



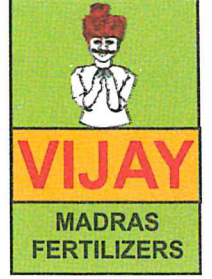
मद्रास फ़र्टिलाइज़र्स लिमिटेड Madras Fertilizers Limited

(भारत सरकार का उपक्रम / A Government of India Undertaking)

पोस्ट बैग सं., 2, मणलि, चेन्नै - 600 068. भारत दूर : 2594 1001 / फ़ैक्स सं : 044-25941010
Post Bag No. 2, Manali, Chennai - 600 068. INDIA. Tel : 2594 1001 / Fax No. 044-25941010
कार्मिक / Per 25945210 संयंत्र / Plant 25941133 .विप. / Mktg 25941285 वित्त / Fin 25941072
Website : www.madrasfert.nic.in email : gmpasec@madrasfert.co.in

CIN: L32201TN1966GO1005469

GSTIN - 33AAACM5198E1ZK



July 08, 2019

M/s. National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Mumbai – 400 051

Scrip Code: MADRASERT

Kind Attn: Manager, Listing Department

Dear Sir / Madam,

Sub : Postal Ballot Notice – Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI LODR")

Further to the outcome of meeting of the board of directors of the Company dated May 27, 2019, we hereby enclose a copy of the postal ballot notice dated July 03, 2019 ("Postal Ballot Notice") and postal ballot form.

The Postal Ballot Notice, along with other relevant documents, are being sent to all the shareholders whose names appear in the register of members/ beneficial owners received from the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited as on July 05, 2019 ("Cut-off date"), seeking their approval as set out in the Postal Ballot Notice.

The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its members. The voting through postal ballot and through e-voting will commence from Sunday, July 14, 2019 (9:00 A.M. IST) and shall end on Monday, Aug 12, 2019 (5:00 P.M. IST). The results of the postal ballot will be announced on or before Wednesday, Aug 14, 2019.

The above information will also be made available on the website of the Company:
<https://www.madrasfert.co.in>.

This is for your information and record.

Very truly yours,



V Muralidharan
Company Secretary

Enc : a/a



MADRAS FERTILIZERS LIMITED

CIN:L32201TN1966GOI005469

Registered Office: Manali Chennai- 600 068

Tel : 044-25945270 / 25945203 | website :www.madrasfert.co.in | E-mail : cosec@madrasfert.co.in

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (MANAGEMENT & ADMINISTRATION) RULES, 2014

Dear Member(s),

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014 that the Company is seeking consent of its members for the below mentioned resolutions by way of Postal Ballot which includes voting by electronic means.

The Explanatory Statements pertaining to the resolutions proposed in this Notice setting out all material facts and reasons thereof along with Postal Ballot Form are annexed herewith.

The Company has appointed Mr. C Prabhakar, Partner of BP & Associates, Company Secretaries, having office at Third Floor, New No. 74, (Old No.62), Akshaya Flats, 12th Avenue, Ashok Nagar, Chennai-83 as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner. Mr. C Prabhakar will hold the position of Scrutinizer from the date of posting of this notice until submission of his final report to the Chairman & Managing Director on 13.08.2019.

You are requested to read the instructions printed in the Postal Ballot Form and return the Form duly completed in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before 5.00 p.m on 12.08.2019.

The Company also provides e-voting facility to the Shareholders for transacting the business at the above said Postal Ballot. Members holding shares either in physical form or in dematerialized form, as on the cut-off date 05.07.2019 may cast their vote electronically on the business(es) as set out in the Notice of the Postal Ballot through electronic voting system of National Securities Depository Limited (NSDL). If a shareholder has voted by electronic means, he is not required to send the physical ballot form to the Company.

The Scrutinizer after completion of the scrutiny will submit his report to the Chairman & Managing Director on 13.08.2019. Thereafter, the results of the postal ballot will be declared by the Chairman & Managing Director at the registered office of the company on 14.08.2019 and the date for passing of the resolution will be the said date. The results will also be posted on the website of the Company i.e. www.madrasfert.co.in. The results will also be communicated to the National Stock Exchange of India Limited.

SPECIAL BUSINESS:

1. SALE OF 70 ACRES OF LAND

To consider and if deemed fit, to pass the following Resolutions as **Special Resolutions**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) read with the Rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force), and the provisions of the Memorandum and Articles of Association of the Company, and subject to such other applicable statutes and regulations and subject to the approval of Government of India and subject to other requisite approvals, consents and clearance as may be required, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company to sell / dispose of 70 acres of land situated at Ennore Express Highway, Manali, Chennai 600 068, Tamil Nadu and realize the consideration on such terms and conditions and with such modifications as may be required by any of the concerned authorities or as the Board of Directors of the Company may deem fit and appropriate in the interest of the Company and that the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary or expedient for giving effect to this resolution".

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto".

2. AMENDMENT TO ARTICLES OF ASSOCIATION OF THE COMPANY IN COMPLIANCE WITH MINIMUM PUBLIC SHAREHOLDING REQUIREMENT

To consider and if deemed fit, to pass the following Resolutions as **Special Resolutions**:

"RESOLVED THAT the Clause 5 of Articles of Association of the Company be and is hereby amended as

"The Company in a General Meeting may from time to time, by a resolution passed with the approval of the shareholder, owning not less than seventy seven percent (77%) of the equity share capital of the Company, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares, of such respective amounts as such resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as such resolution shall prescribe and, in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right to voting at general meetings of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Board shall comply with the provisions of Section 64 of the Act."

RESOLVED FURTHER THAT the Clause 44 of Articles of Association of the Company be and is hereby amended as

"Approval of the shareholders owning not less than seventy seven percent (77%) of the equity share capital of the Company will be necessary for incurring debt exceeding Rs.6,00,00,00,000/- (Rupees Six Hundred Crores) in the aggregate outstanding at any particular time, in any form other than receipt of credit incidental to the ordinary business operations of the Company, or altering any term or condition of a long-term debt (that is to say, a debt whose duration is five years or longer,) provided however, that the Board of Directors by a vote of not less than three-fourths (3/4ths) of all the members of the Board may incur short-term debt (that is to say, a debt whose duration is shorter than five years) in any form as necessary to carry out the ordinary business operation of the Company."

RESOLVED FURTHER THAT the Clause 61 of Articles of Association of the Company be and is hereby amended as

"The approval of the shareholders of the Company owning **not less than seventy seven percent (77%)** of the equity share capital of the Company shall be necessary for the following actions in addition to those instances where a special resolution is required by the Act or under these Articles:

- (i) Long-term investment of earned surplus (the expression earned surplus' shall bear the same meaning as given to it in the Fertilizer Formation Agreement) or its disposition otherwise than in the ordinary course of business operation of the Company;
- (ii) Participating in other enterprises or substantially changing the activities of the Company;
- (iii) Not declaring any dividend although recommended by the board or declaring a dividend in an amount smaller than that recommended to the shareholder; and
- (iv) Selling, leasing or otherwise disposing of the whole or a substantial part of the assets of the Company".

RESOLVED FURTHER THAT the Clause 86 of Articles of Association of the Company be and is hereby amended as

"During such time as NICO hold at least twenty four percent (24%) of the issued and paid up capital of the Company, they shall be entitled to appoint three Directors on the Board of the Company".

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto".

3. ADOPTION OF ARTICLES OF ASSOCIATION AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013

To consider and if deemed fit, to pass the following Resolutions as Special Resolutions:

"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto".

// By Order of the Board //

For MADRAS FERTILIZERS LIMITED

Place : Chennai

U. Saravanan
Chairman & Managing Director

Date : 03.07.2019

NOTES:

1. The Explanatory Statements to the proposed resolutions mentioned above, pursuant to Section 102 of the Companies Act, 2013 setting out material facts in respect of the businesses of this notice are annexed here to.
2. The notice of postal ballot is being sent to all the members, whose names appear on the Register of Members / List of beneficial owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on 05.07.2019 (cut-offdate). The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on that date.
3. Voting through Electronic means
 - (i) In compliance with provisions of Section 110 of the Companies Act, 2013 and Rules of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide member's facility to exercise their right to vote at the Postal Ballot by electronic means and the business may be transacted through e-voting Services provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL (for members whose e-mail IDs are registered with the Company/ Depository Participant(s)):
- B. (I) Open e-mail and open PDF file viz., "SPLe-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder-Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- C. (I) Password change menu appears, Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof, Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (iii) Select "EVEN" of **MADRAS FERTILIZERS LIMITED**
- (iv) Now you are ready for e - Voting as Cast Vote page opens
- (v) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (vi) Upon confirmation, the message "vote cast successfully" will be displayed.
- (vii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (viii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are also 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: prabhakar@bpcorpadv.com with a copy marked to evoting@nsdl.co.in.
- D. In case a Member receives physical copy of the Notice of Postal Ballot (for members whose e-mail IDs are not registered with the Company/Depository Participant(s) or requesting physical copy)
- (I) Initial password is provided as below/ at the bottom of the Postal Ballot Form.
- | EVEN (E Voting Event Number) | USER ID | PASSWORD / PIN |
|--|---------|----------------|
| (ii) Please follow all steps from Sr.No. (ii) to Sr.No. (viii) in C above, to cast vote. | | |
- E. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the "downloads" section of www.evoting.nsdl.com
- II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- III. 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).
- IV. The e-voting period commences on 14.07.2019 and ends on 12.08.2019. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 05.07.2019 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 05.07.2019.
- VI. Mr. C Prabhakar, Partner of BP & Associates, Company Secretaries (Membership No: 30433) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.madrasfert.co.in and on the website of NSDL and communicated to National Stock Exchange of India Ltd.

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

ITEM NO.1

Department of Fertilizers, Government of India vide its email dated January 19, 2018 had forwarded a copy of the Records of Discussions of the meeting held on January 16, 2018 at the Prime Minister's Office (PMO) and directed the Company to explore the possibility of land monetization of surplus vacant land available with MFL. The Board of MFL in its 297th meeting held on January 23, 2018 accorded approval for sale of surplus land to CPCL.

As per the above direction, the Company has approached the Tahsildar, Government of Tamil Nadu seeking for a No Objection Certificate to sell land to CPCL and the same has been received from them on 09.08.2018. Subsequently, after prolonged discussions between MFL and CPCL, consensus has been arrived at to sell land at circle rate to be fixed by District Collector, Chennai. Accordingly, the District Collector, Chennai was approached to fix the circle rate for 70 acres of land and the same has been fixed at ₹976/- per sq.ft. by the District Collector, Chennai vide his letter dated 01.02.2019.

CPCL vide their letter dated April 17, 2019 has conveyed their acceptance to purchase 4.98 acres of land initially and for purchase of balance 65 acres of land at a later date. It is proposed to sell initially 4.98 acres of land to CPCL and the balance 65 acres of land either to CPCL or any other PSU / Government of Tamil Nadu / any other party at a later date.

The above Special Resolution is therefore proposed to obtain the consent of shareholders for the sale of Initially 4.98 acres of land to CPCL and the balance 65 acres of land to CPCL / any other PSU / Government of Tamil Nadu / any other party under section 180(1)(a) of the Companies Act, 2013.

None of the Directors, or Key Managerial Personnel or their relatives is concerned or interested in the said Resolution.

ITEM NO.2

The Securities and Exchange Board of India (SEBI) under Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 requires all listed entities to comply with the Minimum Public Shareholding (MPS) requirements of 25% by August 21, 2020. MFL is also required to increase its public shareholding to at least 25% by August 21, 2020.

Department of Fertilizers, Government of India vide its communication dated August 10, 2018 directed the Company to achieve minimum public shareholding of 25% as per the SEBI guidelines. To comply with the above norms, Government of India equity has to be reduced from the existing level of 59.50% to 51% and NICO to reduce its equity from 25.33% to 24%. To protect the rights / powers enjoyed by NICO under the existing clauses of the Formation Agreement and Articles of Association, it is required to amend certain clauses of Formation Agreement and Articles of Association suitably. As directed by the DoF, GOI, the Company has obtained legal opinion for making suitable amendments in the Formation Agreement and Articles of Association. NICO has been requested to give its consent for amending the Formation Agreement and Articles of Association.

In this connection, a tripartite meeting was convened among Department of Fertilizers, MFL and NICO at DoF on 07.02.2019 under the chairmanship of Additional Secretary, Fertilizers on compliance of MPS norms by MFL. After discussions, consensus was arrived at to amend section 2.4 of Formation Agreement and clause 5, clause 44 and clause 61 of Articles of Association of MFL to incorporate 77% in place of three-fourths shareholding of NICO and also to amend clause 86 of the Articles of Association incorporating 24% in place of 25% on NICO directorship on the Board of MFL. The above amendments have been proposed to protect the rights / powers enjoyed by NICO under the existing clauses of the Articles of Association.

The above Special Resolution is therefore proposed to obtain the consent of shareholders for amending the above clauses of Articles of Association of the Company.

None of the Directors, or Key Managerial Personnel or their relatives is concerned or interested in the said Resolution.

ITEM NO.3

The existing Articles of Association (AoA) is based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections.

With the coming into force of the Act, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to replace wholly the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA is based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AoA of the Company.

The Board recommends the Special Resolution set forth in Item No.3 of the Notice for approval of the Members.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the Members. Further, a copy of the proposed set of new AoA of the Company would be available for inspection for the Members at the Registered Office / Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 4.00 p.m. during the voting period.

None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

// By Order of the Board //

For MADRAS FERTILIZERS LIMITED

Place : Chennai

U. Saravanan
Chairman & Managing Director

Date : 03.07.2019



MADRAS FERTILIZERS LIMITED

CIN:L32201TN1966GOI005469

Registered Office: Manali Chennai- 600 068

Tel : 044-25945270 / 25945203 | website :www.madrasfert.co.in | E-mail : cosec@madrasfert.co.in

POSTAL BALLOT FORM

(Pursuant to Section 108 of the Companies Act 2013 read with Companies (Management and Administration) Rules, 2014)

1 Name of the sole/ first named :
member(s)

Serial No.

2 Registered Address

3 Registered Folio No./ :
DP ID No./Client ID No.*

(*Applicable to investors holding
shares in dematerialized form)

4 Number of Shares Held :

EVEN (Event Sequence Number)	User ID	Password

I/we hereby exercise my/our vote(s) in respect of the Resolution set forth in the Notice dated 03.07.2019 of the Company by exercising my/our assent or dissent to the said Resolution by placing the tick (✓) mark at the appropriate box below:

S. No.	RESOLUTIONS	FOR	AGAINST
	Special Business:		
1.	Sale of 70 acres of land		
2.	Amendment to Articles of Association of the Company in compliance with Minimum Public Shareholding requirement		
3.	Adoption of Articles of Association as per the provisions of the Companies Act, 2013		

Place:

Date:

(Signature of the Member)