Registered Office :
Nagarjuna Hills,
Hyderabad - 500 082. INDIA
Phones : 23357200, 23357204
23357589, 23356859
Fax : (91-40)23354788
Website : www.nagarjunafertilizers.com
CIN - L24129AP2006PLC076238

NAGARJUNA GROUP
Nagarjuna Fertilizers and Chemicals Limited

May 30, 2023

To
BSE Limited
P J Towers, Dalal Street, Fort
Mumbai 400001

Scrip Code: **539917**

To
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

Symbol: **NAGAFERT**

Dear Madam / Sir,

Sub: Annual Secretarial Compliance Report

In compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed Annual Secretarial Compliance Report issued by M/s. KBG and Associates, Practicing Company Secretaries for the Financial Year ended March 31, 2023.

Request you to take the same on record and oblige.

Thanking you,

Yours Truly,
For Nagarjuna Fertilizers and Chemicals Limited

Vijaya Bhasker M
Company Secretary

SECRETARIAL COMPLIANCE REPORT OF NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2023

We M/s. KBG Associates, Company Secretaries in Practice have examined all the documents and records made available to us and explanation provided by M/s. Nagarjuna Fertilizers and Chemicals Limited ("the listed entity"); the filings/ submissions made by the listed entity to the stock exchanges; website of the listed entity; any other document / filing (as may be relevant) which had been relied upon to make this certification for the year ended 31st March, 2023 ("Review Period") in respect of compliance with the provisions of (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act"); and (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA").

The specific Regulations, Circulars and Guidelines issued were examined include the below:

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR**);

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - ***Not applicable for the period under review***;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - ***Not applicable for the period under review***;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- ***Not applicable for the period under review***;

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – ***Not applicable for the period under review***;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - ***Not applicable for the period under review***;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013- ***Not applicable for the period under review***;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

KBG ASSOCIATES * Hyderabad * Company Secretaries

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

(i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

(j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993and circulars/ guidelines issued thereunder;

Based on the above examination w.r.t provisions from (a) to (j) related to SEBI Act, We hereby report that, during the Review Period:

(a) the listed entity has complied with the provisions of the above Regulations, Circulars and Guidelines issued there under for the FY 2022-23, except in respect of matters specified below:

Sl	Compliance Requirement	Deviations	Remarks of PCS
1.	As per Regulation 17 (1) (b) of SEBI (LODR) Reg, 2015, where the Chairman of the board of directors is a nonexecutive director, atleast one third of the board of directors shall comprise of ***Independent Directors*** and where the listed entity does not have a regular non- executive chairperson, atleast half of the board of directors shall comprise of Independent directors.	At least 50% of the Board of the Company shall comprise of Independent Directors. The Company is required to appoint one more Independent Director on the Board to meet the requirements of Regulations 17.	Justice Shri K C Bhanu (Rtd) resigned from the office of Independent Director of the Company with effect from June 19, 2021 We were informed that the Company was admitted to NCLT vide Order dated August 27, 2021, passed by the Hon'ble NCLT, Hyderabad Bench. The Company obtained a stay from NCLAT Chennai and stay is still continuing. The company is facing a complex problem of identifying a suitable person with requisite competencies before the matter with NCLAT could be resolved. Due to factors beyond the control of the Management, the Corporate Governance requirement in relation to appointment of one Independent Director could not be met during the FY. 2022-23. The Company is in the process of identifying a suitable candidate for the appointment of Independent Director.

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

Sl	Compliance Requirement	Deviations	Remarks of PCS
2.	Regulation 33 of SEBI (LODR) Regulations, 2015 Submission of Financial Statements to Stock Exchanges	The Company could not file the Annual Financial Statements within the due date	We have been given to understand that there was a delay in valuation of cash generating Assets of the Company had a cascading effect on the finalization of Financial Statements of the Company for the year ended March 31, 2022. Hence, could not finalize within prescribed timelines. The company has disclosed the reasons for delay in terms of applicable SEBI circular to the Stock Exchanges. Subsequently, the company has filed the Financial Statements of the Company for the year ended March 31, 2022, on June 14, 2022.
3.	Regulation 33 of SEBI (LODR) Regulations, 2015 Submission of Un-audited Financial Results for June, 2022, to Stock Exchanges	The Company could not file the Un-audited Financial Results for June, 2022, within the due date	We have been given to understand that the company that the then existing Statutory Auditors resigned mid of the Financial Year. This led to an additional item of filling the casual vacancy by appointment of new Statutory Auditor and that led to the finalization and release of the un-audited Financial Results for quarter ended 30-06-2022. The New Auditors have released the un-audited financial report for quarter ended 30-06-2022. However, the same were considered in the Adjourned Board Meeting held on 6th Sep, 2022 and hence, the delay beyond the control of the management.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from our examination of those records.

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

(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 SOP issued by SEBI through various circulars) for FY 2022-23 under the aforesaid Acts etc :

Sl	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.	Stock Exchange	The Composition of the Board of Directors, in relation to the appointment of Independent Directors, is not in compliance with Regulation 17 (1).	Stock Exchanges have sought clarification in relation to Composition of the Board of Directors in terms of Regulation 17. The company had made detailed representation to the exchanges.	We have been informed that a) Consequent to the resignation of Justice Shri K C Bhanu (Rtd) from the office of Independent Directorship of the Company effective from 19th June, 2021, the Company is required to appoint one Independent Director on the Board. b) However, we were informed that the Company was admitted to NCLT vide Order dated August 27, 2021, passed by the Hon'ble NCLT, Hyderabad Bench. c) The Company obtained a stay from NCLAT Chennai and stay is still continuing. The company is facing a complex problem of identifying a suitable person with requisite competencies before the matter with NCLAT could be resolved. Due to factors beyond the control of the Management, the Corporate Governance requirement in relation to appointment of one Independent Director could not be met during the FY. 2022-23. d) However, we have been further informed that the Company is making all possible endeavors to appointment an Independent Director to comply with the requirements in relation to the Composition of the Board of Directors.
2.	We have been given to understand that there is no other Action Taken by Stock Exchange (s). However, the Company was in receipt of few clarification letters for which the Company duly replied to the Stock Exchange (s).			

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

(d) The listed entity has taken the following actions to comply with the observations made in previous reports for FY 2021-2022 :

Sl	Observations of PCS in the previous reports	Observations made in SAR 2022	Actions taken by the listed entity, if any	Comments of PCS on actions taken
1	Secretarial Audit Report– 2021-22	Consequent to the resignation of Justice Shri K C Bhanu (Rtd) from the office of Independent Directorship wef 19-06-2021, the number of Independent Directors fallen below threshold limits as per Regulation 17 (1) (b) of SEBI (LODR) Reg, 2015 [where in the Chairman is a non-executive Chairman)	the Company stated that it had been admitted to NCLT vide Order dated August 27, 2021, passed by the Hon'ble NCLT, Hyderabad Bench under IBC and IRP was appointed. Thereafter, the Company obtained a stay from NCLAT Chennai and stay is still continuing. The company is facing a complex problem of identifying a suitable person with requisite competencies before the matter with NCLAT could be resolved. Due to factors beyond the control of the Management, the Corporate Governance requirement in relation to appointment of one Independent Director could not be met during the FY. 2022-23.	We have been informed by the Company that it is trying all its best endeavors to identify and appoint a suitable Independent Director and comply with the SEBI regulations on this matter.



1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sl	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	**Compliances with the following conditions while appointing/re-appointing an auditor**		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ~~ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or~~ ~~iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.~~	No	The then Statutory Auditors M/s JVSL & Associates, Chartered Accountants, resigned without issuing the Limited Review for the quarter ended June, 2022 quarter. The Board of Directors at their meeting held on August 30, 2022, has recommended the appointment of M/s P Murali & Co, Chartered Accountants, as the Statutory Auditors of the company, subject to the approval of the Members, to fill the casual vacancy a raised out of the resignation. Thereafter, the Financial Results for the quarter ended June 30, 2022, has been Limited Reviewed by M/s P Murali & Co, Chartered Accountants.
2.	**Other conditions relating to resignation of statutory auditor**		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:		
	a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	The Auditor has not raised any adverse concerns as envisaged.

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

Sl	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.	Yes	The reasons for resignation of the auditor along with the relevant documents have been brought to the notice of the Audit Committee and are not due to non-receipt of information / explanation from the company.
	c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	Yes	
	d. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor	NA	The resignation is not due to non-receipt of information
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October, 2019.	Yes	

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

III. I/we hereby report that, during the review period the compliance status of the listed entity is appended as below :

Sl	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	
2.	**Adoption and timely updation of the Policies:** 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 have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes	
3.	**Maintenance and disclosures on Website:** 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 re- directs to the relevant document(s)/ section of the website	Yes	
4.	**Disqualification of Director:** None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	Yes	

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

Sl	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
6.	**Preservation of Documents:** 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.	Yes	
7.	**Performance Evaluation:** 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 SEBI Regulations.	Yes	
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (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.	NA	The company has not entered in to Related Party Transactions during the period under review.
9.	**Disclosure of events or information:** 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.	Yes	
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	



1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad
Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com

Sl	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS*
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been 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 except as provided under separate paragraph herein (**).	No	The Stock Exchanges have invoked Standard Operating Procedures and imposed fine for delay in filing of the Financial Results for the year ended March, 2022 and quarter ended June, 2022.
12.	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	Yes	

For KBG Associates
Company Secretaries
Firm Regn No # P2009AP006100

Srikrishna Chintalapati
Partner
CP No: 6262
UDIN : F005984E000429308

Date: 30th May, 2023
Place: Hyderabad

1st Floor, 1-9-309/A, Near Red Cross Blood Bank, Atchuta Reddy Marg, Vidya Nagar, Hyderabad Telangana, India - 500 044 Ph : +91 80084 02731. Email : secretarial.consulting@gmail.com