



Khaitan CHEMICALS AND FERTILIZERS LIMITED

CIN : L24219MP1982PLC004937

The B Zone, 7th Floor, Pipliya Kumar, Nipania Main Road, Indore - 453771 (M.P.)

Phone : 0731-4753666, E-mail : secretarial@kcfl.in, Website : www.kcfl.co.in

October 29, 2025

The Manager (Listing/Compliance) National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI- 400 001 NSE Symbol : KHAICHEM	The Manager (DCS/Compliance) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI- 400 001 BSE Scrip Code : 507794
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Dear Sir/Madam,

Sub: Comments of the Board Members for the fine levied for non-compliance / delayed compliance under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We would like to inform that the matter related to fine imposed by the Stock Exchanges on the captioned subject which was placed before the Board of Directors of the Company.

Name of the authority	National Stock Exchange of India Limited (NSE) and BSE Limited
Nature and details of the action(s) taken, initiated or order(s) passed	Fine of Rs. 35,400/- each including GST imposed by NSE and BSE
Date of receipt of direction or order, including any adinterim or interim orders, or any other communication from the authority	August 29, 2025
Details of the violation(s)/contravention(s) committed or alleged to be committed	Temporary shortfall in the number of Non-Executive Directors on the Board, resulting in deviation from the prescribed composition under Regulation 17(1)
Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	None, there is no material impact on financials, operations or other activities of the Company

The Board noted that, in accordance with Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), where the Chairperson of the Board is an Executive Director, at least one-half of the Board should comprise Non-Executive Directors.

The Board observed that the said deviation occurred **temporarily and inadvertently** due to transitional circumstances following the appointment of **Mr. Praveen Uniyal** as an Executive Director of the Company.

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This change resulted in a brief imbalance in the Board composition for **five (5) days only**, until the subsequent reconstitution was effected.

The non-compliance was neither deliberate nor willful but purely procedural, arising from the timing of the appointments and related filings. The Board further noted that the composition of the Board was **promptly rectified within the prescribed period**, and the Company is presently in **full compliance** with Regulation 17(1) of the SEBI LODR Regulations.

After detailed deliberations, the Board expressed that the non-compliance was **unintentional and technical in nature**, with no mala fide intent or adverse impact on the governance or operations of the Company.

The Board took note of the communications received from both the Stock Exchanges dated August 29, 2025, and acknowledged that the fines had been **paid promptly**. The Board also directed the implementation of **enhanced internal monitoring systems and compliance review mechanisms** to ensure continuous and proactive compliance with all applicable provisions of SEBI LODR Regulations and other relevant laws.

The Board reaffirmed the Company's unwavering commitment to **upholding the highest standards of corporate governance, transparency, and regulatory compliance**. It assured that necessary internal controls have been strengthened to ensure utmost diligence and adherence to all applicable laws and regulations, thereby preventing any future procedural deviations.

For Khaitan Chemicals and Fertilizers Limited

Sejal Maheshwari

Company Secretary and Compliance Officer

Membership No- A64027

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