



**Minutes of 41<sup>st</sup> Annual General Meeting of National Fertilizers Ltd. held on Wednesday, the 23.09.2015 at 10.30 AM at Weight Lifting Hall, Jawaharlal Nehru Stadium, Lodhi Road, New Delhi.**

**Present**

1.	Shri Manoj Mishra	Chairman & Managing Director
2.	President of India through authorized representative Shri K.S. Rana, Under Secretary, Department of Fertilizers, Government of India	Member
3.	Capt. Pavan Kumar Kaul,	Director (Marketing) and Member
4.	Shri M. Sagar Mathews	Director (Technical) and Member
5.	Shri Rajiv Kumar Chandiok	Director (Finance) and Member
6.	Shri Gurinderjit Singh Sandhu	Independent Director and Chairman, Audit Committee, CSR & SD Committee and Nomination & Remuneration Committee
7.	Shri M. Raman	Independent Director
8.	Shri Vikram Srivastava	Independent Director and Chairman, Stakeholders Relationship Committee
9.	Shri Rakesh Kumar	Director
10.	Shri Raj Kumar	Company Secretary

**By Invitation**

Statutory Auditor:		
1.	Shri Navin Bansal,	M/s. M.L. Puri & Company, Chartered Accountant
2.	Shri V.K. Lalla	M/s. Chandiok and Guliani, Chartered Accountant

Secretarial Auditor and Scrutinizer		
1.	Shri Sachin Agarwal FCS (CPNo.5910)	M/s. Agarwal S. & Associates, Practicing Company Secretaries

1244 Members, in person or through proxy (91 proxies representing 352 shares), marked their attendance including Authorized Representative of President of India





holding 89.71% shares of the Company, the Directors who are also the Members of the Company and the Bodies Corporate through their authorized representatives.

Company Secretary introduced the Directors present at the Meeting especially Shri G.S. Sandhu, Independent Director and the Chairman, Audit Committee, Corporate Social Responsibility & Sustainable Development Committee and Nomination & Remuneration Committee and Shri Vikram Srivastava, Independent Director and Chairman, Stakeholders Relationship Committee of the Board, to answer the queries. He also introduced Shri M. Raman, Independent Director. Company Secretary also acknowledged the presence of Statutory and Secretarial Auditors and Scrutinizer for e-voting and polling at AGM.

Shri Manoj Mishra, Chairman & Managing Director (C&MD) took the Chair. Company Secretary declared that the quorum was present as required under the Companies Act, 2013 i.e. 30 Members were present in person. Chairman declared the meeting open. He welcomed the Members to the Company's 41<sup>st</sup> Annual General Meeting.

Chairman stated that the statutory and proxy registers were available during the meeting for inspection by Members.

With the consent of all the Members present, the Notice dated 12.08.2015 convening the Annual General Meeting together with the Financial Statements and Board Report, etc., the copies of which were with the Members, were taken as read.

Chairman & Managing Director began his address. He started with the state of economy and the fertilizer scenario in the country during 2014-15. He stated that the last year had been a good one for the Indian economy and that the growth of Indian economy underlines the importance of improving the agricultural productivity. He emphasized that the role of chemical fertilizers in making the country self-reliant in food grain production. He spoke about the change in fertilizer policy recently announced by the Government of India.

Chairman spoke about the performance of the Company during 2014-15 and stated that Company had achieved highest ever annual production of 36.39 Lakh MT of urea with a capacity utilization of 102% and that Company had also excelled on marketing front.



selling 36.79 lakh MT of Urea achieving highest ever turnover of ₹8519.69 crore. He stated that after having losses continuously for two years, the Company has been able to register a profit before tax of Rs.44.72 crore.

Chairman spoke of initiatives taken by the Company to encourage balanced and efficient use of fertilizers including field demonstrations, kisan melas, crop seminars, soil testing. Chairman also talked about CSR and sustainable development activities of the Company.

Chairman spoke at length of future plans of the Company including formation of Joint Venture Company "Ramagundam Fertilizers & Chemicals Limited" with Engineers India Limited (EIL) and Fertilizer Corporation of India (FCIL) for setting up new gas based 2200 MTPD Ammonia plant and 3850 MTPD Urea plant at Ramagundam at a Capex of ₹5254 crore to be commissioned during 2018-19 and setting up of Bentonite Sulphur Plant at Panipat. He also spoke of various initiatives taken for energy conservation including Purge Gas Recovery (PGR) Plant at Vijaipur-II at an investment of ₹29 crore.

Chairman concluded his speech by thanking the Department of Fertilizers, Fertilizer Industry Coordination Committee, Railways, other Ministries and Departments of the Government of India and the State Governments for their support. He also conveyed his thanks to the auditors, customers and business associates of the Company. He also thanked his colleagues on the Board for their counsel and commitment in achieving the objectives of the Company.

Chairman informed the Members that the Auditors Report on the Financial Statements for the financial year 2014-15 did not contain any qualifications, observations or comments on financial transactions for matters which had adverse effect on the functioning of the Company. Thereafter, as directed by the Chairman, the Company Secretary read out the Auditors' Report. In the Secretarial Audit Report, the observation was related to the composition of the Board of Directors of the Company, which was not in compliance with the Companies Act and the Listing Agreement. The other observation of the Secretarial Auditor was with regard to the performance evaluation of Independent Directors and the Board of Directors. The observations of the Secretarial Auditor had been adequately explained by the Management in the Board Report.

Chairman stated that in pursuance of Clause 35B of the Listing Agreement and in pursuance of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company had provided e-voting facility to its Members to exercise their right to vote at the AGM by electronic means and that e-voting facility was available from 20.09.2015 (09.00 A.M.) to 22.09.2015 (5.00 P.M.). The voting rights of the were in proportion to the paid-up share capital of the Company owned by them as on the cut-off date i.e. 16.09.2015.

Chairman further stated that the Members who could not exercise their vote through e-voting process would be provided facility to vote at the AGM and that the ballot papers were available at the counter. Members who had cast their vote through electronic mechanism and were taking part in the Meeting, were not allowed to vote again at the Meeting.

Chairman stated that Shri Sachin Agarwal, FCS (CPNo.5910) had been appointed as a Scrutinizer to scrutinize e-voting process and voting at the AGM. Thereafter, he explained the procedure for polling.

As advised by the Chairman, Company Secretary read the items of business enlisted in the Notice of AGM. Thereafter, Chairman briefed about the objectives and implications of the following items of business which were then put to vote through ballot process:-

1. **Item No.1 :**

To receive, consider and adopt the audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2015, and the Reports of the Board and Auditors' thereon.

2. **Item No.2 :**

To declare a dividend for the Financial year 2014-15.

3. **Item No.3 :**

To appoint a Director in place of Capt. Pavan Kumar Kaul (DIN-03438497), who retires by rotation, and being eligible, offers himself for re-appointment

4. **Item No.4 :**

To appoint a Director in place of Shri. M. Sagar Mathews (DIN-02820429), who retires by rotation, and being eligible, offers himself for re-appointment.

5. **Item No.5 :**

To fix remuneration of the Statutory Auditors for the Financial Year 2015-16.

6. **Item No.6 :**

To ratify the remuneration of the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2016.

The Chairman then ordered the poll on all resolutions as set out in item number 1 to 6 of the Notice of 41<sup>st</sup> AGM and requested the Scrutinizer to conduct the poll. Scrutinizer conducted the poll.

While polling was going on, the Chairman interacted with the Members and answered their queries. The Members sought clarification on the performance of the Company and its future prospects particularly w.r.t. profitability, expansion plans, Ramagundam Project, trading activities, etc.

Sharing the manner in which results would be compiled, the Chairman stated that the results of voting on each resolution shall be determined by adding the votes of the Poll in favour or against a resolution with the electronic votes in favour or against the same resolution. Chairman also stated that as the counting of the votes and verification of the ballot papers would take some time, the result of the poll along with the result of e-voting would be put up at the website of the Company at [www.nationalfertilizers.com](http://www.nationalfertilizers.com) and on the website of NSDL at the URL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) on 24.09.2015.

The polling process remained open for 30 minutes. After the poll was over, the ballot boxes were sealed by the Scrutinizer. All the voting having been completed. The Chairman informed that the requisite quorum was present throughout the meeting.

Chairman announced the formal closure of 41<sup>st</sup> Annual General Meeting of the Company at 11.45 AM.

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On the basis of the Report of the Scrutinizer dated 24.09.2015, Chairman announced the results of the voting on 24.09.2015.

Brief particulars of the Consolidated Report of the Scrutinizer for the electronic voting and for the poll dated 24.09.2015 are as below:

S.No.	Particulars	No. of votes in favour	% of votes in favour (approx.)	No. of votes against	% of votes against (approx.)	Invalid votes
	<b>ORDINARY BUSINESS</b>					
1.	<b>Resolution No.1 - Ordinary Resolution:</b>  To receive, consider and adopt the audited Financial Statements for the financial year ended 31 <sup>st</sup> March, 2015, and the Reports of the Board and Auditors' thereon.	440208299	100.00	563	0.00	18312
2.	<b>Resolution No.2 - Ordinary Resolution:</b>  To declare a dividend for the Financial year 2014-15.	440208309	100.00	553	0.00	18312
3.	<b>Resolution No.3 - Ordinary Resolution:</b>  To appoint a Director in place of Capt. Pavan Kumar Kaul (DIN-03438497), who retires by rotation, and being eligible, offers himself for re-appointment	440208358	100.00	503	0.00	18312
4.	<b>Resolution No.4 - Ordinary Resolution</b>  To appoint a Director in place of Shri. M. Sagar Mathews (DIN-	440208358	100.00	504	0.00	18312



	02820429), who retires by rotation, and being eligible, offers himself for re-appointment.					
5.	<b>Resolution No.5 – Ordinary Resolution:</b>  To fix remuneration of the Statutory Auditors for the Financial Year 2015-16.	440208358	100.00	504	0.00	18312
	<b>SPECIAL BUSINESS</b>					
6.	<b>Resolution No.6 – Ordinary Resolution:</b>  To ratify the remuneration of the Cost Auditors for the Financial Year ending 31 <sup>st</sup> March, 2016	440208358	100.00	504	0.00	18312

The resolutions for the Ordinary and Special Businesses as set out in Item No. 1 to 6 in the Notice of the 41<sup>st</sup> Annual General Meeting, which have been duly approved by the Members with requisite majority, are recorded hereunder as a part of the proceedings of 41<sup>ST</sup> Annual General Meeting of the Members held on 23.09.2015:

#### ORDINARY BUSINESS

**Item No.1 - To receive, consider and adopt the audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2015, and the Reports of the Board and Auditors' thereon - Ordinary Resolution.**

**"RESOLVED THAT** the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2015 and the Reports of the Board and Auditors thereon be and are hereby adopted."

**Item No.2: - To declare a dividend for the Financial year 2014-15 - Ordinary Resolution.**

**"RESOLVED THAT** a dividend of 1.7% on the paid-up equity Share Capital of the Company amounting to Rs.8.34 crore as recommended by the Board of Directors be and is hereby declared."

**Item No.3: - To appoint a Director in place of Capt. Pavan Kumar Kaul (DIN-03438497), who retires by rotation, and being eligible, offers himself for re-appointment - Ordinary Resolution.**

**"RESOLVED THAT** Capt Pavan Kumar Kaul (DIN 03438497) who retires by rotation and being eligible for reappointment, be and is hereby reappointed as Director of the Company."

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**Item No.4: - To appoint a Director in place of Shri. M. Sagar Mathews (DIN-02820429), who retires by rotation, and being eligible, offers himself for re-appointment - Ordinary Resolution.**

**"RESOLVED THAT** Shri M. Sagar Mathews (DIN 02820429) who retires by rotation and being eligible for reappointment, be and is hereby reappointed as Director of the Company."

**Item No.5: - To fix remuneration of the Statutory Auditors for the Financial Year 2015-16 - Ordinary Resolution.**

**"RESOLVED THAT** pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013, the Statutory Audit Fee for the financial year 2015-16 be and is hereby fixed at Rs.18.75 lakhs plus Service Tax and reimbursement of actual TA and out of pocket expenses to the Auditors as per Company Rules."

### **SPECIAL BUSINESS**

**Item No.6: - To ratify the remuneration of the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2016 - 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, the remuneration payable to M/s. Ravi Sahni & Co., Cost Accountants, M/s. V.P. Gupta & Co., Cost Accountants, Shri Jugal Kishore Puri, Cost Accountant and M/s. K.L. Jai Singh & Co., Cost Accountants, 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 31.03.2016 amounting to ₹84,000.00; ₹84,000.00; ₹72,000.00 and ₹72,000.00 respectively and additional fee of ₹25,000.00 payable to M/s. Ravi Sahni & Co. as Lead Cost Auditor, as also payment of TA/DA, Service Tax and out of pocket expenses incurred by the cost auditors during the course of Cost Audit of the Units, as per Company Rules, be and is hereby ratified.

**"FURTHER RESOLVED 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, proper or expedient to give effect to this resolution."

(Manoj Mishra)  
Chairman  
(DIN 06408953)

**Registered Office:** Scope Complex, Core 3, 7 Institutional Area,  
Lodhi Road, New Delhi 110 003.

Dated: 16.10.2015.



*R. Kumar*  
A-11914  
राज कुमार/RAJ KUMAR  
कम्पनी सचिव  
Company Secretary  
नेशनल फर्टिलाइजर्स लिमिटेड  
National Fertilizers Limited

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