

**BOARD OF DIRECTORS**

ASHOK BHANDARI - CHAIRMAN  
B. L. GAGGAR  
RIYAPUJAJAIN  
PRIYANKAMOHTA - INDEPENDENT DIRECTOR  
T. K. BHATTACHARYA - INDEPENDENT DIRECTOR  
DEBASHIS RAY - INDEPENDENT DIRECTOR  
J. P. MUNDRA

**MANAGER AND CHIEF FINANCIAL OFFICER**

S. P. KUMAR

**BANKERS**

STATE BANK OF INDIA  
HDFC BANK LTD.

**AUDITORS**

D. K. CHHAJER & CO.  
CHARTERED ACCOUNTANTS  
KOLKATA

**REGISTERED OFFICE**

21, STRAND ROAD  
KOLKATA – 700 001  
TEL : 2230 9601 (3 LINES) / 2230 7905  
e-mail : nbifinance@ymail.com  
CIN : L65923WB1936PLC065596  
Website : www.nbi-india.co.in

**REGISTRAR & SHARE TRANSFER AGENT**

MAHESHWARI DATAMATICS PVT. LTD.  
23, R.N. MUKHERJEE ROAD (5TH FLOOR)  
KOLKATA - 700 001  
TEL : 033 2243 5029  
e-mail : mdpldc@yahoo.com

**DIRECTORS' REPORT****TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting the 86th Annual Report of your Company together with the Audited Financial Statements of the Company for the year ended 31st March, 2021. The Financial Statements have been prepared in accordance with the Indian Accounting Standards (IndA.S.)

**FINANCIAL RESULTS**

The summarised results of your Company are given in the table below:-

	(Rs. in Lakhs)	
	<b>Year ended 31.03.2021</b>	Year ended 31.03.2020
Profit before Depreciation & Provisions	<b>98.45</b>	1,294.99
Less : Depreciation	<b>0.46</b>	0.41
Profit before Taxation	<b>97.99</b>	1,294.58
Less : Provision for Current Tax	-	-
Provision for Deferred Tax	<b>(63.36)</b>	(1.67)
Profit after Tax	<b>161.35</b>	1,296.25
Add : Balance of Profit from Previous year	<b>10,269.17</b>	9,232.17
	<b>10,430.52</b>	10,528.42
<b>APPROPRIATIONS</b>		
Transfer to Reserve Fund (as per RBI Guidelines)	<b>32.27</b>	259.25
Balance Carried to Balance Sheet	<b>10,398.25</b>	10,269.17
	<b>10,430.52</b>	10,528.42

**DIVIDEND**

In order to conserve resources in the current uncertain times due to Covid-19 pandemic, the Board has decided to retain the earnings and does not propose any dividend.

**SHARE CAPITAL**

The Authorised Share Capital of the Company stands at ₹10 crore divided into 2 crore equity shares of ₹5/- each. The paid-up equity share capital of the Company stood at ₹122.84 Lac as at 31st March, 2021. During the year under review, the Company has not issued any new shares.

**TRANSFER TO RESERVES**

The Board proposes to transfer ₹32.27 Lac to Reserve Fund pursuant to RBI Guidelines (for Non Banking Financial Companies (NBFC) and the balance profit is retained in the Profit and Loss Account.

**REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS**

Total income during the year under review amounted to ₹216.00 Lac as against ₹1438.17 Lac in the preceding year. Profit before tax amounted to ₹97.99 Lac as against ₹1294.58 Lac in the preceding year. Profit after tax stood at ₹161.35 Lac as against ₹1296.25 Lac in the previous year.

The Company continues to remain registered as a Non-Banking Financial Company with the Reserve Bank of India.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company except for any effect of Covid 19 pandemic which is difficult to assess exactly at this stage.

#### **ASSOCIATE COMPANIES**

The Company does not have any associate.

#### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), all unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, after the completion of the seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority. However, no such amount of unpaid / unclaimed dividend and shares were transferable by the Company during the year, being not applicable to it presently.

#### **PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public during the year.

#### **PARTICULARS OF LOANS AND GUARANTEES**

The Company being a Non-Banking Financial Company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934), provisions of Section 186 of the Companies Act, 2013 are not applicable to it.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year, the Company had not entered into any significantly material contract / arrangement / transactions with related parties, attracting the requirement of disclosure in this report as per provisions of Section 188 of the Act except for remuneration to the key managerial personnel pursuant to Ind AS which is suitably disclosed in Note No.27 of the Financial Statements forming part of this Annual Report. Related Party Disclosures as required under the Listing Regulations is annexed to this report.

#### **INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal control procedures commensurate with its size and nature of its business. The Company has appointed internal auditors who review the internal financial control system. The Audit Committee reviews the reports of the internal auditors and ensures implementation of their suggestions and improvement. During the year, no reportable material weakness in the design or operation was observed.

#### **RISK MANAGEMENT**

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Audit Committee ensures that risks to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Constitution of Risk Management Committee is not mandatory for the Company as per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations).

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri Jagdish Prasad Mundra (DIN: 00630475), a Director of the Company retires by rotation and being eligible offers himself for re-appointment. In accordance with Regulation 17(1A) of the Listing regulations, consent of the members is being sought for continuation of directorship of Shri Jagdish Prasad Mundra, who has attained the age of 75 years, by way of special resolution which is included in the Notice of AGM.

Smt. Priyanka Mohta was re-appointed as an Independent Director by the Board on 29th September, 2020 for a term of five years subject to Members' approval at the ensuing AGM. Smt. Priyanka Mohta has given a declaration that she meets the criteria of Independence and is Independent of the Management. Resolution seeking approval of the members at the AGM has been included in the Notice thereof.

The Board recommends their re-appointment / appointment. Their brief profile is included in the Notice of AGM.

Shri Ashok Bhandari, Shri Tapas Kumar Bhattacharya and Shri Debashis Ray continue to be other Independent Directors of the Company appointed for a period of five years from their respective dates of appointment. The Independent Directors have appropriate skill, knowledge and experience in the business carried on by the Company. The Company has received declarations from the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has practice of conducting familiarisation program for the independent directors.

Shri S.P. Kumar is the Manager and Chief Financial Officer of the Company.

Nisha Laddha the Company Secretary resigned from the services of the Company from 18th June 2021. The Board has assigned the task of compliance office to Sri S P Kumar for the time being till appointment of a Company Secretary.

The Independent Directors, Directors and Senior Management including the employees have complied with their obligations as mentioned under Regulations 25 and 26 of the Listing Regulations.

#### **BOARD EVALUATION**

The performance evaluation of the Board, its Committees and Individual Directors was conducted after seeking inputs from all directors on the basis of criteria such as the composition and structure, effectiveness of processes, functioning etc.

The Independent Directors held a separate meeting, which reviewed the performance of non-independent directors and the Board as a whole, took into account the views of non-executive directors and to assess the quality, quantity and timeliness of flow of information between the management and the Board. The Independent Directors were satisfied with the performance of the Board as a whole and timeliness of flow of information.

Some of the key criteria for performance evaluation are as follows:-

Performance evaluation of Directors:

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Guidance / support to the management outside the Board / Committee meetings.

Performance evaluation of Board and Committees:

- Board structure and composition
- Degree of fulfilment of key responsibilities
- Establishment and delineation of responsibilities to Committees
- Effectiveness of Board processes, information and functioning
- Board culture and dynamics
- Quality of relationship between Board and Management
- Efficacy of communication with external shareholders.

#### **AUDITORS AND AUDITORS' REPORT**

M/s D.K. Chhajer & Co., Chartered Accountants having Firm Registration No.304138E, who are Statutory Auditors of the Company, were appointed by the Company at the Annual General Meeting (AGM) held on 16th September, 2017, to hold office for a period of five consecutive years from the conclusion of 82nd AGM of the Company till the conclusion of 87th AGM to be held in the year 2022. The Members are required to fix remuneration of the Statutory Auditors for the financial year ending 31st March, 2022.

The Statutory Auditors have confirmed that they satisfy the eligibility / independence criteria required under the Companies Act, 2013 and The Code of Ethics issued by the Institute of Chartered Accountants of India.

The report of the Auditors is self-explanatory and does not call for any further comments.

As required by the Listing Regulations, the auditors' certificate on corporate governance is annexed to this report and forms part of the annual report. The report does not contain any qualification, reservation or adverse remark requiring explanation or clarification from the Board.

#### **SECRETARIAL AUDIT REPORT**

The Secretarial Audit for the financial year 2020-21 has been conducted by Shri Mukesh Chaturvedi, Practicing Company Secretary (PCS). The Secretarial Audit Report for the financial year ended 31st March, 2021 is annexed to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark requiring explanation or clarification from the Board.

Pursuant to clause 10 of Part C of Schedule V of the Listing Regulations, PCS Certificate is annexed to the Corporate Governance Report and forms part of the annual report.

#### **COST AUDIT**

In terms of provisions of section 148 (1) of the Companies Act, 2013 cost audit as specified by the Central Government is not applicable to the Company.

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee/Board, under section 143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, and hence the requirement to mention the same in this report is not applicable.

#### **MEETINGS OF THE BOARD**

Seven meetings of the Board and One meeting of Independent Directors were held during the

year. The intervening gap between the meetings of the Board was within the period prescribed under the Companies Act, 2013.

#### **AUDIT COMMITTEE**

The Audit Committee comprises of three Independent Directors namely, Shri Tapas Kumar Bhattacharya (Chairman), Shri Ashok Bhandari and Shri Debasish Ray and a Non Independent Director Shri Jagdish Prasad Mundra. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

#### **VIGIL MECHANISM**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Company has established a 'VIGIL MECHANISM' for Directors and Employees to report concerns of unethical behavior, actual or suspected, or violation of Company's ethics policy and provide safeguard against victimization of employees.

#### **NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee comprises three independent directors and one non-independent director namely, Shri Tapas Kumar Bhattacharya (Chairman), Shri Ashok Bhandari, Shri Debasish Ray and Shri Bankat Lal Gaggar,

#### **REMUNERATION POLICY**

The Board in consultation with the Nomination & Remuneration Committee has framed Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors which is annexed hereto and forms part of this Report. Policy relating to remuneration for the directors, key managerial personnel and other employees is also annexed hereto and forms part of this Report.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

As per the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, Stakeholders Relationship Committee is duly constituted by the Board consisting of Directors Shri Bankat Lal Gaggar (Chairman), Shri Jagdish Prasad Mundra and Shri Tapas Kumar Bhattacharya for the purpose of attending to investor grievances including transfer / transmission of shares of the Company.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Provisions relating to Corporate Social Responsibility (CSR) as prescribed under the Companies Act, 2013 and Rules made there under have become applicable to the Company from the financial year 2017-18. The Board had constituted CSR Committee for formulating and overseeing the execution of the Company's CSR Policy. The CSR Committee comprises of two independent directors and two non-executive directors namely Shri Tapas Kumar Bhattacharya (Chairman), Shri Debasish Ray, Shri Bankat Lal Gaggar and Shri Jagdish Prasad Mundra. This year the Company was not required to spend any amount as the average net profits before tax of the previous three financial years calculated as per Section 198 of the Companies Act, 2013 was negative.

The Annual Report on CSR activities of FY 2020-21 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto and forms part of this report.

The CSR Policy of the Company is also annexed hereto and forms part of this Report. The same is also available on the website of the Company viz. [http://www.nbi-india.co.in/policies/NBI CSR](http://www.nbi-india.co.in/policies/NBI%20CSR)

Policy.pdf

**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Sexual harassment of a woman at workplace is of serious concern to humanity on the whole. Keeping in view the problem of sexual harassment the company has framed a policy to prevent incidents of sexual harassment as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed there under. However, constitution of Internal Committee as required under the Act is not applicable to the Company since the company has less than 10 employees. Moreover, no complaint pertaining to sexual harassment was filed by any woman during the financial year under report, hence no disclosures are applicable. This Policy is available on our website.

**EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 is annexed hereto in the prescribed form and forms part of this Report.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There are no significant & material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:

- i) in preparation of the Annual Accounts for the financial year 2020-21, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the Annual Accounts for the period ended 31st March, 2021 on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating properly;
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

None of the employees is drawing remuneration in excess of the limits set out in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 appended to the Companies Act, 2013.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as amended is annexed hereto forming part of this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

Since the Company has no manufacturing activity, disclosures relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable.

There were no foreign exchange earnings and outgo during the year.

**LISTING AGREEMENT AND FEE**

The Company's shares are presently listed at the National Stock Exchange of India Limited (NSE) and the Company has executed Listing Agreement with the said stock exchange. The Company has paid the annual listing fee to the stock exchange upto the financial year 2021-22.

**CORPORATE GOVERNANCE**

In terms of the provisions of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report for fiscal 2021 is annexed hereto and forms part of this annual report. There are no demat suspense / unclaimed suspense account as on the date of this Report as required under Schedule V Part F of the Listing Regulations.

**MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis is set out hereunder and forms part of this Annual Report.

**BUSINESS RESPONSIBILITY REPORT**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility Report is annexed hereto and forms part of this Annual Report.

**CODE OF CONDUCT**

The Company is compliant of requirement of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable to the Company by framing Code of Business Conduct and Ethics ("Code of Conduct"). The Code of Conduct is applicable to the employees including directors of the Company and is available on the Company's website. All employees including directors of the Company have affirmed compliance to the Code of Conduct as on March 31, 2021.

**PREVENTION OF INSIDER TRADING**

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Policy also includes code of practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosures. The Board reviews the Policy / Code on a need-to-know basis. This Policy is available on our website.

**FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**

All new independent directors inducted into the Board attend an orientation program. Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, functions, duties and responsibilities. The familiarisation program is available on our website.



**POLICIES**

In addition to its Code of Business Conduct and Ethics, key policies that have been adopted by the Company and uploaded on its website are as under :

<b>Name of the Policy</b>	<b>Web link</b>
Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of the directors	<a href="http://www.nbi-india.co.in/policies/NBIAppointment_Policy.pdf">http://www.nbi-india.co.in/policies/NBIAppointment_Policy.pdf</a>
Archival Policy for Website content	<a href="http://www.nbi-india.co.in/policies/NBIArchival_Policy.pdf">http://www.nbi-india.co.in/policies/NBIArchival_Policy.pdf</a>
Policy on Determination of Materiality	<a href="http://www.nbi-india.co.in/policies/NBIDetermination_of_Materiality.pdf">http://www.nbi-india.co.in/policies/NBIDetermination_of_Materiality.pdf</a>
Familiarisation Program for Independent Directors	<a href="http://www.nbi-india.co.in/policies/NBIFamiliarisation_Program.pdf">http://www.nbi-india.co.in/policies/NBIFamiliarisation_Program.pdf</a>
Insider Trading Code	<a href="http://www.nbi-india.co.in/policies/NBIInsider_Trading_Code.pdf">http://www.nbi-india.co.in/policies/NBIInsider_Trading_Code.pdf</a>
Policy for Determining Material Subsidiary	<a href="http://www.nbi-india.co.in/policies/NBIMaterial_Subsidiary.pdf">http://www.nbi-india.co.in/policies/NBIMaterial_Subsidiary.pdf</a>
Related Party Transactions Policy	<a href="http://www.nbi-india.co.in/policies/NBIRelated_Party_Transactions_Policy.pdf">http://www.nbi-india.co.in/policies/NBIRelated_Party_Transactions_Policy.pdf</a>
Policy relating to remuneration for the directors, key managerial personnel and other employees	<a href="http://www.nbi-india.co.in/policies/NBIRemuneration_Policy.pdf">http://www.nbi-india.co.in/policies/NBIRemuneration_Policy.pdf</a>
Vigil Mechanism and Whistle Blower Policy	<a href="http://www.nbi-india.co.in/policies/NBIWhistle_Blower_Policy.pdf">http://www.nbi-india.co.in/policies/NBIWhistle_Blower_Policy.pdf</a>
Prohibition of Insider Trading	<a href="http://www.nbi-india.co.in/policies/NBIProhibition_of_Insider_Trading_Policy.pdf">http://www.nbi-india.co.in/policies/NBIProhibition_of_Insider_Trading_Policy.pdf</a>
Corporate Social Responsibility Policy	<a href="http://www.nbi-india.co.in/policies/NBI_CSR_Policy.pdf">http://www.nbi-india.co.in/policies/NBI_CSR_Policy.pdf</a>
Prohibition of Sexual Harassment Policy	<a href="http://www.nbi-india.co.in/policies/NBIProhibition_of_Sexual_Harassment_Policy.pdf">http://www.nbi-india.co.in/policies/NBIProhibition_of_Sexual_Harassment_Policy.pdf</a>

**ACKNOWLEDGEMENTS**

The Directors place on record their appreciation for the support the Company continues to receive from its Bankers and Shareholders and acknowledge the valuable contribution from the employees of the Company.

Place: Kolkata  
Dated: 14th August, 2021

For and on behalf of the Board  
**(Ashok Bhandari)**  
Chairman  
DIN:00012210

**Annexure to the Director's Report**

**RELATED PARTY DISCLOSURE**

**Format for disclosure of transactions with related parties as referred to in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in compliance with AS-18**

Details of transactions with related parties:

<b>Nature of Transactions</b>	<b>Name of related party</b>	<b>Description of Relationship</b>	<b>Amount (₹)</b>
Payment of Remuneration	Mr. S.P. Kumar	Key Management Personnel	18,20,289

For and on behalf of the Board

Place: Kolkata  
Dated: 14th August, 2021

**(Ashok Bhandari)**  
*Chairman*  
DIN:00012210

**Annexure to the Director's Report**

## Annual Report on Corporate Social Responsibility (CSR) Activities

1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken	The Company aims to focus on environment preservation, spreading education, sports and supporting needy people of the society for their overall upliftment. Though its social activities are to focus primarily on areas surrounding its operations, which may include people / programs which may not be so related strictly considering overall upliftment objectives.
2	The Composition of the CSR Committee	CSR Committee comprises of two Independent Directors and two Non-Executive Directors as under: 1. Shri T.K. Bhattacharya – Chairman 2. Shri B.L. Gaggar – Member 3. Shri J.P. Mundra – Member 4. Shri Debashis Ray - Member
3	Average net profit of the company for the last three financial years	₹(117.34) Lac
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	The prescribed CSR Expenditure requirement for the FY 2020-21 is NIL. The Company is thus not required to spend any amount this year.
5	Details of CSR expenditure incurred during the financial year	
a	Total amount to be spent for the financial year	NIL
b	Amount unspent, if any	NIL
c	Manner in which the amount spent during the financial year	Not Applicable
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Directors' Report	Not Applicable
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company	The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: Kolkata  
Date: 14th August, 2021

For N.B.I. Industrial Finance Co. Ltd.

**J.P. Mundra**  
Member  
DIN:00630475

**T.K. Bhattacharya**  
Chairman of CSR Committee  
DIN: 00711665

**Annexure to CSR Report (Point 5(c) of the CSR Report)**

CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local Area or other 2. Specify the State and district where projects or programs was undertaken	Amount outlay (budget) Project or program wise	Amount spent on the projects or programs sub-heads: 1. Direct expenditure on projects or programs 2.Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Place: Kolkata  
Date: 14th August, 2021

For N.B.I. Industrial Finance Co. Ltd.

**J.P. Mundra**  
Member  
DIN:00630475

**T.K. Bhattacharya**  
Chairman of CSR Committee  
DIN: 00711665

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,  
The Members,  
N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED,  
21, Strand Road, Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2021 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED, ("the Company") for the financial year ended on 31.03.2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **Not Applicable**
  - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- f) The Securities and Exchange Board of India ( Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **Not Applicable;**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable;**
  - i) The Securities and Exchange Board of India (Shares based Employee Benefits) Regulations, 2014; **Not Applicable**
  - j) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
  - k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable**
  - l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and 2018
- (vi) The Other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are
- a) West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979
  - b) West Bengal Shop and Establishment Act,1963
  - c) The Employees Provident Funds and Miscellaneous Provisions Act,1952
  - d) Reserve Bank of India Act, 1934

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors & Independent Directors. Though the Company has no Executive Director but they have Manager, CFO and CS. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings are carried out unanimously as recorded in the Minutes of the Meeting of the Board of Directors.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Kolkata  
Date : 09.07.2021

Signature : Sd/-  
Name of Company Secretary in practice - **Mukesh Chaturvedi**

FCS No. 11063  
C P No. 3390  
UDIN - F011063C000607604

**Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors**

**Introduction**

N.B.I. Industrial Finance Co. Ltd. (NBI) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

NBI recognizes the importance of independent directors in achieving the effectiveness of the Board. NBI aims to have an optimum combination of Non-Executive and Independent Directors.

**Scope and Exclusion**

This Policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

**Terms and References**

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Nomination & Remuneration Committee**” means the committee constituted by NBI’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

“**Independent Director**” means a director referred to in Section 149(6) of the Companies Act, 2013.

**Policy**

*Qualifications and Criteria*

The Nomination & Remuneration Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s business operations.

In evaluating the suitability of individual Board members, the Committee may take into account factors such as:

- General understanding of the Company’s business dynamics and social perspective;
- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and zeal in carrying out their duties and responsibilities effectively.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number (DIN);
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent in prescribed form to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

- Shall abide by the ethics policy established by the Company for Directors, employees and Senior Management Personnel;
- Shall disclose his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

The Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

*Criteria of Independence*

The Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by the Director.

To follow the criteria of independence as laid down in the Companies Act, 2013.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

*Other directorships / committee memberships*

The Board members are expected to have adequate time, expertise and experience to contribute to effective Board performance. The Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

A Director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he holds directorship.

**Note:** For the purpose of considering the limit of the Committees, Audit Committee and Stake holders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.



**Policy relating to remuneration for the directors, key managerial personnel and other employees**

**Introduction**

N.B.I. Industrial Finance Co. Ltd. (NBI) recognizes the importance of aligning the business objectives with specific and measurable individual objectives. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate talent to run the Company successfully.
- Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. However, there is no incentive pay at present.

**Scope and Exclusion**

This Policy sets out the guiding principles for the Nomination & Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

**Terms and References**

In this Policy, the terms shall have the following meanings:

“**Director**” means a director appointed to the Board of the Company.

“**Key Managerial Personnel**” means

- i) the Managing Director or Chief Executive Officer or Manager and in their absence a Whole-time Director;
- ii) the Company Secretary;
- iii) the Chief Financial Officer; and
- iv) such other officer as may be prescribed under the Companies Act, 2013

“**Nomination & Remuneration Committee**” means the committee constituted by NBI's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

**Policy**

The Board, on the recommendation of the Nomination & Remuneration Committee, shall review and approve the remuneration payable to the Executive and Non-Executive Directors of the Company within the overall limits subject to approval by the shareholders of the Company. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. In addition to the sitting fees the Non-Executive Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred for attending Board and Committee meetings or otherwise incurred in the discharge of their duties as Directors.

The Board, on the recommendation of the Nomination & Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel and other

Employees of the Company. Employee individual remuneration shall be determined according to their qualifications, and work experience as well as their roles and responsibilities and shall be based on various factors such as job profile, skill sets, seniority and experience.

The remuneration structure of the Executive Directors, Key Managerial Personnel and other Employees shall mainly include the following:

- a) Basic Pay
- b) Perquisites and Allowances
- c) Retiral Benefits

### **Corporate Social Responsibility Policy (CSR Policy)**

N.B.I. Industrial Finance Company Limited (NBI) believes that for its operation and growth to be sustainable, it has to be responsive to social needs. Its progress is thus underlined by strict adherence to environment preservation, social upliftment etc. NBI believes in making social development as an integral part of its business activities so as to bring about a meaningful change in the lives of people. NBI considers social responsibility as a voluntary act rather than an additional activity mandated by statute.

NBI has in line with / in conformity with the statutory requirement, prepared its CSR Policy. NBI will maintain that all the activities that will be undertaken by it will be in accordance with the policy and that the projects and activities that will be undertaken are in full compliance with Schedule VII of the Companies Act, 2013.

The contents of NBI's CSR Policy are given below:-

#### **1. Vision, Objective and Scope of the Policy**

NBI Programmes will focus on supporting needy people of the society for their overall upliftment. Though its social activities will be focusing primarily on areas surrounding its operations, it may include people / programs which may not be so related strictly considering overall upliftment objectives.

#### **2. Mandate of Corporate Social Responsibility**

NBI is committed to spend 2% of its Average Net Profits of last three financial years as defined in the Rules towards its social initiatives.

#### **3. Board Committee**

The CSR Committee of the Board will oversee the social activities to be undertaken by the Company.

#### **4. Identification of Projects and Modalities of Project Execution**

The projects to be undertaken by the Company shall conform to the guidelines formulated or laid down by the Government from time to time under Schedule VII to the Companies Act, 2013.

#### **5. Organisational Mechanism**

NBI has co-promoted a Section 8 Company alongwith other Companies to undertake activities relating to development of sports in fulfilling its CSR objectives.

#### **6. Implementation**

CSR Committee of the Board is entrusted with implementing the social activities / initiatives and establishing a monitoring mechanism in line with the policy of the company.

#### **7. Budget – CSR Corpus**

NBI will allocate necessary budget after the beginning of relevant accounting year for social initiatives. Fund allocation for various activities will be made on suitable and/or progressive basis.

#### **8. Performance Management**

NBI will adopt suitable approach for measuring the actual performance of the projects

undertaken and Audit Committee of the Board of the Company shall review the performance.

**9. Information Dissemination and Policy Communication**

The Company's engagement in this domain shall be disseminated on its website and through its Annual Reports etc.

**10. Management Commitment**

Our Board of Directors, Management and all of employees subscribe to the philosophy of compassionate care. We believe and act on ethos of generosity and compassion, characterised by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

**11. Review of Policy**

CSR Committee of the Board of N.B.I. Industrial Finance Company Limited will review the policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary.

Place: Kolkata

Date: 14th August, 2021

**J.P. Mundra**  
Director  
DIN:00630475

For N.B.I. Industrial Finance Co. Ltd.

**T. K. Bhattacharya**  
Chairman of CSR Committee  
DIN: 00711665

**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2021

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS</b>		
i)	CIN	L65923WB1936PLC065596
ii)	Registration Date	21st December 1936
iii)	Name of the Company	N.B.I. Industrial Finance Company Limited
iv)	Category / Sub-Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered Office and contact details	21 Strand Road, Kolkata-700 001 Tel : +91332230 9601 (3 Lines) +9133 2243 7725 Fax: +9133 2213 1650
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt.Ltd. 23, R.N. Mukherjee Road, 5th Floor Kolkata - 700 001 Tel : +9133 2243 5029, 2248 2248 E-mail : mdpldc@yahoo.com
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>		
All the business activities contributing 10% or more of the total turnover of the Company		
	Name and Description of main products / services	NIC Code of the products / services
		% of total turnover of the Company
	NBFC Activity	9971
		100%
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>		
NONE		
<b>IV. SHARE HOLDING PATTERN (Equity Share Breakup as percentage of Total Equity)</b>		
i)	Category-wise Shareholding	As per Attachment A
ii)	Shareholding of Promoters	As per Attachment B
iii)	Change in Promoters' Shareholding	As per Attachment C
iv)	Shareholding pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment D
v)	Shareholding of Directors and Key Managerial Personnel	None of the Directors and Key Managerial Personnel holds any share in the Company
<b>V. INDEBTEDNESS</b>		
	Indebtedness of the Company including interest outstanding / accrued but not due for payment	As per Attachment E
<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>		
A	Remuneration of MD/WTD and/or Manager	As per Attachment F
B	Remuneration to other Directors	As per Attachment G
C	Remuneration to Key Managerial Personnel other than MD / WTD / Manager	Included in remuneration of Manager in Attachment F. However remuneration of Company Secretary is provided in Attachment H.
<b>VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES</b>		
None		

**Attachment A****IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/April/2020]				No of Shares held at the end of the year [As on 31/March/2021]				%change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	208208	0	208208	8.4747	208208	0	208208	8.4747	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	1266831	0	1266831	51.5641	1381898	0	1381898	56.2477	4.6836
e) Banks/FI									
f) Any other									
<b>Sub-total (A)(1)</b>	<b>1475039</b>	<b>0</b>	<b>1475039</b>	<b>60.0388</b>	<b>1590106</b>	<b>0</b>	<b>1590106</b>	<b>64.7224</b>	<b>4.6836</b>
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>1475039</b>	<b>0</b>	<b>1475039</b>	<b>60.0388</b>	<b>1590106</b>	<b>0</b>	<b>1590106</b>	<b>64.7224</b>	<b>4.6836</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds									
b) Banks/FI	0	980	980	0.0399	0	980	980	0.0399	0.0000
c) Central Govt	0	14	14	0.0006	0	14	14	0.0006	0.0000
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Alternate Investment Funds									
Foreign Portfolio Investors	91318	0	91318	3.7169	81396	0	81396	3.3131	-0.4038
Provident Funds / Pension Funds									
Qualified Foreign Investor									
<b>Sub-total(B)(1):-</b>	<b>91318</b>	<b>994</b>	<b>92312</b>	<b>3.7574</b>	<b>81396</b>	<b>994</b>	<b>82390</b>	<b>3.3536</b>	<b>-0.4038</b>
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	325670	5842	331512	13.4936	273083	5830	278913	11.3527	-2.1409
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	161000	300258	461258	18.7747	123301	284246	407547	16.5885	-2.1862
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	74652	0	74652	3.0386	74456	0	74456	3.0306	-0.0080
c) Others (Specify)									
Non Resident Indians	431	0	431	0.0175	218	0	218	0.0089	-0.0086
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	402	0	402	0.0164	1976	0	1976	0.0804	0.0640
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	21200	0	21200	0.8629	21200	0	21200	0.8629	0.0000
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
<b>Sub-total(B)(2):-</b>	<b>583355</b>	<b>306100</b>	<b>889455</b>	<b>36.2037</b>	<b>494234</b>	<b>290076</b>	<b>784310</b>	<b>31.9240</b>	<b>-4.2797</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>674673</b>	<b>307094</b>	<b>981767</b>	<b>39.9611</b>	<b>575630</b>	<b>291070</b>	<b>866700</b>	<b>35.2776</b>	<b>-4.6835</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>2149712</b>	<b>307094</b>	<b>2456806</b>	<b>100.0000</b>	<b>2165736</b>	<b>291070</b>	<b>2456806</b>	<b>100.0000</b>	<b>0.0000</b>

**Attachment B**

ii) Shareholding of Promoters:-

SI No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/April/2020]			Shareholding at the end of the year [As on 31/March/2021]			% change in share holding during the Year	PAN
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares		
1	SHREE CAPITAL SERVICES LTD	472000	19.2119	0.0000	472000	19.2119	0.0000	AAGCS5082D	
2	DIGVIJAY FINLEASE LTD	471478	19.1907	0.0000	471478	19.1907	0.0000	AAACD6998D	
3	PRASHANT BANGUR *	208200	8.4744	0.0000	208200	8.4744	0.0000	AHAPB4776F	
4	MANNAKRISHNA INVESTMENTS PVT LTD	50405	2.0516	0.0000	165472	6.7352	0.0000	AACCM2323H	
5	THE DIDWANA INVESTMENT COMPANY LIMITED	130788	5.3235	0.0000	130788	5.3235	0.0000	AABCT1524C	
6	ASISH CREATIONS PRIVATE LIMITED	124478	5.0667	0.0000	124478	5.0667	0.0000	AADCA3805D	
7	WESTERN INDIA COMMERCIAL CO LTD	17250	0.7021	0.0000	17250	0.7021	0.0000	AAACW2354C	
8	RAGINI FINANCE LIMITED	422	0.0172	0.0000	422	0.0172	0.0000	AABCR2321R	
9	HARIMOHAN BANGUR	2	0.0001	0.0000	4	0.0002	0.0000	ADJPB0982E	
10	RANU BANGUR	2	0.0001	0.0000	2	0.0001	0.0000	AEJPB0396R	
11	RAJKAMAL DEVI BANGUR	2	0.0001	0.0000	2	0.0001	0.0000	ADAPB2150P	
12	RAJESH VANIJA P LTD	2	0.0001	0.0000	2	0.0001	0.0000	AABCR6316C	
13	DIDU INVESTMENTS PVT LTD	2	0.0001	0.0000	2	0.0001	0.0000	AABCD1810F	
14	NEWA INVESTMENTS PVT LTD	2	0.0001	0.0000	2	0.0001	0.0000	AAACN8961G	
15	THE LAXMI SALT CO LTD	2	0.0001	0.0000	2	0.0001	0.0000	AAACT9721G	
16	THE VENKTESH CO LTD	2	0.0001	0.0000	2	0.0001	0.0000	AAACT9722F	
17	BENU GOPAL BANGUR	2	0.0001	0.0000	0	0.0000	0.0000	ADRPB5687N	
	<b>TOTAL</b>	<b>1475039</b>	<b>60.0389</b>	<b>0.0000</b>	<b>1590106</b>	<b>64.7225</b>	<b>0.0000</b>	<b>4.6836</b>	

\* Shri Prashant Bangur disclaims the beneficial ownership of 208000 shares held by him on behalf of Shree Venkatesh Ayurvedic. Ausdhhalaya.

**Attachment C**

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI No	Name	Shareholding at the beginning [01/April/20]/end of the year [31/March/2021]		Cumulative Shareholding during the year [01/April/20 to 31/March/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	DIGVIJAY FINLEASE LTD 01-04-2020 31-03-2021	471478 471478	19.1907 19.1907	471478	19.1907	AAACD6998D
2	NEWA INVESTMENTS PVT LTD 01-04-2020 31-03-2021	2 2	0.0001 0.0001	2	0.0001	AAACN8961G
3	THE LAXMI SALT CO LTD 01-04-2020 31-03-2021	2 2	0.0001 0.0001	2	0.0001	AAACT9721G
4	THE VENKTESH CO LTD 01-04-2020 31-03-2021	2 2	0.0001 0.0001	2	0.0001	AAACT9722F
5	WESTERN INDIA COMMERCIAL CO LTD 01-04-2020 31-03-2021	17250 17250	0.7021 0.7021	17250	0.7021	AAACW2354C
6	DIDU INVESTMENTS PVT LTD 01-04-2020 31-03-2021	2 2	0.0001 0.0001	2	0.0001	AABCD1810F
7	RAGINI FINANCE LIMITED 01-04-2020 31-03-2021	422 422	0.0172 0.0172	422	0.0172	AABCR2321R
8	RAJESH VANIJYA P LTD 01-04-2020 31-03-2021	2 2	0.0001 0.0001	2	0.0001	AABCR6316C
9	THE DIDWANA INVESTMENT COMPANY LIMITED 01-04-2020 31-03-2021	130788 130788	5.3235 5.3235	130788	5.3235	AABCT1524C
10	MANNAKRISHNA INVESTMENTS PVT LTD 01-04-2020 12/02/2021 - Transfer 31/03/2021 - Transfer	50405 114296 771	2.0516 4.6522 0.0314	164701 165472	6.7039 6.7352	AACCM2323H
11	ASISH CREATIONS PRIVATE LIMITED 01-04-2020 31-03-2021	124478 124478	5.0667 5.0667	124478	5.0667	AADCA3805D
12	SHREE CAPITAL SERVICES LTD 01-04-2020 31-03-2021	472000 472000	19.2119 19.2119	472000	19.2119	AAGCS5082D
13	RAJKAMAL DEVI BANGUR 01-04-2020 31-03-2021	2 2	0.0001 0.0001	2	0.0001	ADAPB2150P
14	HARIMOHAN BANGUR 01-04-2020 26/03/2021 - Transfer 31-03-2021	2 2 4	0.0001 0.0001 0.0002	4 4	0.0002 0.0002	ADJPB0982E
15	BENU GOPAL BANGUR 01-04-2020 26/03/2021 - Transfer 31-03-2021	2 -2 0	0.0001 0.0001 0.0000	0 0	0.0000 0.0000	ADRPB5687N
16	RANU BANGUR 01-04-2020 31-03-2021	2 2	0.0001 0.0001	2	0.0001	AEJPB0396R
17	PRASHANT BANGUR 01-04-2020 31-03-2021	208200 208200	8.4744 8.4744	208200	8.4744	AHAPB4776F



**Attachment D**

iv) Shareholding Pattern of top ten Shareholders  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SI No	Name	Shareholding at the beginning [01/April/20]/end of the year [31/March/2021]		Cumulative Shareholding during the year [01/April/20 to 31/March/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	CENTUARY FIBRE PLATES PRIVATE LIMITED* 01-04-2020 21/08/2020 - Transfer 31-03-2021	0 75000 75000	0.0000 3.0527 3.0527	75000 75000	3.0527 3.0527	AAACC7842B
2	I K AGENCIES PVT LTD * 01-04-2020 21/08/2020 - Transfer 31-03-2021	0 120000 120000	0.0000 4.8844 4.8844	120000 120000	4.8844 4.8844	AAACI5328J
3	JAVERI FISCAL SERVICES LTD. 01-04-2020 10/07/2020 - Transfer 17/07/2020 - Transfer 14/08/2020 - Transfer 21/08/2020 - Transfer 09/10/2020 - Transfer 16/10/2020 - Transfer 27/11/2020 - Transfer 04/12/2020 - Transfer 31-03-2021	0 225 -225 309193 -309193 400 -400 9 -9 0	0.0000 0.0092 0.0092 12.5852 12.5852 0.0163 0.0163 0.0004 0.0004 0.0000	225 0 309193 0 400 0 9 0 0	0.0092 0.0000 12.5852 0.0000 0.0163 0.0000 0.0004 0.0000 0.0000	AAACJ2577L
4	KEEN INVESTMENT AND LEASING LIMITED # 01-04-2020 31/07/2020 - Transfer 31-03-2021	103376 -103376 0	4.2077 4.2077 0.0000	0 0	0.0000 0.0000	AAACK7707M
5	MAN-MADE FIBRES PVT. LTD # 01-04-2020 31/07/2020 - Transfer 31-03-2021	131900 -131900 0	5.3688 5.3688 0.0000	0 0	0.0000 0.0000	AAACM3042R
6	RESHAM RESHA PVT. LTD # 01-04-2020 31/07/2020 - Transfer 31-03-2021	31000 -31000 0	1.2618 1.2618 0.0000	0 0	0.0000 0.0000	AAACR5056L
7	PAVANKUMAR SANWARIA REALITY LIMITED 01-04-2020 31/07/2020 - Transfer 14/08/2020 - Transfer 31-03-2021	0 290150 -290150 0	0.0000 11.8100 11.8100 0.0000	290150 0 0	11.8100 0.0000 0.0000	AAACZ0515A
8	MAHENDRA GIRDHARILAL 01-04-2020 28/08/2020 - Transfer 04/09/2020 - Transfer 31-03-2021	74652 -102 -94 74456	3.0386 0.0042 0.0038 3.0306	74550 74456 74456	3.0344 3.0306 3.0306	AAAPW1327L
9	PLACID LIMITED 01-04-2020 31-03-2021	21200 21200	0.8629 0.8629	21200	0.8629	AABCP5447J
10	R G CREDIT PRIVATE LIMITED 01-04-2020 21/08/2020 - Transfer 05/02/2021 - Transfer 31-03-2021	0 49193 -49193 0	0.0000 2.0023 2.0023 0.0000	49193 0 0	2.0023 0.0000 0.0000	AABCR2359D

Sl No	Name	Shareholding at the beginning [01/April/20]/end of the year [31/March/2021]		Cumulative Shareholding during the year [01/April/20 to 31/March/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
11	ALKALOIDS PRIVATE LTD 01-04-2020 21/08/2020 - Transfer 05/02/2021 - Transfer 31-03-2021	0 65000 -65000 0	0.0000 2.6457 2.6457 0.0000	65000 0 0	2.6457 0.0000 0.0000	AACCA6342E
12	CASTAMET WORKS PVT LTD 01-04-2020 22/05/2020 - Transfer 29/05/2020 - Transfer 05/06/2020 - Transfer 12/06/2020 - Transfer 19/06/2020 - Transfer 26/06/2020 - Transfer 30/06/2020 - Transfer 03/07/2020 - Transfer 10/07/2020 - Transfer 17/07/2020 - Transfer 24/07/2020 - Transfer 31/07/2020 - Transfer 07/08/2020 - Transfer 14/08/2020 - Transfer 21/08/2020 - Transfer 09/10/2020 - Transfer 16/10/2020 - Transfer 23/10/2020 - Transfer 27/11/2020 - Transfer 11/12/2020 - Transfer 18/12/2020 - Transfer 25/12/2020 - Transfer 31/12/2020 - Transfer 01/01/2021 - Transfer 08/01/2021 - Transfer 15/01/2021 - Transfer 22/01/2021 - Transfer 29/01/2021 - Transfer 05/02/2021 - Transfer 12/02/2021 - Transfer 12/03/2021 - Transfer 19/03/2021 - Transfer 26/03/2021 - Transfer 31-03-2021	14214 281 367 678 832 1579 666 -150 1291 4569 901 998 1119 357 401 1815 1025 4121 -20 2800 1143 2496 2041 400 506 3852 4985 2254 1347 916 -494 1325 2998 2680 64293	0.5786 0.0114 0.0149 0.0276 0.0339 0.0643 0.0271 0.0061 0.0525 0.1860 0.0367 0.0406 0.0455 0.0145 0.0163 0.0739 0.0417 0.1677 0.0008 0.1139 0.0465 0.1016 0.0831 0.0163 0.0206 0.1568 0.2029 0.0917 0.0548 0.0373 0.0201 0.0539 0.1220 0.1091 2.6169	14495 14862 15540 16372 17951 18617 18467 19758 24327 25228 26226 27345 27702 28103 29918 30943 35064 35044 37844 38987 41483 43524 43924 44430 48282 53267 55521 56868 57784 57290 58615 61613 64293 64293	0.5900 0.6049 0.6325 0.6664 0.7307 0.7578 0.7517 0.8042 0.9902 1.0269 1.0675 1.1130 1.1276 1.1439 1.2178 1.2595 1.4272 1.4264 1.5392 1.5869 1.6885 1.7716 1.7878 1.8092 1.9652 2.1681 2.2599 2.3147 2.3520 2.3319 2.3858 2.5078 2.6169 2.6169	AADCC5624L
13	SM SHETI SEVA PRIVATE LIMITED # 01-04-2020 31/07/2020 - Transfer 31-03-2021	23874 -23874 0	0.9717 0.9717 0.0000	0 0	0.0000 0.0000	AAECS3179F
14	SKP SECURITIES LIMITED 01-04-2020 05/02/2021 - Transfer 12/02/2021 - Transfer 31-03-2021	0 114193 -114193 0	0.0000 4.6480 4.6480 0.0000	114193 0 0	4.6480 0.0000 0.0000	AAECS3847A
15	RITA PAVANKUMAR # 01-04-2020 14/08/2020 - Transfer 31-03-2021	18971 -18971 0	0.7722 0.7722 0.0000	0 0	0.0000 0.0000	AAJPR6424J

SI No	Name	Shareholding at the beginning [01/April/20]/end of the year [31/March/2021]		Cumulative Shareholding during the year [01/April/20 to 31/March/2021]		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
16	METRICA ASIA EVENT DRIVEN MASTER FUND	91318	3.7169			AALCM3182F
	01-04-2020	18	0.0007	91336	3.7177	
	03/04/2020 - Transfer	562	0.0229	91898	3.7405	
	10/04/2020 - Transfer	567	0.0231	92465	3.7636	
	24/04/2020 - Transfer	82	0.0033	92547	3.7670	
	01/05/2020 - Transfer	26	0.0011	92573	3.7680	
	08/05/2020 - Transfer	44	0.0018	92617	3.7698	
	15/05/2020 - Transfer	253	0.0103	92870	3.7801	
	22/05/2020 - Transfer	6	0.0002	92876	3.7804	
	29/05/2020 - Transfer	108	0.0044	92984	3.7848	
	05/06/2020 - Transfer	492	0.0200	93476	3.8048	
	07/08/2020 - Transfer	97	0.0039	93573	3.8087	
	04/09/2020 - Transfer	-220	0.0090	93353	3.7998	
	11/09/2020 - Transfer	421	0.0171	93774	3.8169	
	25/09/2020 - Transfer	234	0.0095	94008	3.8264	
	30/09/2020 - Transfer	248	0.0101	94256	3.8365	
	02/10/2020 - Transfer	8	0.0003	94264	3.8369	
	09/10/2020 - Transfer	162	0.0066	94426	3.8434	
	06/11/2020 - Transfer	-62	0.0025	94364	3.8409	
	13/11/2020 - Transfer	530	0.0216	94894	3.8625	
	20/11/2020 - Transfer	1409	0.0573	96303	3.9168	
	27/11/2020 - Transfer	953	0.0388	97256	3.9586	
	04/12/2020 - Transfer	-844	0.0344	96412	3.9243	
	11/12/2020 - Transfer	-2182	0.0888	94230	3.8355	
	18/12/2020 - Transfer	-1214	0.0494	93016	3.7861	
	25/12/2020 - Transfer	54	0.0022	93070	3.7883	
	31/12/2020 - Transfer	-462	0.0188	92608	3.7710	
	01/01/2021 - Transfer	-1675	0.0682	90933	3.7013	
	08/01/2021 - Transfer	-2217	0.0902	88716	3.6110	
	15/01/2021 - Transfer	-1838	0.0748	86878	3.5362	
	22/01/2021 - Transfer	-1172	0.0477	85706	3.4885	
	29/01/2021 - Transfer	-1209	0.0492	84497	3.4393	
	05/02/2021 - Transfer	-872	0.0355	83625	3.4038	
	12/02/2021 - Transfer	547	0.0223	84172	3.4261	
	19/02/2021 - Transfer	1223	0.0498	85395	3.4759	
	26/02/2021 - Transfer	895	0.0364	86290	3.5123	
	05/03/2021 - Transfer	-250	0.0102	86040	3.5021	
	12/03/2021 - Transfer	-2574	0.1048	83466	3.3973	
	19/03/2021 - Transfer	-2414	0.0983	81052	3.2991	
	26/03/2021 - Transfer	344	0.0140	81396	3.3131	
17	VIRENDRAA BANGUR *	7400	0.3012			AELPB5548M
	01-04-2020	7400	0.3012	7400	0.3012	
	31-03-2021					
18	SAURABH BANGUR	8000	0.3256			AHHPB5720G
	01-04-2020	-100	0.0041	7900	0.3216	
	04/12/2020 - Transfer	7900	0.3216	7900	0.3216	
	31-03-2021					
19	ANMOL GOBINDRAM SEKHRI *	4860	0.1978			ALHPS9957L
	01-04-2020	10	0.0004	4870	0.1982	
	20/11/2020 - Transfer	546	0.0222	5416	0.2204	
	05/02/2021 - Transfer	2811	0.1144	8227	0.3349	
	12/02/2021 - Transfer	100	0.0041	8327	0.3389	
	26/02/2021 - Transfer	8327	0.3389	8327	0.3389	
	31-03-2021					
20	CHARAN DASS *	5330	0.2169			C00178
	01-04-2020	5330	0.2169	5330	0.2169	
	31-03-2021					
21	VIJAY KUMAR SAWHNEY	5000	0.2035			V0Z317
	01-04-2020	-5000	0.2035	0	0.0000	
	26/03/2021 - Transfer	0	0.0000	0	0.0000	
	31-03-2021					

\* Not in the list of Top 10 shareholders as on 01/04/2020. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2021.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2021. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2020.

**Attachment E**

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness as at the beginning of the financial year (01.04.2020)</b>				
i) Principal Amount		-	-	
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>		-	-	
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction		-	-	
<b>Net Change</b>		-	-	
<b>Indebtedness as at the end of the financial year (31.03.2021)</b>		-		
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**Attachment F**

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration of MD/WTD and/or Manager (also CFO)

Sl. No.	Particulars of Remuneration	S.P. Kumar	Total Amount (₹)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	12,68,070	12,68,070
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- Others	-	-
5	Others	5,52,219	5,52,219
	<b>TOTAL (A)</b>	<b>18,20,289</b>	<b>18,20,289</b>
	Ceiling as per the Act	₹120.00 Lac (being the minimum remuneration as per Schedule V of the Companies Act, 2013)	

**Attachment G**

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## B. Remuneration to other Directors

Sl	Particulars of Remuneration	Ashok Bhandari	Bankat Lal Gaggar	Jagdish Prasad Mundra	Riya Puja Jain	Tapas Kumar Bhattacharya	Debasish Ray	Priyanka Mohta	Total Amount (₹)
1	<b>Independent Directors</b>								
	• Fee for attending board / committee meetings	50,000	-	-	-	91,000	59,000	25,000	2,25,000
	• Commission		-	-	-	-	-	-	-
	• Others		-	-	-	-	-	-	-
	<b>TOTAL (1)</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91,000</b>	<b>59,000</b>	<b>25,000</b>	<b>225,000</b>
2	<b>Other Non-Executive Directors</b>								
	• Fee for attending board / committee meetings		71,000	75,000	5,000	-	-	-	1,51,000
	• Commission		-	-	-	-	-	-	-
	• Others		-	-	-	-	-	-	-
	<b>TOTAL (2)</b>		<b>71,000</b>	<b>75,000</b>	<b>5,000</b>	<b>-</b>	<b>-</b>		<b>1,51,000</b>
	<b>TOTAL (B)=(1)+(2)</b>	<b>50,000</b>	<b>71,000</b>	<b>75,000</b>	<b>5,000</b>	<b>91,000</b>	<b>59,000</b>	<b>25,000</b>	<b>376,000</b>
	<b>Total Managerial Remuneration</b>								<b>21,96,289*</b>
	Overall ceiling as per the Act	₹120.00 Lac (being the minimum remuneration as per Schedule V of the Companies Act, 2013)							

\*Total remuneration to Managing Directors / Whole-time Directors / Manager and other Directors (being total of A and B)

**Attachment H**

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager i.e. Company Secretary

Sl. No.	Particulars of Remuneration	Nisha Laddha	Total Amount (₹)
1	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	184,800	184,800
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- Others	-	-
5	Others	-	-
	<b>TOTAL</b>	<b>184,800</b>	<b>184,800</b>

**Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

- i) **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year**  
Not Applicable, as none of the directors draw remuneration except sitting fees for Board / Committee meetings.
- ii) **Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year**  
9.64%.
- iii) **Percentage increase in the median remuneration of employees in the financial year**  
10.53%.
- iv) **Number of permanent employees on the rolls of Company**  
5 (Five)
- v) **Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**  
The average increase in salaries of employees other than managerial personnel in 2020-21 was 10.29%. Percentage increase in the managerial remuneration for the year was 9.64%.
- vi) **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for directors, key managerial personnel and other employees.**

**Business Responsibility Report****Section A General Information about the Company**

1	Corporate identification number	L65923WB1936PLC065596
2	Name of the Company	N.B.I. INDUSTRIAL FINANCE CO. LTD.
3	Registered Address	21, Strand Road, Kolkata 700 001
4	Website	www.nbi-india.co.in
5	Email address	nbifinance@ymail.com
6	Financial year reported	1 April 2020 to 31 March 2021
7	Sector(s) that the company is engaged in	Non Banking Financial Activity
8	Key services provided by the company	Investment Activity
9	Total number of locations where business activity is undertaken by the company	Kolkata
10	Market served by the company	India

**Section B Financial details of the company**

1	Paid up Capital	Rs. 122.84 lacs
2	Total Turnover	Rs. 216.00 lacs
3	Profit after tax	Rs. 161.35 lacs
4	Total spending on CSR as percentage of Profit after Tax (%)	Refer Annual Report on CSR activities. This year there is no spending on CSR activities.
5	List of the activities in which expenditure in 4 above has been incurred	Not Applicable this year.

**Section C Other details**

1	Does the Company have any subsidiary company/Companies ?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company ? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3	Do any other entity/entities (e.g.suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the company ? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]	No

**Section D BR information**

1	Details of director(s) responsible for BR	
(a)	Details of the Director/Director responsible for implementation of the BR policy/policies :	
	DIN	00012210
	Name	Ashok Bhandari
	Designation	Chairman
(b)	Details of BR head :	
	DIN (if applicable)	Not Applicable
	Name	S P Kumar
	Designation	Manager & Chief Financial Officer
	Telephone number	033-22309601-04
	E-mail id	nbifinance@ymail.com
2	Principle wise BR policy/policies	Included in this report
3	Governance related to BR	Included in this report

**Section E Principle-wise performance**

1	Principle-wise performance	Included in this report
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## **Preface**

As mandated by the Securities and Exchange Board of India (SEBI), India's top 1000 listed entities based on market capitalisation on BSE Limited (BSE) and National Stock Exchange of India Limited. (NSE), are required to submit a 'Business Responsibility Report' (BRR) along with their Annual Report for 2020-21. This report is required to be in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011.

NBI is a Non banking Financial Company engaged mainly in investment activity.

### **Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

NBI endeavours to adopt high standards of corporate governance and adheres to all applicable guidelines with transparent disclosures about the Company's performance. The values of ethics, transparency and accountability are ingrained into its daily operations. NBI has a Code of Conduct for the Company's Directors and Senior Management, which supports the functioning of the Company in an ethical manner. NBI follows the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSIs).

Any employee can report to the management regarding instances of unethical behaviour, suspected fraud or violation of the Code of Conduct or ethics policy. In order to safeguard employees, who report any unethical behaviour, against victimization, sufficient measures have also been put in place.

### **Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

NBI is an investment company and is not involved in any manufacturing activity or services under the purview of BRR.

### **Principle 3: Businesses should promote the well-being of all employees**

The Company did not have any specially-abled employee or recognized employee association. NBI is aware that employees are an essential part of a company's success. The Company aims to attract qualified personnel and invests in their growth and development. NBI regularly engages its employees and sponsors them to attend various seminars and other educational programmes to keep them updated. NBI has various policies and procedures in place to prevent any kind of discrimination. The 'Policy on Prevention of Sexual Harassment at Workplace' ensures the safety and security of its female employees. The Company did not receive any complaint relating to child labour, forced labour, involuntary labour or sexual harassment in 2020-21 and none are pending as of 31 March 2021.

### **Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

NBI is an equal opportunity employer and ensures that its remuneration practices are based on merit, irrespective of the person's ethnic background or gender. These are regularly updated and are in line with the market benchmarks. In addition, the Company practises affirmative action and ensures there is no discrimination of any type against socially disadvantaged sections at the workplace.

**Principle 5: Businesses should respect and promote human rights**

NBI ensures strict compliance with all applicable laws of the land that pertain to human rights and is dedicated to safeguarding the human rights of all its employees. The Company did not receive any complaint relating to violation of human rights in 2020-21.

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

NBI endeavours to manage its business in a manner that conserves the environment. The Company does not have any significant direct environmental impact as it is an investment company with no manufacturing operations.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

The Company is active in putting forward its views on formulation of new industry standards and regulatory developments pertaining to the non-banking finance sector. Furthermore, the Company strives to balance the interests of various stakeholders while proposing any recommendations.

**Principle 8: Businesses should support inclusive growth and equitable development**

NBI believes that measurement of growth and success lies beyond balance sheets and conventional economic indices, rather it is best reflected in the difference that business and industry make in the lives of people. The CSR initiatives of the Company are aimed at overall development of the society.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

Being an investment company, NBI does not have any direct customers or consumers interface.

## CORPORATE GOVERNANCE REPORT

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and about considering all stakeholders' interests while conducting business. It is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and amendments thereto. It contains the Corporate Governance policies and practices of N.B.I. Industrial Finance Co. Ltd.

### 1. Philosophy On Corporate Governance

Corporate Governance is a reflection of principles entrenched in our values and policies and also embedded in our day-to-day business practices, leading to value driven growth. It encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. Our Corporate Governance philosophy is aimed at creating and nurturing a valuable bond with stakeholders to maximize stakeholders' value. Good governance practices stem from the dynamic culture and positive mindset of the organisation. We are committed to meet the aspirations of all our stakeholders. The Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, the Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review, strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its business.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive to achieve. Our multiple initiatives towards maintaining the highest standards of governance are detailed in this Report.

### 2. Board of Directors

Keeping with the commitment to the principles of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management. We believe that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company. The Board is committed to the goal of sustainably elevating the Company's value creation. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

**Composition**

In compliance with the provisions of the Companies Act, 2013 (the Act) and the SEBI Listing Regulations, the Board comprises of Independent and Non- Independent Directors. The strength of the Board as on 31st March, 2021 was seven members all of whom are Non- Executive Directors. Out of them four are Independent Directors (including one-woman independent director) and three are Non- Independent Directors (including one Woman Director). Shri Ashok Bhandari an Independent Director is the Chairman of the Company.

The Independent Directors on the Board are competent and respected professionals from their respective fields and have vast experience in general corporate management, finance, investment and other allied fields which enable them to contribute effectively to the Company. All Independent Directors make annual disclosure of their Independence to the Company. The day to day management of the Company is conducted by the Manager subject to the supervision, direction and control of the Board of Directors. The Independent Directors have made disclosures to the Board confirming that there are no material financial and/or commercial transactions between them and their relatives and the company which could have potential conflict of interest with the company at large. In the opinion of the Board, the independent directors fulfill the conditions specified in the Listing Regulations and Companies Act, 2013 and are independent of the management.

Seven Board Meetings were held during the financial year 2020-21 on the following dates:

- √ 10th July, 2020
- √ 21st July, 2020
- √ 29th August, 2020
- √ 15th September, 2020
- √ 29th September, 2020
- √ 6th November, 2020
- √ 2nd February, 2021

**Details of the Board of Directors and External Directorships**

Particulars of the Board's Composition, Directors' Attendance at Board Meetings and at the previous Annual General Meeting, number of other Directorships and Board-Committee memberships held as on 31st March, 2021, are given below:

Sr. No.	Name of the Director	Attendance at Board Meetings	Attendance at previous AGM	No. of other Directorships (*)	Number of other Board Committee positions (@)	
					As Chairman	As Member
1	Ashok Bhandari – N1	6	Yes	9	1	6
2	B.L. Gaggar	7	Yes	3	–	1
3	Riya Puja Jain	1	No	0	–	–
4	J.P. Mundra	7	Yes	6	1	–
5	T.K. Bhattacharya	7	Yes	1	–	2
6	Debashis Ray	7	No	0	–	–
7	Priyanka Mohta – N2	5	Yes	0	–	–

**Notes:**

N1- Shri Ashok Bhandari was appointed on 21st July, 2020

N2- Smt. Priyanka Mohta was appointed on 29th August, 2020

(\*) includes directorships held in public limited Companies only. (Directorships held in Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 are excluded)

(@) includes only positions held in Audit Committee and Stakeholders' Relationship Committee of the Board of Directors as per Regulation 26 of the Listing Regulations.

Web link for Familiarisation Program for Independent Directors is [http://www.nbi-india.co.in/policies/NBI\\_Familiarisation\\_Program.pdf](http://www.nbi-india.co.in/policies/NBI_Familiarisation_Program.pdf)

Names of the other listed entities where the director is a director along with category of directorship:

Name of the Director	Name of the Listed Entity	Category of Directorship
Ashok Bhandari	1) Intrasoft Technologies Ltd	1) Independent Director
	2) Maharashtra Seamless Ltd	2) Independent Director
	3) Maithan Alloys Ltd	3) Independent Director
	4) Rupa & Co. Ltd.	4) Independent Director
	5) Skipper Ltd.	5) Independent Director
	6) IFB Industries Ltd.	6) Independent Director
Riya Puja Jain	NIL	NIL
B.L. Gagar	NIL	NIL
J.P. Mundra	Western India Commercial Co. Ltd.	Non-Executive Non-Independent Director
T.K. Bhattacharya	Western India Commercial Co. Ltd.	Non-Executive-Independent Director
Debashis Ray	NIL	NIL

None of the Non-executive Directors holds any shares or convertible instruments in the Company

None of the directors of the Company are related inter-se

**Skills/Expertise/Competence of the Board of Directors**

The Board comprises of qualified members who possess required skills, competence and expertise that allow them to make effective contribution to the Board and its committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Financial, Regulatory / Legal & Risk Management	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in financial management, capital allocation and financial reporting process or experience in actively supervising various functions
Strategy and strategic planning	Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities.
Business Exposure	Experience in driving business success with an understanding of diverse business environments, economic conditions, cultures, regulatory frameworks and a broad perspective on market opportunities
Leadership	Extended leadership experience for a significant enterprise, resulting in practical understanding of organisations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, planning successions and driving change and long-term growth
Market Exposure	Wide knowledge, experience and exposure in the secondary market
Mergers and Acquisitions	A history of leading growth through acquisitions and other business combinations with the ability to assess 'build or buy' decisions.
Corporate Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests and observing appropriate governance practices

#### Code of Conduct

The Company has in place a comprehensive Code of Conduct and Our Code (the Code) is applicable to the Directors and employees. The Code gives the guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the core values of the Company viz. Ownership Mindset, Respect, Integrity, One Team and Excellence. All the directors including Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct as on March 31, 2021. A declaration to this effect, signed by the Manager and Chief Financial Officer (CFO), annexed hereto forms part of this report. The code is available on the official website of the company: [www.nbi-india.co.in](http://www.nbi-india.co.in)

#### Committees of the Board

The Board has constituted following Committees of Directors:

- Audit Committee,
- Nomination and Remuneration Committee,
- Stakeholders Relationship Committee, and
- Corporate Social Responsibility Committee

##### 1. Audit Committee

The Audit Committee consists of three Independent Directors and one Non-Independent director. All members of the Audit Committee are financially literate and have accounting or

related financial management expertise. The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of N.B.I. Industrial Finance Company Limited, (the "Company") in fulfilling its oversight responsibilities with respect to:

- a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stakeholders, the public, the stock exchange and others,
- b) the Company's compliances with legal and regulatory requirements,
- c) the Company's independent auditors' qualification and independence,
- d) the audit of the Company's financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

**Terms of Reference:**

The role and terms of reference of Audit Committee covers areas mentioned under Part C of Schedule II [See Regulation 18(3)] of the Listing Regulations and section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. All the Members of the Audit Committee are qualified and having insight to interpret and understand financial statements. The brief terms of reference of the Audit Committee are outlined here under:

- Review of the company's financial reporting process, adequacy of internal control systems and the disclosure of its financial information;
- 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 of 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), if any, in the draft audit report.
- Reviewing the quarterly financial statements before submission to the board for approval;
- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- 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;
- Approval (including omnibus approval) or any subsequent modification of transactions with related parties;
- Reviewing the adequacy of internal audit function including frequency of internal audit reports;
- Reviewing the findings of any observations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board;
- Evaluation of internal financial controls;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control system;
- 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;
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilization of loans and/or advances / investment by the holding company in the subsidiary company(ies) exceeding '100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- Management discussion and analysis of financial condition and results of operations;
- Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
- Reviewing the appointment, removal and terms of remuneration of the internal auditor;
- Discussion with internal auditors on any significant findings and follow up thereon;
- To review the functioning of whistle blower / vigil mechanism;
- Scrutiny of inter-corporate loans and investments;
- Reviewing valuation of undertakings or assets of the company, wherever necessary.
- Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, wherever applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (b) Annual Statement of funds utilised for purpose other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.



**Constitution of the Audit Committee**

The Composition of the Committee, together with the details of the attendance of each member as at 31st March, 2021 is given below:

Sr. No.	Name of the Director	Designation	Meetings Attended	Category
1.	T.K. Bhattacharya	Chairman	5	Non- Executive Independent Director
2.	Ashok Bhandari	Member	3	Non- Executive Independent Director
3.	Debashis Ray	Member	3	Non- Executive Independent Director
4.	J.P. Mundra	Member	5	Non-Executive Non-Independent Director

**Meetings of the Audit Committee:**

Five Audit Committee Meetings were held during the financial year 2020-21 on the following dates:

- √ 10th July, 2020
- √ 21st July, 2020
- √ 15th September, 2020
- √ 6th November, 2020
- √ 2nd February, 2021

**4. Nomination and Remuneration Committee:**

The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The brief terms of reference of the Committee are as follows:

- (a) To formulate and review the criteria that must be followed for determining qualifications, positive attributes/experience for appointment and independence of a director;
- (b) To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and to ensure compliance with the remuneration policy set forth by the Company;
- (c) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the board for their appointment and/or removal;
- (d) To formulate the criteria for evaluation of performance of independent directors and of the board of directors as a whole;
- (e) To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (f) To report on the systems and on the amount of the annual remuneration, in whatever form, of directors and key managerial/senior management personnel to the Board.
- (g) To perform such other functions as may be necessary or appropriate for the performance of its duties.

**Constitution and Attendance of members at the meetings of the Nomination and Remuneration Committee**

The Composition of the Committee together with the details of the attendance of each member at the meetings during the financial year 2020-21 is given below:

Sr. No.	Name of the Director	Category	Designation	Meetings Attended
1.	T.K. Bhattacharya	Non-Executive Independent Director	Chairman	4
2.	Ashok Bhandari - N1	Non-Executive Independent Director	Member	2
3.	B.L. Gaggar	Non-Executive Non-Independent Director	Member	4
4.	Debashis Ray	Non- Executive Independent Director	Member	2

**Note:**

N1 – Shri Ashok Bhandari was appointed on 29th August, 2020.

**Meetings of the Nomination and Remuneration Committee (NRC)**

Four NRC Meetings were held during the financial year 2020-21 on the following dates:

- √ 21st July, 2020
- √ 29th August, 2020
- √ 29th September, 2020
- √ 1st February, 2021

**Performance evaluation criteria for Independent Directors**

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Adherence to ethical standards and code of conduct of the Company.
- Meaningful and constructive contribution and inputs in the Board/ Committee meetings.

**Remuneration Policy**

The committee formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy relating to the remuneration for the Directors and Key Managerial Personnel. The Committee reviews and recommends payment of annual salaries, commission and other employment conditions of the Directors and Key Managerial Personnel. The remuneration policy is directed towards rewarding performance based on review of performance / achievements on a periodical basis. No Stock option has been granted to any of the Directors during the financial year 2020-21. Web link for remuneration policy is [http://www.nbi-india.co.in/policies/NBI\\_Remuneration\\_Policy.pdf](http://www.nbi-india.co.in/policies/NBI_Remuneration_Policy.pdf). The policy forms part of the Directors' Report. The Company doesn't have any pecuniary relationship or transaction with any of the non-executive directors. None of the Directors have been given any remuneration during the financial year under review except Meeting Fees as per details given below.

Details of meeting fees paid to the Directors for the year ended 31st March, 2021:

Director	Category	Sitting Fees ( ₹ )
Ashok Bhandari	Non- Executive -Independent Director	50,000
B.L. Gaggar	Non- Executive Non-Independent Director	71,000
Riya Puja Jain	Non- Executive Non-Independent Director	5,000
J.P. Mundra	Non- Executive Non-Independent Director	75,000
T.K. Bhattacharya	Non- Executive -Independent Director	91,000
Debashis Ray	Non- Executive -Independent Director	59,000
Priyanka Mohta	Non- Executive -Independent Director	25,000
	<b>Total</b>	<b>3,76,000</b>

#### 5. Stakeholders Relationship Committee

Stakeholders Relationship Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations and inter alia approves transfer & transmission of shares, issue of duplicate/re-materialised shares and consolidation & splitting of certificates, review measures taken for effective exercise of voting rights by shareholders, review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent, redressal of complaints from investors including inter-alia non-receipt of annual reports and non-receipt of declared dividends etc.

#### Constitution of the Stakeholders Relationship Committee

The Composition of the Committee during the year 2020-21 is given below:

Sr. No.	Name of the Director	Designation	Category
1	B.L. Gaggar	Chairman	Non- Executive Non -Independent Director
2	J.P. Mundra	Member	Non- Executive Non -Independent Director
3	T.K. Bhattacharya	Member	Non- Executive Independent Director

#### Meetings of the Stakeholders Relationship Committee:

Four Stakeholders Relationship Committee Meetings were held during the financial year 2020-21 on -

- 1) 2nd July, 2020
- 2) 16th December, 2020
- 3) 2nd February, 2021
- 4) 8th March, 2021

Further the details of the Compliance Officer designated for handling of the Investor grievances is provided here under:

<b>Name</b>	<b>S. P. Kumar</b>
<b>Address</b>	21, Strand Road, Kolkata- 700 001 (West Bengal).
<b>Telephone No</b>	033-2230 7905
<b>E-mail</b>	nbifinance@ymail.com

#### Details of Pending Investor Grievances and Compliance Officer

The grievances received were resolved during the financial year and all the queries from the stakeholders were attended promptly except in cases of deficiency in documents. Further there were no pending transfers for the year under review.

**6. Corporate Social Responsibility (CSR) Committee**

Corporate Social Responsibility (CSR) Committee has been constituted by the Board for formulating and overseeing the execution of the Company's CSR Policy as prescribed under the Companies Act, 2013 and Rules made thereunder. The CSR Committee comprises of two independent directors and two non-executive directors. The members of the CSR Committee are:

Sr. No.	Name	Designation in Company	Status in the Committee
1	Shri T.K. Bhattacharya	Independent Director	Chairman
2	Shri Debashis Ray	Independent Director	Member
3	Shri Bankat Lal Gaggar	Director	Member
4	Shri Jagdish Prasad Mundra	Director	Member

The CSR Report as required under the Companies Act, 2013 for the year ended 31st March, 2021 is attached to the Board's Report.

**Meetings of the Corporate Social Responsibility (CSR) Committee**

One CSR Committee Meeting was held during the financial year 2020-21 on 2nd March, 2021.

**7. Details of General Body Meeting****Annual General Meeting**

The details of last 3 Annual General Meetings together with the details of the special resolution, if any, passed thereat is provided hereunder:

Year ended	Day, Date and Time	Venue	Special Resolutions Passed
31st March, 2020	Monday, 28th September, 2020 at 10:30 A.M.	21, Strand Road, Kolkata - 700001	Yes
31st March, 2019	Saturday, 14th September, 2019 at 10:30 A.M.	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata – 700 017	Yes
31st March, 2018	Saturday, 15th September, 2018 at 10:30 A.M.	Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th Floor, Kolkata – 700 017	None

**Remote e-voting and ballot at the AGM**

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged for remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members. Members whose names appear on the register of members as on the record date shall be eligible to participate in the e-voting.

The facility for voting through ballot will also be made available at the AGM. Members who have not already cast their votes by remote e-voting can exercise their vote at the AGM.

**8. Means of Communication**

The Quarterly, Half-Yearly and Annual Financial Results of the Company are forwarded to Stock Exchange immediately upon approval by the Board of Directors and are simultaneously published in newspapers in English and Bengali (regional language) namely Business Standard and Sukhabar.

In accordance with the Listing Regulations, data pertaining to Shareholding Pattern, Quarterly Financial Results and Other Details are forwarded to the Stock Exchange and are also disseminated on the website of the Company.

During the year under review, no presentation was made to the institutional investors or analysts.

**9. General Shareholders' Information:**

Annual General Meeting	Thursday, the 23rd September, 2021 at 10.30 A.M. at 21, Strand Road Kolkata – 700 001 Book Closure Dates: 16.09.2021 to 23.09.2021 (both days inclusive) E-voting Dates: 20.09.2021 to 22.09.2021
Financial Year	2020-21
Dividend payment date	No dividend has been recommended by the Board this year.
Listing on Stock Exchange	The Equity Shares of the Company are listed on: National Stock Exchange of India Limited (NSE). Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 The Company has paid the annual listing fee of the exchange for the financial year 2020-21.
Stock Code	NSE Symbol:NBIFIN
ISIN	<b>INE365I01020</b>

**Unclaimed Dividend**

Pursuant to provisions of Section 124 of the Companies Act, 2013 and rules framed there under, the Company has transferred the total amount of dividend which remained unpaid or unclaimed for the year 2016-17 to the Unpaid Dividend Account of the Company. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 16.09.2020 (date of last Annual General Meeting) on the website of the Company ([www.nbi-india.co.in](http://www.nbi-india.co.in)) as well as on the website of the Ministry of Corporate Affairs.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 the Company is required to transfer the dividends which have remained unpaid or unclaimed for a period of seven consecutive years or more to the Investor Education and Protection Fund (the IEPF) established by the Central Government. The members who have not yet encashed the dividend warrant(s) for the year 2016-17 (Final Dividend) are requested to approach the Company with their warrants for re-validation/fresh issuance.

The details of unpaid dividend and last date of transfer to IEPF are given hereunder:

Year	Type of Dividend	Dividend per share of ₹10/- (₹)	Date of declaration of Dividend	Dividend amount unpaid as on 31.03.2021 (₹)	Last date for transfer of unpaid dividend in Investor Education and Protection Fund
2016-17	Final	1/-	15.09.2017	165,953	21.10.2024

**10. Market Share Price Data:** high, low during each month in last financial year i.e. 2020-21.

Month	High	Low
April, 2020	1646	1256
May, 2020	1550	1250
June, 2020	1700	1440
July, 2020	1694.80	1455
August, 2020	1645	1506.65
September, 2020	1635	1326
October, 2020	1749	1506.65
November, 2020	1789	1570
December, 2020	1880	1573.95
January, 2021	1725	1603.90
February, 2021	1900	1510
March, 2021	1996	1735.05

**Performance in comparison to broad-based indices i.e. NSE**

Indices	NSE (Nifty 50)	NBI Quote at NSE
01.04.2020 (Open)	8598	1416
31.03.2021 (Close)	14691	1958.50
Increase / (Decrease)	6093	542.50

#### 11. Registrar and Share Transfer Agent

Maheshwari Datamatics Pvt. Ltd. acts as Registrar and Share Transfer Agent (RTA) of the Company having its registered office at 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001. Contact No.033-22482248, 22435029, Fax: 033-22484787. Email Id: mdpldc@yahoo.com.

RTA also maintains a website: www.mdpl.in

#### 12. Share Transfer System

Share transfers are processed by the Registrar & Share Transfer Agent and approved by the Stakeholders Relationship Committee, if the documents are complete in all respects, within

15 days from the date of lodgment. The same is examined by a Practicing Company Secretary on half yearly basis and a Certificate as required under Regulation 40(9) of the Listing Regulations is obtained and forwarded to NSE where the Company's shares are listed.

### 13. SEBI Complaints Redress System (SCORES)

SEBI vide circular dated 3rd June, 2011 introduced SCORES, i.e., "SEBI Complaints Redress System" the system of processing of investors complaints in a centralized web based complaints redressal portal known as 'SCORES'. The salient features of this system are: centralized database of all Complaints, online upload of Action Taken Reports (ATRs) by the concerned Company and online viewing by investors of action taken on the complaints and their current status.

The Company is registered with SEBI under the SCORES system.

#### Distribution of shareholding as on 31/03/2021

Share Holding	No of Holders	% age	No of Shares	% age
Upto 500	5162	97.21	249788	10.18
501 to 1000	90	1.69	67379	2.74
1001 to 2000	26	0.49	37423	1.52
2001 to 3000	8	0.16	18559	0.75
3001 to 4000	3	0.05	10725	0.44
4001 to 5000	4	0.08	17964	0.73
5001 to 10000	4	0.07	28957	1.18
Above 10000	13	0.25	2026011	82.46
<b>Grand Total</b>	<b>5310</b>	<b>100.00</b>	<b>2456806</b>	<b>100.00</b>

### 14. Dematerialization of Shares and Liquidity:

The Company's equity shares are available for trading in the depository systems of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2021, 2165736 equity shares, constituting 88.15% of the paid-up equity capital of the Company, stood dematerialized and the rest are in physical form.

Status of total number of shares dematerialized and in physical form as on 31st March 2021:

Depository	No. of Shares	% of Paid up Capital
NSDL	21,14,236	86.05
CDSL	51,500	2.10
Physical	2,91,070	11.85
<b>Total</b>	<b>24,56,806</b>	<b>100.00</b>

**Outstanding GDRs / ADRs / Warrants / Convertible Instruments**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments

**15. Financial Calendar (Tentative)**

Financial Year	1st April, 2021 - 31st March, 2022
First quarter results	14th August, 2021
Second Quarter & Half-yearly results	15th November, 2021
Third quarter results	15th February, 2022
Fourth quarter & Annual results	End of May, 2022

**16. Secretarial Audit**

Pursuant to Section 204 of the Companies Act, 2013 and Rules framed thereunder, Mr. Mukesh Chaturvedi, Practicing Company Secretary was appointed by the Company to conduct Secretarial Audit of records and documents of the Company. The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013, Depositories Act, 1996, Listing Agreement with the Stock Exchange, and all the relevant Regulations and Guidelines of the SEBI, as applicable to the Company. The audit also covers the reconciliation of share capital audit, on quarterly basis to reconcile the total admitted capital with NSDL & CDSL and total issued and listed capital. The audit confirms that the total paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL & CDSL.

**17. Risk Management**

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Audit Committee ensures that risks to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. However, constitution of Risk Management Committee is not applicable to the Company in terms of Regulation 21 of the Listing Regulations.

**Address for Correspondence**

Chief Financial Officer
S.P. Kumar
21, Strand Road, Kolkata – 700 001
Tel: 033 -22309601 Fax: 033-22131650
Email ID: <a href="mailto:nbifinance@ymail.com">nbifinance@ymail.com</a> Website: <a href="http://www.nbi-india.co.in">www.nbi-india.co.in</a>



**Credit Ratings**

No instances have occurred during the financial year 2020-21 which warrant the Company to obtain Credit Rating.

**18. Other Disclosures**

- a) During the financial year 2020-21 there was no materially significant Related Party Transaction, with the Directors, or the Management, their relatives etc. having potential conflict with the interests of the Company at large except those disclosed in the Board's Report. There were no material related party transactions during the year, i.e. transactions of material nature, with its promoters, Directors or the management that may have potential conflict with the interests of Company at large.
- b) There was no non-compliance by the entity except for delay in appointment of independent director and independent woman director on the Board due to countrywide lock down imposed by the Central Government in the wake of spread of COVID-19 coronavirus in the months of March to May 2020 and thereafter too partially in containment zones for which the Company has filed request for waiver of delay, penalty, strictures imposed by stock exchange or the board or any statutory authority, on any matter related to capital markets, during the last three years.
- c) The Company has adopted the Code of Ethics and Business principles for the members of Board and senior management personnel.
- d) The Company has adopted a 'Code of Conduct for Prevention of Insider Trading ("the Code") in accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended upto date. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, by the directors and the senior management personnel while dealing with the shares of the Company on the bourse and cautioning them on the consequences of non-compliance thereof. The Company has also formed Whistle Blower Policy. Further, we affirm that no personnel have been denied access to the Audit Committee. Employees can report to the Management concerns regarding unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy.
- e) The Company is in compliance with all mandatory requirements of the Listing Agreement.
- f) Web links for the following:

Policy for Determining Material Subsidiary	<a href="http://www.nbi-india.co.in/policies/NBI_Material_Subsubsidiary.pdf">http://www.nbi-india.co.in/policies/NBI_Material_Subsubsidiary.pdf</a>
Related Party Transactions Policy	<a href="http://www.nbi-india.co.in/policies/NBI_Related_Party_Transactions_Policy.pdf">http://www.nbi-india.co.in/policies/NBI_Related_Party_Transactions_Policy.pdf</a>

**g) Certificate from Company Secretary in Practice**

Mukesh Chaturvedi, Practicing Company Secretary, has issued a certificate as required under clause 10 of Part C of Schedule V of the Listing Regulations, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report.

**h) Details of total fees paid to statutory auditors:-**

The details of total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor are as follows:

Type of service	FY 2020-21	FY 2019-20
Audit Fees	46000	45000
Tax Audit Fees	8000	8000
Others	–	1386

- i) No complaint pertaining to sexual harassment was filed by any woman during the financial year under report, hence no disclosures are applicable.

**19. Discretionary Requirements**

The Company has also ensured the implementation of non-mandatory requirements as under:

- i) Unmodified audit opinions / reporting
- ii) The Internal Auditor reporting directly to the Audit Committee.

20. There are no shares lying in the demat suspense / unclaimed suspense account as on the date of this Report.

**21. Prevention of Insider Trading**

As reported in Para 18 here in above, the Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Policy also includes code of practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosures. The Board reviews the Policy / Code on a need-to-know basis. This Policy is available on our website.

**22. Auditor's Certificate on Corporate Governance**

As required by Schedule V of the Listing Regulations, the Auditor's Certificate on Corporate Governance is annexed to the Board's Report.

**23. CEO and CFO Certification**

The CFO acts as Manager of the Company as well. The Manager and CFO Certification is provided in this Annual Report as required by the Listing Regulations.

**Certificate from Company Secretary in Practice**

**CERTIFICATE**

(pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) in respect of N.B.I. Industrial Finance Company Limited (CIN: L65923WB1936PLC065596) I hereby certify that:

On the basis of the written representation / declaration received from the directors and taken on record by the Board of Directors, as on March 31, 2021, none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

Place: Kolkata  
Date: 10th July, 2021

**Mukesh Chaturvedi**  
Practicing Company Secretary  
FCS: 11063  
CP No.: 3390  
UDIN : F011063C000610013

**Auditors' Certificate on Corporate Governance**

To

The Members of **N.B.I. Industrial Finance Company Limited**

We, D.K. Chhajer & Co., Chartered Accountants, the Statutory Auditors of N.B.I. Industrial Finance Company Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (a) to (q) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (collectively referred to as "SEBI Listing Regulations").

**Managements' Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the condition of the Corporate Governance stipulated in the SEBI Listing Regulations.

**Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (a) to (q) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **D.K. Chhajer & Co.**

Chartered Accountants

Firm's Registration Number: 304138E

**Atish Shah**

*Partner*

Membership Number: 062880

UDIN: 21062880AAAAAW3541

Place : Kolkata

Dated: 29th July, 2021

**MANAGER AND CFO CERTIFICATION**

To,  
The Board of Directors,  
N.B.I. INDUSTRIAL FINANCE CO. LTD.  
Kolkata

Dear members of the Board,

I, S.P. Kumar, Manager and Chief Financial Officer of the Company, to the best of my knowledge and belief, certify that:

1. I have reviewed the financial statements and the cash flow statement of **N.B.I. INDUSTRIAL FINANCE CO. LTD** and a summary of the significant accounting policies and other explanatory information of the Company and the Board's Report for the financial year ended March 31, 2021. I state that:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs for the period presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and confirm that there have been no material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
  - a. that there were no significant changes in internal control over financial reporting during the year;
  - b. All significant changes in accounting policies made during the year, if any, and that the same have been disclosed suitably in the notes to the financial statements; and
  - c. that there were no instances of significant fraud that involve management or other employees who have a significant role in the Company's internal control system over financial reporting.
5. I further declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this Report.

Place: Kolkata  
Date: 14th August, 2021

**S.P. Kumar**  
*Manager and*  
*Chief Financial Officer*

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The outlook presented herein is based on management's own assessment and it may vary due to future economic and other developments in the country and abroad.

### OVERVIEW

Given the impact of the pandemic, FY2021 was expected to be an extremely challenging year. The degrowth in GDP was much larger than expected. April-June 2020, real GDP contracted by a massive 24.4%. In the second quarter, July-September 2020, GDP again contracted by 7.3%. Thankfully, we began to witness early signs on resumption of economic activity in the second half of the year with several high frequency indicators suggesting that the economy was back to positive growth. The third quarter (October-December 2020) saw a small positive growth of 0.4% compared to the same period in the previous year. The estimates of national income for FY2021 released by the Central Statistics Office (CSO) anticipates the total contraction for FY2021 to be around 7.3% — implying a significant 'V' shaped bounce-back in the second half of the year. The most recent IMF forecast estimates India's GDP growth for FY2022 to be around 9% to 9.5%. If that were to occur, it will be a significant growth turnaround among all the major nations of the world, including China.

The only grey cloud is the surge in infections that started with the second wave beginning in early March 2021. Hopefully, a serious increase in the pace of vaccinations across the country should bring this surge significantly down; and if we keep all enterprises and workers open for business, it should not affect the economy in any significant manner, except for a severe third wave of pandemic which hopefully should not happen.

### THE COVID-19 PANDEMIC

The COVID-19 pandemic is a once in a lifetime occurrence that has brought with it unimaginable sufferings to the people and to almost all sections of the economy. When the pandemic struck and led to nationwide lockdowns to curtail the transmission of disease, it was natural to fear that the global economy would stay in extreme stress of the kind not seen since the Great Depression and would have a long-lasting economic impact.

To counter the crippling impact of the lockdowns on economies, the world's policymakers have resorted to fiscal and monetary measures never seen before in global economic history. It remains to be seen if these relief measures sufficed, and whether actions taken by Governments across the globe adequately compensated for the disruptions created in the lives of people.

Multiple vaccines were found with impressive efficacy levels in less than a year — which will probably rank as among one of the most incredible achievements in science. The announcement of successful development of vaccines seemed to lift spirits around the world. Unfortunately, the advent of winter saw several countries battle second waves of COVID-19 infections, including more virulent strains leading to partial lockdowns. The race between vaccines and variants is heating up as massive vaccination drives are underway. Much depends on blocking transmission and not just the disease.

Fortunately for India, which is home to some of the largest vaccine makers in the world, the supply constraints should be limited and temporary. Moreover, our experience in implementing large scale vaccination programmes should help in vaccinating our vulnerable population. Even so, with many states in India witnessing a seriously full-blown second surge of COVID-19, the vaccination challenge is enormous.

After an estimated historic correction of (3.3%) in 2020, the International Monetary Fund (IMF) has projected the global economy to grow 6% in calendar year 2021 and 4.4% in 2022 on the back of the fiscal and monetary support provided by Governments of the world over coupled with widespread vaccination.

#### **NBFC INDUSTRY & BUSINESS UPDATE**

India's financial sector is a highly diversified one comprising commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The sector is predominantly driven by banking and non-banking financial companies ('NBFCs'). Over the past few years NBFCs have emerged as important financial intermediaries, particularly for the small-scale and retail sectors in underserved areas and unbanked sectors. The sector turned out to be growth engine in an environment where significant importance is assigned to financial inclusion and have aided the economy in employment generation and wealth creation by making credit available to the rural segment. However, in recent times the sector is becoming a weaker segment in Indian financial system.

#### **COMPANY'S POSITION**

The Company is registered with the RBI as a Non-Banking Financial Institution and is categorized as Non-Deposit taking NBFC" (NBFC-ND). The operation of the company during the year was centered in investments in shares and securities. Additionally the company was investing in Mutual Funds too. The main income of the Company is dividend income on long-term investments, interest on fixed deposit and profit from sale of investments. The results of the Company's operations for the financial year ended 31st March, 2021 have been dealt with in the Director's Report.

The Company, being into finance and investment activity, the impact of movement of stock markets affects its profitability. The Company has long-term orientation in its investments and mainly invests in listed equities. The objective of investments portfolio is to balance risk with adequate return.

#### **OUTLOOK**

A significant portion of the Company's income arises from investment and share trading operation, which are largely dependent on the condition of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of other factors like inflation, domestic savings, surging portfolio investments into India etc. The unusual developments in the global economy may pose uncertainties and challenges for the emerging market economies like India. However, the Company has investment policy wherein it invests in those securities which have easy liquidity, better yield and potential for price appreciation in medium to long run.

**INTERNAL CONTROL SYSTEM**

The Company has implemented a system of internal controls and risk management for achieving operational efficiency, optimal utilization of resources, credible financial reporting and compliance with local laws.

The system is aimed at covering all areas of operations. The transactions entered into by the Company are duly authorized and recorded correctly. It has implemented suitable controls to ensure that financial transactions are reported with accuracy and that there is strict compliance with applicable laws and regulations. These controls are regularly reviewed internally for effectiveness.

**KEY FINANCIAL RATIOS**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, the details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios are as follows:-

The Company has identified the following ratios as key financial ratios:

Particulars	Financial Year	
	2021	2020
GNPA (%)	NIL	NIL
NNPA (%)	NIL	NIL
Return on Assets (%)	0.06	0.80
Return on Equity (%)	0.06	0.80
Net Interest Margin (%)	100	100
Current Ratio	888.60	245.65
Debt-Equity Ratio	0.00	0.00
Net Profit Margin (%)	74.70	90.13
EPS	6.57	52.76
Price Earning Ratio	298.21	26.74

**CAUTIONARY STATEMENT**

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external factors beyond the control of the Company. Investors are cautioned that the Company assumes no responsibility to publicly amend, modify, revise or update any forward looking statement or opinion, on the basis of any subsequent developments, events or information.



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of N.B.I. Industrial Finance Company Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
1	Valuation and Existence of Investments- We have focused on the valuation and existence of the investments in Equity, Preference Shares and Mutual Funds because these represent a principal element on the net assets in the Financial Statements Refer Note 6 to the Financial Statements	We obtained independent confirmation of the number of units held and net asset value per unit for each of the mutual fund units and market value for shares as at the year end date, confirmation of shares and its market vale We have also obtained the most recent set of audited financial statements for unquoted investments.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

We have performed the audit, on the basis of data, scan copies, documents, management estimates, assumptions, certificates and other information supplied electronically by the management on online platform. We have relied on Management assurance of the authenticity, completeness and accuracy of these records electronically submitted to us.

Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) Without prejudice to the situation described under "Other matter" section, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
  - (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

- (g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2021.

**For D K Chhajer & Co**  
Chartered Accountants  
Firm Registration No. 304138E

**Atish Shah**  
Partner  
Membership No. 062880  
UDIN: 21062880AAAAAG4469

Place: Kolkata  
Date: 18th June 2021

**ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT**

**N.B.I INDUSTRIAL FINANCE CO. LTD**

**on the Financial Statements for the year ended 31st March, 2021**

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant & equipment).
- (b) The fixed assets (property, plant & equipment) of the Company have been physically verified by the Management at reasonable intervals and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable properties are held in the name of the Company.
- ii. The Company does not have any inventory and as such clause 3(ii) of the Order is not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, limited liability partnership firm, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii)[(a), (b) and (c)] of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company being a Non-Banking Finance Company, providing loans in the ordinary course of business/ engaged in the business of financing of companies, provisions of Sec 185 and Section 186 of the Companies Act 2013 are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provision of clause 3(v) of the order is not applicable on the company.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) The Company is regular in depositing the undisputed statutory dues, including provident fund, Employees' State Insurance, Income tax, Goods and Service tax, Customs Duty, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2021 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income-tax, Goods and Services Tax, cess, etc, which have not been deposited as at 31st March, 2021 on account of dispute.
- viii. The Company does not have any borrowings from financial institution or bank or Government nor has it issued any debentures as at the Balance Sheet date, hence the provisions of Clause 3(viii) of the Order are not applicable to the company.
- ix. The Company has not raised any money by way of initial public offer/further public offer (including debt instruments)/term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

- x. We have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- xii. As the Company is not a Nidhi Company, the provisions of clause 3(xii) of the Order are not applicable.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. No money was raised through preferential allotment/private placements of shares/fully/partly convertible debentures during the year under review, hence, the provisions of clause 3(xiv) of the said order is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or person connected with them. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been duly obtained.

**For D K Chhajer & Co**  
Chartered Accountants  
Firm Registration No. 304138E

**Atish Shah**  
Partner  
Membership No. 062880  
UDIN: 21062880AAAAAG4469

Place: Kolkata  
Date: 18th June 2021

**ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT  
N.B.I INDUSTRIAL FINANCE CO. LTD  
on the Financial Statements for the year ended 31st March, 2021**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of N.B.I. Industrial Finance Co. Limited ("the Company") as at 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("The Act").

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, stated in Emphasis of Matter paragraph in Independent Auditor's Report, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D K Chhajer & Co**  
Chartered Accountants  
Firm Registration No. 304138E

**Atish Shah**  
Partner  
Membership No. 062880  
UDIN: 21062880AAAAAG4469

Place: Kolkata  
Date: 18th June 2021

**Balance Sheet as at 31 March, 2021**

Particulars	Note	(Rs. in lakhs)	
		As at 31st March, 2021	As at 31st March, 2020
<b>A ASSETS</b>			
<b>1 Financial Assets</b>			
(a) Cash and Cash Equivalent	4	<b>3,688.55</b>	48.74
(b) Bank Balance other than (a) above	5	<b>271.66</b>	271.66
(c) Investments	6	<b>2,62,373.79</b>	1,61,358.33
(d) Other Financial Assets	7	<b>55.41</b>	34.05
<b>TOTAL</b>		<b>2,66,389.41</b>	<b>1,61,712.78</b>
<b>2 Non-Financial Assets</b>			
(a) Current Tax Assets (Net)	8	<b>60.08</b>	22.15
(b) Deferred Tax Assets (Net)	9	–	12.82
(c) Property, Plant & Equipment	10	<b>0.92</b>	0.55
(d) Other-Non Financial Assets	11	<b>4.76</b>	1.53
<b>TOTAL</b>		<b>65.76</b>	<b>37.05</b>
<b>TOTAL - ASSETS</b>		<b>2,66,455.17</b>	<b>1,61,749.83</b>
<b>B LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1 Financial Liabilities</b>			
Other Financial Liabilities	12	<b>6.82</b>	9.23
<b>2 Non-Financial Liabilities</b>			
(a) Provisions	13	<b>55.32</b>	48.77
(b) Deffered Tax Liability (Net)	9	<b>12,271.68</b>	–
(c) Other Non-Financial Liabilities	14	<b>1.97</b>	0.68
<b>TOTAL</b>		<b>12,335.79</b>	<b>58.68</b>
<b>Equity</b>			
(a) Share Capital	15	<b>122.84</b>	122.84
(b) Other Equity	16	<b>2,53,996.54</b>	1,61,568.31
<b>Total</b>		<b>2,54,119.38</b>	<b>1,61,691.15</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,66,455.17</b>	<b>1,61,749.83</b>

The accompanying notes are an integral part of the financial statements.

In terms of our report attached  
For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Directors  
**Ashok Bhandari**  
Chairman  
DIN - 00012210

**Atish Shah**  
Partner  
Membership No. 062880  
Place : Kolkata  
Date : 18th June, 2021

**S.P. Kumar**  
Manager & CFO

**T. K. Bhattacharya**  
Director  
DIN-00711665

**Statement of Profit and Loss for the year ended 31 March, 2021**

Particulars	Note	(Rs. in lakhs)	
		Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Revenue from Operations</b>			
(a) Interest Income	17	41.75	24.88
(b) Dividend Income	18	147.19	1,400.48
(c) Net Gain on Fair Value Changes	19	20.69	1.05
(d) Net Profit on Sale of Investments	20	6.36	11.75
(e) Miscellaneous Income		0.01	–
(I) <b>Total Income</b>		<b>216.00</b>	<b>1,438.17</b>
<b>Expenses</b>			
(a) Employee Benefit expenses	21	73.60	63.15
(b) Depreciation, Amortisation and Impairment	10	0.46	0.41
(c) Other Expenses	22	43.95	80.02
(II) <b>Total Expenses</b>		<b>118.01</b>	<b>143.59</b>
(III) <b>Profit/(loss) before Tax (I-II)</b>		<b>97.99</b>	<b>1,294.58</b>
<b>(IV) Tax Expense</b>			
(1) Current Tax		–	–
(2) Deferred Tax	23	(63.36)	(1.67)
		<b>(63.36)</b>	<b>(1.67)</b>
(V) <b>Profit/(Loss) for the Year</b>		<b>161.35</b>	<b>1,296.25</b>
<b>(VI) Other Comprehensive Income</b>			
(i) Items that will not be reclassified to Profit/(Loss)			
(a) Equity Instruments through OCI	24	1,04,499.62	(10,504.85)
(b) Income Tax relating to items that will not be reclassified to Profit/(Loss)		(12,339.76)	–
(ii) Items that will be reclassified to Profit/(Loss)			
(a) Financial Instruments through OCI	24	115.12	(48.27)
(b) Income tax relating to Items that will not be reclassified to Profit/(Loss)		(8.10)	–
<b>Other Comprehensive Income for the year (i + ii)</b>		<b>92,266.88</b>	<b>(10,553.12)</b>
<b>(VII) Total Comprehensive Income for the Year (V+VI)</b>		<b>92,428.23</b>	<b>(9,256.86)</b>
<b>(VIII) Earnings per equity share (FV Rs. 5/- each)</b>			
Basic & Diluted (Rs.)	25	6.57	52.76

The accompanying notes are an integral part of the financial statements.

In terms of our report attached  
For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

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**Ashok Bhandari**  
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DIN - 00012210

**Atish Shah**  
Partner  
Membership No. 062880  
Place : Kolkata  
Date : 18th June, 2021

**S.P. Kumar**  
Manager & CFO

**T. K. Bhattacharya**  
Director  
DIN-00711665

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021**

## a. Equity Share Capital

Particulars	Note	Number
Equity shares of Rs. 5 each issued, subscribed and fully paid At 1st April, 2019		24,56,806
Issue of Share capital At 31st March, 2020	15	24,56,806
Issue of Share capital At 31st March, 2021		24,56,806

## b. Other Equity

	Capital Reserve	Statutory Reserve	Securities Premium	Retained Earnings	Equity Instruments Through OCI	Financial Instruments Through OCI	Total
Balance as at 1st April, 2019	0.55	2,137.73	16.51	9,232.17	1,59,435.55	2.65	1,70,825.17
Profit/(Loss) for the Year	-	-	-	1,296.25	-	-	1,296.25
Other Comprehensive Income for the Year	-	-	-	-	-10,504.85	-48.27	-10,553.12
Transfer to Reserve Fund	-	259.25	-	-259.25	-	-	-
Balance as on 31st March, 2020	0.55	2,396.98	16.51	10,269.17	1,48,930.70	-45.62	1,61,568.30
Profit/(Loss) for the Year	-	-	-	161.35	-	-	161.35
Other Comprehensive Income for the Year	-	-	-	-	92,159.86	107.03	92,266.88
Transfer to Reserve Fund	-	32.27	-	-32.27	-	-	-
Balance as on 31st March, 2021	0.55	2,429.25	16.51	10,398.25	2,41,090.56	61.41	2,53,996.54

In terms of our report attached  
For **D. K. Chhajer & Co.**  
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DIN - 00012210

**Atish Shah**  
Partner  
Membership No. 062880  
Place : Kolkata  
Date : 18th June, 2021

**S.P. Kumar**  
Manager & CFO

**T. K. Bhattacharya**  
Director  
DIN-00711665

**Cash Flow Statement for the year ended 31 March, 2021**

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>A. Cash Flow From Operating Activities</b>		
Net Profit before Tax	97.99	1,294.58
Adjustments for :		
Depreciation	0.46	0.41
Interest Income	(41.75)	(24.88)
Write off of Investment	-	0.03
Dividend on Investments	(147.19)	(1,400.48)
Net Gain on Fair Value Changes	(20.69)	(1.05)
Net (Gain) / Loss on Sale of Investments	(6.36)	(11.75)
	<u>(215.54)</u>	<u>(1,437.72)</u>
Operating Profit/(Loss) before working Capital Changes	(117.55)	(143.14)
Adjustments for :		
(Increase)/Decrease in Other Financial Assets	(17.05)	1.50
(Increase)/Decrease in Other Non-Financial Assets	(3.23)	0.76
Increase / (Decrease) in Other Financial Liabilities	(2.41)	4.42
Increase / (Decrease) in Provision	6.55	6.37
Increase / (Decrease) in Other Non-Financial Liabilities	1.29	0.56
	<u>(14.85)</u>	<u>13.61</u>
Cash Generated from Operations	(132.40)	(129.53)
Net Income Tax (Paid)/Refund	(37.93)	(1.24)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)</b>	<u>(170.33)</u>	<u>(130.78)</u>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of Property, Plant & Equipment	(0.83)	-
Sale of Mutual Funds	539.07	1,495.56
Purchase of Mutual Funds	-	(2,325.00)
Purchase of Shares	(1,120.07)	(715.78)
Sale of Shares	3,964.97	13.01
Redemption of preference share	242.36	-
Investment in Fixed Deposit	-	-
Interest Received	21.81	27.10

Contd....

**Cash Flow Statement for the year ended 31 March, 2021 (contd.)**

Particulars	(Rs. in lakhs)	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Dividend Received	162.83	1,371.40
NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)	3,810.14	(133.70)
<b>C. Cash Flow From Financing Activities</b>	-	-
NET CASH FROM /(USED IN) FINANCING ACTIVITIES (C)	-	-
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	3,639.81	(264.47)
Cash and Cash Equivalents at the beginning of the Year	48.74	313.21
Cash and Cash Equivalents at the end of the Year	3,688.55	48.74

The accompanying notes are an integral part of the financial statements.

In terms of our report attached  
For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Directors  
**Ashok Bhandari**  
Chairman  
DIN - 00012210

**Atish Shah**  
Partner  
Membership No. 062880  
Place : Kolkata  
Date : 18th June, 2021

**S.P. Kumar**  
Manager & CFO

**T. K. Bhattacharya**  
Director  
DIN-00711665

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021**

**1. Corporate Information**

N.B.I. Industrial Finance Company Limited ("the Company") is a public company limited by shares, incorporated on 21st December, 1936 and domiciled in India. Its shares are listed on the National Stock Exchange (NSE). The Company is carrying on business as a "Non-Banking Financial Company" (NBFC). The Company is engaged mainly in investment in shares in securities & financial activity. The Company is registered with Reserve Bank of India as NBFC. The Company's registered office is 21, Strand Road Kolkata – 700 001.

**2. Basis of Preparation of Financial Statements**

**a. Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other provisions of the Companies Act, 2013 ("the Act").

For all periods up to and including the year ended 31st March, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The financial statements for the year ended 31st March, 2021 are the first financials of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2019.

**Basis of Measurement**

The financial statements have been prepared on historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities that are measured at fair value/ amortised cost. (Refer note 3.3 below). The financial statements are presented in Indian Rupees (INR) which is also its functional currency.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**3.1. Recognition of interest income**

Interest income for all financial instruments measured at fair value through profit or loss (FVTPL) is recognised using the contractual interest rate.

**3.2. Recognition of Dividend Income**

Dividend income (including from Investments measured at FVTOCI) is recognised when the Company's right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

### 3.3 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (i) Financial Assets -

##### Ø Recognition And Initial Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

##### Ø Classification and Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt Instruments at Amortized Cost;
- Debt Instruments at Fair Value Through Other Comprehensive Income (FVOCI);
- Debt Instruments at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- o Debt Instruments at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- o Debt Instruments at FVOCI: A debt instrument is measured at the FVOCI if both of the following conditions are met:

- The objective of the business model is achieved by collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on



remeasurement recognized in Other Comprehensive Income. However, the interest income, losses & reversals, and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Interest calculated using the EIR (Effective Rate Interest) method is recognized in the Statement of Profit and Loss as investment income.

- o Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as amortized cost or as FVOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments measured at FVOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument are recognized in the Other Comprehensive Income. There is no reclassification of the amounts from Other Comprehensive Income to profit or loss, even on sale of investment. Dividends on investments are credited to profit or loss.

- o Equity Investments: Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment, if any.

∅ Derecognition

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

∅ Impairment of Financial Assets

The Company assesses at the end of the reporting period whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

**(ii) Financial Liabilities**

Ø Recognition And Initial Measurement

Financial liabilities are initially measured at fair value. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings including bank overdrafts and derivative financial instruments.

Ø Subsequent Measurement

Financial liabilities are measured subsequently at amortized cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Rate Interest) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR (Effective Rate Interest) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Ø Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Ø Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### **3.4. Cash and cash equivalents**

Cash and cash equivalent comprise cash at banks and on hand, term deposits with original maturity of less than three months from the date of acquisition. Term deposits held with bank, with original maturity of more than three months but less than twelve months is a part of bank balance other than cash and cash equivalents.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above, net of outstanding bank overdrafts if any, as they are considered an integral part of the Company's cash management.

### **3.5. Property, plant and equipment (PPE)**

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE, outstanding at each reporting date are shown under other non-financial assets. The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

### **3.6. Depreciation**

Depreciation on Property, Plant and Equipment is provided on written down value method (WDV) to write down their residual values over their estimated useful life specified in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

### **3.7. Impairment of non-financial assets**

The Company assesses at each reporting date to determine if there is any indication of impairment, based on internal/external factors. If any such indication exists, then an impairment review is undertaken and the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

### **3.8. Employee Benefits Expenses**

#### **3.8.1. Short Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences, which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### **3.8.2. Defined contribution schemes**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified monthly contributions to Provident Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

### **3.9. Taxes**

Income tax expense represents the sum of current tax and deferred tax.

#### **3.9.1 Current Tax**

The current tax is based on taxable profit for the year under the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

#### **3.9.2 Deferred tax**

Deferred tax is recognized on all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements except when the deferred tax arises from the initial recognition of goodwill or initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting nor taxable profits or loss at the time of transaction. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of

unused tax credits and unused tax losses to the extent it is probable that future taxable profits will be available against which the deductible temporary difference, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when the same relate to items that are recognised in Other Comprehensive Income or directly in Equity, in which case, the current and deferred tax relating to such items are also recognised in Other Comprehensive Income or directly in Equity respectively.

### **3.10. Provisions, Contingent Liabilities and assets**

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

### **3.11. Earnings per Share**

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders

of the Company by the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

### **3.12. Cash-flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

### **3.13 USE OF ESTIMATES, JUDGEMENTS AND ADJUSTMENT**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

#### **(i) Useful Economic Lives and Impairment of Other Assets**

The estimated useful life of property, plant and equipment (PPE) is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Company reviews the useful life of PPE at the end of each reporting date and any changes could affect the depreciation rates prospectively.

The Company also reviews its property, plant and equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Company's business plans and changes in regulatory environment are taken into consideration.

#### **(ii) Contingencies and Commitments**

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where an outflow of funds is believed to be probable

and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

**(iii) Fair Value Measurements and Valuation Processes**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

**(iv) Recognition of Deferred Tax Assets For Carried Forward Tax Losses and Unused Tax Credit**

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition significant judgement is required in assessing the impact of any legal or economic limits.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>NOTE 4:- CASH &amp; CASH EQUIVALENT</b>		
Cash on Hand	2.00	2.00
Balances with Banks		
a) in current accounts	28.76	46.74
b) in fixed deposit (maturing within a period of three months)	3,657.79	–
	<u>3,688.55</u>	<u>48.74</u>

**NOTE 5:- BANK BALANCE OTHER THAN CASH & CASH EQUIVALENT**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Fixed Deposits with Bank (maturing after period of three months)	270.00	270.00
Unpaid (Unclaimed) Dividend Account	1.66	1.66
	<u>271.66</u>	<u>271.66</u>

**NOTE 6: INVESTMENT**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Investment measured at FVTPL</b>		
i) Mutual funds	691.64	1,203.65
<b>Investment measured at FVOCI</b>		
i) Preference Shares	255.24	382.49
ii) Equity Shares	2,61,426.91	1,59,772.19
<b>Total</b>	<u>2,62,373.79</u>	<u>1,61,358.33</u>
Investment outside India		–
Investment in India	2,62,373.79	1,61,358.33



**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****6.1 Details of investments are as follows :-****Mutual funds**

(Rs. in lakhs)

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount	Units	Amount
HDFC OVERNIGHT FUND-Regular Plan	1,000.00	1,356	41.24	1,356	40.08
HDFC Arbitrage Fund	10.00	27,12,600	650.40	27,12,600	630.87
UTI Arbitrage Fund	10.00	-	-	43,047	6.86
UTI Overnight Fund	1,000.00	-	-	19,386	525.84
<b>Sub Total</b>			<b>691.64</b>		<b>1,203.65</b>

**Equity Instrument**

(Rs. in lakhs)

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount	Units	Amount
<b>Quoted (Fully Paid-Up)</b>					
3 M india Ltd.	10.00	1,094	333.08	1,094	205.98
Agro Tech foods Ltd	10.00	-	-	6,097	23.31
Bajaj auto	10.00	-	-	12,900	260.88
Bayer Cropscience Ltd	10.00	-	-	9,917	342.73
Blue dart	10.00	-	-	29,350	645.42
Bosch Ltd	10.00	9,599	1,352.35	9,599	901.88
Cummins India Ltd	2.00	-	-	21,500	70.24
Eicher Motors	10.00	4	0.10	4	0.52
Foseco Ltd	10.00	8,887	101.59	8,887	80.15
Glaxo smith	10.00	-	-	26,301	2,623.33
HDFC Bank	2.00	56,000	836.44	9,400	81.02
Hindustan Uniliver	10.00	1,15,461	2,807.53	-	-
Huhtamaki PPL Limited	1(2)	1,22,050	341.72	1,22,050	238.73
JK Pharmachem	10.00	2,500	0.25	2,500	-
KANSAI	1.00	9,700	58.30	9,700	37.58
KOKUYO	1.00	-	-	1,80,000	72.72
MOTHERSON	1.00	-	-	1,27,387	77.77
MRF	10.00	-	-	1,100	639.81
NESTLE	10.00	2,030	348.45	2,030	330.90
Orient Cement	1.00	2,60,000	254.28	-	-
P&G	10.00	19,970	2,532.09	19,970	2,050.79
Regency Properties Pvt. Ltd.	10.00	1,000	0.01	1,000	0.01
Sanathana Dharma	10.00	1,000	0.01	1,000	0.01
Sanofi India Ltd	10.00	-	-	500	31.27
SBI Cards & Payment Services Ltd	10.00	-	-	1,468	9.08
Shree Cement Ltd.	10.00	8,49,450	2,50,293.84	8,49,450	1,49,047.47
United Spirits	10.00	45,500	253.14	45,500	220.49
Western India Commercial Ltd.	100.00	2,105	1.16	2,105	2.11
Whirlpool Ltd.	10.00	30,000	667.98	30,000	545.67
<b>Sub Total (a)</b>			<b>2,60,182.32</b>		<b>1,58,539.86</b>
<b>Unquoted (Fully Paid-Up)</b>					
Alfa Buildhome Pvt. Ltd.	10.00	9,000	110.67	9,000	95.87
Aqua Infra Projects Ltd.	10.00	7,40,000	621.85	7,40,000	621.75

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

(Rs. in lakhs)

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount	Units	Amount
Karmayog Properties Pvt. Ltd.	10.00	2,58,000	280.83	2,58,000	283.70
Ramgopal Holdings Pvt. Ltd.	10.00	60,625	21.29	60,625	21.21
Shree Cement Marketing Ltd.	10.00	9,000	1.58	9,000	1.58
Shree Cement East Bengal Foundation Ltd	10.00	1,000	0.10	—	—
Shreecap Holdings Pvt. Ltd.	10.00	7,000	0.80	7,000	0.76
Tanushree Logistics Pvt. Ltd.	10.00	99,000	207.46	99,000	207.46
<b>Sub Total (B)</b>			<b>1,244.59</b>		<b>1,232.33</b>
<b>Sub Total(A+B)</b>			<b>2,61,426.91</b>		<b>1,59,772.19</b>

**Preference Shares**

(Rs. in lakhs)

Particulars	Face Value	As at 31st March, 2021		As at 31st March, 2020	
		Units	Amount	Units	Amount
<b>Quoted (Fully Paid-Up)</b>					
2.95% Zee Entertainment Enterprises Ltd - NCPS	4.00	1,21,18,240	230.25	1,21,18,240	357.49
<b>Unquoted (Fully Paid -Up)</b>					
Cem Logistics Pvt Ltd.-9 % NCNCRPS	100.00	25,000	25.00	25,000	25.00
<b>Sub Total</b>			<b>255.25</b>		<b>382.49</b>

Particulars	(Rs. in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>NOTE 7:-OTHER FINANCIAL ASSETS</b>		
Security Deposits	0.31	0.31
Interest accrued on Bank Deposits	24.10	4.16
Dividend Receivable on Investments	13.45	29.08
Advance to Staff	17.55	0.50
	<b>55.41</b>	<b>34.05</b>

**NOTE 8:-CURRENT TAX ASSETS**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Advance Tax	74.68	22.15
Less: Provision for Tax	(14.60)	—
	<b>60.08</b>	<b>22.15</b>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	(Rs. in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>NOTE 9:-DEFERRED TAX LIABILITIES</b>		
Deferred Tax Liabilities		
- On Fair value Gain of investment (FVTOCI)	12,347.86	—
- On Fair value Gain of investment (FVTPL)	3.78	—
	<u>12,351.64</u>	<u>—</u>
<b>Deferred Tax Assets</b>		
- Property, Plant & Equipment	0.31	0.31
- On Provision for Gratuity	12.56	9.83
- On Provision for Leave Salary	3.36	2.68
- On Fair value Gain of investment (FVTPL)	—	—
- On MAT credit	30.36	—
- On Business Loss Carried forward	33.37	—
	<u>79.96</u>	<u>12.82</u>
<b>Deferred Tax Liabilities/(Assets) (Net)</b>	<b>12,271.68</b>	<b>(12.82)</b>

**NOTE 10: PROPERTY, PLANT & EQUIPMENT**

Particulars	(Rs. in lakhs)		
	Furniture & Fixtures	Office Equipments	TOTAL
<b>As at 1st April, 2020</b>	0.63	0.68	1.31
Additions	—	0.83	0.83
Deletions	—	—	—
<b>As at 31st March, 2021</b>	0.63	1.51	2.14
Accumulated Depreciation			
<b>As at 1st April, 2020</b>	0.28	0.47	0.76
For the year	0.09	0.38	0.46
Adjustment	—	—	—
<b>As at 31st March, 2021</b>	0.37	0.85	1.22
Net Book Value			
<b>As at 31st March, 2021</b>	0.26	0.66	0.92
<b>As at 31st March, 2020</b>	0.35	0.21	0.55

Particulars	(Rs. in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>NOTE 11:-OTHER NON FINANCIAL ASSETS</b>		
Advance against Expense	1.25	1.53
ICICI Bank - DPA/c	0.03	—
National Stock Exchange of India Ltd.	3.48	—
	<u>4.76</u>	<u>1.53</u>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

Particulars	(Rs. in lakhs)	
	<b>As at 31st March, 2021</b>	As at 31st March, 2020
<b>NOTE 12:-OTHER FINANCIAL LIABILITIES</b>		
Unclaimed Dividend	<b>1.66</b>	1.66
Capital Repayable Under Capital Reduction Scheme - Unclaimed	<b>1.76</b>	1.75
Other Payable-For Expenses	<b>3.40</b>	5.81
	<b>6.82</b>	9.23

**NOTE 13:-PROVISIONS**

Particulars	(Rs. in lakhs)	
	<b>As at 31st March, 2021</b>	As at 31st March, 2020
Employee Benefits:		
a) Gratuity	<b>43.15</b>	37.80
b) Leave Salary	<b>11.52</b>	10.31
Contingent Provision against Standard Assets	<b>0.66</b>	0.66
	<b>55.33</b>	49.17

**13.1 Movement in provisions:**

Particular	(Rs. in lakhs)		
	Provision for Leave Salary	Provision for Gratuity	Provision for Standard Assets
Balance As At 1st April,2019	9.18	32.56	0.66
Provision Utilised	-	-	-
Provision Reversed	-	-	-
Provision Created	1.13	5.24	-
Balance as at 31st March 2020	10.31	37.80	0.66
Provision Utilised	-	-	-
Provision Reversed	-	-	-
Provision Created	1.21	5.35	-
Balance As At 31st March, 2021	11.52	43.15	0.66

**NOTE 14:-OTHER NON-FINANCIAL LIABILITIES**

Particulars	(Rs. in lakhs)	
	<b>As at 31st March, 2021</b>	As at 31st March, 2020
Statutory Dues	<b>1.97</b>	0.68
	<b>1.97</b>	0.68

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****NOTE 15:- EQUITY SHARE CAPITAL****15.1 The reconciliation of Equity Shares outstanding at the beginning and at the end of the Year**

Particular	(Rs. In lakhs)	
	<u>As at 31st March, 2021</u>	<u>As at 31st March, 2020</u>
Authorised:		
2,00,00,000 Equity Shares of Rs. 5/- each (Previous Year: 2,00,00,000)	1,000.00	1,000.00
Issued:		
24,59,058 Equity Shares of Rs. 5/- each ( Previous year Rs.5/- each )	122.95	122.95
Subscribed & Fully Paid :		
24,56,806 Equity Shares of Rs. 5/- each fully paid up (Previous year Rs. 5/- each )	122.84	122.84
	<u>122.84</u>	<u>122.84</u>

**15.2 Terms/ rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 5/- per share (Previous year Rs.5/- each) . Each holder of equity share is entitled to one vote per share. Dividend, if any, proposed by the Board of Directors is subject to approval of the shareholders in the ensuing AGM. In the event of liquidation of the company, the holders of equity shares will be entitled to any of the remaining assets of the company after distribution of all preferential amounts in proportion to the no. of equity shares held by them.

**15.3 Reconciliation of the number of Equity Shares and of Equity Share Capital amount outstanding at the beginning and at the end of the Year**

Particular	(Rs. in lakhs)	
	<u>In Number</u>	<u>Amount</u>
As at 31st March, 2020	24,56,806	122.84
As at 31st March, 2021	24,56,806	122.84

**15.4 Details of Shareholders Holding more than 5% Equity shares in the Company**

Name	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares held	% holding	No. of Shares held	% holding
Shree Capital Services Ltd.	4,72,000	19.21%	4,72,000	19.21%
Digvijay Finlease Ltd.	4,71,478	19.19%	4,71,478	19.19%
The Didwana Investment Co. Ltd.	1,30,788	5.32%	1,30,788	5.32%
Asish Creations Pvt Ltd	1,24,478	5.07%	1,24,478	5.07%
Shri Prashant Bangur*	2,08,200	8.47%	2,08,200	8.47%
Man Made Fibres Pvt Ltd	-	-	1,31,900	5.37%
Mannakrishna Investments Pvt Ltd	1,65,472	6.73%	50,405	2.05%

\* Beneficial interest in 2,08,000 Equity Shares is held by Shree Venkatesh Ayurvedic Aushdhalaya.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****NOTE 16: OTHER EQUITY**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Reserve & Surplus		
Capital Reserve	0.55	0.55
Securities Premium	16.51	16.51
Statutory Reserve		
Opening Balance	2,396.99	2,137.73
Add: Transfer from retained earnings	32.27	259.25
Closing Balance	2,429.26	2,396.98
Retained Earnings		
Opening Balance	10,269.17	9,232.17
Add: Profit for the year	161.35	1,296.25
Less: Transfer to Statutory Reserve	(32.27)	(259.25)
Closing Balance	10,398.25	10,269.17
(A)	12,844.57	12,683.22
Equity Instruments Through OCI		
Opening Balance	1,48,930.70	1,59,435.55
Add:- Fair Value Gain/(Loss) during the Year (Net of Tax)	92,159.86	(10,504.85)
Closing Balance	2,41,090.56	1,48,930.70
(B)		
Financial Instruments Through OCI		
Opening Balance	(45.62)	2.65
Add:- Fair Value Gain/(Loss) during the Year (Net of Tax)	107.03	(48.27)
Less:- Reclassified to Consolidated Statement of Profit and Loss	—	—
Closing Balance	61.41	(45.62)
(C)		
TOTAL	(A+B+C) 2,53,996.54	1,61,568.31

**Capital Reserve**

This reserve represent the amount of share forefeited

**Statutory Reserve**

Statutory Reserve represents the Reserve Fund created under Section 45 IC of the Reserve Bank of India Act, 1934. Accordingly an amount representing 20% of Profit for the period is transferred to the fund for the year.

**Securities Premium**

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**Retained Earnings**

This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

**Equity Instruments through Other Comprehensive Income**

This reserve represents the cumulative gains (net of losses) arising on the derecognition of equity instruments measured at fair value through Other Comprehensive Income, net of tax.

The realised gain on sale/ transfer of equity instruments through OCI is as follows:

Particular	Realised Gain
<b>Opening Balance as on 01.04.2019</b>	188.25
Realised Gain of 19-20	(227.49)
<b>Balance as on 31.03.2020</b>	(39.24)
Realised Gain of 20-21	(97.57)
<b>Closing Balance as on 31.03.2021</b>	(136.81)

**Financial Instruments through Other Comprehensive Income**

This reserve represents the cumulative gains (net of losses) arising on the revaluation of preference instruments measured at fair value through Other Comprehensive Income, net of tax. The same shall be transferred to retained earnings when those instruments are disposed off.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****NOTE 17:- INTEREST INCOME**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
		(Rs. In lakhs)
Interest on Fixed Deposits	41.75	24.78
Interest on I T Refund	-	0.10
	<u>41.75</u>	<u>24.88</u>

**NOTE 18:- DIVIDEND INCOME**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
		(Rs. In lakhs)
Dividend Income	147.19	1,400.48
	<u>147.19</u>	<u>1,400.48</u>

**NOTE 19:- NET GAIN ON FAIR VALUE CHANGE**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
		(Rs. In lakhs)
Net Gain on Financial Instruments at Fair Value through Profit/(Loss)	20.69	1.05
	<u>20.69</u>	<u>1.05</u>

**NOTE 20:- NET GAIN ON SALE OF INVESTMENT**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
		(Rs. In lakhs)
Mutual Fund	6.36	11.75
	<u>6.36</u>	<u>11.75</u>

**NOTE 21:- EMPLOYEE BENEFIT EXPENSE**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
		(Rs. In lakhs)
Salaries and Allowances	60.48	51.16
Contribution to Provident Fund and other fund	4.09	3.72
Gratuity	5.35	5.24
Leave Salary	1.21	1.13
Staff Welfare Expenses	2.47	1.90
	<u>73.60</u>	<u>63.15</u>

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****NOTE 22:- OTHER EXPENSE**

Particulars	(Rs. In lakhs)	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Rent	1.27	1.28
Repairs & Maintenance - Others	0.35	0.39
Rates and Taxes	0.05	0.05
CSR Expense (NOTE-20.1)	-	59.70
Goods & Services Tax	3.10	0.48
Communication Expenses	2.03	2.47
Travelling and Conveyance	0.28	0.29
Printing and Stationery	4.64	4.51
Advertisement	0.33	0.58
Directors Sitting Fee	3.76	1.85
Legal and Professional	12.47	2.54
Custodial Fees	0.27	0.27
Listing Fees	3.33	3.75
Payment to Auditors -		
For - Statutory Audit	0.46	0.44
For - Tax Audit Fees	0.08	0.08
For other Services	-	0.01
Investment written off	-	0.03
Securities Transaction Tax	5.09	0.45
Miscellaneous Expenses	6.44	0.85
	<u>43.95</u>	<u>80.02</u>

**NOTE 22.1-Details of CSR expenditure:**

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a) Gross amount required to be spent by the Company during the Year	-	59.63
(b) Amount spent during the Year	-	59.70

**NOTE 23:- TAX EXPENSE**

(i) Amount recognised in profit or loss

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Current tax:		
Income tax for the year	-	-
Charge/(credit) in respect of current tax for earlier years	-	-
Total Current Tax	-	-
Deferred tax:		
Origination and reversal of temporary differences	(33.00)	(1.67)
MAT Credit Utilised	(30.36)	-
Charge in respect of deferred tax for earlier years	-	-
<b>Total Deferred Tax</b>	<u>(63.36)</u>	<u>(1.67)</u>
<b>Total tax expenses</b>	<u>(63.36)</u>	<u>(1.67)</u>

(ii) Amount recognised in other comprehensive income

The tax (charge)/ credit arising on income and expenses recognised in other comprehensive income is as follows:

**Deferred tax**

On items that will not be reclassified to profit or loss		
Equity Instruments measured through OCI	12,339.76	-
On items that will be reclassified to profit or loss		
Financial Instruments measured Through OCI	8.10	-



**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****(iii) Reconciliation of effective tax rate**

Particulars	(Rs. In lakhs)	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	97.99	1,294.58
Income tax expense calculated @ 26%	25.48	336.59
Expenses disallowed	3.16	37.33
Effect of tax relating to expenses allowed on payment basis	(0.15)	(0.09)
Effect of tax relating to uncertain tax positions	(63.36)	(1.67)
Effect of income not taxable	(5.38)	(364.40)
Tax due to Ind AS adjustments	1.51	0.15
Tax at differential rate	-	-
Income tax relating to earlier years	-	-
Other differences	(24.09)	(9.58)
Tax expenses	(62.85)	(1.67)

(iv) The tax rate used for the year 2020-21 and 2019-20 reconciliations above is the corporate tax rate of 26.00% (25% + education cess @ 4%) payable on taxable profits under the Income Tax Act, 1961.

**(v) Movements in deferred tax (liabilities) / assets**

The Company has accrued significant amounts of deferred tax. The majority of the deferred tax liability represents accelerated tax relief for the depreciation of property, plant and equipment and net of losses carried forward and unused tax credit in the form of MAT credits carried forward. Significant components of Deferred tax (assets) & liabilities recognized in the standalone statements of financial position as follows:

Particulars	Fair Value of Financial Instrument	MAT Credit entitlement	Unabsorbed Business Losses	Total
<b>As at 1 April 2019</b>	-	-	-	-
Charged/ (credited) to :				
- profit or loss	-	-	-	-
- other comprehensive income	-	-	-	-
<b>As at 31 March 2020</b>	-	-	-	-
Charged/ (credited) to :				
- profit or loss	1.79	(45.71)	(33.37)	(0.00)
- other comprehensive income	12,347.86	-	-	12,347.86
<b>As at 31 March 2021</b>	12,349.65	(45.71)	(33.37)	12,347.86

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****NOTE 24:- OTHER COMPREHENSIVE INCOME**

Particulars	(Rs. In lakhs)	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
(a) Equity shares measured through OCI		
Net gain on sale of investment	144.46	12.47
Change in fair value	<u>1,04,355.16</u>	<u>(10,517.32)</u>
	<u>1,04,499.62</u>	<u>(10,504.85)</u>
(b) Preference Shares measured through OCI		
Net gain on sale of investment	-	-
Change in fair value	115.12	(48.27)
	<u>115.12</u>	<u>(48.27)</u>

**NOTE 25-EPS**

Particulars	(Rs. In lakhs)	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Net Profit after Tax as per Statement of Profit and Loss	161.35	1,296.25
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	24,56,806.00	24,56,806.00
Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	24,56,806.00	24,56,806.00
Basic Earnings per Shares (Rs.)	6.57	52.76
Diluted Earnings per Share (Rs.)	6.57	52.76
Face Value per Equity Share (Rs.)	5.00	5.00

**NOTE 26-SEGMENT REPORTING**

The Company has only one line of business i.e. Non Banking Financial activities. There are no separate reportable segments as per Ind As 108.

**NOTE 27- RELATED PARTY TRANSACTION**

## I) Name of Related Party

	Key Management Personnel	Designation
(a)	Mr. S. P. Kumar	Manager and CFO

## II) Related Party Transaction during the Year:

Particulars	(Rs. In lakhs)	
	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Remuneration- Mr. S. P. Kumar	<u>18.20</u>	<u>16.60</u>

**NOTE 28-DISCLOSURE WITH REGARD TO DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES**

Based on the information available with the Company, there is no supplier in the aforesaid company. Thus no disclosures relating to principal amounts unpaid as at the period ended 31st March, 2021 together with interest paid /payable are required to be furnished.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****NOTE 29:-CAPITAL MANAGEMENT**

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

**NOTE 30:-RISK MANAGEMENT**

The Company has a system-based approach to risk management, anchored to policies & procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations. It also seeks to drive accountability in this regard.

The Company's financial liabilities includes Other Financial Liabilities- comprising of general expenses. The Company's principal financial assets include Investments, Cash and Cash Equivalents and Other Financial Assets that are derived directly from its operations.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the underlying business, the Company maintains sufficient cash and liquid investments available to meet its obligation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The management also considers the cash flow projections and level of liquid assets necessary to meet these on a regular basis.

As the Company is an investment company, it is not exposed to credit risk.

Risk	Exposure arising from	Mitigation
Market Risk – Securities Price	Investments in equity securities	Continuous monitoring of performance of investments.

**NOTE 31:-DISCLOSURE ON FINANCIAL INSTRUMENTS**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****Categories of Financial Instruments**

Particulars	Note	(Rs. in lakhs)	
		As at 31st March, 2021	As at 31st March, 2020
<b>Financial Assets</b>			
<b>a) Measured at Amortised Cost</b>			
i) Cash and Cash Equivalents	4	<b>3,688.55</b>	48.74
ii) Other Bank Balances	5	<b>271.66</b>	271.66
iii) Other Financial Assets	7	<b>55.41</b>	34.05
<b>Sub-Total</b>		<b>4,015.62</b>	354.45
<b>b) Measured at Fair Value through OCI (FVOCI)</b>			
i) Investment in Equity Shares	6	<b>2,61,426.91</b>	1,59,772.19
ii) Investment in Preference Shares	6	<b>255.24</b>	382.49
<b>Sub-Total</b>		<b>2,61,682.15</b>	1,60,154.68
<b>c) Measured at Fair Value through Profit and Loss (FVTPL)</b>			
i) Investment in Mutual Fund	6	<b>691.64</b>	1,203.65
<b>Sub-Total</b>		<b>691.64</b>	1,203.65
<b>Total Financial Assets</b>		<b>2,66,389.41</b>	1,61,712.78
<b>Financial Liabilities</b>			
<b>a) Measured at Amortised Cost</b>			
i) Other Financial Liabilities	12	<b>6.82</b>	9.23
<b>Total Financial Liabilities</b>		<b>6.82</b>	9.23

**(i) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**(ii) Valuation Methodology**

Specific valuation techniques used to value financial instruments include:

- the fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- the fair value of level 3 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021****(iii) Fair value of Financial Assets and Liabilities measured at Fair value - recurring Fair Value Measurements**

Particulars	(Rs. In lakhs)			
	As at 31st March, 2021		As at 31st March, 2020	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investment in Equity Instruments	2,60,182	1,245	1,58,540	1,232
Total Financial Assets	2,60,182	1,245	1,58,540	1,232

**(iv) Significant Estimates**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) above.

**NOTE 32:-**

Due to outbreak of COVID 19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due.

Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

**NOTE 33:-**

The previous year figures have been reclassified and regrouped where considered necessary to confirm to this year's presentations.

**NOTE 34:-**

Particulars required under Paragraph 18 of the Master Direction Non-Banking Financial Company- Non- Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 are given in the Annexure appended hereto.

The accompanying notes are an integral part of the financial statements.

In terms of our report attached  
For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Directors  
**Ashok Bhandari**  
Chairman  
DIN - 00012210

**Atish Shah**  
Partner  
Membership No. 062880  
Place : Kolkata  
Date : 18th June, 2021

**S.P. Kumar**  
Manager & CFO

**T. K. Bhattacharya**  
Director  
DIN-00711665

**ANNEXURE (Referred to in Note 34 of the Financial Statements)**  
**SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NON - BANKING FINANCIAL COMPANY**

( ₹ in Lakhs)

**Particulars****As on 31.03.2021****Liabilities side:**

	Amount	
	Outstanding	Overdue
<b>(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>		
(a) Debentures : Secured	NIL	NIL
: Unsecured (other than falling within the meaning of public deposits)	NIL	NIL
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial Paper	NIL	NIL
(f) Other Loans	NIL	NIL

**Assets side:****(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**

(a) Secured	NIL	NIL
(b) Unsecured	36.06	NIL

**(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**

(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	NIL	NIL
(b) Operating lease	NIL	NIL
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	NIL	NIL
(b) Repossessed Assets	NIL	NIL
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	NIL	NIL
(b) Loans other than (a) above	NIL	NIL

<b>(4) Break-up of Investments:</b>	<b>Amount</b>	<b>Amount</b>
<b>Current Investments:</b>	<b>Outstanding</b>	<b>Overdue</b>
<b>1. Quoted:</b>		
(i) Shares: (a) Equity	NIL	NIL
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of mutual funds	NIL	NIL
(iv) Government Securities	NIL	NIL
(v) Others (Please specify)	NIL	NIL
<b>2. Unquoted:</b>		
(i) Shares: (a) Equity	NIL	NIL
(b) Preference	NIL	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of mutual funds	670.00	NIL
(iv) Government Securities	NIL	NIL
(v) Others (Please specify)	NIL	NIL
<b>Long Term investments:</b>		
<b>1. Quoted:</b>		
(i) Shares : (a) Equity	7118.25	NIL
(b) Preference	160.74	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of mutual funds	NIL	NIL
(iv) Government Securities	NIL	NIL
(v) Others (Please specify)	NIL	NIL
<b>2. Unquoted:</b>		
(i) Shares: (a) Equity	738.94	NIL
(b) Preference	25.00	NIL
(ii) Debentures and Bonds	NIL	NIL
(iii) Units of mutual funds	NIL	NIL
(iv) Government Securities	NIL	NIL
(v) Others (Please specify)	NIL	NIL

**(5) Borrower group-wise classification of assets financed  
as in (2) and (3) above :**

<b>Category</b>	<b>Amount net of provisions</b>		
	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<b>1. Related Parties</b>			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	NIL	36.06	36.06
<b>Total</b>	<b>NIL</b>	<b>36.06</b>	<b>36.06</b>

**(6) Investor group-wise classification of all investments  
(current and long term) in shares and securities (both quoted and unquoted):**

Category	Market Value / Break up/ or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	259,085.45	8,712.93
<b>Total</b>	<b>259,085.45</b>	<b>8,712.93</b>

**(7) Other information**

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(ii) Net Non-Performing Assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
(iii) Assets acquired in satisfaction of debt	NIL

As per our report of even date attached herewith.

For **D. K. Chhajer & Co.**  
Chartered Accountants  
Firm Registration No. 304138E

For and on behalf of the Directors  
**Ashok Bhandari**  
Chairman  
DIN - 00012210

**Atish Shah**  
Partner  
Membership No. 062880  
Place : Kolkata  
Date : 18th June, 2021

**S.P. Kumar**  
Manager & CFO

**T. K. Bhattacharya**  
Director  
DIN-00711665



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ANNUAL REPORT  
2020 - 2021**

**N. B. I. INDUSTRIAL FINANCE Co. LTD.**