

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 • वेबसाईट / Website : www.rcfltd.com

RCF/CS/Stock Exchanges /2023

May 29, 2023

The Corporate Relations Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.	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: 524230 / 959872 / 973742	Script Code: RCF EQ ISIN: INE027A07012 / INE027A08010

Dear Sir/Madam,

Sub : Annual Secretarial Compliance Report for the year ended March 31, 2023

In accordance with the Regulation 24A(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Secretarial Compliance Report dated May 29, 2023 for the year ended March 31, 2023 issued by M/s Bhandari & Associates, Company Secretaries [CP No. 366; Membership No.761].

This is for your kind information and record.

Yours faithfully,
For Rashtriya Chemicals and Fertilizers Limited

J. B. Sharma
Executive Director
Legal & Company Secretary

Encl: a./a.

B&A
BHANDARI & ASSOCIATES
COMPANY SECRETARIES

**Secretarial Compliance Report of Rashtriya Chemicals and Fertilizers Limited
for the year ended March 31, 2023**

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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, 2023** ("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 ["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 (Buy-back of Securities) Regulations, 2018#;
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021#;
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021[#];

and circulars/ guidelines issued thereunder including the provisions of SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019, in terms of Para 6(A) and 6(B) of the said circular.

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

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:-

S r n o	Compliance Requirement (Regulations/ circulars /guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount			Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
							Penalty imposed for the quarter ended	Penalty imposed by BSE	Penalty imposed by NSE			
1.	As per Regulation 17(1)(b) of the Listing Regulations, where the listed entity does not have a regular non executive chairperson, atleast half of the Board of Directors shall comprise of Independent Directors.	17(1)(b)	The listed entity did not have requisite number of Independent Directors on its Board.	National Stock Exchange of India Limited (NSE) & BSE Limited (BSE)	Fine	The Board of Directors comprised of eight directors, constituting of three Executive Directors(including Chairperson and Managing Director); two Nominee Directors (non executive) and three Independent Directors including Woman Independent Director as on March 31, 2023 and therefore, the Company did not have atleast half of the Board as Independent Directors.	June 2022	Rs. 1,41,600	Rs. 1,41,600	None	Being Government Company under the administrative control of the Ministry of Chemicals and Fertilizers, the Directors are appointed by the Government. Company has been continuously following up with the Government for appointment of Independent Directors and it is given to understand that the Government is in the process of appointing requisite number of Independent Directors	None
Sept 2022	Rs. 5,42,800	Rs. 5,42,800										
Dec 2022	Rs. 5,42,800	Rs. 5,42,800										
March 2023	Rs. 5,31,000	Rs. 5,31,000										
2.	As per Regulation 19(1)(a) and 19(1)(c) of the Listing Regulations, the Nomination and	19(1)(a) and 19(1)(c)	The listed entity did not have three directors in the NRC and	None	None	The NRC comprised of two directors constituting of one Independent Director and one Nominee Director (non executive) for the period from	None			None	Shri Kashee Nath Akela, who is member of Nomination and Remuneration Committee ceased to be Independent Director of the Company on	None



	Remuneration Committee (NRC) shall comprise of at least three directors and at least two-thirds of the directors shall be independent directors.		two-third of the directors were not independent directors.			August 12, 2022 upto September 27, 2022 and therefore, the listed entity did not have three directors in the NRC and also, two-thirds of the directors were not independent directors.			August 12, 2022. Subsequently, Nomination and Remuneration Committee was reconstituted by the Board of Directors on September 27, 2022 in line with Regulation 19 of SEBI Listing Regulations. Further, NRC did not meet during period on 12.08.2022 to 27.09.2022	
3.	As per Regulation 21 of the Listing Regulations, the meetings of the Risk Management Committee (RMC) shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings.	21(3C)	The gap between two consecutive meetings of the RMC was more than one one hundred and eighty days.	None	None	The listed entity has conducted 4 th RMC meeting on March 05, 2022 and 5th RMC meeting on September 29, 2022 i.e., a gap of 206 days between two consecutive meetings.	None	None	There has been an inadvertent lapse in the timeline for conducting the meeting. Going forward company will adhere to the statutory timelines	None
4.	As per Regulation 23(9) of the Listing Regulations, The listed entity shall submit to the stock exchanges disclosures of related party transactions in the format as specified by the Board from time to time, and publish the same on its website: Provided that a 'high value debt listed entity' shall submit such disclosures along with its standalone financial	23(9)	Delay in submitting the disclosure of related party transactions to the Stock Exchanges for the half year ended March 31, 2022.	None	None	The listed entity has submitted the disclosure of related party transactions transaction for the half year ended March 31, 2022 to the Stock Exchanges on June 06, 2022 and has intimated the disclosure of financial results on May 27, 2022 i.e., not along with the financial results for the half year.	None	None	There has been an inadvertent lapse in the timeline for reporting the related party transaction to Stock exchanges. Going forward company will adhere to the statutory timelines	None



results for the half year.									
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b) The listed entity has taken the following actions to comply with the observations made in previous reports:-

S r N o	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount			Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
							Penalty imposed for the quarter ended	Penalty imposed by BSE	Penalty imposed by NSE			
1.	As per 17(1) (b) of the Listing Regulations, where the listed entity does not have a regular non-executive chairperson, atleast half of the Board of Directors shall comprise of Independent Directors.	17(1)(b)	The listed entity did not have requisite number of Independent Directors on its Board.	NSE and BSE	Fine	The Board of Directors comprised of nine Directors, constituting of four Executive Directors (including the Chairman & Managing Director); one Nominee Director (non-executive) and four Independent Directors including Woman Independent Director as on March 31, 2022. The listed entity did not have requisite number of Independent Directors on its Board.	Penalty imposed for the quarter ended	Penalty imposed by BSE	Penalty imposed by NSE	None	Being Government Company under the administrative control of the Ministry of Chemicals and Fertilizers, the Directors are appointed by the Government. Company has been continuously following up with the Government for appointment of Independent Directors and it is given to understand that the Government is in the process of appointing requisite number of Independent Directors	None
							March 2021	Rs. 5,31,000	Rs. 5,31,000			
							June 2021	Rs. 5,36,900	Rs. 5,36,900			
							September 2021	Rs. 5,42,800	Rs. 5,42,800			
							December 2021	Rs. 3,59,900	Rs. 3,59,900			
2.	As per Regulation 20 of the Listing Regulations, Stakeholders Relationship Committee shall comprise of at-least three directors, with atleast one being an independent director.	20	The composition of SRC was not as per Regulation 20 of the Listing Regulations.	NSE and BSE	Fine	The Stakeholders Relationship Committee comprised of only two directors (one Independent Director and one Executive Director) for the period December 02, 2021 to March 06, 2022 and the committee comprised of only one director (Executive Director) for the period March 07, 2022 to March 29, 2022.	Penalty imposed for the quarter ended	Penalty imposed by BSE	Penalty imposed by NSE	None	Dr. Shambhu Kumar, who is Chairperson of Stakeholders Relationship Committee ceased to be Independent Director of the Company on completion of his term on March 7, 2022. Subsequently, Stakeholders Relationship Committee was reconstituted by the Board of Directors on March 30, 2022 in line with Regulation 20 of SEBI Listing Regulations. Further, Stakeholders Relationship Committee did not meet during period on 07.03.2022 to	None
							March 2022	Rs. 68,440	Rs. 68,440			



									29.03.2022.							
3.	As per Regulation 21 of the Listing Regulations, Risk Management Committee shall comprise of minimum three members with majority of them being members of the board of directors, including at least one independent director.	21	The composition of RMC was not as per Regulation 21 of the Listing Regulations.	None	None	The Risk Management Committee comprised of only one director (Executive Director) for the period March 07, 2022 to March 29, 2022.	None	None	Prof. Anil Kumar Singh & Dr. Shambhu Kumar, were members of Risk Management Committee ceased to be Independent Directors of the Company on completion of their term on March 7, 2022. Subsequently, Risk Management Committee was reconstituted by the Board of Directors on March 30, 2022 in line with Regulation 21 of SEBI Listing Regulations. Further, Risk Management Committee did not meet during period on 07.03.2022 to 29.03.2022.	None						
4.	As per Regulation 60 of the Listing Regulations, the listed entity shall fix a record date for purposes of payment of interest, dividend and payment of redemption or repayment amount or for such other purposes as specified by the stock exchange and it shall give notice in advance of at least seven working days (excluding the date of intimation and the record date) to the recognised stock exchange(s) of the record date.	60	Delay in disclosure of record date under Regulation 60 of the Listing Regulations.	NSE and BSE	Fine	The listed entity had fixed the record date for payment of interest for ISIN INE027A07012 as July 16, 2021 and the same was intimated to the stock exchange(s) on July 12, 2021. Therefore, the intimation of the record date was not given at least seven working days in advance.	<table border="1"> <thead> <tr> <th>Penalty imposed for period</th> <th>Penalty imposed by BSE</th> <th>Penalty imposed by NSE</th> </tr> </thead> <tbody> <tr> <td>July/August 2021</td> <td>Rs. 11,800</td> <td>Rs. 11,800</td> </tr> </tbody> </table>	Penalty imposed for period	Penalty imposed by BSE	Penalty imposed by NSE	July/August 2021	Rs. 11,800	Rs. 11,800	None	Through an oversight, a delay was occurred while intimating the record date for payment of interest of the Listed, Secured, Redeemable, Taxable, Non-Cumulative, Non-Convertible Debentures in line with Regulation 60(2) of Listing Regulations to the Stock Exchanges. However, the Company will take abundant care in future for compliance of the Listing Regulations. Company has taken up the matter with stock exchanges for condonation of delay.	None
Penalty imposed for period	Penalty imposed by BSE	Penalty imposed by NSE														
July/August 2021	Rs. 11,800	Rs. 11,800														

c) Additional affirmations:

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS
1.	<p><u>Secretarial Standard</u></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	
2.	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars /guidelines issued by SEBI 	Yes	
3.	<p><u>Maintenance and disclosures on Website:</u></p> <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 website • 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	
4.	<u>Disqualification of Director:</u>	Yes	

	None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013		
5.	<p><u>To examine details related to Subsidiaries of listed entities:</u></p> <p>(a) Identification of material subsidiary companies</p> <p>Requirements with respect to disclosure of material as well as other subsidiaries.</p>	NA	The listed entity 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 Listing Regulations.</p>	Yes	
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/during the financial year as prescribed in Listing Regulations.</p>	Yes	
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;</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	Yes	
9.	<p><u>Disclosure of events or information:</u></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of Listing Regulations within the time limits prescribed</p>	Yes	

	thereunder.		
10.	<p><u>Prohibition of Insider Trading:</u></p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	Yes	
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder</p>	No	<p>The fines were levied by the NSE and BSE against the listed entity under Regulation 17, 20 and Regulation 60 of Listing Regulations as stated in Table (a) and Table (b) above. Further, fines were also levied by the NSE and BSE against the listed entity for the peiod ended March 2022 under Regulation 52(7) of the Listing Regulations aggregating to Rs. 12,980 each.</p> <p>Further, fines were also levied by the NSE against the listed entity for the peiod February, 2021, March, 2021, May, 2021, August, 2021 & December 2021 under Para 2.4 of Annexure II of SEBI Circular dated 22nd October, 2019 & para 8.4 of Chapter XVII of SEBI Operational Circular dated 10th August, 2021, aggregating to Rs. 33,18,160/-</p>
12.	<p><u>Additional Non-compliances, if any:</u></p> <p>No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.</p>	Yes	

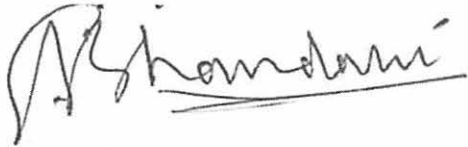
Assumption and Limitation of Scope and Review:

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 certify 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 Listing Regulations 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.

For **Bhandari & Associates**

Company Secretaries

Firm Registration No: P1981MH043700



S. N. Bhandari

Partner

FCS No: 761; CP No. 366

Mumbai | May 29, 2023

UDIN: F000761E000413734