

# NATIONAL FERTILIZERS LIMITED

CIN: L74899DL1974GOI007417

Registered Office: Scope Complex, Core-III, 7, Institutional Area, Lodhi Road, New Delhi – 110 003.

Website: [www.nationalfertilizers.com](http://www.nationalfertilizers.com) | Email: [investor@nfl.co.in](mailto:investor@nfl.co.in)

Tel: 011-24360066, 24361252 Fax: 011-24361553

## NOTICE OF 45<sup>th</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 45<sup>th</sup> Annual General Meeting of the Members of National Fertilizers Limited will be held on Wednesday, the 18<sup>th</sup> day of September, 2019 at 2:30 PM at Joseph Stein Auditorium, India Habitat Centre, Lodhi Road, New Delhi – 110003 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended March 31<sup>st</sup>, 2019 together with the Board's Report and the Auditors' Report thereon and comments of the Comptroller & Auditor General of India, in terms of Section 143(6) of the Companies Act, 2013.
2. To declare final dividend of ₹0.77 per equity share for the financial year ended March 31<sup>st</sup>, 2019 and to confirm the interim dividend of ₹1.09 per equity share, already paid in the month of February, 2019.
3. To appoint a director in place of Shri Devinder Singh Ahuja (DIN: 07687173), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Shri Dharam Pal (DIN: 02354549), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
5. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of Section 142(1) of the Companies Act, 2013 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**"RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed/to be appointed by Comptroller and Auditor General of India for the Financial Year 2019-20 as may be deemed fit by the Board."

### SPECIAL BUSINESS

6. To appoint Shri Virendra Nath Datt (DIN: 07823778), as Director (Marketing) of the Company and in this regard 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 152 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, Shri Virendra Nath Datt (DIN: 07823778), who was appointed as Director (Marketing), by the President of India through Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Order No. 82/01/2018-HR-I dated 09.10.2018 and subsequently designated as KMP under Section 203 of the Companies Act, 2013 by the Board of Directors with effect from 11<sup>th</sup> October, 2018 and holds office upto the date of 45<sup>th</sup> Annual General Meeting and in respect of whom the Company has received a notice under Section 160 of Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Director (Marketing) of the Company, liable to retire by rotation, on such terms & conditions as may be fixed by the Government of India."
7. To appoint Shri Partha Sarthi Sen Sharma (DIN: 03210350) as Government Nominee Director on the Board of the Company and in this regard 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 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Rules made thereunder, Shri Partha Sarthi Sen Sharma (DIN: 03210350), who was appointed as Government Nominee Director, by the President of India through Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India vide Order No. 130/8/2003-HR-I dated 21.12.2018, and subsequently appointed as an Additional Director in terms of Section 161 of the Companies Act, 2013 under the category Non-Executive Director (Government Nominee) by the Board of Directors with effect from 28<sup>th</sup> December 2018 to hold office upto the date of 45<sup>th</sup> Annual General Meeting, and in respect of whom the Company has received a notice under Section 160 of Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Government Nominee Director of the Company, liable to retire by rotation, on such terms & conditions as may be fixed by the Government of India."
8. To ratify the remuneration of the Cost Auditors for the financial year ending March 31<sup>st</sup> 2020, and in this regard to consider and if thought fit, to pass with or without modification(s), 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 or re-enactment thereof), the remuneration

payable to Cost Auditors M/s. R. K. Patel & Co., M/s. Ravi Sahni & Co., M/s. K. L. Jaisingh & Co. and M/s. Musib & Co., who have been appointed by the Board as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31.03.2020 amounting to ₹1,00,000/-, ₹50,000/-, ₹50,000/-, ₹50,000/- respectively and additional fee of ₹15,000/- payable to M/s. R. K. Patel & Co. as lead Cost Auditor, as also payment of TA/DA, GST and out of pocket expenses incurred by the Cost Auditors during the course of Cost Audit of the Units, as per the Company Rules, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, to give effect to this resolution."

9. To increase the borrowing limits of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company or Committee thereof (Board) to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any body corporate/ entity/entities and/or authority/authorities, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, bonds, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding ₹13000 Crores (Rupees Thirteen Thousand Crore only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

10. To approve the creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under section 180(1)(a) of the Companies Act, 2013 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** subject to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof constituted for this purpose) to create such charges, mortgages and hypothecations in addition to existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future and in such form and manner as the Board may deem fit in favour of Banks/ Financial Institutions/ Agents/ Trustees/ foreign lender(s) / anybody corporate/ entity/entities/ authority/authorities, etc. (hereinafter referred to as "Lenders") for securing the borrowings availed/to be availed by way of rupee/foreign currency loans, other external commercial borrowings, issue of debentures / Bonds/any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time on such terms and conditions as may be mutually agreed with the Lenders of the Company towards security for borrowing of funds within the limits approved u/s 180(1)(c) of the Companies Act, 2013, for the purposes of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute agreements, deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

**Registered Office:**

Scope Complex, Core III,  
7, Institutional Area, Lodhi Road, New Delhi-110 003.

**Date: 02<sup>nd</sup> August, 2019**

**By Order of the Board of Directors  
For National Fertilizers Limited**

**Raj Kumar  
Company Secretary  
A-11914**

## NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of Special Business (Item No. 6 to 10) is annexed hereto. The relevant details as required under Regulations 36 (3) of SEBI (LODR) Regulations, 2015, of the persons seeking appointment / re-appointment as directors under Item no. 3, 4, 6 and 7 are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY MEMBERS 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.**
3. Every member entitled to vote at a meeting of the company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the company.
4. Attendance Slip, proxy form and route map of venue of Annual General Meeting are available separately in the notice.
5. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. The Board of Directors, in its meeting held on February 01, 2019, had declared an interim dividend @ 10.90 % (₹1.09 per share) on the paid-up equity share capital of the company. Members who have not encashed or not received their dividend warrants may approach RTA of the Company. The Board of Directors, in its Meeting held on June 04, 2019, has recommended a final dividend @ 7.70% (₹0.77 per share) on the paid-up equity share capital of the company.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 12.09.2019 to 18.09.2019 (both days inclusive).
8. Board has recommended a final dividend of ₹0.77 per equity share of ₹10 each. The dividend, if declared by the members at the said Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to the members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company on or before Wednesday, 11<sup>th</sup> September, 2019 and to the respective Beneficial Owner as at close of business hours on Wednesday, 11<sup>th</sup> September, 2019, as per details thereof to be furnished by the depository.
9. Members holding shares in electronic form may please note that the bank account details and 9-digit MICR Code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants, wherever applicable. Members are, therefore, requested to update their bank account particulars, change of address and other details with their respective Depository Participants for shares held in demat mode and with the RTA for shares held in physical form.
10. Reserve Bank of India (RBI) is providing ECS/NECS facility for payment of dividend in select cities. Members holding shares in physical form are advised to submit particulars of their bank account, viz, names and address of the branch of the bank, 9 digit MICR code of the branch, type of account and account number latest by Wednesday, 11<sup>th</sup> September, 2019 to the RTA.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/Depository Participant as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA (M/s. MAS Services Limited, T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, e-mail ID: info@masserv.com).
12. Members holding shares in physical form should notify change in their addresses, if any, to the Registrar & Transfer Agent specifying full address in block letters with code of their post offices. Members holding shares in electronic form (demat), should inform the change of address to their depository participant.
13. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
14. Electronic copy of the Notice of the 45<sup>th</sup> Annual General Meeting together with Annual Report for 2018-19 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 Participant(s) 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 copy of the Notice alongwith Annual Report for 2018-19 indicating process and manner of e-voting along with attendance slip and proxy form are being sent in the permitted mode.

Members may also note that Notice of 45<sup>th</sup> Annual General Meeting together with Annual Report for 2018-19 are also available on the Company's website [www.nationalfertilizers.com](http://www.nationalfertilizers.com) for their download. The physical copies of the aforesaid documents are also available at the Company's Registered Office.

15. Members who hold shares in identical names or joint holding in the same order of names are requested to write to the Registrar & Transfer Agent enclosing their share certificates to enable the Company to consolidate their holdings in one Folio.

**16. Unpaid/Unclaimed Dividend :**

The Company has transferred the unpaid or unclaimed dividends declared upto financial year 2010-11, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company, as on 27.09.2018 (date of previous AGM) on the website of the Company ([www.nationalfertilizers.com](http://www.nationalfertilizers.com)) as also on the website of the IEPF Authority and the same can be accessed through the link <https://www.iepf.gov.in>.

Members, who have not so far encashed or not received the dividend, are requested to seek issue of duplicate warrant(s) by writing to the Registrar and Transfer Agents, M/s. MAS Services Limited. Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first become due for payment. Due date for transfer of unclaimed dividend to IEPF for the financial year 2011-12 is 18<sup>th</sup> October, 2019.

**Transfer of shares to IEPF**

The Members may kindly note that pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ("IEPF Rules"), all shares in respect of which dividend has remained unclaimed/unpaid for seven consecutive years or more shall be transferred by the Company in favour of IEPF.

In pursuance of the IEPF Rules, the Company has communicated individually to the concerned shareholders whose shares are liable to be transferred to IEPF. The Company has also uploaded full details of such shareholders and shares due for transfer to IEPF on its website at [www.nationalfertilizers.com](http://www.nationalfertilizers.com) under the section "Investors Desk".

**17. Members holding shares in physical mode:**

- (i) are required to submit their Permanent Account Number (PAN) and bank account details to the RTA/Company, if not registered with the Company as mandated by SEBI vide their circular dated 20<sup>th</sup> April, 2018.
- (ii) are advised to register the nomination in respect of their shareholding in the Company. Nomination Form (SH-13) is uploaded in the Company's website and can be accessed at link: <http://www.nationalfertilizers.com>.
- (iii) are requested to register/update their e-mail address for receiving all communications from the Company electronically. Members are requested to send the required information along with relevant documents to the RTA.

**18. Members holding shares in electronic mode:**

- (i) are requested to submit their PAN and Bank account details to their respective DPs with whom they are maintaining their demat accounts as mandated by SEBI vide their circular dated 20<sup>th</sup> April, 2018.
- (ii) are advised to contact their respective DPs for registering the nominations.
- (iii) are requested to register/update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

Separate communication has already been sent to all the members by the RTA who have not registered their PAN/Bank Account details.

19. In accordance with the amendments to Regulation 40 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, to be made effective from 05<sup>th</sup> December, 2018, Securities and Exchange Board of India has revised the provisions relating to transfer of listed securities and decided that except for transmission and transposition cases, requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a depository. The measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, convenience and safety in transactions for investors.

In view of the above, members holding shares in physical form are requested to convert their shares to dematerialized form to eliminate all associated risks.

20. Pursuant to Section 143(5) of the Act, the Auditors of a Government Company have been appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) and in terms of sub-section (1) of Section 142 of the Act, their remuneration has to be fixed by the Company in the meeting or in such manner as the Company in General Meeting may determine. Accordingly, resolution at

Agenda Item No. 5 under the head of ordinary business has been proposed.

**21. Dispatch of documents through electronic mode / Registration of E-mail addresses**

In pursuance of the provisions of the Companies Act, 2013 and the Rules made thereunder, the Company proposes to send documents like notice of general meeting, annual report, etc. to the shareholders through electronic mode. The members who have not registered their e-mail address so far, are requested to register their email address (or change therein, if any) with their Depository Participants (where the shares are held in dematerialized form) or Company's Registrar and Share Transfer Agent (where the shares are held in physical form) by submitting the E-communication Registration Form attached herewith.

22. All documents referred to in the accompanying Notice are open for inspection at the registered office of the Company on all working days between 10.30 am to 03.30 pm prior to Annual General Meeting.
23. Annual listing fee for the year 2018-19 has been paid to all Stock Exchanges wherein shares of the Company are listed. Also, the Annual Custodian Fee for the year 2018-19 was paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited.
24. None of the Directors of the Company is in any way related with each other.
25. **Shareholders may kindly note that no gifts/refreshment boxes/coupons will be distributed at the Annual General Meeting.**
26. Shareholders are requested to bring their copy of Annual Report to the meeting.
27. In case Members have any query relating to the Financial Statements or about the operations of the Company, they may send the same to the Company Secretary at the Registered Office of the Company at least seven days in advance of the Meeting so that the information called for can be made available at the meeting.
28. For the convenience of the shareholders, attendance slip-cum-entry pass is annexed, Shareholders/Proxy holders/Authorized Representatives are requested to fill and sign at the space provided therein and surrender the same at the venue. Proxy/Authorized Representatives of shareholders should state on their attendance slip-cum-entry pass as 'Proxy' or 'Authorized Representative' as the case may be.
29. Only members carrying the attendance slips or holders of valid proxies registered with the Company will be permitted to attend the meeting. In case of shares held in joint names or shares held under different registered Folios wherein the name of the sole holder/first joint-holder is same, only the first joint-holder/sole holder or any proxy appointed by such holder, as the case may be, will be permitted to attend the meeting.
30. Due to strict security reasons, no eatables, helmet, briefcase or bag, mobile phone, etc. will be allowed inside the Auditorium. Persons attending the meeting are, therefore, requested to make their own arrangement for safe custody of such articles.
31. E-voting in compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members with facility to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means. The members whose names appear in the Register of Members / List of Beneficial Owners as on 11.09.2019 i.e. the date prior to commencement of Book Closure are entitled to vote on the resolutions set forth in this Notice. The members may cast their vote on electronic voting system from place other than the venue of the meeting (Remote E-voting) as detailed below:-

1.	Date and time of commencement of Remote E-voting	15 <sup>th</sup> September, 2019 (9.00 AM)
2.	Date and time of ending of Remote E-voting	17 <sup>th</sup> September, 2019 (5.00 PM)
3.	The Remote E-voting shall not be allowed beyond the said date and time. Once the vote on a resolution is cast by a member, such member will not be allowed to change it subsequently.	
4.	Website details of the Company / Agency, where the Notice of AGM is displayed	www.nationalfertilizers.com www.evoting.nsdl.com
5.	Website for Remote E-voting	https://www.evoting.nsdl.com



The instructions for members for voting electronically are as under:-

- I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):
  - a. Open e-mail and open PDF file viz. "NFL-remote e-voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
  - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
  - c. Click on Shareholder-Login.
  - d. Put user ID and password as initial password noted in step (a) above. Click Login.

1. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

2. Your password details are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
3. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "Forgot User Details/Password" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
    - b) Physical User Reset Password" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  4. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  5. Now, you will have to click on "Login" button.
  6. After you click on the "Login" button, Home page of e-Voting will open.

- e. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. 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 User Details/Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - g. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  - h. Select "EVEN" of "National Fertilizers Limited".
  - i. Now you are ready for remote e-voting as Cast Vote page opens.
  - j. Cast your vote by selecting appropriate option i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  - k. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - l. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - m. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - n. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [sachin@companylawworld.com](mailto:sachin@companylawworld.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- II. In case of Members receiving Physical copy of Notice of 45<sup>th</sup> Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy).
    - a. Initial password is provided in the box overleaf.
    - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
  - A. 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 downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free No.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - B. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - C. 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 11.09.2019.
  - D. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 11.09.2019, may also obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@masserv.com](mailto:info@masserv.com).  
 However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
  - E. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  - F. 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.
  - G. Shri Sachin Agarwal, Practicing Company Secretary of M/s. Agarwal S. & Associates (CP No. 5910), Company Secretaries has been appointed as Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - H. 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.
  - I. The Scrutinizer shall after the conclusion of voting at the AGM, will 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, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- J. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.nationalfertilizers.com](http://www.nationalfertilizers.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE/NSE.

**Registered Office:**

Scope Complex, Core III,  
7, Institutional Area, Lodhi Road, New Delhi 110 003.

**Date: 02<sup>nd</sup> August, 2019**

**By Order of the Board of Directors  
For National Fertilizers Limited**

**Raj Kumar  
Company Secretary  
A-11914**



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

### Item No. 6: Appointment of Shri Virendra Nath Datt (DIN: 07823778) as Director (Marketing)

Shri Virendra Nath Datt (DIN: 07823778), was appointed as Director (Marketing) of the Company by the President of India vide Order No. 82/01/2018-HR-I dated 9.10.2018 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India, for a period of five years from the date of assumption of charge of the post or till the date of superannuation or until further orders, whichever is earliest and was subsequently designated as KMP by the Board of Directors w.e.f. 11<sup>th</sup> October, 2018 to hold office up to this Annual General Meeting.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Shri Virendra Nath Datt for appointment as Director (Marketing) of the Company at ensuing AGM. Nomination and Remuneration Committee has recommended the appointment of Shri Virendra Nath Datt as Director (Marketing) of the Company liable to retire by rotation in terms of Section 152 of the Act.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding his qualification, expertise, date of first appointment on the Board and other information are attached herewith which forms part of the Notice.

Shri Virendra Nath Datt is not disqualified from being appointed as a Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as a Director of the Company. Brief profile of Shri Virendra Nath Datt, nature of his expertise are also provided in the Directors' Profile annexed to Corporate Governance Report forming part of the Annual Report.

The Board of Directors is of the opinion that Shri Virendra Nath Datt fulfills the conditions of his appointment as Director (Marketing) of the Company. Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint Shri Virendra Nath Datt as Director (Marketing).

Save and except Shri Virendra Nath Datt and his relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval of the shareholders.

### Item No. 7: Appointment of Shri Partha Sarthi Sen Sharma (DIN: 03210350) as Director

Shri Partha Sarthi Sen Sharma (DIN: 03210350), was appointed as Government Nominee Director of the Company by the President of India vide Order No. 130/8/2003-HR-I dated 21<sup>st</sup> December, 2018 issued by Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India and was accordingly appointed as Additional Director under the category Non-Executive Director (Government Nominee) w.e.f. 28<sup>th</sup> December, 2018, to hold office up to this Annual General Meeting.

The Company has received requisite notice, pursuant to the provisions of Section 160 of the Act, proposing the candidature of Shri Partha Sarthi Sen Sharma for appointment as director of the Company at ensuing AGM. Nomination and Remuneration Committee has recommended the appointment of Shri Partha Sarthi Sen Sharma as director of the Company liable to retire by rotation in terms of Section 152 of the Act.

The remuneration, tenure and other terms and conditions of appointment shall be determined by the Government of India from time to time.

The details regarding his qualification, expertise, date of first appointment on the Board and other information are attached herewith which forms part of the Notice.

Shri Partha Sarthi Sen Sharma is not disqualified from being appointed as a Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as a Director of the Company. Brief profile of Shri Partha Sarthi Sen Sharma, nature of his expertise are also provided in the Directors' Profile annexed to Corporate Governance Report forming part of the Annual Report.

The Board of Directors is of the opinion that Shri Partha Sarthi Sen Sharma fulfills the conditions of his appointment as Director of the Company. Keeping in view his vast experience and knowledge, it will be in the interest of the Company to appoint him as Director of the Company.

Save and except Shri Partha Sarthi Sen Sharma and his relatives, to the extent of their shareholding, interest, if any, in the Company, none of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.7 of the Notice for approval of the shareholders.

#### Item No. 8: To ratify the remuneration of the Cost Auditors for the financial year ending March 31<sup>st</sup>, 2020

Pursuant to the recommendation of the Audit Committee, Board of Directors in its meeting held on 02.08.2019 have approved the appointment of Cost Auditors and fixed their remuneration to conduct Audit of Cost records of the Company for the financial year 2019-20 as per the following details:-

Unit	Name of the Firm for Cost Audit	Fees (₹) (Excluding GST)
Vijaipur I & II	M/s R. K. Patel & Co., New Delhi	100000.00
Nangal	M/s Ravi Sahni & Co., New Delhi	50000.00
Bathinda	M/s K.L. Jaisingh & Co., Noida	50000.00
Panipat	M/s Musib & Co., New Delhi	50000.00
Consolidation of Cost Audit reports of all Units	M/s R. K. Patel & Co., New Delhi	15000.00

In accordance with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, requires ratification by the shareholders and hence, this resolution is put for consideration of the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing an Ordinary Resolution as set out at Item No.8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 2019-20.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.8 of the Notice for approval of the shareholders.

#### Item No. 9: To increase the borrowing limits of the Company

In the 40<sup>th</sup> AGM held on 05.09.2014, shareholders through a Special Resolution under Section 180(1)(c) of the Companies Act, 2013 had authorized the Board of Directors of the Company to borrow upto ₹5000 crore to meet the Capex requirements for 5 years. This Special Resolution is valid upto 4<sup>th</sup> September, 2019.

Net worth of the Company as on 31.03.2019 was ₹2,219.02 crore Long term borrowings of the Company as on 31.3.2019 were ₹341.49 crore including ECBs of ₹123.09 crore, which is well within net worth of the Company.

The stringent energy norms, which were to be implemented w.e.f. 01.04.2018 under New Urea Policy (NUP) have been deferred by the GoI for two years upto 31.03.2020 in respect of Nangal, Panipat, Bathinda and Vijaipur-I Units of the Company. In order to implement the revised energy norms w.e.f. 01.04.2020 company has already placed Work Order for setting up of Gas Turbine Generators alongwith Heat Recovery Steam Generation Unit at Panipat, Bathinda and Nangal Units at a cost of ₹696.74 crore.

Further, Energy Norms beyond 31.03.2025 may further be reviewed by Government for urea producing units. Considering the same, Company has plans for implementation of urea revamp alongwith installation of New Natural Draft Prilling Tower at Bathinda and Panipat Unit.

All the Units of the Company are old and may need major revamp in near future entailing huge capital expenditure. In addition to that Company may need funds for funding future capital projects.

Board has accorded its consent for enhanced fund based limit from ₹6000 crore to ₹8000 crore and increase in non-fund based limit of ₹3000 crore for LC and BG to ₹5000 crore keeping in view requirement of funds to finance imports and other working capital requirements. RBI Guidelines dated 05.12.2018 on Loan System for delivery of bank credit provide that in respect of borrowers having aggregate fund based working capital limit of ₹1500 million (₹150 crore) and above from the banking system, a minimum level of 'loan component' (Working Capital Loan) of 60 per cent shall be effective from 1<sup>st</sup> July, 2019. Drawings in excess of minimum loan component may be allowed in the form of cash credit facility. As a consequence, Company will have to maintain 60% as loan of the fund based working capital availed at any point of time.

As per explanation provided to Section 180(1)(c) of the Companies Act, 2013, temporary loans repayable after six months from the date of loan such as short term loan, cash credit arrangements, etc. fall in the category of long term loans.

In view of the above, the approval of shareholders is sought under Section 180(1)(c) of the Companies Act, 2013 for passing a Special Resolution as set out at Item No. 9 of the Notice. This resolution enables the Board of Directors of the Company to meet the present and future capital requirements of the Company.