

CBG-SSCB.53/ 001 /Nom.8

April 04, 2014

The Directors,  
Nagarjuna Fertilisers & Chemicals Ltd,  
D No 8-2-248,  
Nagarjuna Hills,  
Punjagutta,  
Hyderabad - 500 082,  
**Andhra Pradesh.**

Dear Sirs,

**Substitution of the Nominee of IDBI Bank Ltd [IDBI Bank]  
on the Board of Directors of the company**

Please refer to our letter No. SS-CB.53/42/Nom.8 dated February 14, 2012 appointing Smt Medha Vinay Joshi, Chief General Manager as IDBI Bank nominee on the Board of Directors of your company. On review, IDBI Bank hereby withdraws the nomination of Smt Medha Vinay Joshi, Chief General Manager from the Board of your company and instead appoints Shri Viney Kumar, Executive Director, , IDBI Bank Ltd, IDBI Tower, WTC Complex, Cuffe Parade, Mumbai - 400 005. [Tel. No. - 022-22161746, e-mail id - v.kumar@idbi.co.in] with effect from April 21, 2014, in terms of provisions of the Loan Agreement dated March 03, 2008 entered into between your company and IDBI Bank. Accordingly, he should be invited to attend all **Board meetings** to be held on or after April 21, 2014.

2. Please note that in terms of the provisions of the Loan Agreement, our nominee director is not liable to retire by rotation and is not required to hold any qualification shares. His appointment is also not subject to the approval of your Board of Directors, or the general body of shareholders, and is valid for all purposes, as mentioned in your Memorandum and Articles of Association.

3. The sitting fees or any other remuneration payable by the company to our nominee director for attending the meetings of the Board etc, shall accrue to IDBI Bank and the same shall be paid directly to IDBI Bank. The company shall also reimburse IDBI Bank with traveling and halting allowances and any other expenses paid by IDBI Bank to its nominee director under the Rules of IDBI Bank in connection with his attending the company's **Board Meetings**, etc.

....2/-

Our nominee director would present a claim for recovery of the amount incurred by him towards halting allowance / traveling allowance at the Board meeting. In view of this, it may please be ensured that the amounts of sitting fees and halting allowance / traveling allowance payable by the company to our nominee director in respect of the meetings of the Board, etc attended by him are paid at the Board meeting itself by a crossed cheque drawn in favour of IDBI Bank.

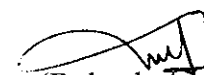
4. The Company shall note to give a minimum notice period of 7 days to our nominee director for convening Board / Committee meetings by fax and by e-mail, in addition to sending the notices by ordinary post and shall forward the agenda items and background papers well in advance to the members of the Board including our nominee as also to the Dy General Manager, Corporate Banking Group, D No 5-9-89/1 and 2, Chapel Road, P B No 370, Hyderabad - 500001, Andhra Pradesh. Copies of all the papers circulated among the directors of the company shall be supplied to our nominee and the said IDBI Bank office in advance. Copies of the minutes shall also be furnished to our nominee director and the said IDBI Bank office soon after the meetings. The company shall arrange to hold Board Meetings in terms of the provisions of the Companies Act, 1956.

5. Our nominee director has been advised to forward to you:
- i His Consent, in writing, to act as a director of the Company, as required under Section 264[1] of the Companies Act, 1956, along with his particulars and Director Identification Number [DIN], if held by him;
  - ii a statement containing particulars relating to him, required under Section 303 *ibid*.

Please arrange to file with the Registrar of Companies of the State / Union Territory in which the registered office of your company is located, Form No.32 with the prescribed filing fee **within 30 days** from the date of appointment, pursuant to Section 303 of the Companies Act, 1956.

6. Please acknowledge receipt and also confirm the action taken by you in giving effect to the nomination immediately.

Yours faithfully,

  
(Rakesh Awasthi)  
(General Manager)  
(CBG-SSCB)