



# नेशनल फर्टिलाइजर्स लिमिटेड

(भारत सरकार का उपक्रम)

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

जिला गौतम बुद्ध नगर (उ.प्र.),

दूरभाष : 0120 2012294, 2412445, फैक्स : 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/535

Dated: 02.05.2022

Manager, (Listing), National Stock Exchange of India Ltd., Registered Office (Exchange Plaza), C-1, Block-G, BandraKurla Complex, Bandra (E), Mumbai-400051. NSE Symbol: NFL	✓ General Manager, Department of Corporate Services, BSE Limited, Floor 25 <sup>th</sup> , PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400001. BSE Script Code: 523630
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Sub: Annual Secretarial Compliance Report for the year ended 31<sup>st</sup> March, 2022 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 8<sup>th</sup> February, 2019.

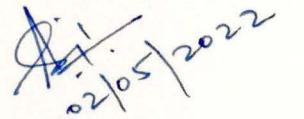
Dear Sir,

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 8<sup>th</sup> February, 2019, we are submitting herewith the Annual Secretarial Compliance Report of the Company for the year ended 31<sup>st</sup> March, 2022, issued by M/s Parveen Rastogi & Co., Practicing Company Secretaries.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For National Fertilizers Limited

  
02/05/2022

(Ashok Jha)

Company Secretary

Encl: As above.



# Parveen Rastogi & Co.

## Company Secretaries

### SECRETARIAL COMPLIANCE REPORT OF NATIONAL FERTILIZERS LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

I, Parveen Kumar Rastogi, Proprietor of Parveen Rastogi & Co. have examined:

- All the documents and records made available to me and explanation provided by National Fertilizers Limited (NFL). ("the listed entity"),
- The filings/ submissions made by the listed entity to the stock exchanges viz. NSE & BSE.
- website of the listed entity,
- any other document/ filing, as may be relevant, which has been relied upon to make this certification,

**For the year ended 31<sup>st</sup> March, 2022 ("Review Period") in respect of compliance with the provisions of:**

- the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder ; and
- 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:-**

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **{Not Applicable to the Company during the Reporting Period}**
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



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: Shop No. 5-6, Satyam Plaza, Plot No-4, Block-B & E, Dilshad Garden, North East Delhi-110093  
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Web. : csparveenrastogi.com

- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **{Not Applicable to the Company during the Reporting Period}**
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **{Not Applicable to the Company during the Reporting Period}**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **{Applicable to the extent of issuance of Commercial Paper 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
- i) SEBI (Delisting of Equity Shares) Regulations, 2009 **{Not Applicable to the Company during the Reporting Period}**
- j) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- k) Other regulations as applicable and circulars/guidelines issued thereunder;

**And based on the above examination, I 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 matter specified below:-

Sr. No	Compliance Requirement(Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 17 (1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, where the listed entity shall have	The Company does not have a Woman independent director on its Board w.e.f. 25.04.2020 till 11 <sup>th</sup> November, 2021.	The Company, at present have a Woman independent director on its Board. As NFL is a Government Company, therefore, Directors of the Company are appointed by the Government of India through the DoF. During the



	at least one woman director on its Board and top 1000 listed entities shall have at least one independent woman director by April 1, 2020.		Audit, the Management informed us that the Company had requested to DoF from time to time for appointment of Women Director and in terms of DoF order One Women Director and one Woman Independent Director were appointed on the Board w.e.f 14 <sup>th</sup> October, 2021 & 12 <sup>th</sup> November, 2021 respectively.
2	Regulation 17 (1) (b) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.	The number of Independent Directors on the Board is less than fifty percent till 11 <sup>th</sup> November, 2021.	The Board of Directors of the Company is headed by an Executive Chairman. Accordingly the number of Independent Directors should be at least 50% of the Board Members. As NFL is a Government Company, therefore, Directors of the Company are appointed by the Government of India through the DoF. During the Audit, the Management informed us that the Company had requested to DoF from time to time for appointment of adequate number of Independent Directors and in terms of DoF order adequate number of Independent Directors were appointed on the Board w.e.f 12 <sup>th</sup> November, 2021.
3.	Regulation 17 (10) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations, 2015, the performance evaluation of Independent Directors shall be done by the entire Board of Directors.	The performance evaluation of Independent Directors have not been done by the entire Board of Directors.	As explained by the management, 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 well laid down procedure for evaluation of performance of Chairperson and Functional Directors and



			Independent Directors by Administrative Ministry.
4.	Regulation 18 (1) (b) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015, Two-thirds of the members of Audit Committees shall be independent directors.	The number of Independent Directors in the Audit Committee was less than two-third of the members of Audit Committee till 06 <sup>th</sup> December, 2021.	The Composition of Audit Committee was not in accordance with the requirement of Regulation 18(1) of SEBI (LODR) Regulations, 2015, due to inadequate number of Independent Director in the Company till 06 <sup>th</sup> December, 2021. The Independent Directors are appointed by Government of India (GOI) and Company has no control over the same. The Composition of Audit Committee was in compliance of Regulation 18(1) w.e.f. 7 <sup>th</sup> December,2021.
5.	Regulation 19 (1) (b) and (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,  All directors of the Nomination and remuneration committee shall be non-executive directors; and at least fifty percent of the directors shall be independent directors.	The Composition of Committee consists of Executive Director as well as Non- Executive Director. Further, number of Independent Directors was also less than 50% till 06 <sup>th</sup> December, 2021.	The Composition of Nomination and Remuneration Committee (NRC) was not in accordance with the requirement of Regulation 19(1) of SEBI (LODR) Regulations, 2015, due to inadequate number of Independent Director in the Company till 06 <sup>th</sup> December, 2021.The Independent Directors are appointed by Government of India (GOI) and Company has no control over the same. The Composition of NRC was in compliance of Regulation 19(1) w.e.f. 7 <sup>th</sup> December, 2021.
6.	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	The Nomination and Remuneration Committee shall formulate the said policies/criteria's.  As explained by the management, the appointment of Chairperson,



	Regulations, 2015, the Nomination and Remuneration Committee shall:	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;	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 well laid down procedure for evaluation of performance of Chairman, Functional Directors and Independent Director by GOI.
(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;		
(b)	formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.	(b) Formulated the criteria for evaluation of performance of Independent Directors and the Board of Directors.	

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my 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.



01	National Stock Exchange Limited	Regulation 17(1), 18(1) & 19(1)/19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Quarter ended June 30, 2021.	NSE vide its notice dated August 20, 2021 has imposed a fine of Rs.9,66,420/- inclusive of GST.	The Company has submitted a response vide their letter dated 27.08.2021 and has Requested to waive off the fine on the grounds that the Company is a Government Company and Independent Directors are appointed by Government of India.
02.	BSE Limited	Regulation 17(1), 18(1) & 19(1)/19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended June 30, 2021.	BSE vide its email dated August 20, 2021 has Imposed a fine of Rs. 9,66,420/-inclusive of GST.	The Company has submitted a response vide their letter dated 27.08.2021 and has requested to waive off the fine on the Grounds that the Company is a Government Company and all Independent Directors are Appointed by Government of India.
03.	National Stock Exchange Limited	Regulation 17(1), 18(1) & 19(1)/19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Quarter ended September	NSE vide its Notice dated November 22, 2021 has imposed a fine of Rs.9,77,040/- inclusive of GST.	The Company has submitted a response vide their letter dated 26.11.2021 and has requested to waive off the fine on the grounds that the Company is a Government Company and Independent Directors are Appointed by Government of India.



		30, 2021.		
04.	BSE Limited	Regulation 17(1), 18(1) & 19(1)/19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Quarter ended September 30, 2021.	BSE vide its email dated November 22, 2021 has imposed a fine of Rs. 9, 77,040/- inclusive of GST.	The Company has submitted a response vide their letter dated 26.11.2021 and has requested to waive off the fine on the grounds that the Company is a Government Company and Independent Directors are Appointed by Government of India.
05.	National Stock Exchange Limited	Regulation 17(1), 18(1) & 19(1)/19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended December 31, 2021.	NSE vide its notice dated February 21, 2022 has imposed a fine of Rs. 6,70,240/- inclusive of GST.	The Company has submitted a response vide their letter dated 25.02.2022 and has requested to waive off the fine on the grounds that the Company is a Government Company and Independent Directors are Appointed by Government of India. Further, with the Consistent effort of the Company, one Woman Director, three Independent Directors (including one Women independent Director) and one more Independent Director were appointed on the Board of NFL w.e.f. 14 <sup>th</sup> October 2021, 12 <sup>th</sup>





				<p>November, 2021 and 30<sup>th</sup> November, 2021 respectively.</p> <p>With effect from 12<sup>th</sup> November, 2021 Company is compliant of the provisions of Regulation 17(1) and further w.e.f. 07<sup>th</sup> December, 2021 Company is compliant with 18(1) and 19 (1) / (2).</p>
06.	BSE Limited	Regulation 17(1), 18(1) & 19(1)/19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended December 31, 2021.	BSE vide its email dated February 21, 2022 has imposed a fine of Rs. 6, 70,240/-inclusive of GST.	<p>The Company has submitted a response vide their letter dated 25.02.2022 and has Requested to waive off the fine on the grounds that the Company is a Government Company and Independent Directors are appointed by Government of India. Further, with the consistent effort of the Company, one Women Director, three Independent Directors (including one Women Independent Director) and one more Independent Director were appointed on the Board of NFL w.e.f 14<sup>th</sup> October, 2021, 12<sup>th</sup> November, 2021 and 30<sup>th</sup> November, 2021 respectively.</p> <p>With effect from 12<sup>th</sup> November, 2021, company is compliant of</p>



				the provisions of Regulation 17(1) and further w.e.f. 07th December, 2021 company is compliant with 18(1) and 19(1)/(2).
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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 31 March, 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Please Refer to Serial No. 1 to 6 of table (a) as given above.				

For Parveen Rastogi & Co.  
Company Secretaries



Parveen Kumar Rastogi  
M. No.: 4764  
COP No.: 2883

Place: New Delhi  
Date: 29.04.2022  
UDIN: F004764D000241748