DEEPAK FERTILISERS AND PETROCHEMICALS CORPORATION LIMITED

Registered and Corporate Office: Sai Hira, Survey No. 93, Mundhwa, Pune - 411 036

CIN: L24121MH1979PLC021360 | Website: www.dfpcl.com | Tel.: +91 20 6645 8000

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 (the "Act") read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

To,
The Shareholders
Deepak Fertilisers And Petrochemicals Corporation Limited

Notice is hereby given pursuant to the provisions of Section 110 and all other applicable provisions of the Companies Act, 2013 (the **"Act"**) read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the **"Rules"**), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **"SEBI Listing Regulations"**) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), guidelines prescribed by the Ministry of Corporate Affairs (the "MCA"), Government of India, for holding general meetings/conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020 and 33/2020 dated September 28, 2020 (the "MCA Circulars"), that the Resolutions appended below are proposed to be passed by the Shareholders of Deepak Fertilisers And Petrochemicals Corporation Limited (the "**Company"**) through Postal Ballot only by voting through electronic means (**" remote e-voting"**).

In compliance with the aforesaid MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Shareholders whose e-mail addresses are registered with the Company/Depositories. If your e-mail address is not registered with the Company/Depositories, please follow the process provided in the Notes to receive this Postal Ballot Notice and login ID and password for remote e-voting. The communication of the assent or dissent of the Shareholders would only take place through the remote e-voting system.

The Statement pursuant to Section 102(1) of the Act setting out all material facts relating to the Resolutions mentioned in this Postal Ballot Notice is appended to this Notice.

The Board of Directors of your Company has appointed Shri Sridhar Mudaliar (Membership No. FCS 6156, CP No. 2664) or failing him Smt. Sheetal Joshi (Membership No. FCS 10480, CP No. 11635), Partners SVD & Associates, Practising Company Secretaries, as the Scrutiniser to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner.

The remote e-voting period commences from **9.00 a.m. (IST) on Friday, November 27, 2020** and ends at **5.00 p.m. (IST) on Saturday, December 26, 2020**. The Scrutiniser will submit his report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting.

The results of the Postal Ballot will be announced at or before **5.00 p.m. (IST) Monday, December 28, 2020** by the Chairman or any other person authorised by him at the Registered Office of the Company and also by placing the same on the Company's website: https://www.dfpcl.com/ and on the website of KFin Technologies Private Limited: https://evoting.kfintech.com and the results will simultaneously be communicated to the Stock Exchanges.

SPECIAL BUSINESS

1. **Appointment of P G Bhagwat LLP, Chartered Accountants, (Firm Registration Number: 101118W/ W100682) as the Statutory Auditors to fill casual vacancy caused by resignation of B S R & Associates LLP, Chartered Accountants.**

   To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT subject to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) P G Bhagwat LLP, Chartered Accountants (Firm Registration Number: 101118W/ W100682) be and are hereby appointed as the Statutory Auditors of the Company w.e.f. November 3, 2020 and to hold the office till the conclusion of next (41st) Annual General Meeting of the Company to fill the casual vacancy caused due to the resignation of B S R & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 116231W/W-100024).

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to fix the remuneration of Statutory Auditors as may be mutually agreed upon in addition to taxes and re-imbursement of out of pocket expenses incurred by them in connection with the audit of accounts of the Company and to fix their terms of engagement according to the scope of their services as Statutory Auditors and other permissible assignments, if any, in line with prevailing rules and regulations made in this regard.

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

2. **Approval relating to payment of remuneration to Shri S. C. Mehta, Chairman and Managing Director of the Company**

   To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

   "**RESOLVED THAT** the terms and conditions for payment of remuneration to the Chairman and Managing Director, Shri S. C. Mehta as approved earlier by the Shareholders of the Company by way of an ORDINARY RESOLUTION in the Annual General Meeting (AGM) held on September 18, 2018 under the old provisions of Section 197 of the Companies Act, 2013, be and are hereby approved for the remaining period of his tenure ending on July 31, 2023 on the same terms and conditions as required under the current provisions of Section 197 of the said Act and the Provisions of Regulation 17 (1) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

   RESOLVED FURTHER THAT all other terms and conditions of Shri S. C. Mehta's appointment and payment of remuneration specified in the Resolution passed by the shareholders on September 18, 2018 and in the explanatory statement annexed therein remains unchanged.

   RESOLVED FURTHER THAT the Board of Directors be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and delegate all or any of its powers herein conferred to any committee of director(s) to give effect to the above Resolution."

By Order of the Board
For Deepak Fertilisers And Petrochemicals Corporation Limited

Sd/-
Gaurav Munoli
Company Secretary and Compliance Officer
(Membership No. ACS 24931)
Place: Pune
Date: November 16, 2020

NOTES

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (**"Act"**) setting out all material facts and reasons for the proposed Resolutions is annexed hereto and forms part of this notice.
2. In compliance with the Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020 issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), this Postal Ballot Notice is being sent only through electronic mode to those Shareholders whose names appear in the Register of Member/Record of Depositories as on **Friday, November 13, 2020** ("cut-off date") and whose email addresses are registered with the Company/Depositories on the said date.
3. The Notice and Explanatory Statement with requisite enclosures, if any, have also been made available on the website of the Company i.e. www.dfpcl.com and on the website of the e-voting agency viz. https://evoting.kfintech.com.
4. Pursuant to the provisions of Section 108 and all other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide e-voting facility to all its shareholders, to enable them to cast their votes electronically and has engaged the services of KFin Technologies Private Limited (**"KFin"**) for this purpose.
5. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Shareholders on **November 13, 2020** (**"Cut-off date"**). Only those Shareholders whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes through e-voting. A person who is not a shareholder as on the cut-off date should treat this notice for information purposes only.
6. A shareholder cannot exercise his/ her vote through proxy on Postal Ballot. However, corporate and institutional members shall be entitled to vote through their authorised representatives and are requested to provide a proof of authorisation (board resolution/authority letter/ power attorney, etc.) in favour of their authorised representatives to the Scrutiniser by an email to deulkarcs@gmail.com with a copy to investorgrievance@dfpcl.com. They may also upload the same in the e-voting module in their login.
7. The remote e-voting period commences on **Friday, November 27, 2020 at 9:00 a.m.** (IST) and ends at **5:00 p.m. (IST) on Saturday, December 26, 2020**. During this period, shareholders of the Company, holding shares either in physical or dematerialised form, as on the cut-off date, that is, **November 13, 2020** may cast their vote electronically. The e-voting module shall be disabled by KFin thereafter. Once the vote on a Resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
8. The Resolutions if approved by requisite majority, shall be deemed to have been passed on the last date specified for e-voting, that is, **December 26, 2020.**
9. The advertisement confirming dispatch of this Notice, by electronic mode, is also being published in the newspapers. Requisite related filings made with the Stock Exchange(s), are available on the website of the Company and can be accessed by the Shareholders on the website of the Company at https://www.dfpcl.com.
10. Relevant documents referred to in this Postal Ballot Notice and the Statement shall be available for inspection by the shareholders from the date of dispatch of this notice upto December 26, 2020. Shareholders willing to inspect such documents can send an e-mail to investorgrievance@dfpcl.com.
11. Shareholders who have not registered/updated their email IDs so far are requested to register/ update the same to get all notices, communiques, etc. from the Company, electronically, as per the following procedure:

Physical Holding	Contact Company's RTA, KFin Technologies Private Limited (formerly Karvy Fintech Private Limited), by sending an email at einward.ris@kfintech.com along with request letter, folio no., name of the Shareholder, and scanned copy of the share certificate (front and back), PAN Card (self-attested scanned copy) and Aadhar Card (self-attested scanned copy).
Demat Holding	Contact respective Depository Participant.

12. A shareholder need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way.
13. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
14. The Scrutiniser's decision on the validity of the Postal Ballot shall be final.
15. PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING

    In case a Shareholder receives an e-mail from KFin Technologies Private Limited [for shareholders whose e-mail addresses are registered] informing them of their User Id and Password:

i. Launch an internet browser and open https://evoting.kfintech.com

ii. Enter the login credentials. Your Folio No./DP ID- Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote:

User-ID	For Shareholders holding shares in Demat Form:
	a) For NSDL: 8 Character DP ID followed by 8 Digits Client ID
	b) For CDSL: 16 digits beneficiary ID
	For Shareholders holding shares in Physical Form:
	Event no. followed by Folio Number registered with the Company.
Password	Your unique password shall be as indicated vide aforesaid email.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

iii. After entering the above details, click on – LOGIN.

iv. Password change menu will appear. Change the password with a new password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. After changing the password, you need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E-Voting Event for Deepak Fertilisers And Petrochemicals Corporation Limited.

vii. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

viii. Shareholders holding multiple folios / Demat accounts shall choose the voting process separately for each of the folios / Demat accounts.

ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Shareholders can login any number of times till they have voted on the Resolution(s).

xii. The remote e-voting facility will commence from **9.00 a.m. (IST) on Friday, November 27, 2020 and ends at 5.00 p.m. (IST) on Saturday, December 26, 2020.** The remote e-voting facility shall be disabled thereafter.

xiii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the 'download' section of https://evoting.kfintech.com or you can contact:

In case of any query, Shareholders are requested to contact:

Name: Mr. S. V. Raju

Designation: Deputy General Manager

E-mail id: einward.ris@kfintech.com

Address: M/s KFin Technologies Private Limited, Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032.

Contact details: Phone No. 040 6716 2222, Fax No. 040 2342 0814, Toll Free No.18003454001.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.1

The shareholders of the Company at their Thirty-Seventh Annual General Meeting held on September 21, 2017 had appointed B S R & Associates LLP (Chartered Accountants) (Firm Registration number: 116231W/W-100024) as the Statutory Auditors of the Company for a period of five years from the conclusion of Thirty-Seventh Annual General Meeting until the conclusion of the Forty Second Annual General Meeting.

B S R & Associates LLP (BSR), vide their e mail communication dated November 3, 2020 have informed the Company that due to commercial reasons, they will not be able to continue as the Statutory Auditors of the Company and would like to resign as the Statutory Auditors of the Company w.e.f. November 3, 2020 which has resulted into a casual vacancy in the office of the Statutory Auditors of the Company. Earlier, BSR had sought significant increase in their audit fee both for FY 2020-21 and FY 2021-22, citing that they were unable to recover their costs. The gap between BSR's expectations and the Company's ability to match the expectations for the audit fee was wide, which despite multiple discussions, could not be bridged.

BSR have issued their limited review reports on the Company's results for the quarter and half-year ended September 30, 2020. Their intention to step down as Statutory Auditors of the Company was received by email on October 27, 2020 and was duly placed before the Audit Committee and Board of Directors of the Company at their meetings held on November 2, 2020 and November 3, 2020, respectively. BSR have confirmed to the Chairman of the Audit Committee that there were no other misgivings or reasons for resigning other than the commercial reasons and will extend their co-operation to the new Statutory Auditors for smooth transition.

In view of the above, pursuant to the provisions of Section 139 of the Companies Act, 2013 ("the Act") , the Board of Directors of the Company, on the recommendation of the Audit Committee, at their meeting held on November 03, 2020 approved the appointment of P G Bhagwat LLP, Chartered Accountants (Firm Registration Number: 101118W/ W100682) as the Statutory Auditors of the Company w.e.f. November 3, 2020, to fill the casual vacancy caused by the resignation of BSR, till the conclusion of next Annual General Meeting (41st) of the Company, subject to the approval of the shareholders at such remuneration plus out of pocket expenses and applicable taxes, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

P G Bhagwat LLP, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with the requisite confirmation that, their appointment, if made by the shareholders, will be within the limits prescribed under the Companies Act, 2013.

P G Bhagwat LLP is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India and has 13 partners with head office at Pune and branch offices in Mumbai, Kolhapur, Belagavi, Hubballi, Dharwad and Bengaluru. The Audit firm has valid Peer Review Certificate. The Audit Firm was originally formed as a Proprietary Concern in the year 1938, converted into Partnership Firm in the year 1955 and now is a Limited Liability Partnership from September 2020. Over the last 80 years, the firm has gained varied experience in the audit, assurance, and management services.

The Board of Directors recommends Ordinary Resolution set out at Item No. 1 for approval by the shareholders of the Company.

None of the Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 1 of the Notice.

Item No. 2

The Shareholders of the Company at their Annual General Meeting held on September 18, 2018 had approved by way of an **Ordinary Resolution** [as per the provisions of Companies Act as existed at that time], re-appointment of Shri S. C. Mehta as Chairman and Managing Director of the Company for a further period of 5 years w.e.f. August 1, 2018 and also approved payment of remuneration (salary, commission and perquisites) to Shri S.C. Mehta with an overall limit of ten percent of the net profits of the Company computed in the manner set out in Section 198 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force).

Since, the approval of the shareholders obtained at the Annual General Meeting held on September 18, 2018 for payment of remuneration (salary, commission and perquisites) to Shri S.C. Mehta for a period of 5 years w.e.f. August 1, 2018 was by way of an ordinary Resolution and the amended Section 197 of the Companies Act, 2013, with effect from September 12, 2018, and the revised SEBI Listing Regulations requires approval of the shareholders in a general meeting by way of a Special Resolution, in case the remuneration payable to the Managing Director or Whole-time Director or Manager exceeds the maximum overall ceiling limits

prescribed therein. Accordingly, it is proposed to obtain approval of Shareholders approval by way of a **Special Resolution** for the purposes of compliance with changes in Companies Act, 2013 and SEBI Listing Regulations as aforesaid.

The terms and conditions of appointment and remuneration paid/payable to Shri S. C. Mehta, as approved by the shareholders at their meeting held on September 18, 2018 are reproduced hereunder and are proposed be kept unchanged:

a) Salary:

₹ 21,00,000/- (Rupees Twenty One Lakhs Only) per month in the grade of ₹ 21,00,000/ (Rupees Twenty One Lakhs Only) to ₹ 30,00,000/- (Rupees Thirty Lakhs Only) per month.

b) Commission

Commission at such percentage of net profits of the Company computed provided that the salary, perquisites and commission [overall remuneration] does not exceed ten percent of the net profits of the Company in accordance with the provisions of Section 197 of the Companies Act, 2013 and computed in the manner as laid down under Section 198 of the Companies Act, 2013 or such amount, as the Board of Directors may determine.

c) Perquisites / Allowances

In addition to salary and commission as stated above, Shri S. C. Mehta shall be entitled to the following perquisites/ allowances:

a. Rent free furnished residential accommodation. In case no accommodation is provided by the Company, Shri S. C. Mehta shall be paid house rent allowance as may be decided by the Board of Directors.

b. Re-imbursement of gas, electricity, water charges and furnishings.

c. Re-imbursement of medical expenses incurred for self and members of his family, as per the rules of the Company.

d. Leave travel concession for self and members of his family, as per the rules of the Company.

e. Fees of clubs subject to maximum of two clubs.

f. Medical Insurance, as per the rules of the Company.

g. Personal Accident Insurance, as per the rules of the Company.

h. Provision of car and telephone at residence.

Explanation: For the above purpose, perquisites / allowances shall be valued as per the Income Tax Rules, wherever applicable.

i. Company's contribution to provident fund, superannuation fund or annuity fund, gratuity and encashment of leave, as per the rules of the Company.

j. Retirement and other benefits, as per the rules of the Company.

d) The Board of Directors shall have the authority to alter or vary the terms of re-appointment and remuneration including commission and perquisites / allowances payable to Shri S. C. Mehta within the overall limits of ten percent of the net profits of the Company computed in the manner set out in Section 198 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

e) In the absence of or inadequacy of profits, the salary mentioned in paragraph (a) and perquisites / allowances in (c) above shall be the minimum remuneration payable to Shri S. C. Mehta, subject to the applicable provisions of the Companies Act, 2013.

f) Shri S. C. Mehta would occupy the position of both Chairman and Managing Director so long as it is permissible under the Companies Act, 2013 [Act] and SEBI Regulations. As and when there are changes to the Act or SEBI Regulations, Shri S. C. Mehta would relinquish the position of Chairman and continue solely as Managing Director for the balance period of his tenure of appointment.

Details of Shri S. C. Mehta are provided in the Notice pursuant to the provisions of (i) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India:

Name	Shri S. C. Mehta
Age	59
Qualification	B.Com., M.B.A. (USA)
Experience (including expertise in specific functional area) / Brief Resume	Industrialist with rich business and management experience
Details of Remuneration	The remuneration payable to Shri S. C. Mehta consists of salary, allowances, perquisites, and retirement benefits etc. as per the rules of the Company was already approved by the shareholders by way of an ordinary resolution at their meeting held on September 18, 2018. Approval of the shareholders is sought by way of a special Resolution as per the requirement of revised Section 197 of the Companies Act, 2013 and Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Date of first appointment on the Board	September 4, 1991
Shareholding in the Company as on September 30, 2020	1,506 shares
Relationship with other Directors / Key Managerial Personnel	Smt. Parul S. Mehta, Non-executive Director of the Company is spouse of Shri S. C. Mehta
Number of meetings of the Board attended during the year (till date)	6 out of 6
Directorships of other Boards as on March 31, 2020	13
Membership / Chairmanship of Committees of other Boards till Date	1

None of the Directors or the Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the aforesaid Resolution, except Shri S. C. Mehta and Smt. Parul S. Mehta being wife of Shri S. C. Mehta and their relatives.

The Board of Directors recommends Special Resolution set out at Item No. 2 for approval by the shareholders of the Company.

By Order of the Board
For Deepak Fertilisers And Petrochemicals Corporation Limited

Sd/-
Gaurav Munoli
Company Secretary and Compliance Officer
(Membership No. ACS 24931)
Place: Pune
Date: November 16, 2020