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CIN - L24129AP2006PLC076238



August 27, 2021

To,
BSE Limited
P J Towers, Dalal Street, Fort
Mumbai - 400001
Scrip Code: 539917

To,
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Mumbai - 400 051
Symbol: NAGAFERT

Dear Sir/Madam,

Sub: Admission of claim by the Hon'ble NCLT, Hyderabad Bench under IBC, 2016.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform that the London Court of international arbitration had passed an award against the company in favour of a foreign supplier, M/s Key Trade AG, Switzerland on 5th April, 2016.

Basis the award, Key trade filed an execution petition in the Honorable High Court of Telangana along with a petition to attach certain properties. Accordingly, the Honorable High Court of Telangana attached the properties. Aggrieved by this order, the Company filed an SLP in the Supreme Court of India and the same was dismissed. Basis the award the company had provided for the payment in its books of accounts.

Subsequently, the Honorable High Court of Telangana as per the execution petition filed by Keytrade had asked the Company to earmark an amount of Rs 20 Crs. Accordingly, the Company complied with the order and set aside the amount with IDBI and SBI (Rs 14 crores and Rs 6 crores respectively) to the extent of Rs 20 Crs as directed by the high court and the same was confirmed to High Court of Telangana. After having complied with the execution petition and having set aside the money as directed by the high court the company does not owe any more dues to Keytrade.

During this period, IDBI bank filed a claim petition in the High Court of Telangana stating that the current assets and fixed assets attached by High court were already mortgaged to the banks. The High Court allowed the petition of IDBI. Key trade filed an SLP No.9252 of 2020 on the file of Honorable Supreme Court of India and the same is pending disposal. The company has cleared its dues as per the order of the high

court by setting aside the money and the present cases in the Honorable High Court of Telangana and the Honourable Supreme Court are between the bank an Keytrade and the company does not have any say in that litigation.

Despite the company having complied with execution petition as directed by Honorable High Court of Telangana and the company not having any more dues payable to Keytrade, Keytrade had filed a case against the company before NCLT suppressing the material facts that the amounts are secured by the orders of the Honorable High Court and that there exists no more liability from the company.

We wish to inform that the Honorable NCLT has erroneously passed an order in favour of M/S Key trade and admitted the claim today. NFCL is yet to receive the order copy.

As the Company does not have any additional dues to supplier M/s Key trade (after having set aside the amount as per the execution petition filed by Keytrade as directed by the High Court of Telangana), the Company would be filing an appeal against the NCLT order.

A copy of the order shall be filed upon receipt of the same.

Request you to take the same on record.

Thanking you,

Yours Truly,

For Nagarjuna Fertilizers and Chemicals Limited


Vijaya Bhasker M
Company Secretary