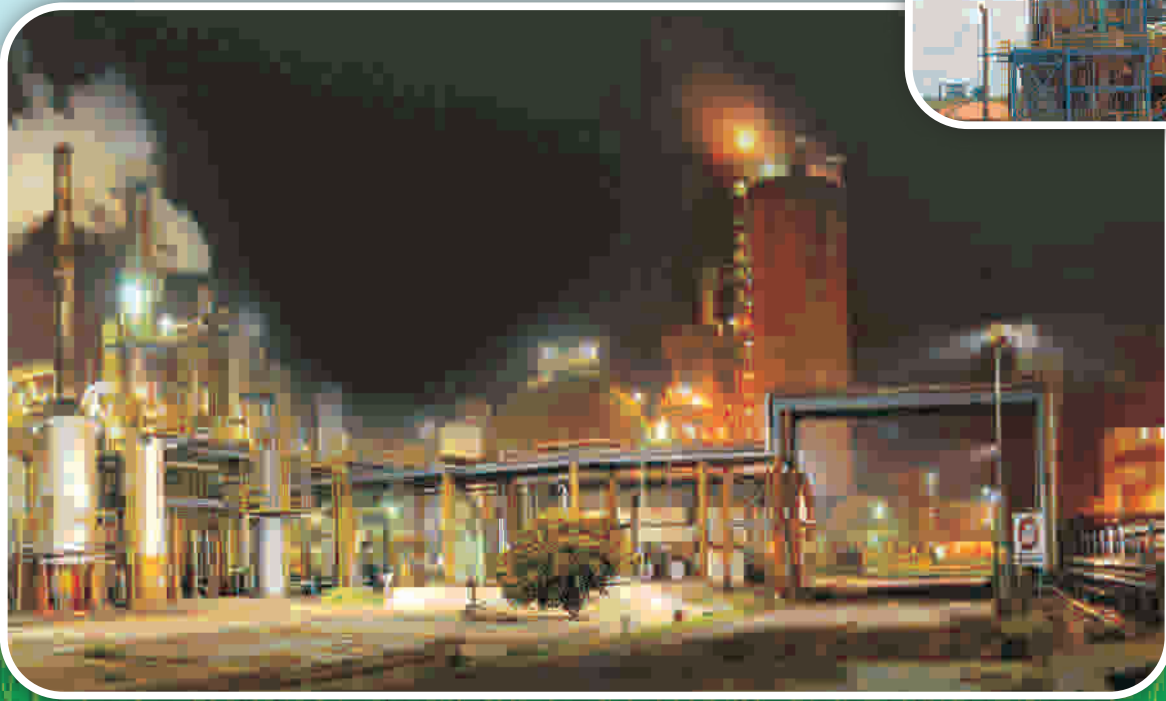




Mangalore Fertilizer Complex



Directors	:	Arun Duggal, Independent Director and Chairman N. Suresh Krishnan, Managing Director Akshay Poddar, Director Deepak Anand, Director D. A. Prasanna, Independent Director Kapil Mehan, Director K.Prabhakar Rao, Director-Works Narendra Mairpady, Independent Director Pratap Narayan, Independent Director Ritu Mallya, Director V. S. Venkataraman, Director
Chief Financial Officer	:	T. M. Muralidharan
Company Secretary	:	Vijayamahantesh Khannur
Bankers	:	Axis Bank Limited State Bank of India Corporation Bank Kotak Mahindra Bank Limited RBL Bank Limited Cooperative Centrale Raiffeisen-Boerenleenbank (Rabo Bank)
Statutory Auditors	:	K. P. Rao & Co., Bangalore
Cost Auditor	:	P. R. Tantri, Bangalore
Secretarial Auditor	:	S. Kedarnath
Registered Office	:	Level II, UB Tower, UB City No. 24, Vittal Mallya Road Bangalore – 560 001 Tel. No. 080-3985 5500 / 3985 6000 Fax No. 080-3985 5588 email : shares@mangalorechemicals.com Website : www.mangalorechemicals.com CIN : L24123KA1966PLC002036
Works	:	Panambur, Mangalore – 575 010 Tel. No. 0824-2220 600 Fax No. 0824-2407 938
Share Transfer Agent	:	Cameo Corporate Services Limited 'Subramanian Building' No.1, Club House Road, Chennai – 600 002 Tel.No.044-2846 0390, Fax No.044-2846 0129 e-mail: cameo@cameoindia.com

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TEN YEAR RECORD

(₹ in Crores)

	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Profit and Loss Statement										
Sales	3000.32	2576.87	3310.26	2779.59	3707.17	2,520.46	2,075.64	2,469.62	1,655.94	1,371.05
Other Income	6.20	11.47	4.54	10.45	12.95	3.36	6.09	14.42	9.09	3.44
Finance Costs	112.08	126.38	102.45	86.97	77.16	18.59	23.44	36.00	15.43	16.34
Depreciation	31.27	28.66	28.76	29.01	29.10	28.88	18.37	16.96	15.91	15.22
Profit / (Loss) before exceptional and extraordinary item and tax	(30.33)	18.29	93.55	69.24	102.47	111.60	84.53	43.26	58.34	41.97
Balance Sheet										
Net Fixed Assets	651.03	628.87	625.95	485.36	491.88	391.17	385.27	336.51	324.60	307.43
Investments	-	200.00	200.00	200.00	-	-	0.05	0.05	0.05	0.05
Net Current Assets	1201.94	982.52	1395.11	1168.05	1406.45	315.86	181.75	486.45	465.06	303.98
Total	1,852.97	1,811.40	2,221.06	1,853.42	1,898.33	707.03	567.07	823.01	789.71	611.46
Share Capital	118.55	118.55	118.55	118.55	118.55	118.55	118.55	118.55	118.55	118.55
Reserves & Surplus	301.06	541.42	517.31	464.70	416.94	366.55	311.06	270.65	254.25	228.87
Loan Funds	1397.08	1108.30	1521.67	1229.47	1324.05	184.16	98.16	396.79	380.01	228.43
Deferred Tax Liability	36.28	43.13	63.53	40.70	38.79	37.77	39.30	37.02	36.90	35.61
Total	1,852.97	1,811.40	2,221.06	1,853.42	1,898.33	707.03	567.07	823.01	789.71	611.46

NOTICE

To

The Members,

Notice is hereby given that the Forty Ninth Annual General Meeting of the Members of the Company will be held on **Tuesday, September 27, 2016 at 10.30 AM at Conference Hall, 1st Floor, UB Tower, UB City, No. 24, Vittal Mallya Road, Bangalore – 560 001** to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016, the statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Statutory Auditors.
2. To appoint a Director in place of Mr. Akshay Poddar (DIN:00008686), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appointment of M/s. K. P. Rao & Company, Chartered Accountants, (FRN 003135S) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"), and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. V. S. Venkataraman (DIN:00190672), in respect of whom the Company has received a notice in writing from a member pursuant to the requirements of Section 160 of the Act proposing his candidature for appointment as a Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.
5. To consider and 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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. D. A. Prasanna (DIN:00253371), in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from May 06, 2016 to May 05, 2021, not liable to retire by rotation.
6. To consider and 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 2(54), 2(78), 196, 197, 198, 199, 200, 202, 203 and all other applicable provisions of the Companies Act, 2013 ("the Act"), read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 133 of the Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities including the Central Government in granting such approvals, permissions, sanctions, if any, the approval of the members be and is hereby accorded to the appointment of Mr. N. Suresh Krishnan, as Managing Director of the Company for a period of five years with effect from January 01, 2016 to December 31, 2020.

RESOLVED FURTHER THAT the remuneration payable to Mr. N. Suresh Krishnan during his tenure as Managing Director and his other terms of appointment shall be as follows:

- a. Salary: The Company shall not pay any salary, commission or remuneration to Mr. N. Suresh Krishnan, Managing Director from the date of his appointment, until further recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors.
- b. Other benefits: as applicable to Senior Executives of the Company.
- c. Termination: By giving the other party, six months' notice

RESOLVED FURTHER THAT the Board of Directors is authorized to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.

7. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of Section 2(78), 196, 197, 198, 199, 200, 202, and all other applicable provisions of the Companies Act, 2013 ("the Act"), read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities including the Central Government in granting such approvals, permissions, sanctions, if any, the approval of members be and is hereby accorded appointment of Mr. K. Prabhakar Rao as Director – Works, for a period of two years with effect from October 19, 2015 to October 18, 2017.

RESOLVED FURTHER THAT the approval of the members be and is hereby accorded for following remuneration payable and other terms of appointment to Mr. K. Prabhakar Rao during his tenure as Director–Works:

April 01, 2015 to October 18, 2015	October 19, 2015 – October 18, 2017
<p>a. Basic Salary: ₹ 1,88,655 per month with such annual increments as may be determined by the Board of Directors</p> <p>b. Perquisites: ₹ 12,000 per month</p> <p>c. Allowances: ₹ 2,38,742 per month</p> <p>d. Performance Bonus: ₹ 84,895 per month</p> <p>e. Other benefits: ₹ 69,086 per month</p> <p>f. Termination: By giving the other party, six months' notice</p>	<p>a. Basic Salary: ₹ 2,15,000 per month with such annual increments as may be determined by the Nomination and Remuneration Committee and/or the Board of Directors</p> <p>b. Perquisites: ₹ 15,000 per month</p> <p>c. Allowances: ₹ 2,67,721 per month</p> <p>d. Performance Bonus: ₹ 84,895 per month</p> <p>e. Other benefits: ₹ 75,959 per month</p> <p>f. Termination: By giving the other party, six months' notice</p> <p>Provided that the remuneration payable by way of salary, perquisites, allowances, performance bonus and other benefits shall not exceed the limits laid down in Section 197 and Schedule V of the Act, including any statutory modification(s) or re-enactment(s) thereof.</p>

RESOLVED FURTHER THAT notwithstanding anything contained herein, where in any financial year, during the tenure of Mr. K. Prabhakar Rao as Director–Works, the Company has no profits or profits are inadequate, the Company may subject to receipt of the requisite approvals including the approval of the Central Government, if any, pay Mr. K. Prabhakar Rao, Director–Works, the above remuneration as the minimum remuneration by way of salary, perquisites, allowances, performance bonus and other benefits as specified above and that the perquisites pertaining to contribution to provident fund, superannuation fund, national pension scheme or gratuity and leave encashment shall not be included in the computation of the ceiling on remuneration specified in Section II of Part II of Schedule V to the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company on its own or based on the recommendation of the Nomination and Remuneration Committee, be and is hereby authorized to vary, increase, enhance or widen from time to time the terms and conditions of appointment and remuneration of Mr. K. Prabhakar Rao, Director–Works during the period from October 19, 2015 to October 18, 2017 within the scale of basic salary of ₹ 2,15,000 per month to ₹ 3,00,000 per month, subject to such approvals as may be required and the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactment(s) thereof.

8. To consider and 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 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), payment of remuneration of ₹ 1,25,000/- (Rupees one lakh twenty five thousand only) exclusive of service tax and other statutory levies, if any, and reimbursement of actual expenses incurred on travel, accommodation and other out-of-pocket expenses to Mr. P. R. Tantri, Cost Accountant (Membership Number 2403), for conducting audit of cost records of the Company for the Financial Year 2016-17, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors is authorized to take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution

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

RESOLVED THAT in compliance with and subject to the provisions of the Companies Act, 2013 and the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transactions / contracts / arrangements entered / to be entered into by the Company with Zuari Agro Chemicals Limited for purchase / sale of goods, availing / rendering of services, transfer of resources, lease of office space, sales and marketing services and cost recharge be and are hereby approved.

RESOLVED FURTHER THAT the Board is hereby authorized to do, perform, or cause to be done all such acts, deeds, matters and things as may be necessary or desirable, and do all other acts and things as may be incidental, necessary or desirable to give effect to the above resolution.

By the order of the Board

Vijayamahantesh Khannur
Company Secretary

Bangalore
August 16, 2016

NOTES

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. **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 instrument appointing proxy in prescribed form, in order to be effective should be duly completed, signed and must be sent to the Company so as to reach at the registered office of the Company at least 48 hours before the commencement of the meeting. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total paid-up share capital of the Company. Members holding more than ten percent of the total paid-up share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.
3. The Register of Members and Share Transfer Books will remain closed from September 20, 2016 to September 27, 2016 (both days inclusive).
4. All relevant documents referred to in the Notice and the statements/reports annexed to Notice shall be open for inspection by Members at the Registered Office of the Company during normal business hours between 11.00 a.m. and 1.00 p.m. on all working days (except Saturdays, Sundays and Public Holidays) up to the date of the Annual General Meeting of the Company.
5. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the dividend amount remaining unclaimed/unpaid for a period of seven years from the due date of payment shall be transferred to the Investor Education and Protection Fund (IEPF) established by Central Government. Members who have not yet encashed their dividend warrant(s) are requested to make their claims without any delay.

IT MAY BE NOTED THAT THE UNCLAIMED DIVIDEND PERTAINING TO THE FINANCIAL YEAR 2008-09 IS DUE FOR TRANSFER TO THE CENTRAL GOVERNMENT (INVESTOR EDUCATION AND PROTECTION FUND) AND THE SAME CAN BE CLAIMED FROM THE COMPANY ON OR BEFORE OCTOBER 14, 2016.

6. Electronic copy of the Notice of the 49th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 49th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
7. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members the facility to exercise their right to vote at the 49th Annual General Meeting by way of remote e-voting i.e., casting votes by a member using an electronic voting system from a place other than venue of a general meeting, and the business may be transacted through e-voting services provided by Central Depositories Services (India) Limited. The ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right at the meeting. Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mr. Sudhindra K S, Practicing Company Secretary (Membership No. FCS 7909 and CP No. 8190), who is willing to be appointed and is, in the opinion of the Board, a duly qualified person and can scrutinize the voting and remote e-voting process in a fair and transparent manner, as a Scrutinizer. After the conclusion of the voting at the meeting, the Scrutinizer shall count votes cast at the meeting and through remote e-voting and provide a consolidated Scrutinizer's report of the total votes cast, within a period of three days from the date of conclusion of the meeting, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.mangalorechemicals.com and on the website of CDSL – www.cdslindia.com and communicated to the Stock Exchanges.

The instructions for shareholders voting electronically are as under:

- i. The remote e-voting period begins at 9.00 am on September 23, 2016 and ends at 5.00 pm on September 26, 2016. The facility for remote e-voting shall forthwith be blocked at the end of the period of remote e-voting.
- ii. The cut-off date for determining the eligibility to vote by electronic means or in the general meeting shall be September 20, 2016. Members who are holding shares on cut-off date are only eligible for remote e-voting and attending Annual General Meeting.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- iv. Click on "Shareholders" tab.
- v. Now Enter your Login ID.
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 digit client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg., If your name is Ram with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN of Mangalore Chemicals & Fertilizers Limited to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. If Demat account holder has forgotten the password then enter the Login ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxi. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
8. Members / proxy holders are requested to produce the enclosed attendance slip duly completed and signed at the entrance of the meeting venue.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.

10. The Register of Contracts, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
11. Members should address all correspondence to the Company's Registrar and Share Transfer Agent at the following address quoting their Registered Folio Number or Demat Account Number & Depository Participant (DP) ID Number.
Cameo Corporate Services Limited
Subramanian Building, No.1, Club House Road, Chennai-600 002
Phone: 91-44-2846 0390 to 94 Fax: 91-44-2846 0129
E-mail: cameo@cameoindia.com
12. The equity shares of the Company are mandated by Securities and Exchange Board of India for compulsory trading in demat form by all investors. The Company's shares have been admitted into both the depositories viz., National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL]. The ISIN allotted to the Company's equity shares is INE558B01017.
13. Members holding shares in physical form are requested to notify any change in their addresses, mandates/bank details immediately to the Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, Chennai.
14. Members holding shares in electronic mode are requested to intimate all changes pertaining to their bank details to their Depository Participant in order to arrange the dividend payment by NECS/ECS or through warrant by printing the bank details, as the case may be.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 4

United Breweries (Holdings) Limited, together with its group companies, holds 21.97% of total paid up share capital of the Company had nominated Mr. V. S. Venkataraman for appointment on the Board of Directors and accordingly the Board of Directors at its meeting held on October 19, 2015 appointed Mr. V. S. Venkataraman as an Additional Director. United Breweries (Holdings) Limited has given notice in writing under Section 160 of the Companies Act, 2013 proposing appointment of Mr. V. S. Venkataraman as Director of the Company at this Annual General Meeting along with the deposit of ₹ 1,00,000/-.

Mr. V. S. Venkataraman is interested in the Resolution set out at Item No. 4 of the Notice in regard to his appointment. The relatives of Mr. V. S. Venkataraman may be deemed to be interested in the Resolution set out at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above appointment. The Board accordingly places the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the members.

Item No. 5

The Board of Directors at its meeting held on May 06, 2016 appointed Mr. D. A. Prasanna as an Additional Director of the Company in the category of Independent Directors and his tenure expires at this Annual General Meeting. A notice has been received in writing by a member under Section 160 of the Companies Act, 2013 proposing appointment of Mr. D. A. Prasanna as an Independent Director of the Company for a period of five years with effect from May 06, 2016 to May 05, 2021, at this Annual General Meeting along with the deposit of ₹ 1,00,000/-.

Mr. D. A. Prasanna is interested in the Resolution set out at Item No. 5 of the Notice in regard to his appointment. The relatives of Mr. D. A. Prasanna may be deemed to be interested in the Resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above appointment. The Board accordingly places the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

Item No. 6

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on October 19, 2015 had appointed Mr. N. Suresh Krishnan as Managing Director of the Company for a period of five years w.e.f. 01.01.2016 on a consolidated salary of ₹ 12,00,000 per month. Subsequently, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on January 30, 2016 revised the terms of appointment of Mr. N. Suresh Krishnan as given below:-

- a. Salary: The Company shall not pay any salary, commission or remuneration to Mr. N. Suresh Krishnan, Managing Director from the date of his appointment, until further recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors.
- b. Other benefits: as applicable to Senior Executives of the Company.
- c. Termination: By giving the other party, six months' notice.

Mr. N. Suresh Krishnan is interested in the Resolution set out at Item No. 6 of the Notice in regard to his appointment. The relatives of Mr. N. Suresh Krishnan may be deemed to be interested in the Resolution set out at Item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the above appointment. The Board accordingly places the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the members.

Item No. 7

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on October 19, 2015 appointed Mr. K. Prabhakar Rao as Director – Works, for a period of two years effective from October 19, 2015 to October 18, 2017 and approved the remuneration on the terms and conditions given herein below:-

- a. Basic Salary: ₹ 2,15,000 per month with such annual increments as may be determined by the Nomination and Remuneration Committee and / or the Board of Directors.
- b. Perquisites: ₹ 15,000 per month
- c. Allowances: ₹ 2,67,721 per month
- d. Performance Bonus: ₹ 84,895 per month
- e. Other benefits: ₹ 75,959 per month
- f. Termination: By giving the other party, six months' notice
- g. Board of Directors may vary, increase, enhance the remuneration of Mr. K. Prabhakar Rao, within the scale of basic salary of ₹ 2,15,000 per month to ₹ 3,00,000 per month.

The terms of appointment of Mr. K. Prabhakar Rao, as approved by the Board for the period from April 01, 2015 to October 18, 2015 were as below:

- a. Basic Salary: ₹ 1,88,655 per month with such annual increments as may be determined by the Board of Directors
- b. Perquisites: ₹ 12,000 per month
- c. Allowances: ₹ 2,38,742 per month
- d. Performance Bonus: ₹ 84,895 per month
- e. Other benefits: ₹ 69,086 per month
- f. Termination: By giving the other party, six months' notice

The Company did not have adequate profits for the year 2015-16 for payment of remuneration as per the details mentioned in the resolution above. Thus, it is proposed to seek approval of the shareholders by way of special resolution in accordance with first proviso to Clause A of Section II of the Part II of Schedule V as per the details mentioned in the resolution above during the tenure of Mr. K. Prabhakar Rao, without the approval of the Central Government.

The remuneration is approved by the Board of Directors and the Nomination and Remuneration Committee at their meetings held on October 19, 2015. The Company has not made any default in repayment of any of its debts or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of appointment.

Other information as required under Section II of Part II of Schedule V

- I. General Information:
 - (1) Nature of industry: Manufacture of fertilizer and other plant nutrient products
 - (2) Commencement of commercial production: 1976
 - (3) Financial performance based on given indicators: EBITDA of ₹ 113 crores
 - (4) Foreign investments or collaborations, if any: None
- II. Information about the appointee:
 - (1) Background details: Mr. K. Prabhakar Rao is working with the Company over a period of 40 years and has held various managerial positions before designating as Director – Works.
 - (2) Past remuneration: ₹ 69.59 lakhs during 2014-15
 - (3) Recognition or awards: None
 - (4) Job profile and his suitability: The position is of Director – Works and designated as Principal Employer is heading all the operations of the Plant.
 - (5) Remuneration proposed: As disclosed above
 - (6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Directors with similar profile and position in companies of similar size in the industry are paid similar remuneration.
 - (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel: None