



CHAMBAL FERTILISERS AND CHEMICALS LIMITED

REF: CFCL/NSE

September 30, 2013

**The Secretary**  
**The National Stock Exchange of India Ltd.**  
Exchange Plaza, 5th Floor  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (E)  
**MUMBAI – 400 051**

Dear Sir,

**Sub:Proceedings of Annual General Meeting**

Pursuant to clause 31(d) of the Listing Agreement, we are forwarding herewith the certified true copy of proceedings of Twenty Eighth Annual General Meeting of the Company held on September 13, 2013 at the Registered Office of the Company.

You are requested to take the same on your records.

Thanking you,

Yours sincerely,  
for **Chambal Fertilisers and Chemicals Limited**

**M. S. Rathore**  
Vice President – Legal,  
Corp. Com. & Secretary

**Encl: a/a**

## CHAMBAL FERTILISERS AND CHEMICALS LIMITED

Minutes of 28<sup>th</sup> Annual General Meeting held at 1030 hours  
on September 13, 2013 at the Registered Office of the  
Company at Gadepan, Distt. Kota, Rajasthan

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### Present:

- |                                |                                 |
|--------------------------------|---------------------------------|
| 1. Mr. Anil Kapoor             | Chairman of the Meeting         |
| 2. Mr. Marco Wadia             | Chairman of the Audit Committee |
| 3. Ms. Ritu G P Das            |                                 |
| 4. Mr. Jai Krishan Rathore     |                                 |
| 5. Mr. Raj Kumar Soni          |                                 |
| 6. Mr. Ashok Jain              |                                 |
| 7. Mr. Shyamal Kumar Choudhury |                                 |
| 8. Mr. Chandreshkhar Naugain   |                                 |
| 9. Mr. Govind Kumar Khandelwal |                                 |
| 10. Mr. Vijay Kumar Paliwal    |                                 |

Others as per the attendance register.

### Secretary:

Mr. M. S. Rathore

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#### ➤ Chairman of the Meeting

Mr. S.K. Poddar, Chairman of the Company not being present at the meeting, Mr. Anil Kapoor, Managing Director of the Company chaired the meeting in pursuance of Article 88 of the Articles of Association of the Company.

#### ➤ Quorum

The Chairman ascertained the quorum of the meeting and called the meeting to order. He welcomed the shareholders and introduced the persons on dais. He drew the attention of the members to the statutory books and certificate of auditors in respect of CFCL Employees Stock Option Scheme 2010, made available for their inspection.

The Chairman addressed the shareholders and apprised them, *inter-alia*, about demand & supply situation of Urea, liquidity crunch being faced by Fertiliser industry due to non-payment of subsidy by Government of India, performance of the Company and social welfare initiatives of the Company in the areas of education, healthcare & infrastructure development.

#### ➤ Notice of the Meeting and Auditors' Report

The Notice of the meeting was taken as read. The Secretary read out the Auditors' Report. Subsequently, the following Agenda items were taken up:

#### 1. Approval and adoption of Annual Accounts for the year 2012-13 and the Reports of the Auditors and Directors thereon

The Chairman requested the members to adopt the audited accounts of the Company for the financial year 2012-13 and the reports of the Auditors and Directors thereon.

Mr. Lokesh Ameta proposed the following resolution as an ordinary resolution, which was seconded by Mr. A.K. Jain.

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**"RESOLVED THAT** the audited Balance Sheet as at March 31, 2013 and Statement of Profit and Loss for the year ended on that date together with the reports of the Auditors and Directors thereon be and are hereby approved and adopted."

The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

**2. Declaration of Dividend on Equity Shares**

The Chairman requested the members to approve the declaration of dividend on equity shares.

Mr. Ajay Niyati proposed the following resolution as an ordinary resolution, which was seconded by Mr. J.K. Sharma:

**"RESOLVED THAT** pursuant to the recommendation made by the Board of Directors of the Company, dividend at the rate of Rs. 1.90 per equity share for the year ended March 31, 2013 to the equity shareholders, whose names appeared either in the statements of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the end of business on August 19, 2013 or the Register of Members of the Company as on August 22, 2013, as the case may be, be and is hereby declared out of the current profits of the Company."

The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

**3. Re-appointment of Mr. Saroj Kumar Poddar as a director**

The Chairman requested the members to approve re-appointment of Mr. Saroj Kumar Poddar as a Director of the Company.

Mr. Swadesh Sharma proposed the following resolution as an ordinary resolution, which was seconded by Mr. I.S. Bhandari:

**"RESOLVED THAT** Mr. Saroj Kumar Poddar, director, who retires by rotation at this Annual General Meeting, be and is hereby re-appointed as director of the Company, liable to retire by rotation."

The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

**4. Re-appointment of Mr. Shyam Sunder Bhartia as a director**

The Chairman requested the members to approve re-appointment of Mr. Shyam Sunder Bhartia as a Director of the Company.

Mr. D.C. Jain proposed the following resolution as an ordinary resolution, which was seconded by Mr. Vijay Toshniwal:

**"RESOLVED THAT** Mr. Shyam Sunder Bhartia, director, who retires by rotation at this Annual General Meeting, be and is hereby re-appointed as director of the Company, liable to retire by rotation."

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The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

**5. Re-appointment of Mr. Kashi Nath Memani as a director**

The Chairman requested the members to approve re-appointment of Mr. Kashi Nath Memani as a Director of the Company.

Mr. S.K. Thakur proposed the following resolution as an ordinary resolution, which was seconded by Mr. A.P. Singh:

**"RESOLVED THAT** Mr. Kashi Nath Memani, director, who retires by rotation at this Annual General Meeting, be and is hereby re-appointed as director of the Company, liable to retire by rotation."

The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

**6. Re-appointment of Statutory Auditors and fixing up their remuneration**

The Chairman requested the members to approve re-appointment of M/s. S.R. Batliboi & Co. LLP (formerly known as M/s. S. R. Batliboi & Co.), Chartered Accountants, as Statutory Auditors of the Company and fix their remuneration.

Mr. A.K. Saxena proposed the following resolution as an ordinary resolution, which was seconded by Mr. R.K. Khunteta:

**"RESOLVED THAT** pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. S. R. Batliboi & Co. LLP (formerly known as M/s. S. R. Batliboi & Co.), Chartered Accountants, (Registration Number-301003E), the retiring auditors be and are hereby re-appointed as statutory auditors of the Company, to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors from time to time and reimbursement of out-of-pocket expenses incurred by them for carrying out the audit."

The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

**7. Re-appointment of Branch Auditors and fixing up their remuneration**

The Chairman requested the members to consider and approve re-appointment of M/s. Singhi & Co., Chartered Accountants, as Branch Auditors for Shipping Business of the Company and fix their remuneration.

Mr. Sanjay Bhargawa proposed the following resolution as an ordinary resolution, which was seconded by Mr. Shailendra Gupta:

**"RESOLVED THAT** pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Singhi & Co., Chartered Accountants (Registration No. 302049E), be and are hereby re-appointed as Branch Auditors for the Shipping Business of the Company, to hold the office from the

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conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors from time to time and reimbursement of out-of-pocket expenses incurred by them for carrying out the audit.”

The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

**8. Approval for increase in borrowing limits of the Company**

The Chairman requested the members to approve increase in borrowing limits of the Company from Rs. 4000 crore to Rs. 6500 crore.

Mr. Deepak Gupta proposed the following resolution as an ordinary resolution, which was seconded by Mr. Himanshu Srivastava :

**“RESOLVED THAT** in supersession of the resolution passed by the members of the Company in this regard on August 24, 2007 and pursuant to section 293(1)(d) and other applicable provisions of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum(s) of money(s) on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed for the time being the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money(s) so borrowed by the Board shall not, at any time, exceed the limit of Rupees 6500 crore.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things (including delegation of this power) as may be necessary, desirable or expedient to give effect to this resolution.”

The Chairman put the resolution to vote by show of hands and declared the same to have passed by majority.

**9. Approval for amendment in ‘CFCL Employees Stock Option Scheme 2010’:**

The Chairman requested the members to consider and approve amendment in ‘CFCL Employees Stock Option Scheme 2010’.

Mr. Rajesh Vasudev proposed the following resolution as a special resolution which was seconded by Mr. Pankaj Thakur:

**“RESOLVED THAT** in partial modification of the special resolution passed by the members in this regard on August 27, 2010 and pursuant to provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (“**SEBI Guidelines**”) as amended from time to time and other applicable rules, circulars and regulations, prescribed by the Securities and Exchange Board of India (“**SEBI**”) or any other authority from time to

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time including without limitation Circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013 read with Circular No. CIR/CFD/DIL/7/2013 dated May 13, 2013 issued by SEBI, listing agreement(s) entered into by the Company with the stock exchanges where the securities of the Company are listed and subject to such other approvals, consents, permissions and sanctions, as may be applicable, including such conditions and modifications as may be prescribed or imposed while granting such approvals, consents, permissions and sanctions, the consent of the Company be and is hereby accorded to amend CFCL Employees Stock Option Scheme 2010 ("**ESOS 2010**") in the following manner:

a) The definition of "Trust" as appearing in Clause 3.37 of ESOS 2010 be replaced with and substituted by the following:

"3.37. "Trust" means CFCL Employees Welfare Trust constituted by the Company for the purpose of subscription of Shares for holding and transferring of Shares (including holding and transferring Shares acquired from the secondary market before January 17, 2013) to Participants in the manner specified in the Trust Deed and the Scheme."

b) The definition of "Trust Deed" as appearing in Clause 3.38 of ESOS 2010 be replaced with and substituted by the following:

"3.38. "Trust Deed" means the deed of private Trust between the Company and the trustee(s), as amended, for creation of CFCL Employees Welfare Trust for the welfare of the Employees with the objective of subscription of Shares for holding and transferring of Shares (including holding and transferring Shares acquired from the secondary market before January 17, 2013) to Participants in the manner specified in the Trust Deed and the Scheme."

c) Clause 12.2 of ESOS 2010 be replaced with and substituted by the following:

"12.2. In case of allotment/ transfer of Shares to the Participant through the Trust upon Exercise of the Options under the Scheme, the Trust shall either subscribe to newly issued Shares and transfer such newly issued Shares or transfer existing Shares acquired by the Trust before January 17, 2013 from the secondary market using funds provided by the Company. It is clarified that the Trust shall not acquire any Shares from the secondary market on and after January 17, 2013 and the Shares held by the Trust as on January 17, 2013 shall be utilized only for transfer to the Participants upon Exercise of Options held by them under this Scheme. For the purpose of subscription to newly issued Shares of the Company, the Trust shall be funded by the Company, either through a loan or any other form of financial assistance permissible under Applicable Laws."

**RESOLVED FURTHER THAT** the equity shares to be offered to the eligible employees (the option holders) on exercise of the employees stock options would be by way of either a) subscription of equity shares of the Company by such employees or b) transfer of shares to such employees by CFCL Employees Welfare Trust (which

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shall, for this purpose, either utilize the equity shares of the Company acquired by it from the secondary market before January 17, 2013 or directly subscribe to newly issued equity shares of the Company).

**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to make such other modifications, changes, variations, alterations or revisions in the ESOS 2010 from time to time or to suspend, withdraw or revive the ESOS 2010 from time to time as may be specified by any statutory authority or otherwise and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose including for the purpose of giving effect to any creation, offer, issue, allotment or listing of the shares, in conformity with the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI Guidelines and any other applicable laws and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.

**RESOLVED FURTHER THAT** the Board, if required, be and is hereby authorized to take necessary steps and to do all such acts, deeds, things as may be required for giving effect to the above resolutions including without limitation making necessary filings with the stock exchanges and other regulatory authorities.”

The Chairman put the resolution to vote by show of hands and declared the same to have passed unanimously.

The Chairman has also replied to the queries raised by the shareholders.

There being no other business to transact, the meeting concluded with a vote of thanks to the Chair proposed by Mr. Vinod Mehra, President – Projects.

**Certified True Copy  
for Chambal Fertilisers and Chemicals Limited**



**M.S. Rathore**  
Vice President-Legal,  
Corp. Com. & Secretary