

जय भगवान शर्मा
कार्यपालक निदेशक
(विधी एवं कंपनी सचिव)

Jai Bhagwan Sharma
Executive Director
(Legal & Company Secretary)

राष्ट्रीय केमिकल्स एण्ड
फर्टिलाइजर्स लिमिटेड
(भारत सरकार का उपक्रम)
साथ बढ़ें समृद्धि की ओर
"प्रियदर्शिनी",
ईस्टर्न एक्सप्रेस हाइवे,
सायन, मुंबई - 400 022.



**Rashtriya Chemicals and
Fertilizers Limited**

(A Government of India Undertaking)
Let us grow together

"Priyadarshini",
Eastern Express Highway,
Sion, Mumbai - 400 022.

CIN - L24110MH1978GOI020185

दूरध्वनी/Tel.:(Off.): (022) 2404 5024 • ई-मेल/E-mail : jbsharma@rcfltd.com • वेबसाइट/Website : www.rcfltd.com

RCF/CS/Stock Exchanges /2021

June 30, 2021

The Corporate Relations Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. Script Code: 524230/959872	The Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra(East), Mumbai- 400 051. Script Code: RCF EQ ISIN : INE027A07012
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Dear Sir/Madam,

Sub: Annual Secretarial Compliance Report for the year ended March 31, 2021

We are enclosing herewith the Annual Secretarial Compliance Report for the year ended March 31, 2021 issued by M/s. Bhandari & Associates, Practising Company Secretaries.

This is for your information and record.

Thanking you,

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

(J. B. Sharma)
Executive Director
Legal and Company Secretary

Encl: a./a.

BHANDARI & ASSOCIATES

Company Secretaries

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J. B. Nagar, Andheri East. Mumbai- 400 059
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Secretarial Compliance Report of Rashtriya Chemicals and Fertilizers Limited for the year ended March, 31, 2021

*[Pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/27/2019
dated 08th February, 2019]*

We, Bhandari & Associates, Company Secretaries have examined:

- a) all the documents and records made available to us and explanation provided by **Rashtriya Chemicals and Fertilizers Limited** (“the listed entity”),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended **March 31, 2021** (“Review Period”) in respect of compliance with the provisions of:
 - a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, includes:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (“Listing Regulations”)
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;[#]
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [#]
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;[#]
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
and circulars/ guidelines issued thereunder.

[#]The Regulations or Guidelines, as the case may be were not applicable for the period under review.

and based on the above examination, we hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	<p>As per Regulation 17(1) (a) of the Listing Regulations, Board of Directors shall have an optimum combination of Executive and non-executive directors with at least one Woman Director and not less than 50% of the Board of Directors shall comprise of non-executive directors.</p> <p>As per 17(1) (b) of the Listing Regulations, Where the listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors should be comprised of Independent Directors.</p>	<p>The Board of Directors comprises of nine Directors, constituting of four Executive Directors (including the Chairman & Managing Director); two Nominee Directors (non-executive) and three Independent Directors including woman Independent Director.</p> <p>The listed entity does not have requisite number of Independent Directors on its Board.</p>	<p>The Listed entity is a Central Public Sector Enterprise (CPSE) under the administrative control of Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India. We have been informed that, being a CPSE, the listed entity is not empowered to appoint any Director on its own on the Board of the Listed entity.</p>
2	<p>As per Regulation 25 (6) of Listing Regulations, an independent director who resigns or is removed from the board of directors of the listed entity shall be replaced by a new independent director by listed entity at the earliest but not later than the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.</p>	<p>An independent director of the listed entity vacated the office on account of completion of his term as Independent Director on March 7, 2020. The listed entity has not complied with the requirement of appointment of a new independent director within three months from date of such vacancy.</p>	<p>The Listed entity is a Central Public Sector Enterprise (CPSE) under the administrative control of Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India. We have been informed that, being a CPSE, the listed entity is not empowered to appoint any Director on its own on the Board of the Listed entity.</p>

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (*including under the Standard Operating Procedures issued by SEBI through various circulars*) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	BSE Ltd ("BSE")	Non-compliance with the requirements pertaining to the composition of the Board under Regulation 17(1) for the quarters ended March 31, 2020, June 30, 2020, September 30, 2020, December 31, 2020 and March 31, 2021.	Fine of Rs.5,36,900/- each for quarters ended March, 2020 & June, 2020; Rs. 5,42,800/-each for quarters ended September, 2020 & December 2020 and Rs.5,31,000/- for quarter	BSE had waived off the fines levied for the quarters ended - September 2018 till December 2020. Further, the listed entity has made an application

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
			ended March 2021 were levied by BSE.	to BSE for waiver of fine levied for quarter ended March, 2021
2	National Stock Exchange of India Limited ("NSE")	Non-compliance with the requirements pertaining to the composition of the Board under Regulation 17(1) for the quarters ended March 31, 2020, June 30, 2020, September 30, 2020, December 31, 2020 and March 31, 2021.	Fine of Rs. 5,36,900/- each for quarters ended March, 2020 & June, 2020; Rs. 5,42,800/- each for quarters ended September, 2020 and December 2020 and Rs. 5,31,000/- for quarter ended March 2021 were levied by NSE.	The Listed entity is a Central Public Sector Enterprise (CPSE) under the administrative control of Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India. Being a CPSE, the Company is not empowered to appoint any Director on its own on the Board of the Company. In view of the above, the listed entity has made an application requesting NSE to waive the fines.

d) The listed entity has taken the following actions to comply with the observations made in previous reports:


Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (the years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	The Board of Directors comprises of eight Directors, constituting of four Executive Directors (including the Chairman & Managing Director); two Nominee Directors (nonexecutive) and two Independent Directors. The listed entity does not have the requisite number of Independent Directors including independent Woman Director on its Board.	March 31, 2020	The Listed entity had replied to the Stock Exchanges on the said matter stating that the Company is a Central Public Sector Enterprise (CPSE) under the administrative control of Department of Fertilizers (DoF), Ministry of Chemicals and Fertilizers, Govt. of India. Being a CPSE, the Listed entity is not empowered to appoint any Director on its own on the Board of the Company. The Directors on the Board of the Company can only be appointed by the Government of India. The Listed entity is actively pursuing with its Administrative Ministry for	As informed by the Listed Entity, the Listed Entity is a Central Public Sector Enterprise (CPSE) under the administrative control of Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India. Accordingly, Listed entity is following up with the Ministry of Chemicals and Fertilizers,

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (the years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
			filling up the said vacancies of Independent Directors.	Government of India for filling the vacancy of the Independent Directors on the Board.
3	<p>Nomination and Remuneration committee (“NRC”) comprises of three Directors, constituting two non-executive Directors including one Independent Director and one Executive Director as on March 31, 2020.</p> <p>The Listed entity does not have requisite number of Independent Directors in its NRC as on March 31, 2020.</p>	March 31, 2020	Shri Suryanarayana Simhadri who is member of Nomination and Remuneration Committee ceased to be Independent Director of the listed entity on completion of his term on March 7, 2020. Subsequently, Nomination and Remuneration Committee was reconstituted by the Board of Directors on May 8, 2020 with requisite number of Independent Directors. Further, Nomination and Remuneration Committee did not meet during period from March 8, 2020 to May 8, 2020.	Complied by the listed entity.

As informed by the management, appointment of statutory Auditors at the Rashtriya Chemical and Fertilizers Limited (being the Govt. of India Undertaking) has been done by the Office of the Comptroller and Auditor General of India {C&AG} and the terms of appointment of the statutory auditor were issued by C&AG. Hence, we are unable to certify compliance by the listed entity with 6(A) and 6(B) of SEBI circular number CIR/CFD/CMDI/114/2019 dated October 18, 2019.

For **Bhandari & Associates**
Company Secretaries

Firm Registration No: P1981MH043700

S. N. Bhandari

Partner

FCS No: 761; C P No.: 366

Mumbai | June 30, 2021

UDIN: F000761C000546251