



Ref : Secy/NSE/D144

28th August 2020

The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Dear Sir,

Sub: Notice of the 49th Annual General Meeting of the Company to be held on
18th September 2020.

Pursuant to Regulation 30(6) of SEBI (LODR) Regulations, 2015, the Notice convening the 49th Annual General Meeting of the Company, to be held Friday, 18th September 2020 at 2:00 P.M. (IST) by Video Conferencing (VC) / Other Audio Visual Means (OVAM) sent to the Shareholders on 27th August 2020 is attached.

We request you kindly to take on record the intimation.

Thanking You,

Yours faithfully,

For Southern Petrochemical
Industries Corporation Ltd.,

A handwritten signature in black ink, appearing to read 'M B Ganesh'.

M B Ganesh
Secretary

Encl: a/a

CC: BSE Limited.

Southern Petrochemical Industries Corporation Limited

(CIN : L11101TN1969PLC005778)

REGISTERED & CORPORATE OFFICE : SPIC House 88 Mount Road, Guindy, Chennai 600 032 India
Phone : +91 (44) 22350245 | Fax : +91 (44) 22352163 | Email : spiccorp@spic.co.in | www.spic.in

SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

Registered Office: "SPIC House", No. 88, Mount Road, Guindy, Chennai - 600 032.

CIN: L11101TN1969PLC005778;

E-mail: spiccorp@spic.co.in; website: www.spic.in; Ph: 044-22350245

NOTICE

NOTICE is hereby given that the **FORTY NINTH ANNUAL GENERAL MEETING** of the Members of Southern Petrochemical Industries Corporation Limited will be held on Friday, 18th September 2020 at 2:00 PM (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:**1. Adoption of Financial Statements****"RESOLVED THAT**

- a. The audited standalone financial statement of the Company for the year ended 31st March 2020 and the Reports of the Board of Directors and Auditors thereon;
- b. The audited consolidated financial statement of the Company for the year ended 31st March 2020 and the Report of the Auditors thereon;

be and are hereby received and adopted."

2. Appointment of Director

"RESOLVED THAT Mr. T K Arun, Director (DIN: 02163427), retiring by rotation, eligible for re-appointment and having offered himself for re-appointment be and is hereby re-appointed as Director of the Company."

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Dr. K P Karthikeyan, I.A.S, (DIN: 08218878), Nominee Director of Tamilnadu Industrial Development Corporation Limited, pursuant to Section 161 and other applicable provisions, if any, of the Companies Act, 2013, and the Articles of Association of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation.

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Ms. E Sundaravalli I.A.S, (DIN: 08769721), Nominee Director of Tamilnadu Industrial Development Corporation Limited, pursuant to Section 161 and other applicable provisions, if any, of the Companies Act, 2013, and the Articles of Association of the Company, be and is

hereby appointed as Director of the Company liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made there under including any statutory modification(s) or re-enactment thereof for the time being in force read with Schedule IV of the Act and Regulations 16 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the appointment of Ms. Rita Chandrasekar (DIN: 03013549) as Independent Director of the Company and to hold office for a period of five years from 14th November 2019 be and is hereby approved."

6. To consider and if thought fit, to pass, with or without modification, the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under read with the provisions of Companies (Cost Records and Audit) Rules, 2014 including any statutory amendment(s), modification(s) and re-enactment thereof for the time being in force, the appointment of M/s. B Y & Associates, Chennai, Cost Accountants, (Firm Registration No. 003498) as Cost Auditor to conduct the Cost Audit pertaining to Cost Accounts and Records of the Fertilizer Division of the Company for the financial year ending 31st March 2021, on a remuneration of ₹1,50,000/- (Rupees One lakh fifty thousand only) subject to applicable taxes and levies be and is hereby approved and ratified."

7. To consider and if thought fit, to pass, with or without modification, the following Resolution as **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under including any statutory amendment(s), modification(s) and re-enactment thereof for the time being in force, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to exercise its power to give guarantee and / or provide security in

favour of M/s. New India Co-operative Bank Limited, Mumbai, (the Bank) for a value not exceeding ₹100 crores (Rupees One Hundred Crores only) for securing the repayment of a loan of ₹100 crores to be availed by the Dealers of the Company from the Bank, notwithstanding that the aggregate of the loans given or guarantees provided or securities subscribed/acquired or loans/guarantees to be given or securities to be subscribed/acquired by the Company exceed the limits approved by the Members for giving loans/providing guarantee/investing in securities.”

“RESOLVED FURTHER THAT the Board of Directors (which term shall include a Committee of Directors

constituted for this purpose or any Director or Officer of the Company authorised in this regard) be and is hereby authorized to take such steps as may be necessary in relation to the above and to settle all matters arising out of and incidental thereto, to sign and to execute deeds, applications, documents and writings that may be required on behalf of the Company for giving effect to this Resolution.”

(By order of the Board)
For Southern Petrochemical
Industries Corporation Limited

Place : Chennai
Date : 12th August 2020

M B Ganesh
Secretary

NOTES:

- a. In view of the Covid-19 pandemic prevailing since March 2020, the Ministry of Corporate Affairs vide its Circular dated April 8, 2020, April 13, 2020 & May 5, 2020 and SEBI's Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 hereinafter referred to as “the Circulars” permitted the holding of the Annual General Meeting through VC / OAVM without the physical presence of the Members at a common venue. Accordingly, the 49th Annual General Meeting (AGM) of the Company will be held through VC / OAVM. Hence, Members are requested to attend and participate in the ensuing AGM through VC/OAVM.
 - b. Share Transfer Register of the Company will remain closed from to Saturday, 12th September 2020 to Friday, 18th September 2020 (both days inclusive).
 - c. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, (the Act) in respect of items 3 to 7 is annexed hereto.
 - d. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since the AGM is being held through VC / OAVM, pursuant to the Circulars, physical attendance of Members has been dispensed with / is not permitted. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC/OAVM and cast their votes through E-Voting by forwarding the resolution authorizing them to attend and vote to the Scrutinizer or RTA.
 - e. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and as per the Circulars the Company constituted for this purpose or any Director or Officer of the Company authorised in this regard) be and is hereby authorized to take such steps as may be necessary in relation to the above and to settle all matters arising out of and incidental thereto, to sign and to execute deeds, applications, documents and writings that may be required on behalf of the Company for giving effect to this Resolution.”
- (By order of the Board)
For Southern Petrochemical
Industries Corporation Limited
- Place : Chennai
Date : 12th August 2020
- M B Ganesh
Secretary
- the Company is providing facility of remote E-Voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a Member using Remote E-Voting as well as the E-Voting system on the date of the AGM will be provided by Central Depository Services (India) Limited (CDSL). The Board has appointed M/s. B Chandra & Associates. Practicing Company Secretaries, as the Scrutinizer to scrutinize the E-Voting in a fair and transparent manner.
- f. The Members can join the AGM in the VC/OAVM mode 15 minutes before or after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction.
 - g.
 - i) Members holding shares in physical form are advised to inform the Company of any change in address or demise of any Member. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company / RTA, for consolidation into a single folio.
 - ii) Members who have not yet updated/registered their email address and in consequence could not receive the Notice and Annual Report may get their email address registered with the RTA, Cameo Corporate Services Limited by following the below instructions.
For Physical Holding -
 - a) Send email to the Registrar and Transfer Agents of the Company, Cameo Corporate Services Ltd. (“Cameo”) at investor@cameoindia.com along with the scanned copy

of the request letter to update/register email address duly signed by sole/first shareholder quoting the Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self -attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.

- b) Alternatively, The Member may visit <https://investor.cameoindia.com/> and follow the guidance for submission of the information online for registering the email and mobile number etc.,

Demat Holding -

Please contact your Depository Participant (DP) and register your email address. Members are also requested to ensure that the option to receive the Notice of AGM and Annual Report by email has been duly exercised and registered with the DP.

- iii) The Company has issued Newspaper Advertisements on 1st June 2020 in Financial Express (All Edition) & Makkal Kural and on 15th August 2020 in Business Standard (All Edition) and Makkal Kural requesting Shareholders to Update/Register their email IDs with the Company/RTA to enable the Company to send all the Notices of the Company to the Shareholders electronically.

- h. As per Regulation 40 of SEBI (LODR) Regulations, as amended, effective 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository.
- i. Details furnished under Regulation 26 & 36 of SEBI (LODR) Regulations, 2015 in respect of the Directors seeking appointment / re-appointment at the AGM shall form integral part of the Notice. Such Directors have furnished the requisite declarations for their appointment / re-appointment.
- j. In compliance with the Circular, Notice of the AGM along with the Annual Report 2019-20 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories/Registrars and Share Transfer Agents.
- k. Members may also note that the Notice and the Annual Report will be available on the website of the Company, website of the National Stock Exchange, and the website of CDSL www.evotingindia.com
- l. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- m. The voting rights of Members shall be in proportion to the shares held by him to the paid-up equity share

capital in the Company held as on 11th September 2020, the cut-off date.

- n. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act, read with the Rules made thereunder. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled to the Company. The Nomination Form is also available in the website of the Company. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

Inspection of Documents:

All material documents relating to the items of business set out in the Notice are available for inspection by the Members at the Registered Office of the Company on all the working days between 11:00 A.M. (IST) and 1:00 P.M. (IST) prior to the date of the Meeting.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The Remote E-voting period begins on Tuesday, 15th September 2020 at 9:00 A.M. (IST) and ends on Thursday, 17th September 2020 at 5:00 P.M. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th September 2020 may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) The facility for E-voting will also be made available during the AGM. Members participating in the AGM through VC/OAVM and who have not cast their vote on the resolutions through remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through the E-Voting system during the AGM.
- (iii) The shareholders should log on to the E-Voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and click on Login.

- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier E-Voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in your email indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for E-Voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "Southern Petrochemical Industries Corporation Limited" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@cameoindia.com.
- For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@cameoindia.com.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL E-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote E-Voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVSN of Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. **i) Members desirous of speaking at the meeting may register through the web portal of the Registrar & Transfer Agent M/s. Cameo Corporate Services Limited through the following web-link: <https://investors.cameoindia.com>**

ii) The above facility for participant registration will be open from Thursday, 10th September 2020 at 9:00 A.M (IST) to Monday, 14th September 2020 5:00 P.M (IST). It may please be noted that there will be no option for registration during the Meeting. Hence Shareholders who have registered through the above process only will be able to speak at the Meeting.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. Members who do not wish to speak during the AGM but have queries may send their queries on or before 14th September 2020, mentioning their name, demat account number/folio number, E-mail id, mobile number at shares.dep@spic.co.in. These queries will be replied to by the company suitably by email.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for E-Voting on the day of the AGM is same as the instructions mentioned above for Remote E-Voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the E-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of E-Voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote E-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (PoA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; bchandracosecy@gmail.com / shares.dep@spic.co.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL E-Voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & E-Voting from the E-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533, 022-23058542 / 43.

Annexure to Notice EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The following Explanatory Statement sets out the material facts on subjects referred in Item Nos. 3 to 7 of the Notice convening the 49th AGM:

ITEM No. 3

The Board of Directors, at their Meeting held on 24th March 2020 on the recommendation of the Nomination and Remuneration Committee had appointed Dr. K P Karthikeyan, I.A.S (DIN: 08218878), nominee of TIDCO as Additional Director of the Company pursuant to Section 161 of the Act, and will hold office upto the date of this AGM. Notice proposing his candidature has been received from TIDCO under Section 160 of the Act. The Board recommends the Ordinary Resolution in relation to the appointment of Dr. K P Karthikeyan, IAS as Director for approval by the Members of the Company as set out in Item No. 3 of the Notice.

Memorandum of Interest:

Except Dr. K P Karthikeyan, I.A.S and his Relatives, Ms. E Sundaravalli, I.A.S, Nominee Directors of TIDCO, none of the Directors, Key Managerial Personnel of the Company is interested in this Resolution.

ITEM No. 4

The Board of Directors, at their Meeting held on 12th August 2020 on the recommendation of the Nomination and Remuneration Committee had appointed Ms. E Sundaravalli, I.A.S (DIN 08769721), nominee of Tamilnadu Industrial Development Corporation Ltd. (TIDCO) as Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 ("the Act") and will hold office upto the date of this AGM. Notice proposing her candidature has been received from TIDCO under Section 160 of the Act. The Board recommends the Ordinary Resolution in relation to the appointment of Ms. E Sundaravalli, I.A.S as Director for approval by the Members of the Company as set out in Item No. 4 of the Notice.

Memorandum of Interest:

Except Ms. E Sundaravalli, I.A.S and her Relatives, Dr. K P Karthikeyan, IAS, Nominee Director of TIDCO, none of the Directors, Key Managerial Personnel of the Company is interested in this Resolution.

ITEM No. 5

The Board of Directors, at their Meeting held on 14th November 2019 on the recommendation of Nomination and Remuneration Committee had appointed Ms. Rita Chandrasekar (DIN: 03013549) as Independent Director for a period of five years from 14th November 2019 pursuant to applicable provisions of the Act, and

SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR). In the opinion of the Board, pursuant to proviso to Section 152 (5) of the Act, and LODR Ms. Rita Chandrasekar fulfills the conditions specified in the Act, and Rules made under for appointment as an Independent Director of the Company and is independent of the Management. Consent has been received from Ms. Rita Chandrasekar to hold Office as Independent Director of the Company. Notice proposing her candidature has been received as required under Section 160 of the Act. The Board recommends the Ordinary Resolution in relation to the appointment of Ms. Rita Chandrasekar as Independent Director, for approval by the Members of the Company as set out in Item No. 5 of the Notice.

Memorandum of Interest:

Except Ms. Rita Chandrasekar and her Relatives, none of the Directors, Key Managerial Personnel of the Company is interested in this Resolution.

ITEM No. 6

The Board of Directors, at their meeting held on 18th June 2020 on the recommendation of the Audit Committee, appointed M/s. B Y & Associates, Chennai, Cost Accountants, (Firm Registration No. 003498) as Cost Auditor at a remuneration of ₹1,50,000/- (Rupees One lakh fifty thousand only) subject to applicable tax and levies to conduct the cost audit pertaining to the cost accounts and records of the Fertilizers Division of the Company for the financial year ending 31st March 2021. In accordance with the provisions of Section 148 of the Act, and the Rules made thereunder, the remuneration payable to the Cost Auditor shall be ratified by the Members of the Company.

The Board recommends the Ordinary Resolution as set out in Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March 2021.

Memorandum of Interest:

None of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

ITEM No. 7

The Company, as a business practice, has been receiving security deposits from the Dealers who hold Urea on behalf of the Company for sale to farmers for use in the business. The Company had approached the Dealers for increasing security deposit. The Dealers have agreed for making increased security deposit, but citing the financial crisis due to pandemic COVID-19, requested the Company to arrange for financial facility from the Bank. The Company had discussions with M/s. New India Co-operative Bank

Limited, Mumbai and the Bank has agreed to sanction loan facility not exceeding ₹100 crores to the Dealers on the following terms and conditions:

- a) The loan amount shall be utilised by the Borrower (Dealer) for providing security deposit to the Company.
- b) The Dealer shall create exclusive charge in favour of the Bank over the stocks and debtors of the Dealers as security.
- c) The interest cost on the loan shall be borne by the Company.
- d) The Company shall Guarantee the repayment of the loan to be availed by all the Dealers put together, for a value not exceeding ₹ 100 crores.
- e) A Tripartite Agreement shall be executed between the Bank, Dealer(s) and the Company.

By this arrangement, the Company would be benefitted with availability of funds for meeting its working capital requirements.

As on date, the aggregate amount of the investments in shares/debentures, loans and guarantee(s)/security made, given or provided by the company to other bodies corporate are within the limits provided in Section 186 of the Companies Act, 2013. Since this proposal will be in excess

of the prescribed limit specified in Section 186 of the Act, approval of the Shareholders of the Company is required.

Pursuant to the provisions of Section 186 of the Act, and Rules made thereunder, the Company is required to obtain prior approval of the Shareholders by a Special Resolution passed, if the amount of investment made, loan given, guarantee or security provided together with the value of the proposed guarantee exceeds sixty percent of the paid up share capital, free reserve and securities premium account or hundred percent of free reserves and securities premium account whichever is higher.

The Board recommends the Special Resolution as set out in Item No. 7 of the Notice to give guarantee in favour of M/s. New India Co-operative Bank Limited, Mumbai for a value not exceeding ₹ 100 Crores as security for the loan to be sanctioned to the Dealers.

Memorandum of Interest:

None of the Directors, Key Managerial Personnel of the Company and their relatives is interested in this Resolution.

(By order of the Board)
For Southern Petrochemical
Industries Corporation Limited

Place : Chennai
Date : 12th August 2020

M B Ganesh
Secretary