

NATIONAL FERTILIZERS LIMITED CORPORATE OFFICE : NOIDA

No.NFL/SEC/DoD/1324/

23rd May, 2014

CIRCULAR

Sub: Offer by Government of India to Employees of National Fertilizers Limited to buy its shares.

This is in continuation to our Circular No.NFL/SEC/Disinv./2013 dated 31st December, 2013 on the subject cited above. Reference is drawn to Department of Disinvestment (DoD) Circular No.4/13/2010-DoD-Vol-II dated 9th October, 2013 on the subject cited above (Annexure-I). The salient features of the offer are as below:-

1. Cut off date for determining of eligibility to participate in the offer i.e. the employee should have been on the rolls of NFL as on 30th July, 2013.
2. Rate at which the share can be acquired - Rs.25.65 per share.
3. The minimum number of equity shares which can be applied by an employee is 10 equity shares and the maximum number of equity shares which an employee can acquire is 7,797 equity shares.
4. The employee should give his application alongwith Multi-city cheque/ Demand Draft for this offer, which will open on 24th May, 2014 and closes on 31st May, 2014.
5. Multi-city Cheque / DD should be in favour of "Escrow Account – NFL Employees Offer
6. Contact person - Raj Kumar, Addl. Company Secretary, Corporate Office, Noida. E.mail rajkumar@nfl.co.in Mob.No.9871115686 (O) 0120-3292201-08 Extn.3506.
7. It is mandatory for the eligible employee to have a demat account to acquire the shares.
8. There shall be no lock-in period for the shares issued to the eligible employees.
9. Eligible employees shall have no right of renunciation / assignment in favour of any person in respect to the Employee Offer Shares.
10. The shares can be applied for in the name of eligible employee only and no application for joint holding of shares shall be accepted.

The offer should be brought to the notice of all eligible employees to enable them to make application in the format available at NFL website www.nationalfertilizers.com. Interested employees may submit application alongwith payment in the mode prescribed above to their HR Department of the Unit/Office. HR Department may ensure that application received by them reach the Corporate Office immediately.

Authority: C&MD's approval dated 23rd May, 2014


 (Tek Chand)
 Company Secretary

F.No. 4/13/2010-DoD-Vol.II
Government of India
Ministry of Finance
Department of Disinvestment
.....

Dated the 9th October, 2013

✓ To

CMD, National Fertilizers Ltd.
Corporate Office A-11,
Sector-24, Noida-201 301

Sub: - NFL - OFS - Transfer of shares to employees.

Sir,

I am directed to refer to the subject mentioned above and to say that Cabinet Committee on Economic Affairs in its meeting held on 26th June, 2013 had, inter alia, approved the following while considering disinvestment of 7.64% paid-up equity capital in NFL Ltd. out of Government of India shareholding of 97.64% through OFS:

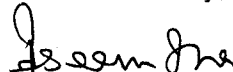
“Allotment of shares to the eligible and willing employees of NFL at a discount of 5% to the Issue/ discovered (lowest cut off) price up to a maximum of 0.4% of the paid up equity capital subsequent to completion of the transaction under OFS”

2. In this regard, a copy of the scheme is enclosed detailing the procedures to be followed for transfer of shares to the employees indicating the price of each share, quantum of shares to be allotted, minimum and maximum number of shares to be allotted to an eligible employee etc. The OFS transaction of NFL was held on 31.07.2013 and the mandatory 12 weeks period from the date of OFS comes to an end on 23.10.2013. You are accordingly requested to initiate the process of transfer of shares to the employees as per the enclosed Scheme and complete the process in a time-bound manner. However, the actual transfer of shares shall be made only after 23.10.2013.

3. You may also avail the services/advice of the Merchant Bankers i.e. M/s IDBI Capital Market Services, for any clarification, to whom necessary instructions have been issued by the Department.

4. The enclosed proforma indicating the timeline for transfer of shares to employees may be filled up and sent back to this Department .

Yours faithfully,

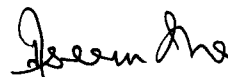

(Aseem K. Jha)

Under Secretary to the Government of India
Tel-011-2436 8039

Copy to :

1. Shri Sham Lal Goyal,
Joint Secretary,
Department of Fertilizers,
Shastri Bhawan,
New Delhi.
2. IDBI Capital Markets Services Ltd.
3rd Floor, Mafatlal Centre,
Nariman Point, Mumbai - 400021

The Merchant Banker is requested to provide necessary assistance to the Company in the employee OFS.


(Aseem K. Jha)

Under Secretary to the Government of India
Tel-011-2436 8039

Ms. Monica Nagpaul

Procedure for Sale of Equity Shares to Eligible Employees of NFL

- a) As approved by the Cabinet Committee on Economic Affairs (CCEA), 1962313 equity shares of face value of ₹ 10/- each, representing 0.4% of the paid up equity capital of National Fertilizers Limited. ("NFL" or "**Company**"), will be offered by the Government of India ("**Seller**") to the eligible employees of the Company at a discounted price of ₹ 25.65 (₹ 27/- (cut off price) minus 5% i.e. ₹ 1.35) per equity share (the "**Employee Offer**").
- b) The minimum number of equity shares which can be applied by eligible employees is 10 (ten) equity shares. The maximum number of equity shares which can be applied by the eligible employees should not be of value exceeding Rs.2.00 lakhs. At a 5% discount to Rs.27/- which was the lowest cut off price for the OFS, the maximum number of shares which can be applied by an eligible employee works out to 7797 (seven thousand seven hundred ninety seven) equity shares
- c) An "eligible employee" shall mean a permanent and full-time employee of the Company and working in India. The list of eligible employees will be provided by the Company.
- d) The cut-off date for determining the eligibility to participate in the Employee Offer is July 30, 2013 i.e. the date of decision of Empowered Group of Ministers to undertake the NFL OFS transaction.
- e) The Company will issue a circular to all eligible employees informing them of the Employee Offer by the Government of India and providing eligible employees an option to purchase equity shares of the Company at the discounted price. The participating eligible employees would be required to submit their application in the form prescribed and provide details of their full name, employee code, date of regular employment, address, Demat account details (i.e. DP Id and Client ID) , the number of equity shares applied for, payment details and mode of payment. The eligible employees seeking to participate in the Employee Offer will be required to deposit cheque(s) or demand drafts, towards the purchase price of the equity shares applied for by them.

7797 X No of Emp (4520)
= 35026500
No of share for Employee
19,62,314

- f) The Company shall appoint a Registrar to the issue (if no Registrar is in existence).
- g) The Company shall open an escrow account with a scheduled commercial bank for the purposes of collection of share application money from the eligible employees.
- h) In order that all eligible employees are able to participate in the offer and receive equity shares, they will be required to have a demat account.
- i) The eligible employees shall have no right of renunciation/assignment in favor of any person in respect to the Employee Offer shares. The shares can be applied for in the name of the eligible employee only and not applications for joint holding of shares shall be accepted. Further, the eligible employees shall have no right to apply for additional shares.
- j) The Employee Offer will remain open for 7 (seven) working days during which period the employees wishing to participate in the offer are required to submit their application and make payments towards the entire purchase price of equity shares applied for as stated above. The cheques/ demand drafts towards application money for shares applied for may be deposited directly by the employees to the credit of the escrow account opened by the Company/Merchant Banker(s) and the applications may be sent to the Company. Alternatively, the cheques/ demand drafts towards application money for shares and the application forms may be handed over by the eligible employees to the Company, who shall in turn deposit the same to the credit of the escrow account opened by the Company/Merchant Banker(s).
- k) Upon expiry of the Employee Offer period, the Company shall send the applications to Registrar and thereafter the Registrar will (i) prepare list of all applications received; (ii) scrutinise the application to ensure that only eligible employees have submitted the application by comparing it against the database provided by the Company) (iii) Reconcile the data with the final certificate issued by the escrow bank. Based on these processes, the Registrar in consultation with the Company shall prepare a list of applicant Eligible Employees who are entitled to receive equity shares. No employee shall receive shares exceeding the number of shares applied for and corresponding to the amounts deposited by them. Thereafter, the Seller shall authorize the transfer of shares to the eligible transferees and issue delivery

instructions to its DP for transfer of such shares to the Demat account of concerned applicant employees.

- l) The offer to eligible employees to the extent of unsubscribed portion of the Employee Offer shall deem to have lapsed.
- m) There shall be no lock-in period for the shares issued to the employees.
- n) The proceeds from Employee OFS shall be transferred to the Government Account immediately after the process is completed



राष्ट्रपति, भारत
NATIONAL FERTILIZERS LIMITED
कार्पोरेट ऑफिस
CORPORATE OFFICE

President of India

Acting through the Department of Fertilizers, Government of India

Application Form

I am Eligible Employee of National Fertilizers Limited, do hereby declare that I have read the circular dated 09.10.2013 bearing reference F.No.4/13/2010-DoD-Vol.11 with respect to the Offer for Sale by the President of India, acting through the Department of Fertilizers. In this regard, I would like to make an application to purchase shares in the said offer for sale. I hereby confirm that I am Eligible Employee, as defined in the circular, and have read all terms and conditions of the said offer. I also confirm that all details entered below are true.

Application Form No.		Employee No.		Date of Regular Employment	
----------------------	--	--------------	--	----------------------------	--

Name of the Employee																												
	Designation														Unit													
	Address																											
	Email														PAN Number													
Telephone / Mobile No.																												

Employee's Depository Details	NSDL	CDSL	
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID (proof of Demat A/c may be enclosed)			

APPLICATION DETAILS (Please note that minimum number of equity shares which can be applied is 10 (ten) and maximum number of shares that can be applied for is 7,797 (seven thousand seven hundred and ninety seven) Equity Shares at INR 25.65 each)

Number of Equity Shares of face value of INR 10 each applied for at a price of INR 25.65 per share	In Figures	In Words
--	------------	----------

Nominee Details:-		
Name & Relation:	Age (in case of minor):	Address:
	Name of Guardian	

PAYMENT DETAILS

Amount Paid	In Words															In Figures												
Cheque /DD Number															Instrument Dated				d	d	m	m	y	y	y	y		
Drawn on (Bank & Branch Name)																												
Signature of Employee															Multi-city cheque/DD should be in favour of "Escrow Account – NFL Employees Offer"													

Tear Here

Acknowledgement

Application Form No.		Employee No.		Date of Regular Employment	
----------------------	--	--------------	--	----------------------------	--

NSDL 8 Digit DP ID followed by 8 Digit Client ID
CDSL 16 Digit Client ID.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Amount Paid	In Words															In Figures										
Cheque /DD Number															Instrument Dated				d	d	m	m	y	y	y	y
Drawn on (Bank & Branch Name)																										

Handwritten signature

Announcement of Offer For Sale by the President of India, acting through the Department of Fertilizer to Eligible Employees

As approved by the Cabinet Committee on Economic Affairs (CCEA), 1962314 (Nineteen lakh sixty two thousand, three hundred and fourteen) Equity Shares of face value of INR 10 each, representing 0.4% of the paid up Equity Capital of the Company National Fertilizers Limited ("NFL" or "Company") are being offered by the President of India, acting through the Department of Fertilizer (the "Seller") to the Eligible Employees of the Company at a discounted price of INR 25.65 per Equity Share ("Employee Offer"). The Employee Offer opened on 24.05.2014 and shall close on 31.05.2014 (5.00 PM).

An eligible employee shall mean permanent and full time employee of the company who was in service as on 30th July, 2013. Employees on deputation out of NFL are eligible but deputationists in NFL are not eligible. Employees of JVs and Subsidiaries are also not eligible.

For the purpose of the Employee Offer, the Eligible employees would need to follow the following process:

▪ Fill up the application form, a proforma of which is annexed to this circular and submit it to the office of the Company Secretary. The Application Form has to be supported with a cheque/demand draft for the entire amount being applied. Applications received prior to the closure of the offer period will only be considered subject to payment being received in the escrow account through cheque or DD only in favor of "Escrow Account – NFL Employee Offer".

▪ The cheque/ DD towards application money for shares applied for will be deposited to the credit of the escrow account opened by NFL.

No outstation cheques would be accepted. Please note that only those application will be considered which have been received prior to the closure of the offer period subject to payment being received in the escrow account.

▪ Please note that it is mandatory to have a demat account to apply in this issue. Further, all details mentioned in the application form should match the demographic details of the applicant as held by the depositories. Any discrepancy might lead to the application being rejected, therefore, proof of Demat A/c may be enclosed.

With respect to the Employee Offer, please note:

1. Only Eligible Employees can apply in the Offer. The Eligible Employees shall have no right of renunciation/assignment in favor of any person in respect to the Employee Offer Shares. Applications in the joint name may be permitted provided, the first named person in the joint account should be that of Eligible Employee.

2. The Eligible Employees can apply for a minimum of 10 equity shares and maximum of 7,797 Equity Shares at the Offer Price of INR 25.65 per Equity Share so that the total amount (INR 199,993.05) does not exceed INR 200,000 as prescribed by the CCEA.

3. The unsubscribed portion of the Employee Offer shall be deemed to be lapsed. There shall be no lock in for the shares issued to the Eligible Employees.

4. The proceeds of the Employee Offer shall be transferred to the Seller upon completion of the said Offer.

Tear Here

Contact Details	
Registrar to the Employee Offer:	Company Secretary & Compliance Officer:
Alankit Assignments Limited Alankit House, 2E/21, Jhandewalan Extension, New Delhi - 110055 India P : +91 011- 42541234 F : +91 11 23552001 Contact: J.K. Singla Email: jksingla@alankit.com website: www.alankit.com	Shri Tek Chand Company Secretary & Compliance Officer National Fertilizers Ltd. A-11, Sector-24, Noida - 201301 P : 0120 2412322 F : +91 11 2411132 Email: investor@nfl.co.in website: www.nationalfertilizers.com