

NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED

POLICY ON CONTROL ON STATIONERY

1. OBJECTIVE

In House Share Transfer Agent (STA) of the Nagarjuna Fertilizers and Chemicals Limited (“Company”) has adopted the Policy on Control of Stationary used by STA, (“Policy”) with effect from July 27, 2018 in pursuance to SEBI Circular: SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

The Policy is to put in place strict control on stationery used by STA including but not limited to blank certificates, dividend / interest / redemption warrants and to periodically verify the stationary by physical verification in a transparent manner as required by Securities and Exchange Board of India (SEBI).

2. STATIONARY

The stationary used by STA of the Company includes Blank Share Certificates, Dividend / Interest / Redemption Warrants.

3 PROCEDURAL FRAMEWORK FOR CONTROL ON STATIONARY

- a) Stationery shall be maintained with the Administration Section (Admin) of STA under lock and key and restricted entry.
- b) The Admin shall maintain a Register of Stationary.
- c) The Information Technology Section (IT) of STA shall initiate procurement of Stationary from the Admin, upon requisition from the User for printing the Stationary, by way of a duly signed Requisition Form.

A User is an Employee / Associate of STA.

- d) IT shall initiate procurement of Stationary from Admin as mentioned below:

Share Certificates	A lot of Hundred Certificates
Dividend Warrants	Number of Copies to the tune of the total Number of Shareholders to whom dividend cannot be paid in electronic form (at the time of Declaration of Dividend) and a buffer of 10,000 copies.
- e) Admin shall enter the details of stationary issued in the Register of Stationary maintained by it.
- f) The IT shall maintain a Register for Share Certificates received from Admin, viz., “MICR Share Certificate Control Register”.

- g) The IT, shall maintain a Register for Dividend / Interest / Redemption Warrants received from Admin, viz., MICR Dividend / Interest / Redemption Warrants Control Register.
- h) The IT Shall prepare Reconciliation Statement and forward the same to Admin along with the Cancelled Stationary within the following intervals:
 - 1. Share Certificates on a Monthly Basis.
 - 2. Dividend Warrants upon completion of printing by IT.
- i) The Admin Head shall undertake quarterly audit of handing of Stationary and Receipt of Stationary and submit the Audit Report to the Head of STA.
- j) The IT Head shall undertake quarterly audit of Printed Stationary and submit the Audit Report to the Head of STA.

Approved By Board vide Resolution dated Friday, July 27, 2018.