



Corporate Governance Report

Annexure-A2

In accordance with SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Department of Public Enterprises Guidelines (DPE Guidelines) on Corporate Governance, the Report containing the details of Corporate Governance systems and processes at National Fertilizers is as follows:-

1. Company's Philosophy on code of Governance

Corporate governance is the set of principles, processes and systems to be followed by the Company for enhancement of shareholders value, keeping in view the interests of other stake-holders. The integrity, transparency and compliance with laws in all dealings with government, customers, suppliers, employees and other stake-holders are the objectives of good Corporate Governance.

Over the years, governance processes and systems have been strengthened at NFL. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics have been emphasized.

Company believes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards in that regard. Company continuously reviews its policies and practices of Corporate Governance with a clear goal not merely to comply with the statutory requirements in letter and spirit but also constantly endeavours to implement the best practices of Corporate Governance.

Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations, and in all its interactions with its stakeholders. Company is committed to achieve and maintain the highest standards in this regard.

Company is committed to the best governance practices that create long term sustainable shareholder value. Governance framework is based on the following principles:-

- Constitution of a Board of Directors having expertise in different fields.
- Timely flow of information to the Board and its Committees.
- A sound system of risk management and internal controls.
- Timely disclosure of material information to all stakeholders.
- Transparency and accountability.
- Compliance with all the applicable rules and regulations.

Over the years, Company has strengthened governance practices. These practices define the way business is conducted and value is generated. Stake holders interests are taken into account before making business decisions.

Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Board has established various Committees to discharge its responsibilities in an effective and transparent manner. The Chairman & Managing Director (C&MD) is responsible for overall implementation of the Company policies. In functioning of the Company, C&MD is assisted by three Whole-time Directors and senior level executives.

Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with stakeholders of the Company. Company has adopted various codes and policies to carry out the business in an ethical manner. Some of those codes and policies are as follows:-

- Code of Conduct for Board Members And Senior Management Personnel
- Terms and Conditions of Appointment of the Independent Directors
- The Code of Internal Procedures and Conduct for prohibition of insider trading in dealing with the securities of Company.
- Corporate Social Responsibility (CSR) Policy
- Health, Safety and Environment Policy.
- Risk Management Policy.



- Whistle Blower Policy
- Integrity Pact

2. BOARD OF DIRECTORS

2.1 Size of the Board

The Company is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013 as the President of India holds 89.71% of the paid-up Share Capital of the Company. Directors include Whole Time Directors, Government Nominee Directors (Promoters Director) and Independent Directors. As per Articles of Association of the Company, the power to appoint Whole Time Directors vests with the President of India. Other Directors are also appointed by the Government of India. Further, in terms of Articles of Association, the number of Directors shall be not less than three and not more than twelve.

2.2 Composition of the Board

The Board of Directors as on 31st March 2016 comprised of eight Directors out of whom three were Whole-time Functional Directors i.e. Chairman & Managing Director, Director (Technical) and Director (Finance) and two Government of India nominees and three Independent Directors. Brief profile of the Directors is set-out at Annexure B-11 to the Report.

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) (Listing Regulations) stipulates that where the Chairman of the Board is a non-Executive Director, at least one third of the Board should comprise of Independent Directors and in case Chairman is an Executive Director, at least half of the Board should comprise of Independent Directors. In the absence of adequate number of Independent Directors, during the year, Board's composition was not in accordance with the SEBI (LODR) Regulations, 2015, as has been detailed below:-

Period		Composition of the Board		
From	To	Total	Independent	Others
01.04.2015	31.08.2015	9	3	6
01.09.2015	13.01.2016	8	3	5
14.01.2016	05.02.2016	7	3	4
06.02.2016	08.02.2016	6	3	3
09.02.2016	31.03.2016	8	3	5

Company also did not have any Woman Director on the Board during the year under review. Company has been regularly taking up the matter with the Government of India for appointment of adequate number of Independent Directors and appointment of Woman Director to ensure compliance with the Listing Regulations. A Woman Director has been appointed on 01.07.2016.

As required under Companies Act, 2013 and Listing Regulations none of the Directors is a member of more than ten committees of the Board or Chairman of more than five committees in which he/she is a member.

During the year under review, Independent Directors did not have any material or other pecuniary relationship or transactions with the Company, its promoters or management apart from receiving sitting fees, which may affect independence of judgment of the Directors.

The Company has received declaration from all the independent Directors of the company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

2.3 Tenure of Directors

The age limit of retirement of Chairman & Managing Director and other whole-time functional Directors is sixty years. The Chairman & Managing Director and other whole-time Functional Directors are appointed for a period of five years from the date of taking charge or till the date of superannuation or till issuance of further instructions by the Government of India, whichever event occurs earlier. Government nominee Directors representing the Department of Fertilizers, Government of India, retire from the Board on ceasing to be officials of the Department of Fertilizers, Government of India. Independent Directors are appointed by the Government of India usually for a tenure of three years.



2.4 Other details relating to the Board

Details regarding tenure, number of other Directorships/Committee Memberships viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility and Sustainable Development Committee held by Directors during the year are tabulated below:-

S.No.	Director (S/Shri)	Category	Tenure		In other Boards/Committees		
			From	To	Directorship	Membership	Chairmanship
01.	Manoj Mishra	C&MD	03.06.2015	Continuing	2		
02.	M. Sagar Mathews	ED	01.11.2013	Continuing	1	-	-
03.	Rajiv Kumar Chandiok	ED	10.02.2015	Continuing	-		
04.	Dharam Pal	NED-Govt. Nominee	09.02.2016	Continuing	1	-	-
05.	Gurinderjit Singh Sandhu	NEID	21.02.2014	Continuing	-	-	-
06.	Vinod Kumar Thakral	NED-Govt. Nominee	09.02.2016	31.07.2016	2	-	-
07.	Capt. Pavan Kumar Kaul	ED	07.02.2011	05.02.2016	1	-	-
08.	M. Raman	NEID	06.05.2013	05.05.2016	1		-
09.	Vikram Srivastava	NEID	06.05.2013	05.05.2016	1	1	1
10.	Rakesh Kumar	NED-Govt. Nominee	04.08.2014	14.01.2016	-	-	-
11.	Heera Lal Samariya	C&MD	02.03.2015	03.06.2015	-	-	-
12.	Rajeev Yadav	NED-Govt. Nominee	17.07.2014	01.09.2015	-	-	-

C&MD- Chairman and Managing Director, ED – Executive Director, NED – Non-Executive Director, NEID – Non-Executive Independent Director

2.5 Responsibilities

Board provides and evaluates the strategic direction of the Company. It has a formal schedule of subjects reserved for its consideration and decision, including review of corporate performance, financial resources, strategy formulation, policy and control, corporate planning, organizational structure and reporting to the shareholders.

2.6 Independent Directors

The independent directors play a vital role in the deliberations at the Board and Audit Committee meetings they help with their wide-ranging experience in the field of Management, Governance, Finance, Audit, etc. The Independent Director brings an independent judgment have a bearing on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct etc.

2.7 Board Meetings, Agenda & Minutes

The Company holds at least four Board meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. Apart from the four scheduled Board meetings, additional Board meetings are also convened to address the specific requirements.



All the departments in the Company communicate to the Company Secretary well in advance with regard to matters requiring approval of the Board. Agenda are generally circulated to the Board well in advance before the meeting. All material information is incorporated in the Agenda to facilitate meaningful and focused discussions at the meeting.

The Company Secretary while preparing the Agenda and Minutes of the Board meeting is required to ensure adherence to the provisions of the Companies Act, 2013 and other applicable laws. The Board also takes note of the minutes of the meetings of the various committees of the Board duly approved by their respective Chairman.

Important decisions taken at the Board/Committee Meetings are communicated promptly to the concerned departments of the Company. Action Taken Report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committee.

2.8 Meetings held

During the year, Board met 11 times as detailed below:-

S.No.	Meeting No.	Date
01	396	30.04.2015
02	397	27.05.2015
03	398	04.07.2015
04	399	21.07.2016
05	400	12.08.2015
06	401	09.09.2015
07	402	23.09.2015
08	403	12.11.2015
09	404	13.01.2015
10	405	09.02.2016
11	406	19.02.2016

The Annual General Meeting was held on 23rd September, 2015. Details of attendance at the Board Meetings and Annual General Meeting are as follows:-

Directors (S/Shri)	Category	Board Meetings during respective tenure of Directors		Attendance at last Annual General Meeting
		Held	Attended	
Manoj Mishra	Chairman & Managing Director	09	09	Present
Heera Lal Samariya	Chairman & Managing Director	02	01	N.A.
Capt. Pavan Kumar Kaul	ED	09	09	Present
M.Sagar Mathews	ED	11	11	Present
Rajiv kumar Chandiook	ED	11	11	Present
Vinod Kumar Thakral	NED-Govt. Nominee	02	02	N.A.
Dharam Pal	NED-Govt. Nominee	02	02	N.A.
Rajiv Yadav	NED-Govt. Nominee	05	04	N.A.
Rakesh Kumar	NED-Govt. Nominee	09	09	Present
Vikram Srivastava	NEID	11	11	Present
M.Raman	NEID	11	11	Present
Gurinderjit Singh Sandhu	NEID	11	09	Present

ED – Executive Director, NED – Non-Executive Director, NEID – Non-Executive Independent Director

**Notes: .**

1. Shri Heera Lal Samariya, C&MD ceased to be Director on 3rd June, 2015.
2. Shri Rajiv Yadav ceased to be Director w.e.f. 1st September, 2015.
3. Shri Rakesh Kumar ceased to be Director w.e.f. 14th January, 2016.
4. Capt. Pavan Kumar Kaul, Director (Marketing) ceased to be Director w.e.f. 5th February, 2016.
5. Shri Manoj Mishra, Chairman & Managing Director, joined as Director w.e.f. 3rd June, 2015.
6. Shri Vinod Kumar Thakral, joined as Director w.e.f. 9th February, 2016 and ceased to be a Director on 31st July, 2016.
7. Shri Dharam Pal, joined as Director w.e.f. 9th February, 2016.

2.9 Information placed before the Board of Directors, inter-alia includes

The Board has complete access to any information within the Company. The information regularly provided to the Board includes:

- Annual operating plans and budgets and any updates
- Capital budgets and any updates
- Quarterly Financial Results of the Company
- Annual Financial Statements including Consolidated Financial Statements, Management Discussion Analysis, Directors' Report etc.
- Minutes of the Meetings of the Audit Committee and other Committees of the Board
- The information on recruitment and remuneration of senior executives just below the Board level, including appointment or removal of Company Secretary
- Major capital investments, formation of Joint Ventures, R&D project or technical collaboration agreement
- Significant labour problems and their proposed solutions. Any significant development in the areas of Human Resource/Industrial Relations like signing of wage agreement, Incentive Schemes, Medical facilities, implementation of Voluntary Retirement Scheme etc.
- Disclosure of Interest by Directors about Directorships and Committee positions occupied by them in other companies
- Report on compliance of various laws and Information relating to major legal disputes
- Short term Investment of surplus funds
- Status of Borrowings
- Any contract(s) in which Director(s) is/are deemed to be interested
- Award of large contracts
- Report on performance of various units/functions
- Review of risk factors including Foreign Exchange transactions
- Report on vigilance activities
- Other materially important information
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial nonpayment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Transactions that involve substantial payment towards good will, brand equity, or intellectual property.
- Sale of material nature, of investments, satisfactory assets, which is not in normal course of business.



- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.
- Review of Whistle blower Policy of the Company.
- Review of Corporate Social Responsibility (CSR) Policy of the Company.
- Review of Health, Safety and Environment Policy.

2.10 Separate Meeting of Independent Directors

As per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), Independent Directors are required to meet at least once in a year without presence of other Directors. The scope of Independent Directors meeting inter-alia include:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

During the year under review, Meeting of the Independent Directors was held on 12th January, 2016

2.11 Disclosure of relationships between Directors inter-se

No relationships between Directors inter-se have been reported.

2.12 Number of shares and convertible instruments

No shares/convertible instruments issued by the Company are held by Non-executive Directors.

2.13 Web link details of familiarization programmes imparted to Independent Directors

As per Company's Directors' Training Policy, on their joining, the Directors are given presentation on over view of the Company with the object to familiarize them with the Company's business and other activities. During the year, no Independent Director was appointed and no familiarization programme was organized accordingly. However, directors were kept apprised of latest developments w.r.t. Companies Act, 2013 and other corporate laws and SEBI requirements.

2.14 Policy on Board Diversity

Company has devised a Policy on Diversity of Board of Directors which is available at Company's website www.nationalfertilizers.com.

2.15 Performance evaluation fo Directors

As per Section 178(2) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board was required to carry out evaluation of every Director's performance. Further, Regulation 17(10) & 25(4) of SEBI (LODR) Regulations, 2015 and the Code for Independent Directors pursuant to Section 149 (8) of the Companies Act, 2013 requires the performance evaluation of Independent Directors to decide their continuance or otherwise. Further, the MCA has vide its notification date 5th June, 2015 notified the exemptions to Government Companies from the provisions of the Companies Act, 2013 which inter-alia provides that Sub Sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of the Government Companies. The appointment of 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 Functional Directors and C&MD by Administrative Ministry. Upon request and representations as received from CPSEs, the Department of Public Enterprises has also written to Department of Economic Affairs and Securities and Exchange Board of India to align the SEBI (LODR) Regulations, 2015 with the Companies Act, 2013 based on the Exemptions under Companies Act, 2013 as provided to the Government Companies.



3. Committees of the Board

The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness to ensure that stakeholders' long-term interests are served. The Board has constituted various mandatory committees of Directors including Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Committee on Corporate Social Responsibility & Sustainable Development. In addition to that for proper governance, Board had also constituted non-mandatory Committees i.e. Health & Safety Committee, Business Development & Strategic Planning Committee, Share Transfer Committee and Investment Committee.

Terms of reference and other details of Board Committees

3.1 Audit Committee

The Company endeavours that the constitution, quorum, scope etc. of the Audit Committee is in line with section 177 of the Companies Act, 2013, Listing Regulations and guidelines on Corporate Governance as issued by Department of Public Enterprises. The scope of Audit Committee inter-alia includes the following:-

- 1) oversight of the Company (listed entity's) financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for remuneration of auditors of the listed entity;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7) reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- 8) approval or any subsequent modification of transactions of the listed entity with related parties;
- 9) scrutiny of inter-corporate loans and investments;
- 10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 11) evaluation of internal financial controls and risk management systems;
- 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) discussion with internal auditors of any significant findings and follow up there on;
- 15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a



- failure of internal control systems of a material nature and reporting the matter to the board;
- 16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - 18) to review the functioning of the whistle blower mechanism;
 - 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

COMPOSITION & ATTENDANCE AT THE MEETINGS

During the year 2015-16, the Audit Committee met 10 times as detailed below:-

S.No.	Meeting No.	Date
01	91	14.05.2015
02	92	27.05.2015
03	93	05.06.2015
04	94	04.07.2015
05	95	29.07.2015
06	96	12.09.2015
07	97	23.09.2015
08	98	05.11.2015
09	99	12.11.2015
10	100	08.02.2016

In terms of requirement of the SEBI (Listing Obligations Regulations and Disclosure Requirements), Regulations, 2015 (LODR), two third members of the Audit Committee are to be independent. As per Section 177 of the Companies Act, 2013, the Audit Committee shall have minimum three members and 2/3rd of those shall be Independent Directors.

The composition of the Audit Committee during 2015-16 and attendance at the meetings during the year 2015-16 was as follows:-

S.No.	Name of Director (S/Shri)	Status	Tenure	Meetings during respective tenure	
				Held	Attended
01	Gurinderjit Singh Sandhu	Chairperson	Continuing	10	09
02	M. Raman	Member	*Continuing	10	09
03.	Vikram Srivastava	Member	*Continuing	10	10
04	Rakesh Kumar	Member	09.09.2015 to 14.01.2016	03	03
05.	M.Sagar Mathews	Member	Upto 08.09.2015	06	06

*Ceased to be Members of Board and Committee on 05.05.2016 on completion of their tenure.



Statutory Auditors are invited to attend Audit Committee meetings and attend whenever felt necessary. The Cost Auditors also invited and attend these meetings when Cost Audit Report and matters related thereto are discussed. Corporate Finance Head, Head of Internal Audit and other Functional Heads are invited as Special Invitees. The Company Secretary acts as Secretary of the Committee.

3.2 Stakeholders relationship Committee:

The scope of the Stakeholders Relationship Committee inter-alia includes redressal of investors grievances especially related to transfer/transmission of shares, dividends, dematerialization, replacement of lost/stolen/mutilated share certificates, splitting, conversion and other related issues and strengthening of investor relations.

Composition

The Committee was headed by Shri Vikram Srivastava, Independent Director. The composition of the Committee during the year 2015-16 was as follows:-

S.No.	Name of Director (S/Shri)	Category	Status	Tenure
01.	Vikram Srivastava	Independent Director	Chairperson	Continuing*
02.	Rakesh Kumar	Govt. Nominee Director	Member	Upto 14.01.2016
03.	Rajiv Kumar Chandiook	ED-Director (Finance)	Member	from 10.02.2015 - Continuing

*Shri Vikram Srivastava ceased to be member of the Board and committee on 05.05.2016 on completion of his tenure.

Meeting of the Committee

Stakeholders Relationship Committee met on 24.04.2015 and was attended by all the Members.

Compliance Officer

Shri Raj Kumar, Company Secretary is the Compliance Officer and has been entrusted with the responsibility for redressal of shareholders and investors grievances and report the same to the Committee.

Summarized information on complaints

There were no complaints pending for redressal as on 31st March, 2016. Number of shareholders grievances received and resolved during the period 1st April, 2015 to 31st March, 2016 were as detailed below:-

Quarter ended	Complaints Received	Complaints Resolved	Complaints Pending
30.06.2015	13	13	NIL
30.09.2015	09	09	NIL
31.12.2015	09	09	NIL
31.03.2016	80	80	NIL
Total	111	111	NIL

3.3 Nomination and Remuneration Committee

Composition & Scope

The Company, being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the Department of Fertilizers, Government of India. Independent Directors are paid sitting fees for attending the Board/Committee Meeting within the ceiling fixed under Companies Act, 2013.

NFL being a government company is exempted from applicability of provisions of the Companies Act, 2013 with regard to formulation of criteria for determining qualifications, positive attributes, evaluation of Directors, their remuneration, etc.



Remuneration of employees consisting of basic pay, perquisites, performance Incentives, retirement benefits is regulated as per guidelines laid down by Department of Public Enterprise (DPE), Government of India. Within the frame work of DPE guidelines, Remuneration Policy of the Company aims to motivate employees to excel in performance, recognize their contribution, retain talent in the Organization and reward merit.

Terms of reference of the committee is as per provision of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Further, in terms of the DPE guidelines, every Central Public Sector Undertaking is required to constitute a Nomination & Remuneration Committee headed by an Independent Director to decide the Annual Bonus/Variable. Pay Pool and policy for its distribution across the executives and non-unionized supervisors. The Board has constituted a Nomination and Remuneration Committee. Constitution of the Committee for the year 2015-16 and thereafter is as follows :-

S.No.	Name of Director (S/Shri)	Status	Tenure		Meetings during respective tenure	
			From	To	Held	Attended
01	Gurinderjit Singh Sandhu	Chairperson	12.05.2014	Continuing	02	02
02	Manoj Mishra, C&MD	Member	31.12.2015	Continuing	00	00
03.	M. Raman	Member	29.05.2013	*Continuing	02	01
04	Vikram Srivastava	Member	29.05.2013	*Continuing	02	02

***Note:** Shri M. Raman and Shri Vikram Srivastava ceased to be Members of the Board and Committee on 05.05.2016 on completion of their tenure. The Committee met on 24.04.2015 and 05.11.2015.

3.4. Committee on Corporate Social Responsibility and Sustainable Development.

Committee on Corporate Social Responsibility and Sustainable Development has been constituted for formulating and monitoring the Corporate Social Responsibility and Sustainable Development Plans of the Company and their execution. The Committee has also been empowered to look into matters related to sustainability and inclusive governance. Committee's prime responsibility is to assist the Board in discharging its corporate social responsibilities. Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013. The constitution of the Committee was as under:-

S.No.	Name (S/Shri)	Category	Status	Tenure
01.	Gurinderjit Singh Sandhu	Independent Director	Chairperson	Continuing
02.	Vikram Srivastava	Independent Director	Member	Continuing*
03.	Capt. P.K. Kaul	ED- Director (Marketing)	Member	Upto 05.02.2016
04.	Rakesh Kumar	Govt. Nominee Director	Member	09.09.2015-14.01.2016
05.	Rajiv Kumar Chandiok	ED- Director (Finance)	Member	09.09.2015-continuing

*Shri Vikram Srivastava ceased to be member of the Board and committee on 05.05.2016 on completion of his tenure.

Committee met on 24.04.2015, 09.09.2015 and 12.01.2016



4. Remuneration and Sitting Fee paid to Directors during 2015-16

4.1 Remuneration to Executive Directors and Company Secretary

(₹ Lakh)

Name of the Director (S/Shri)	Salary including perks	Retirement Benefits	Total
Manoj Mishra Chairman & Managing Director w.e.f. 03.06.2015	24.24	2.01	26.25
Capt. Pavan Kumar Kaul Director (Marketing) Upto 05.02.2016	27.61	2.21	29.82
M.Sagar Mathews, Director (Technical)	28.87	2.48	31.35
R.K. Chandiok Director (Finance)	28.34	2.66	31.00
Raj Kumar Company Secretary	19.07	1.49	20.56
Total	128.13	10.85	138.98

4.2. Sitting Fee Paid to Independent Directors

The Non-executive Independent Directors are paid sitting fee of ₹15000/- for attending each meeting of the Board and/or Committee thereof. Sitting fee paid to Independent Directors during 2015-2016 is as follows:-

(Amount in ₹)

Name of the Independent Director (S/Shri)	Board Meetings	Audit Committee & other Meetings	Total
Vikram Srivastava	1,50,000	3,50,000	5,00,000
M.Raman	1,40,000	1,95,000	3,35,000
Gurinderjit Singh Sandhu	1,25,000	2,65,000	3,90,000
Total	4,15,000	8,10,000	12,25,000

Government Nominee Directors are not paid any sitting fee.

4.3 Stock Options

The Company has not issued any stock options during the year under review.

4.4 Shares Issued to Employees:-

No shares have been issued to Employees during the year under review.



5. General Body Meetings:

5.1 Details of last three Annual General Meetings held are as follows:-

Type of Meeting	Date of Meeting	Time	Place	Details of Special Resolution(s) passed, if any
YEAR 2012-13				
Annual General Meeting	17.09.2013	10.30 AM	Air Force Auditorium, Subroto Park, New Delhi – 110010	A Special Resolution as Item No.6 was passed to alter the Articles of Association by insertion of Article 37AA providing for buyback of shares.
YEAR 2013-14				
Annual General Meeting	05.09.2014	10.30 AM	Dr. Sarvepali Radha Krishanan Auditorium, Kendriya Vidyalaya, Delhi Cantt.	A Special resolution as Item No. 8 was passed u/s 180(1)(c) to borrow to meet capital requirements.
Year 2014-15				
Annual General Meeting	23.09.2015	10.30 AM	Weight Lifting Hall, Jawahar Lal Nehru Stadium, Lodhi Road, New Delhi	-

5.2 Postal Ballot

During the year 2015-16, Company had sought the approval of shareholders to a Special Resolution through postal ballot wherein e-voting facility was offered to the shareholders. Postal Ballot Notice dated 10.02.2016 was issued to all the shareholders pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administrative) Rules, 2014 seeking their approval to Special Resolution u/s 180(1)(a) of the Companies Act, 2013 to create charge on assets of the Company to secure borrowing. Brief description of the resolution is as below:

Special Resolution for authorizing Board of Directors to mortgage and/or charge immovable and moveable properties of the Company securing for borrowing subject to limits approved u/s 180(1)(c) of the Companies Act, 2013.

Company had appointed Shri Naresh Kumar Sinha, Company Secretary in Practice (CP No. 14984) as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner. The voting on the postal ballot was closed on 26.03.2016. Based on the Report of the Scrutinizer, the following results were announced by the Chairman & Managing Director on 02.04.2016 at the Registered Office of the Company.



Results of Voting Conducted By Postal Ballot

Particulars	Voting Details
Total Postal Ballot Forms received (physical)	1649*
Total e-voting received	70
Total number of Votes exercised	463057866
Total number of Invalid Votes	7779
Total No. of Valid Votes	463050087
No. of Votes with Assent for the Resolution	463025875
No. of Votes with Dissent for the Resolution	24212
Percentage of Votes in favour to Total valid votes	99.995
Percentage of Votes Against to Total valid votes	.005

*including one(1) postal ballot form in which the DPID/Client ID written does not exist in the records of Registrar and Share Transfer Agent. Therefore, the said ballot has not been considered for the scrutiny. Special Resolution has been declared as passed with requisite majority.

The aforesaid resolution for which postal ballot was conducted has been approved by the shareholder with requisite majority.

5.3 Special Resolution proposed to be conducted through Postal Ballot

No business is proposed to be transacted in the ensuing Annual General Meeting which require passing a Special Resolution through Postal Ballot.

5.3.1 Procedure for Postal Ballot

As Company is not conducting any postal ballot, hence, no disclosure is required.

5.4 Extraordinary General Meeting

No Extraordinary General Meeting was held during the year.

6. Disclosures:

- No transaction of a material nature has been entered into by the Company with the Directors, senior management personnel and their relatives that may have potential conflict with the interest of the Company except as disclosed under the related party transactions as per AS-18 "Related Party Disclosures", which are set out in the Annual Report.
- The Company has complied with all the mandatory requirements except for appointment of requisite number of Functional Directors, Independent Directors and Woman Director on the Board.
- Related Party Transactions Policy of the Company is available at www.nationalfertilizers.com.
- Policy for determining 'material' subsidiaries is available at www.nationalfertilizers.com.
- The Company has no shares in the demat suspense account or unclaimed suspense account.
- Details of non-compliance by the Company, penalties & strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authority or any matter related to capital markets during the last three years:-

BSE and NSE have issued notices to the Company for Non-compliance on account of non-appointment of Woman Director, each demanding fine of ₹ 1,42,000/- plus service tax each. However, matter has been taken up with the Stock Exchanges and letters have also been issued to the Department of Fertilizers requesting appointment of Woman Director on NFL Board. No fresh demand has been raised by the Stock Exchanges on this Account. However, on receipt of nomination from Department of Fertilizers, Ms. Bhavnaben Kardambhai Dave (DIN: 07557056) has been appointed as a Part-time Non-Official Woman Director on the Board of the Company w.e.f. 01.07.2016.



7. Compliance Officer

Shri Raj Kumar, Company Secretary is the Compliance Officer.

8. Means of Communication

- Quarterly (unaudited but limited review by Auditors) and annual audited financial results of the Company as recommended by the Audit Committee and approved by the Board are submitted to the Stock Exchanges.
- Quarterly/Annual Financial Results for 2015-2016 were published in prominent newspapers as below: -

Quarter ended	Date of Publication	News paper
30 th June, 2015	13.08.2015 (English)	The Financial Express
	14.08.2015 (Hindi)	Indian Express Jansatta
30 th September, 2015	13.11.2015 (English)	Indian Express, The Financial
	13.11.2015 (Hindi)	Express Jansatta
31 st December, 2015	10.02.2016 (English)	Business Standard, Hindustan Times
	10.02.2016 (Hindi)	Hindustan
31 st March, 2016	24.05.2016 (English)	The Times of India The Economic Times, Mail Today
	24.05.2016 (Hindi)	Navbharat Times

- Shareholding pattern at the end of each quarter is conveyed to the Stock Exchanges.
- The quarterly/annual financial results and Shareholding Pattern and other investor related information are available at the website of the Company www.nationalfertilizers.com.
- Stock Exchanges are kept posted with the changes in composition of Board of Directors and other major events related to the Company.
- All official Press Releases are posted on the Company website.
- Company has designated exclusive email ID investor@nfl.co.in for the investors.
- No presentations were made to institutional investors or to the analysts.

9. General Shareholder Information

(i) Company's Registration Details

The Company is registered in the state of Delhi. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is :- L74899DL1974GOI007417

(ii) Forthcoming Annual General Body Meeting

Date: 27th September, 2016 Time: 10.30 AM

Venue : Weight Lifting Hall, Jawahar Lal Nehru Stadium, New Delhi.

(iii) Financial Year : 1st April to 31st March

(iv) Address for Communication:-

- Scope Complex, Core III, 7, Institutional Area, Lodhi Road, New Delhi – 110 003.
- A-11, Sector-24, Noida – 201 301.

(v) Website

Shareholders related information e.g. Annual Report, Quarterly Financial Results, shareholding pattern etc. is available at Company's website www.nationalfertilizers.com



vi) Telephone numbers and E-Mail Reference for communication are given below:-

	Telephone No.	FAX No.
Registered Office	011-24360066	011-24361553
Investor Services Cell	0120-2412322 PBX: 0120- 3292201-08	0120-2411132 & 0120-2412397
E-Mail ID	investor@nfl.co.in	
Company Secretary	0120-2412322	0120-2411132

vii) Financial Calendar for FY 2016-17

Particulars	Date
Accounting Period	1 st April, 2016 to 31 st March, 2017
Un-audited Financial Results for the first three quarters	Within a period of 45 days from the end of each quarter or within such time as permitted by Regulatory Authority
Fourth Quarter Results	Audited Results on or before 31 st May 2017 or within such time as permitted by Regulatory Authority
AGM (Next Year)	September, 2017 (Tentative)

viii) Book Closure

The Register of Members and Share Transfer Books will remain closed from 21st September, 2016 to 27th September, 2016 (both days inclusive).

ix) e-Voting

Members will be provided e-voting facility to exercise their right to vote at the 42nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services through National Securities Depository Services (India) Limited (NSDL). The e-voting facility will be available from 24th September, 2016 (from 09.00 AM) to 26th September, 2016 (upto 5.00 PM).

x) Payment of Dividend

Dividend of ₹ 1.21 per equity share (12.10% of the paid up share capital) for the Financial year 2015-16 has been recommended by the Board of Directors to shareholders for their approval. If approved, the dividend shall be paid from 27.09.2016 onwards, within prescribed time.

xi) Listing on Stock Exchanges

The equity shares of the Company are listed on the following stock exchanges:-

Name Address and contact details	security code	Equity
The Bombay Stock Exchange Limited (BSE) P.J. Towers, Dalal Street, Mumbai – 400001. Telephone: 022-22721233/4 Fax: 022-22723121/3719/2037/2039 Email: info@bseindia.com Website: www.bseindia.com	523630	Equity
The National Stock Exchange of india Limited (NSE) Exchange Plaza, Plot No.1, G-block, Bandra-Kurla Complex, Bandra (East), Mumbai. Pin-400051. Telephone: 022-26698100-8114 Fax: 022-26598237/38 Email: cc_nse@nsei.co.in Website: www.nseindia.com	NFL	Equity



xii Debt Securities

The debentures issued by the Company are listed at Wholesale Debt Market (WDM) of NSE.

xiii Debenture Trustees

IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400001

xiv Listing Fee

The Annual Listing Fee upto 2016-17 has been paid to the concerned stock exchange.

xv Payment of Annual Custody Fee to NSDL and CDSL

Demat ISIN No. in NSDL and CDSL	INE870D01012
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Company has paid the Annual Custody Fee to NSDL and CDSL for the financial year 2016-17

xvi) Market Price Data

Monthly high and low price of shares of the Company during the financial year on the Bombay Stock Exchange (BSE) and National Stock Exchange were as follows:-

BSE

Month	Stock Prices of the Company		Corresponding BSE Indices (SENSEX)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2015	34.60	27.75	28,641.08	27,141.55
May, 2015	31.50	27.10	27,595.80	26,423.99
June, 2015	28.50	23.60	27,968.75	26,551.97
July, 2015	30.25	26.40	28,005.17	27,416.39
August, 2015	29.50	20.10	28,359.96	25,298.42
September, 2015	26.20	21.25	26,054.37	24,833.54
October, 2015	28.50	24.55	26,869.08	26,762.36
November, 2015	28.00	24.35	26,016.04	25,656.90
December, 2015	31.30	25.70	26,246.02	24,867.73
January, 2016	32.60	26.25	24,956.54	23,862.00
February, 2016	30.40	24.80	24,076.85	23,161.15
March, 2016	29.00	26.60	24,640.51	23,133.18

Face Value per Share is ₹10



NSE

Month	Stock Prices of the Company		Corresponding NSE Indices (NIFTY)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2015	34.90	27.85	8693.60	8,185.15
May, 2015	31.50	27.00	8,342.85	7,997.15
June, 2015	28.40	23.55	8,423.15	8,056.75
July, 2015	30.35	26.30	8,471.65	8,321.75
August, 2015	29.60	21.95	8,606.30	7,667.25
September, 2015	26.60	21.15	7,893.95	7,539.50
October, 2015	28.55	25.15	8,139.30	7,930.65
November, 2015	27.95	24.10	7,959.30	7,771.70
December, 2015	31.40	25.70	7,972.15	7551.05
January, 2016	32.60	25.25	7,590.95	7,250.00
February, 2016	31.00	23.70	7,323.45	6,869.95
March, 2016	29.10	26.50	7,483.95	7,035.10

Face Value per Share is ₹ 10

xvii) Registrar and Share Transfer Agent

M/s. Mas Services Limited,
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi – 110 020.
PH: 011-26387281-83 FAX: 011-26387384
Email: mas_serv@yahoo.com

xviii) Distribution of Shareholding

Shares held by different type of shareholders as on 31st March, 2016 are given below:-

(a) According to size:

No. of Equity Shares held	Number of Shareholders	%age of Total	No. of shares held	%age of Total
(1)	(2)	(3)	(4)	(5)
Upto 500	46088	91.193	3003637	0.612
501 to 1000	2288	4.527	1974576	0.402
1001 to 2000	962	1.903	1531984	0.312
2001 to 3000	357	0.706	936563	0.191
3001 to 4000	177	0.350	642621	0.131
4001 to 5000	179	0.354	865834	0.176
5001 to 10000	268	0.530	2030982	0.414
10001 & above	220	0.435	479592203	97.761
Total	50539	100.00	490578400	100.00



(b) Shareholding Pattern

	Category	Number of Shares held	% age of shareholding
(A)	Shareholding of Promoter and Promoter Group (Government of India)		
I	Indian	440116292	89.714
II	Foreign	-	-
	Sub Total	440116292	89.714
(B)	Public shareholding Institutions		
I	Institutions	31770749	6.476
II	Non-institutions	18691333	3.810
	Sub Total	50462082	10.286
	GRAND TOTAL	490578400	100.00

(xix) Outstanding GDRs, ADRs, Warrants or any convertible instruments, etc. :

Company has not issued any such securities.

(xx) Status of dematerialization of shares as on 31st March, 2016

The shares of the Company are compulsorily traded in dematerialised mode. Company has signed agreements with both the depositories i.e. National Securities Depository Services (India) Limited (NSDL) and Central Depositories Services (India) Ltd. (CDSL). Company offers simultaneous transfer-cum-demat facility to the investors. The position of shares held in dematerialized and physical mode as on 31st March, 2016 is a below:-

Mode of Holding	Number Of Shares	% age
NSDL	44374582	9.045
CDSL	445898549	90.892
Physical	305269	0.062
Number of Shares	490578400	100.00

(xxi) Share Transfer System

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form. In case of shares held in physical form, the transferred share certificates duly endorsed are dispatched within 15 days from the date of receipt of documents, provided documents are valid and complete in all respects. The Board has delegated the authority for approving transfer/transmission, etc. to the Share Transfer Committee. Company obtains from a Company Secretary in practice Half Yearly Certificate of compliance with the share transfer formalities as required under regulation 40 (9) of SEBI Listing Regulations is filed with the stock exchanges.

Name and addresses of the Depositories are as under:-

1. National Securities Depository Services (India) Limited,
Trade World, 4th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
2. Central Depository Services (India) Limited,
Phiroze Jeejeebhoy Towers,
28th Floor, Dalal Street, Mumbai – 400 023.



(xxii) Location of Production Units

Company's production facilities for manufacture of Urea fertilizer being the main product, are located at the following locations:

S.No.	Location
1.	Nangal , Naya Nangal, District Ropar, Punjab-140126. Tel.No.01887-220570, FAX No.01887-220541
2.	Bathinda : Sibian Road, Bhatinda, Punjab-151003 Tel. No.0164-2270261, FAX No.0164-2270463/2760270
3.	Panipat : Gohana Road, Panipat, Haryana-132106 Tel. No.0180-2652481-83, 85, 2681304, FAX No.0180-2652515
4.	Vijaipur I & II : Vijaipur, District Guna, Madhya Pradesh-473111. Tel.No.07544-273528/529, FAX No.07544-273089/273109

10. Electronic Clearing Service (ECS)

The Company requests its members to furnish ECS mandate so as to enable the Company to credit the dividend directly to the shareholder's bank account. The Company would be remitting the dividend through ECS to those shareholders, who have registered their mandate with the Company at the centers where the ECS facility is available. In other cases, the dividend is being paid through dividend warrants with the bank account details printed on the warrants. The Company's endeavour is to remit the dividend through ECS whenever the facilities are available. In the meantime, the members holding shares in physical form desirous of receiving dividend through ECS but who have so far not furnished ECS mandate are requested to submit the mandate form duly filled and signed for registration to the RTA. Investors holding shares under demat are requested to check their ECS mandate registered with the respective Depository Participants for ensuring correctness for prompt credit of dividend to their account.

11. CEO & CFO Certification

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI Listing Regulations. The Chairman & Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). The Annual Certificate given by the Chairman & Managing Director and the Chief Financial Officer is being published in this Report.

12. Audits and Internal Control System

Audit of the Company's accounts is carried out by the Auditors appointed by the Comptroller & Auditor General of India (C&AG). CAG also carries out Government Audit as per the Government Policy. Company has an Internal Audit Department having professionals from technical and non-technical areas. External firms of Chartered Accounts are acting as independent Internal Auditors. Company ensures that business is conducted in accordance with the legal, statutory and regulatory compliances.

13. Risk Management Policy

Company has put in place a Risk Management Policy covering the various risks to which the Company is exposed, Quarterly Risk Review Report on Risk Management is placed before the Board of Directors and the Audit Committee. Impact of major risks and the action taken to obviate the same on short term and long term basis is deliberated by the Board and Audit Committee.

14. Legal Compliances

Company Secretary apprised the Board every quarter of the statutory and other mandatory legal compliances. Board is also apprised of the notices received from various statutory authorities during each quarter and the remedial action taken by the Company to meet those requirements.

15. Whistle Blower Policy

Company believes in transparency and propriety in its business dealings. To take this object further, Company has put in place a Whistle Blower Policy providing for a mechanism to the employees and other stakeholders to report concerns about unethical behaviour, actual or suspected



fraud or violation of Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism. During the year, no disclosures have been received under the whistle blower mechanism.

16. Integrity Pact

With the commitment to maintain the highest standard of transparency and governance, your Company has entered into an Integrity Pact with Transparency International and has also appointed Independent External Monitors, persons of impeccable integrity, to oversee the implementation and effectiveness of the Integrity Pact to bring more transparency in the contracting and procurement operations.

17. Code of Insider Trading

Board of Directors has laid down “Code of Conduct for Prevention of Insider Trading” with the objective of preventing purchase and/or sale of shares of the company by an insider on the basis of unpublished price sensitive information. Under this Code, insiders (Offices and Designated Employees) are prevented to deal in the Company’s shares during the closure of Trading Window. To deal in Securities, beyond limits specified permission of the Compliance officer is required. All Directors/Officers/Designated Employees are also required to disclose related information periodically as defined in the Code. Company Secretary has been designated as Compliance Officer for this Code.

18. Code of Conduct for Board Members and Senior Management Personnel

The Company has adopted “Code of Conduct for Board Members and Senior Management Personnel” of the Company. The object is to conduct the Company’s business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code is available on the Company’s website www.nationalfertilizers.com. All directors and senior management personnel have complied compliance with the Code of Conduct for “Board Members and Senior Management Personnel as on 31st March, 2016.

Declaration:

Under Schedule V (D) of SEBI (LODR) Regulations, 2015

This is to certify that in line with the requirements of Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for the financial year ended on 31st March, 2016.

(Manoj Mishra)
Chairman & Managing Director
DIN: 06408953

19. Compliance Certificate of the Auditors

Certificate from the Company’s Auditors M/s. HDSG & Associates and M/s Chandio & Guliani confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 is attached to the Directors Report forming part of the Annual Report.

20. Compliance of discretionary requirements specified in Part-E of Schedule-II

The Company is examining the implementation of discretionary requirements as specified in Part-E of Schedule-II of SEBI (LODR) Regulations, 2015.

21. Compliances with Corporate Governance Codes

Department of Public Enterprises has issued Corporate Governance Guidelines applicable to Government Companies. These guidelines focus on various areas such as Board and its responsibilities, functions, roles and responsibilities of the Audit Committee, etc. Company ensures compliance of these guidelines.

SEBI (LODR) Regulations, 2015 prescribes various corporate governance compliances. These regulations have become effective from 1st December, 2015. Earlier to that Company was in compliance of Clause 49 of Listing Agreement. Company as a policy makes all efforts to ensure compliance of provisions relating to Corporate Governance prescribed under the Companies Act, 2013, Listing Regulations and DPE Guidelines.

Registered Office:

Scope Complex, Core3,
7 Institutional Area, Lodhi Road, New Delhi-110003

Date: 22nd August, 2016

For and on behalf of the Board of Directors

(Manoj Mishra)
Chairman & Managing Director
DIN:06408953

**Certification of Chief Executive Officer and Chief Financial Officer under Schedule II Part B of SEBI (LODR) Regulations, 2015.**

We, Manoj Mishra, Chairman & Managing Director and Rajiv Kumar Chandiok, Director (Finance) certify that:-

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March , 2016 and to the best of our knowledge and brief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have effectiveness of internal control system fo the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operate of such internal controls, if any, of which we are aware and the steps have been taken to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee
 1. significant changes in internal control over financial reporting during the year under reference;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. we are not aware of any instance during the year of significant fraud with involvement therein of the management or any employees having a significant role in the Company's internal control system over financial reporting.

(Rajiv Kumar Chandiok)

Director (Finance)
DIN: 05146544

(Manoj Mishra)

Chairman & Managing Director
DIN: 06408953

Registered Office:

Scope Complex, Core 3,
7 Institutional Area, Lodhi Road,
New Delhi – 110003.

Date: 23rd May, 2016