



**Nagarjuna Fertilizers
and Chemicals Limited**

**South India's
Largest
Urea
Producer**



BOARD OF DIRECTORS

Uday Shankar Jha
Chairman

Chandra Pal Singh Yadav
Nominee of KRIBHCO

V V S Ravindra
Nominee of IDBI Bank

Lalitha Raghuram
Independent Director

C B Mouli
Independent Director (Ceased w.e.f. October 10, 2019)

Syed Sahabuddin
Nominee of SBI (Ceased w.e.f. June 13, 2019)

Mrs. Girija Bhan
Independent Director

Hon'ble Shri Justice K.C. Bhanu (Retd.)
Independent Director

K Rahul Raju
Managing Director

Registered Office
D. No 8-2-248,
Nagarjuna Hills, Punjagutta,
Hyderabad - 500 082
INDIA

CIN: L24129TG2006PLC076238

Website
www.nagarjunafertilizers.com

Manufacturing Facilities

Urea
Kakinada, East Godavari Dist,
Andhra Pradesh

Micro-Irrigation
Nacharam, Hyderabad, Telangana

Sadashivpet Mandal, Medak District,
Telangana

Halol, Panchmahal Dist.,
Gujarat

Statutory Auditors
M/s. M Bhaskara Rao & Co.,
Chartered Accountants
Hyderabad

K. Chandra Sekhar Naidu
Company Secretary (Ceased w.e.f. July 01, 2019)

NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTEENTH ANNUAL GENERAL MEETING OF NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED WILL BE HELD AT 10.00 A.M. ON TUESDAY, DECEMBER 24, 2019 AT KLN PRASAD AUDITORIUM, # 11-6-841, FTCCI BUILDING, FTCCI MARG, RED HILLS, LAKDIKAPOL, HYDERABAD - 500 004 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the 13th Annual Report of the Company, Balance Sheet as at March 31, 2019, the Statement of Profit and Loss for the Financial Year ended March 31, 2019, the Cash Flow Statement for the Financial Year ended March 31, 2019, Statement of change in Equity for the year ended March 31, 2019 and the Reports of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Uday Shankar Jha (DIN: 00056510) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Mr. Chandra Pal Singh Yadav (DIN 00023382) who retires by rotation and being eligible offers himself for re-appointment.
- 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), M/s. M Bhaskara Rao & Co., Chartered Accountants (Registration No. 000459S) be and is hereby appointed as Statutory Auditors of the Company for a term of 2 (two) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the fifteenth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

- 5) To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2020.

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 Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force), remuneration of Rs. 4 lakhs plus service tax as applicable and reimbursement of out-of-pocket expenses be paid to M/s. Sagar & Associates (Firm Registration No-000118), Cost Auditors, Hyderabad, appointed by the Board of Directors of the Company, to conduct the Cost Audit in relation to the products - ‘Manufactured Fertilizer’ and

‘Micro Irrigation’ of the Company for the Financial Year ended March 31, 2020, be and is hereby approved and ratified”

- 6) To Appoint Mrs. Girija Bhan as an Independent Director.

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 Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, Mrs. Girija Bhan who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013, who meets the criteria for independence under Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office upto the conclusion of the 18th Annual General Meeting, not liable to retire by rotation.”

- 7) To Appoint Hon'ble Shri Justice K C Bhanu (Retd) as an Independent Director

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 Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, Hon'ble Shri Justice K C Bhanu (Retd) who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013, who meets the criteria for independence under Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office upto the conclusion of the 18th Annual General Meeting, not liable to retire by rotation.”

- 8) To approve payment of remuneration to Mr. K.S. Raju

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT in continuation and futherance of the resolution passed by the Board of Directors on August 09, 2017 and approved by the members of the Company at their Annual General Meeting held on September 26, 2017 and pursuant to the provisions of sections 196, 197, 198 and schedule V of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals and permissions as may be required in this regard, approval of the members be and is hereby accorded for the payment of the following remuneration and perquisites to Mr. K S Raju, during the term of his office and the same also be paid as minimum remuneration in the event of inadequacy or absence of profits in any Financial Year, during his term of office from August 01, 2017 to January 19, 2019.”

1. Salary
 - a. Salary (including dearness allowance and all other allowances) – Rs. 5 lakhs per month.
 - b. Commission : 0.5% of the net profits of the Company, limited to his annual salary.
2. Perquisites

Perquisites other than medical reimbursement shall be restricted to an amount equal to the annual salary

 - i. Housing:
 - a. The expenditure incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of the salary; or
 - b. In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the company; or
 - c. In case no accommodation is provided by the Company, Mr. K S Raju shall be entitled to house rent allowance subject to the ceiling laid down in clause (a).

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962, subject to a ceiling of ten per cent of the salary.
 - ii. Medical Reimbursement:

Reimbursement of the expenses incurred for self and family subject to a ceiling of Rs. 5 lakhs per year.
 - iii. Leave Travel Concession:

Leave travel concession for self and family once in a year, incurred in accordance with the Rules of the Company.

Explanation: Family for (ii) and (iii) means the spouse, the dependant children and dependant parents.
 - iv. Club Fees:

Fees of clubs subject to a maximum of two clubs. No admission and life membership fee shall be paid.
 - v. Personal Accident Insurance:

Personal accident insurance of an amount, the annual premium of which does not exceed Rs.10,000/- per annum.
 - vi.
 - a. Company's contribution towards Provident Fund as per the Rules of the Company.
 - b. Gratuity as per the Rules of the Company.
 - c. Company's contribution towards Superannuation Fund as per the Rules of the Company.

The aforesaid perquisites stated in (vi)(a), (vi)

(b) and (vi) (c) shall not be included in the computation of minimum remuneration to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

- vii. Earned Leave:

On full pay and allowances and perquisites, as per the Rules of the Company. Encashment of leave at the end of the tenure shall not be included in the computation of the minimum remuneration.
- viii. Car for use on Company's business and telephone at residence shall not be considered as perquisites."

"RESOLVED FURTHER THAT the remuneration specified above for Mr. K S Raju, Chairman may, subject to overall ceiling specified above and subject to Schedule V of the Companies Act, 2013, be modified as may be agreed to by the Company and Mr. K S Raju, Chairman / Whole Time Director."

"RESOLVED FURTHER THAT the perquisites mentioned above shall be interchangeable within the overall ceiling of the annual salary of Mr. K S Raju, Chairman / Whole Time Director

"RESOLVED FURTHER THAT the above remuneration be paid as minimum remuneration for the entire tenure of appointment or for such tenure as may be payable in compliance with applicable provisions of law, subject to such clarifications, notifications or orders as may be issued, from time to time, by Ministry of Corporate Affairs."

- 9) To approve payment of remuneration to Mr. K. Rahul Raju

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in continuation and furtherance of the resolution passed by the Board of Directors on August 09, 2017 and approved by the members of the Company at their Annual General Meeting held on September 26, 2017 and pursuant to the provisions of sections 196, 197, 198 and schedule V of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals and permissions as may be required in this regard, approval of the members be and is hereby accorded for the payment of the following remuneration and perquisites to Mr. K Rahul Raju, during the term of his office and the same also be paid as minimum remuneration in the event of inadequacy or absence of profits in any Financial Year, during his term of office from August 01, 2017 to March 31, 2020."

1. Salary
 - a. Salary (including dearness allowance and all other allowances) – Rs. 5 lakhs per month.

- b. Commission : 0.5% of the net profits of the Company, limited to his annual salary.

2. Perquisites

Perquisites other than medical reimbursement shall be restricted to an amount equal to the annual salary

i. Housing:

- a. The expenditure incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 60% of the salary; or
- b. In case the accommodation is owned by the Company, 10% of the salary shall be deducted by the company; or
- c. In case no accommodation is provided by the Company, Mr. Rahul Raju shall be entitled to house rent allowance subject to the ceiling laid down in clause (a).

Explanation: The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per the Income-tax Rules, 1962, subject to a ceiling of ten per cent of the salary.

ii. Medical Reimbursement:

Reimbursement of the expenses incurred for self and family subject to a ceiling of Rs. 5 lakhs per year.

iii. Leave Travel Concession:

Leave travel concession for self and family once in a year, incurred in accordance with the Rules of the Company.

Explanation: Family for (ii) and (iii) means the spouse, the dependant children and dependant parents.

iv. Club Fees:

Fees of clubs subject to a maximum of two clubs. No admission and life membership fee shall be paid.

v. Personal Accident Insurance:

Personal accident insurance of an amount, the annual premium of which does not exceed Rs.10,000/- per annum.

- vi. a. Company's contribution towards Provident Fund as per the Rules of the Company.
- b. Gratuity as per the Rules of the Company.
- c. Company's contribution towards Superannuation Fund as per the Rules of the Company.

The aforesaid perquisites stated in (vi)(a), (vi)(b) and (vi) (c) shall not be included in the computation of minimum remuneration to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

vii. Earned Leave:

On full pay and allowances and perquisites, as per the Rules of the Company. Encashment of leave at the end of the tenure shall not be included in the computation of the minimum remuneration.

viii. Car for use on Company's business and telephone at residence shall not be considered as perquisites."

"RESOLVED FURTHER THAT the remuneration specified above for Mr. K Rahul Raju, Managing Director may, subject to overall ceiling specified above and subject to Schedule V of the Companies Act, 2013, be modified as may be agreed to by the Company and Mr. K Rahul Raju, Managing Director."

"RESOLVED FURTHER THAT the perquisites mentioned above shall be interchangeable within the overall ceiling of the annual salary of Mr. K Rahul Raju, Managing Director."

"RESOLVED FURTHER THAT the above remuneration be paid as minimum remuneration for the entire tenure of appointment or for such tenure as may be payable in compliance with applicable provisions of law, subject to such clarifications, notifications or orders as may be issued, from time to time, by Ministry of Corporate Affairs."

By Order of the Board

Hyderabad
November 12, 2019

Uday Shankar Jha
Chairman

NOTES

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

- 2) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
- 3) Brief profile of Mr. Chandra Pal Singh Yadav and Mr. Uday Shankar Jha, Directors proposed to be appointed/re-appointed along with names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and their relationship with other directors inter-se is annexed here to.
- 4) Brief profile of Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.) Independent Directors to be appointed along with names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and their relationship with other directors inter-se is annexed here to
- 5) The Register of Members and the Share Transfer Books will remain closed from December 17, 2019 to December 24, 2019 (both days inclusive).
- 6) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company, at the Company's Registered Office. Members are requested to note that, in terms of Section 124 of the Companies Act, 2013, (Section 205C of the Companies Act, 1956), the dividends which remain unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred by the company to the Investor Education and Protection Fund (IEPF), established by the Central Government.
- 7) Pursuant to the provisions of the Companies Act, 2013 and the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)

Rules, 2016, all shares in respect of which the dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred by the company, to the demat account of IEPF Authority as notified by the Ministry of Corporate Affairs. Hence the company urges all the shareholders, to take necessary steps, to claim their respective dividend during the prescribed period.

- 8) The Company had paid dividend to the shareholders for the financial year 2011-12 on August 31, 2012. The period of seven years as envisaged in the Companies Act and the rules made thereunder has expired during the month of September, 2019. The Company as required by law has sent notice of intimation of transfer of shares and dividends to the shareholders dated June 30, 2019, and published an advertisement in the news papers as required by law requesting the shareholders to claim the unclaimed / unpaid dividend within the due date as mentioned in the notice.

The Company has transferred the unpaid / unclaimed dividend and corresponding shares to Investor Education and Protection Fund during the month of October 2019. The shareholders may please claim their dividends and shares as mentioned at Point No. 9 below

- 9) Members / claimants whose shares, unclaimed dividend, etc. which have been transferred to the demat account of the IEPF Authority, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF- 5 (available on iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. Member/ claimant can file only one consolidated claim in a financial year as per the IEPF Rules. Form IEPF- 5 is also available on the website of the Company at viz., www.nagarjunafertilizers.com under the 'Investors' section.
- 10) The Securities and Exchange Board of India has notified that the shareholders / transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company while transacting in the securities market including transfer, transmission or any other corporate action.
- Accordingly, all the shareholders / transferee of shares (including joint holders) are requested to furnish a certified copy of their PAN Card to the Company at Nagarjuna Fertilizers and Chemicals Limited, Investors Services Cell, Plot No 1, Punjagutta, Nagarjuna Hills, Hyderabad - 500 082, while transacting in the securities market including transfer, transmission or any other corporate action.
- 11) Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their certified copy of PAN at the Company's Registered Office.

- 12) To prevent fraudulent transactions, members are requested to exercise due diligence and notify the Company of any change in address, change / updates in details of bank accounts, or demise of any member as soon as possible, at the company's Registered Office, quoting their ledger folio number registered with the Company. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified. Members whose shareholding is in the electronic mode are requested to inform change of address, notifications and updates of Bank account details to their respective Depository Participants only.
- 13) Members are requested to update the Bank account number allotted after implementation of Core Banking Solutions (CBS) to the Company in case of shares held in physical form and to Depository Participant (DP) in case of shares held in demat form.
- 14) Members holding shares in physical form are requested to consider converting their holding(s) to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company for assistance in this regard.
- 15) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
- 16) Members / Proxyholders and Authorized representatives are requested to bring to the Meeting, the duly filled in attendance slip(s) enclosed herewith along with their copy of Annual Report. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the Board Resolution authorizing representative to attend and vote on its behalf at the Meeting.
- 17) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
- 18) As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members holding shares in physical form are requested to obtain the nomination forms from the Company. Members holding shares in electronic form may obtain the nomination forms from their respective depository participants.
- 19) The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permits Companies to mail electronic copies of the Annual Report to those members who have registered their e-mail addresses with the Company / Depository Participant, unless Members have requested for a hard copy of the same. Accordingly, the Annual Report 2018-19 is being sent in electronic mode to the Members whose email addresses are registered with the Company / Depository Participant unless communication is received to the contrary. Printed copies of the documents shall be mailed to members who have not registered their email addresses with the Company/Depository Participant or have requested for the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2018-19 are being sent in the permitted mode. To support the 'Green Initiative', the members who have not registered their e-mail addresses are requested to register / update the same with Registrars/depository participant(s).

Members requiring a printed copy of the Annual Report may forward their request to the Company in writing.
- 20) Members desiring any information relating to accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready at the Annual General Meeting.
- 21) The Company has paid the listing fees to BSE Limited and The National Stock Exchange of India Limited, Mumbai, where the securities of the Company are listed.
- 22) The Notice of the Thirteenth Annual General Meeting along with the Annual Report 2018-19 is available on the Company's website www.nagarjunafertilizers.com.
- 23) Copies of all documents referred to in the notice and explanatory statement annexed thereto are available for inspection at the Registered Office of the Company during normal business hours on all working days till the date of the Annual General Meeting.
- 24) A route map showing directions to reach the venue of the Annual General Meeting forms part of the Notice.
- 25) Members are requested to address all correspondences, including dividend matters, to Nagarjuna Fertilizers and Chemicals Limited, Investors Services Cell, Plot No 1, Punjagutta, Nagarjuna Hills, Hyderabad - 500 082.
- 26) The Company has designated an exclusive e-mail ID titled investors@nagarjunagroup.com for redressal of shareholders complaints / grievances. In case of any queries / complaints or unresolved grievances, please write to us at secretarial@nagarjunagroup.com.

- 27) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting facility as an alternative, to enable members to cast their vote electronically on all the resolutions set forth in the Notice to the Thirteenth Annual General Meeting to be held on Tuesday, December 24, 2019 at 10.00 Hours. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting platform to the Members. Facility for voting through Ballot Form shall also be made available at the AGM. Members who have cast their vote by remote e-voting may also attend the meeting but shall not be allowed to vote again at the AGM.

Members holding shares in demat form and Members who have registered their email id with the Company will also receive the remote e-voting instructions by email.

Members who do not have access to remote e-voting facility may use the enclosed Ballot Form and send their assent or dissent on or before close of business hours of December 23, 2019.

Remote e-voting facility will be available on the website www.evotingindia.com from Saturday, December 21, 2019 and ends on Monday, December 23, 2019 at 5.00 P.M, after which the facility will be disabled by CDSL and remote e-voting shall not be allowed beyond the said date and time. The notice is also available on the website www.evotingindia.com.

The voting right of shareholders shall be in proportion to the amount paid up on the total number of shares held by the respective shareholder with the total share capital issued by the company as on the cut-off date i.e. December 17, 2019.

Cut-off date is for determining the eligibility to vote by electronic means or at the meeting. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. A member as on the cut-off date shall only be entitled for availing the remote e-voting facility or vote, as the case may be, in the Annual General Meeting. 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 in the general meeting.

Details of Scrutinizers: Mr. C S S Krishna, Partner, M/s. K B G Associates, Company Secretaries at 1st Floor, 1-9-309/A, Above Kancheepuram Lavanya Silks, Red Cross Blood Bank Road, Spencer's Vidyanagar Road, Atchuta Reddy Marg, Vidyanagar, Hyderabad - 500 044 has been appointed as the Scrutinizer to scrutinize the

e-voting process in a fair and transparent manner.

The members, who have cast their vote prior to the meeting by remote e-voting may also attend the meeting but shall not be entitled to vote again or change their vote at the meeting.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on Saturday, December 21, 2019 and ends on Monday, December 23, 2019 at 5.00 P.M During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of December 17, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) 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 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 Ramesh Kumar 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 (iv). |
|---|--|

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Nagarjuna Fertilizers and Chemicals Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively.

Please follow the instructions as prompted by the mobile app while voting on your mobile.

- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login 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) (i) the letter of appointment of representative(s) of the President of India or the Governor of a State; or
- (ii) the authorisation in respect of representative(s) of the Corporations; shall be received by the scrutiniser/ company on or before close of e-voting.
- (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.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5, 6, 7, 8 & 9 of the accompanying Notice.

Item No. 5

The company in terms of the provisions of the Companies Act, 2013 is required to undertake audit of its cost records by a Cost Accountant in practice. According to the Board, at its meeting held on May 24, 2019 on recommendation of the Audit Committee, approved the appointment of and remuneration payable to M/s. Sagar & Associates, Cost Auditors, Hyderabad to conduct the audit of the cost records of the Company, for the Financial Year ending March 31, 2020, for the products "Fertilizers (Plant I and 2 at Kakinada) and other Machinery and Plastic and Polymers (Micro Irrigation Products).

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2020 as set out in the resolution, for the services rendered / to be rendered by the Cost Auditor.

None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 5.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval of the Members.

Item No. 6 & 7

The Board of Directors of the Company on November 11, 2019, appointed Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.) as Additional Director of the Company.

The Company has received from Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.), the following:

- a) Consent in writing to act as Director in Form DIR- 2
- b) Declaration in Form DIR-8 confirming that he is not disqualified under Section 164(2) of the Companies Act, 2013.
- c) Declaration as per Section 149(6) of the Companies Act, 2013, that he meets the criteria of independence.

It is proposed to appoint Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.) as Independent Directors of the Company not liable to retire by rotation upto conclusion of 18th Annual General Meeting pursuant to the provisions of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.) fulfills the conditions for appointment as Independent Directors as specified in the Act, Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.) are independent of the management.

Brief Profile of Mrs. Girija Bhan:-

Mrs. Girija Bhan, is a Management graduate and has over 43 years of work experience in banking, financial consultancy and public sector undertaking. She is specialized in International Trade and has rendered general management consultancy to various private and public undertakings and government departments. She was the head an International Trading company based out of India and is an successful women entrepreneur.

Brief Profile of Hon'ble Shri Justice K.C. Bhanu (Retd.):

Hon'ble Shri Justice K.C. Bhanu (Retd.), is a law graduate with over 40 years of experience. He had worked as Assistant Government Pleader and Additional Public Prosecutor for the composite State of Andhra Pradesh. He was a member of State Higher Judicial Service and been a District and Sessions Judge Grade – I and Grade II and elevated as Judge of Hon'ble Hight Court of Andhra Pradesh and passed several landmark judgments as a Judge of High Court.

Details in relations to names of companies in which they holds directorships and Memberships/ Chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed here to.

Copy of the letter of appointment of Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.) as Independent Directors setting out terms and conditions are available for inspection by members at the Registered Office of the Company during normal working hours on any working day upto the date of the Annual General Meeting.

None of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions except Mrs. Girija Bhan and Hon'ble Shri Justice K.C. Bhanu (Retd.) respectively.

The Board commends the Ordinary Resolutions set out at Item No. 6 & 7 of the Notice for the approval of the Members.

Item No. 8 & 9

Mr. K S Raju and Mr. K Rahul Raju were appointed as Chairman and Managing Director of the Company respectively from August 01, 2011 and thereafter re-appointed for a period of three years effective August 1, 2014. Their term of appointment expired on July 31, 2017.

The Board of Directors based on recommendation of Nomination and Remuneration Committee approved the re-appointment of Mr. K S Raju as Chairman and Mr. K Rahul