

**MINUTES OF 37TH ANNUAL GENERAL MEETING
OF NATIONAL FERTILIZERS LTD. HELD ON MONDAY, THE 12TH SEPTEMBER
2011 AT 11.30 AM AT AIR FORCE AUDITORIUM, SUBROTO PARK, NEW DELHI**

PRESENT

S/Shri

1. **Satish Chandra, Chairman & Managing Director**
2. **Ms. Neeru Abrol, Director (Finance)**
3. **R.K. Aggarwal, Director (Technical)**
4. **Capt. P.K. Kaul, Director (Marketing)**
5. **Munikoti Niranjan Rao, Director and Chairman Audit Committee**

AND

5852 Members and 382 Proxies representing 200762 shares 13587 shares respectively were present as per attendance register, duly signed by them. Shri Sowmendra Chanda, Under Secretary, Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India was present as the Nominee of The President of India holding 479000500 shares i.e. 97.64% of the total paid up share capital of the Company.

IN ATTENDANCE

Shri Tek Chand, Company Secretary

- 1 Shri Satish Chandra, Chairman & Managing Director took the Chair as Chairman of the meeting as per Article 53 of the Articles of Association and the meeting proceeded to transact its business.
- 2 Company Secretary welcomed the Chairman & Managing Director, Chairman of Audit Committee, other Directors on the Board, Hon'ble shareholders of the Company present in the meeting and announced that the quorum was present as per Article 51 of the Articles of Association of the Company.
- 3 The Notice convening the Meeting and the Directors' Report having already been circulated, were taken as read with the permission of the Members present.
- 4 Company Secretary read out the Auditors' Report and thereafter Chairman addressed the Members.

- 5 Chairman apprised the members of the general state of economy and fertilizer sector in particulars. He mentioned that industry in the Union Budget for 2011-12 infrastructure status has been provided to investments in Fertilizer Sector.
- 5.1 Chairman informed about the performance of the Company and its achievements during the year 2010-2011. Regarding the capital projects undertaken by the Company, Chairman stated that progress of the revamp of fuel-oil based plants at Panipat, Bathinda and Nangal for changeover of feed-stock from FO/LSHS to NF/RLNG is as per schedule and that Capacity augmentation of Ammonia and Urea plants at Vijaipur-I and II Units together with installation of Carbon Dioxide Recovery (CDR) Plant shall be completed during 2012.
- 5.2 Chairman stated that Company has been mandated by the Government of India for setting up urea plants at Sindri and Ramagundam in a Joint Venture with SAIL and EIL respectively. He also referred to the other initiatives undertaken by the Company like production of foundation and certified seeds, marketing of pesticides, etc.
- 5.3 Chairman also spoke of the various initiatives undertaken by the Company under its Corporate Social Responsibility plan for the upliftment of the underprivileged sections of the society.
- 5.4 He also spoke of the steps undertaken by the Company for promoting the balanced use of fertilizers to improve the soil productivity. Chairman also mentioned of the Corporate Governance Policy of the Company which is based on transparency, high degree of disclosure and adequate control systems in conducting the business of the Company.
- 6 Chairman then invited queries from the members. Members sought clarifications relating to the affairs of the Company, including profitability, capital projects and future plans, etc. which were replied to by him.

7 ORDINARY BUSINESS

- 7.1 The Members considered the Annual Accounts for the financial year ended 31.3.2011. The following resolution proposed by Shri Sowmendera Chanda, President's Nominee and seconded by Shri Sunil Bhatia, was adopted unanimously as an Ordinary Resolution on being put to vote by the Chairman by Show of Hands:

"RESOLVED THAT the proposal to receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2011, the Balance Sheet as at that date and Directors' & Auditors' Reports thereon be and are hereby approved and adopted."

- 7.2 The meeting considered the recommendations of Board of Directors regarding declaration of dividend @ 8.5% of the paid-up capital, Shri Anil Motsara proposed and Dr. Sunita Vivek seconded the following Ordinary Resolutions:

"RESOLVED THAT a dividend of 8.5% on the Paid-up equity Share Capital of the Company as recommended by the Board of Directors be and is hereby declared."

On being put to vote by the Chairman by Show of Hands, the Resolution was adopted unanimously.

- 7.3 On being put to vote by the Chairman by Show of Hands, the following resolution with regard to reappointment of Shri Satish Chandra as Director, proposed by Mrs. Charanjit Choudhary and seconded by Mrs Yogesh Vij, was adopted unanimously as an Ordinary Resolution:

"RESOLVED THAT Shri Satish Chandra, who retires as a rotational Director and is eligible for reappointment, be and is hereby reappointed as a Director of the Company."

- 7.4 On being put to vote by the Chairman by Show of Hands, the following resolution regarding remuneration of Auditors, proposed by Dr. Sunita Vivek and seconded by Mrs. Malathi Gupta, was adopted unanimously as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224(8)(aa) and other applicable provisions, if any, of the Companies Act, 1956, the Statutory Audit Fee for the financial year 2011-12 be and is hereby fixed

at Rs.11.70 lakhs plus Service Tax and reimbursement of actual TA and out of pocket expenses to the Auditors as per Company Rules to be shared equally by the firms of the Auditors."

8 SPECIAL BUSINESS

- 8.1 On being put to vote by the Chairman by Show of Hands, the following resolution, regarding appointment of Shri Munikoti Niranjana Rao as Director proposed by Shri Sunil Bhatia and seconded by Mrs. Charanjit Choudhary, was adopted unanimously as an Ordinary Resolution:

"RESOLVED THAT Shri Munikoti Niranjana Rao who was appointed as an Additional Director of the Company and who holds Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing, proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956 and who is eligible for appointment to the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation."

There being no other business, the Meeting then ended with Vote of Thanks to the Chair.



Dated: 05.10.2011



(Satish Chandra)
Chairman