



नेशनल फर्टिलाइज़र्स लिमिटेड

(भारत सरकार का उपक्रम)

कॉरपोरेट कार्यालय : ए-11, सेक्टर-24, नोएडा - 201301

जिला गौतम बुद्ध नगर (उ.प्र.),

दूरभाष : 0120-2412294, 2412445, फ़ैक्स : 0120-2412397



NATIONAL FERTILIZERS LIMITED

(A Govt. Of India Undertaking)

Corporate Office : A-11, Sector-24, Noida-201301,

Distt. Gautam Budh Nagar (U.P.)

Ph.: 0120-2412294, 2412445, Fax : 0120-2412397

Ref. No.NFL/SEC/SE/1332

Dated: 16.05.2024

National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai-400051 NSE Symbol- NFL	BSE Limited Corporate Relationship Department, 1 st Floor, New Trading Wing, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 BSE Scrip Code -523630
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Sub: Annual Secretarial Compliance Report for the year ended 31st March, 2024 as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 and other circulars issued by NSE and BSE from time to time.

Dear Sir,

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 and other circulars issued by NSE and BSE from time to time, we are submitting herewith the Annual Secretarial Compliance Report of the Company for the year ended 31st March, 2024, issued by Kumar Naresh Sinha & Associates, Company Secretaries.

Kindly take the same on record.

Thanking you,

**Yours faithfully,
For National Fertilizers Limited**

**(Ashok Jha)
Company Secretary**

Encl: As above.

**Secretarial Compliance Report of National Fertilizers Limited (NFL) for
the financial year ended March 31, 2024**

We **Kumar Naresh Sinha and Associates** have examined:

- (a) all the documents and records made available to us and explanation provided by **National 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 report,

for the year ended **March 31, 2024** ("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, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (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; **[Not Applicable as the listed entity has not bought back/propose to buy-back any of its securities during the Review Period];**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[Not applicable as the listed entity has not offered any shares or granted any options pursuant to any employee benefit scheme during the Review Period];**
- (f) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **[Applicable to the extent of issuance of Commercial Paper, if any, by the Company.]**
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 **[to the extent applicable]**

and circulars/ guidelines issued thereunder.

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:-



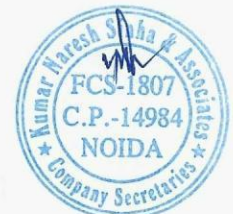
Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation /Circular No.	Deviations	Action taken by	Type of Action (Advisory/Circularization/Fine/Show Cause Notice /Warning, etc.)	Details of Violation	Fine Amount	Observations /Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Where the listed entity does not have a regular non-executive chairperson, at least half of the Board of Directors shall comprise of Independent Directors.	Regulation 17(1) of the SEBI (LODR) Regulations, 2015	The number of Independent Directors on the Board is less than fifty percent from 16.06.2023 to 30.01.2024.	BSE and NSE	Fine	The number of Independent Directors on the Board is less than fifty percent from 16.06.2023 to 30.01.2024.	NSE and BSE each has imposed fine of Rs. 11,74,100/- inclusive of GST for Non-compliance of Regulation 17(1) for the Quarters ended June 30, 2023, September 30, 2023 and December	The listed entity has submitted to BSE and NSE that NFL is a Public Sector Undertaking (PSU) under the administrative control of Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India. Being a Government Company, all the Directors on the Board of NFL including Non-Official Part-time Directors (Independent Directors)/ Woman Directors are appointed by the Administrative Ministry i.e., Ministry of Chemicals and Fertilizers, Government	Presently, the Company has adequate number of Independent Directors on its Board.	Company's request for waiver of fine is pending with NSE and BSE.



							31, 2023.	of India and as such the Company has no control over the appointment of Independent Directors/Woman Director. The Company has been continuously following up with Ministry of Chemicals and Fertilizers, Government of India to fill the vacancy of Independent Director on the Board of NFL. In view of above, the Company has requested to the stock exchanges to waive off the fine imposed for non-compliance.		
2.	Performance evaluation of Independent Directors shall be done by the entire Board of Directors.	Regulation 17(10)(a) of the SEBI (LODR) Regulations, 2015	The performance evaluation of Independent Directors have not been done by the entire Board of Directors.	None	None	The performance evaluation of Independent Directors have not been done by the entire Board of Directors.	-NIL-	The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (Independent Directors) on the Board of NFL is made by Government	The appointment of Chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (Independent Directors) on the Board of NFL is made by Government	None



								of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson and Functional Directors and Independent Directors by Administrative Ministry.	of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson and Functional Directors and Independent Directors by Administrative Ministry.	
3.	The Nomination and Remuneration Committee shall: (a) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key	Regulation 19 (4) read with Schedule II Part D (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements)	The Nomination and Remuneration Committee has not: (a) formulated the criteria for determining qualifications, positive attributes and Independence of a director and	None	None	The Nomination and Remuneration Committee has not: (a) formulated the criteria for determining qualifications, positive attributes and Independence of a director and	-NIL-	The appointment of chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a	The appointment of chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a	None



	managerial personnel and other employees; (b) formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.	nts) Regulations, 2015	recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other employees; (b) formulated criteria for evaluation of performance of Independent Directors and the Board of Directors.			recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other employees; (b) formulated criteria for evaluation of performance of Independent Directors and the Board of Directors.		well laid down procedure for evaluation of performance of Chairman, Functional Directors and Independent Director by GOI.	well laid down procedure for evaluation of performance of Chairman, Functional Directors and Independent Director by GOI.	
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(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars /	Regulation /Circular	Deviations	Action taken	Type of Action (Advis	Details of Violation	Fine Amount	Observations/Remarks of the Practicing	Management Response/Remedial	Remarks/ Comment
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	guidelines including specific clause)	No.		by	ory/Clarification/Find/Show Cause Notice /Warning, etc.)			Company Secretary	actions, if any, taken by the listed entity	s of the PCS on the actions taken by the listed entity
1.	The listed entity, while submitting quarterly and annual financial results, shall disclose the following line items along with the financial results: (a) debt-equity ratio; (b) debt service coverage ratio; (c) interest service coverage ratio; (d) outstanding redeemable preference shares (quantity and value); (e) capital redemption reserve/debenture redemption reserve; (f) net worth; (g) net profit after tax; (h) earnings	Regulation 52(4) of SEBI (LODR) Regulation 5, 2015	Non-disclosure of line items prescribed under Regulation 52(4) of SEBI LODR along with the financial results	BSE	Fine	BSE vide mail dated 14.12.2022 and 30.12.2022 levied fine as per SEBI circular no. SEBI/HO/DDH S_Div2/P/CIR/2021/699 dated December 29, 2021, for Non-disclosure of line items prescribed under Regulation 52(4) of SEBI LODR along	Fine of Rs. 54,280/- i.e., Rs. 46,000/- plus GST @ 18% Rs. 8280/- for the quarter ended September 2022.	The listed entity has not complied with the disclosure requirement of line items prescribed under Regulation 52(4) of SEBI LODR along with the financial results for the quarter ended September 2022.	Company vide letter no. NFL/SEC/SE/836 and NFL/SEC/SE/845 dated 22.12.2022 and 02.01.2023 respectively requested to BSE for waiver of fine and submitted the additional line items and provided that some additional line items could not be included inadvertently in the aforesaid financial results for the quarter ended September 2022.	BSE vide its mail dated 28.03.2024 informed to NFL that relevant authority could not acceded with the company's request for waiver of fine. Therefore, the company has to pay the outstanding fine amount of Rs. 57,280/- within 10 days from the date of intimation. The



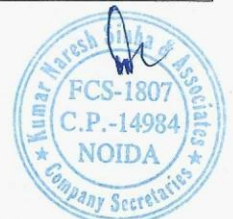
	per share; (i) current ratio; (j) long term debt to working capital; (k) bad debts to Account receivable ratio; (l) current liability ratio; (m) total debts to total assets; (n) debtors' turnover; (o) inventory turnover; (p) operating margin percent; (q) net profit margin percent: Provided that if the information mentioned in sub-regulation (4) above is not applicable to the listed entity, it shall disclose such other ratio/equivalent financial information, as may be required to be maintained under applicable laws, if any.					with the financial result for the quarter ended September 2022.				Company has paid the aforesaid amount to BSE on 30.03.2024 and the same was intimated to BSE.
2.	Performance evaluation of Independent Directors shall be done	Regulation 17(10)(a) of	The performance evaluation of	None	None	The performance evaluation of	-NIL-	The appointment of Chairperson, Functional	The appointment of Chairperson, Functional	None



	by the entire Board of Directors.	the SEBI (LODR) Regulations, 2015	Independent Directors have not been done by the entire Board of Directors.			Independent Directors have not been done by the entire Board of Directors.	Directors, Part-time Official Directors as well as Part-time non-Official Directors (Independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson and Functional Directors and Independent Directors by Administrative Ministry.	Directors, Part-time Official Directors as well as Part-time non-Official Directors (Independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by GOI and there is a well laid down procedure for evaluation of performance of Chairperson and Functional Directors and Independent Directors by Administrative Ministry.	
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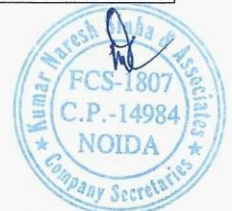
3.	<p>The Nomination and Remuneration Committee shall:</p> <p>(a) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;</p> <p>(b) formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.</p>	<p>Regulation 19 (4) read with Schedule II Part D (A) of the Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015</p>	<p>The Nomination and Remuneration Committee has not:</p> <p>(a) formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other</p>	None	None	<p>The Nomination and Remuneration Committee has not:</p> <p>(a) formulated the criteria for determining qualifications, positive attributes and Independence of a director and recommend to the Board of Directors, a policy relating to the remuneration of the directors, key managerial personnel and other</p>	-NIL-	<p>The appointment of chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by Gol and there is a well laid down procedure for evaluation of performance of Chairman, Functional Directors and Independent Director by GOI.</p>	<p>The appointment of chairperson, Functional Directors, Part-time Official Directors as well as Part-time non-Official Directors (independent Directors) on the Board of NFL is made by Government of India (GOI). Further, terms & conditions of appointment as well as tenure of all directors are also decided by Gol and there is a well laid down procedure for evaluation of performance of Chairman, Functional Directors and Independent Director by GOI.</p>	None
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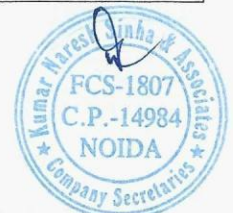
		emplo yees; (b) formul ated criteria for evaluat ive of perfor mance of Indepe ndent Directo rs and the Board of Directo rs.			emplo yees; (b) formul ated criteria for evaluat ive of perfor mance of Indepe ndent Directo rs and the Board of Directo rs.				
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I. We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
1.	<u>Secretarial Standard:</u> The compliances of the listed entities are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	None
2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entity. All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated on time, as per the regulations/ circulars/ guidelines issued by SEBI. 	Yes Yes	None None
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> The Listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the 	Yes Yes	None None

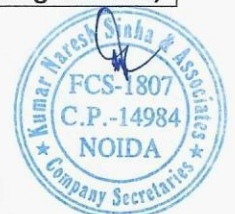


	<p>website</p> <ul style="list-style-type: none"> • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website 	Yes	None
4.	<p><u>Disqualification of Director:</u></p> <p>None of the Director(s) of the listed entity is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	None
5.	<p><u>Details related to Subsidiaries of listed entities have been examined w.r.t:</u></p> <p>(a) Identification of material subsidiary companies (b) Disclosure requirements of material as well as other subsidiaries</p>	N.A.	The company does not have any subsidiary.
6.	<p><u>Preservation of Documents:</u></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	None
7.	<p><u>Performance Evaluation:</u></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.</p>	NA	<p>Ministry of Corporate Affairs has, vide its notification dated June 05, 2015, notified the exemptions to Government Companies from certain provisions of the Companies Act, 2013 which inter-alia provides that Section 134(3)(p) regarding a statement indicating the manner of formal annual evaluation of Board, shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in charge of the Company as per its evaluation methodology. Further, the aforesaid circular issued by the MCA has also exempted that sub-section (2), (3) & (4) of Sec. 178 regarding</p>

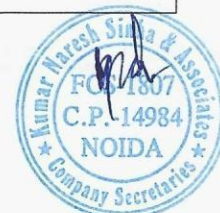


the appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies.

Further, MCA vide its notification dated July 05, 2017, has made an amendment in the Schedule IV of the act, whereby it has exempted Government Companies from complying with the requirement of performance evaluation by the Independent Directors of Non-Independent Directors and Chairman and performance evaluation of the Independent Director by the Board if the concerned department or ministries have specified these requirements. In this regard, the listed entity has confirmed that the Department of Public Enterprise (DPE) has already laid down a mechanism for performance appraisal of all Functional Directors. The performance evaluation of Functional Directors is done through a system of Annual Performance Appraisal Report (APAR) by Ministry of Chemicals and Fertilizers. Further, the performance evaluation of the Company is done through the evaluation of the Memorandum of Understanding entered with Ministry of Chemicals and Fertilizers, and the said evaluation is submitted to Department of Public Enterprises through the Administrative Ministry. The MoU targets are cascaded down and form an integral part of the performance appraisal of the individuals and the team. The internal MoU covers various parameters including financial,



			<p>non-financials and compliances of government guidelines etc. In respect of Government Nominee Directors, their evaluation is done by the Ministry of Chemicals and Fertilizers as per the procedure laid down. Since Independent Directors are also appointed by the Government of India, their evaluation is also done by the Ministry of Chemicals and Fertilizers and finally by DPE.</p>
8.	<p><u>Related Party Transactions:</u></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; or (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee.</p>	<p>Yes</p> <p>NA</p>	<p>None</p> <p>None</p>
9.	<p><u>Disclosure of events or information:</u></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	<p>Yes</p>	<p>None</p>
10.	<p><u>Prohibition of Insider Trading:</u></p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	<p>Yes</p>	<p>None</p>
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>The action(s) taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.</p>	<p>Yes</p>	<p>Mentioned in para (a) above.</p>
12.	<p><u>Resignation of statutory auditors from the listed entity or its material subsidiaries:</u></p> <p>In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of</p>	<p>NA</p>	<p>None</p>



	chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.		
13.	<u>Additional non-compliances, if any:</u> No additional non-compliance observed for any SEBI regulation/circular/guidance note etc. except as reported above.	Yes	None

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place: Noida

Date: May 14, 2024

For Kumar Naresh Sinha & Associates

Company Secretaries



[Handwritten Signature]
**CS Naresh Kumar Sinha
(Proprietor)**

FCS: 1807, CP No.: 14984

PR: 610/2019

FRN: S2015UP440500

UDIN:F001807F000368030