

**N.B.I. INDUSTRIAL  
FINANCE COMPANY LIMITED**

**89TH  
ANNUAL  
REPORT**

**2023-2024**

**BOARD OF DIRECTORS**

ASHOK BHANDARI - CHAIRMAN  
B. L. GAGGAR  
RIYA PUJA JAIN  
PRIYANKA MOHTA - INDEPENDENT DIRECTOR  
T. K. BHATTACHARYA - INDEPENDENT DIRECTOR  
DEBASISH RAY - INDEPENDENT DIRECTOR  
SUNDEEP BHUTORIA - INDEPENDENT DIRECTOR  
J. P. MUNDRA

**COMPANY SECRETARY**

ASHISH KEDIA

**MANAGER AND CHIEF FINANCIAL OFFICER**

S. P. KUMAR

**BANKERS**

STATE BANK OF INDIA  
HDFC BANK LTD.

**AUDITORS**

CHATURVEDI & COMPANY  
CHARTERED ACCOUNTANTS  
KOLKATA

**REGISTERED OFFICE**

21, STRAND ROAD  
KOLKATA - 700 001  
Phone : 033-2230 9601-03  
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



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**DIRECTORS' REPORT**

Dear Shareholders,

Your Board of Directors have pleasure in presenting the 89<sup>th</sup> Annual Report of your Company along with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2024. This report read with the Management Discussion and Analysis include details of the macro-economic scenario, Company's performance and it's approach to risk management.

The Annual Report for the financial year 2023-24 is also available on the website of the Company.

**FINANCIAL HIGHLIGHTS**

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

(Rs. in lakhs)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Profit before Depreciation & Provisions	1070.61	788.17
Less : Depreciation	0.06	0.17
Profit before Taxation	1070.55	788.00
Less : Provision for Current Tax (Nett of Tax charged in OCI)	283.22	229.16
Provision for Deferred Tax	0.75	31.53
Profit after Tax	786.58	527.31
Add: Transfer from OCI: sale of shares	0	0
Add: Other Comprehensive Income(net of tax)	1.07	2.12
Add: Transfer from equity instrument through OCI on realisation	1910.34	(4.42)
<b>TOTAL</b>	<b>2697.99</b>	<b>525.01</b>
Add : Balance of Retained Earnings from Previous year	11,610.18	11,190.63
<b>TOTAL</b>	<b>14,308.17</b>	<b>11,715.64</b>
<b>APPROPRIATIONS</b>		
Transfer to Reserve Fund (as per RBI Guidelines)	157.32	105.46
Dividend Paid	9.83	-
Balance Carried to Balance Sheet	14,141.02	11,610.18
<b>TOTAL</b>	<b>14,308.17</b>	<b>11,715.64</b>

**WORKING RESULTS AND STATE OF COMPANY'S AFFAIRS**

Total income during the year under review amounted to ₹ 1295.83 Lac as against ₹1,015.53 Lac in the preceding year. Profit before tax amounted to ₹1070.55 Lac as against ₹788.00 Lac in the preceding year. Profit after tax stood at ₹786.58 Lac as against ₹527.31 Lac in the previous year (before Other Comprehensive Income)

The Company continues to remain registered as a Non-Banking Financial Company (NBFC) 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 as mentioned herein below under the para "Amalgamation".

#### **DIVIDEND**

Reserve Bank of India (R.B.I.) vide its circular dated 24 June 2021 has laid down framework for declaration of dividend by NBFCs. Accordingly, the Board of Directors after taking into account various aspects and in compliance with the said circular, has recommended for consideration of the members at the ensuing Annual General Meeting (AGM), payment of dividend of Rs. 0.50 per equity share (10%) of face value of Rs. 5/-. The total dividend for FY 2023-24 would amount to Rs. 12.28 lac.

The dividend recommended is in accordance with the principles and criteria set out in the Company's dividend distribution policy. Total dividend proposed for the year does not exceed the ceilings specified in said circular/RBI Master Directions.

The dividend, if declared, at the ensuing AGM will be taxable in the hands of the members of the Company pursuant to Income Tax Act, 1961. For further details on taxability, please refer Notice of AGM.

In terms of Regulation 43A of SEBI Listing Regulations, the Company has laid down its Dividend Distribution Policy. The Policy is hosted on the Company's website and can be accessed at [http://www.nbi-india.co.in/policies/20211227\\_NBI\\_Dividend\\_Distribution\\_Policy.pdf](http://www.nbi-india.co.in/policies/20211227_NBI_Dividend_Distribution_Policy.pdf).

#### **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 31<sup>st</sup> March, 2024. During the year under review, the Company has not issued any new shares.

#### **TRANSFER TO RESERVE FUND**

Pursuant to section 45-IC of Reserve Bank of India Act, 1934, non-banking financial companies (NBFCs) are required to transfer a sum not less than 20% of their net profit every year to reserve fund before declaration of any dividend. Accordingly, the Board proposes to transfer ₹157.32 Lac to Reserve Fund and the balance is retained in the Retained Earnings.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

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

**AMALGAMATION**

The Board of Directors of the Company, at its meeting held on September 21, 2022, approved a Scheme of Amalgamation of Western India Commercial Company Limited (“Transferor Company”) with N. B. I. Industrial Finance Company Limited (“Transferee Company” or “Company”) with appointed date being 1<sup>st</sup> April, 2022. The Company has received Observation Letter from The National Stock Exchange of India Limited and no objection from Reserve Bank of India. The Company has filed an application before the National Company Law Tribunal (NCLT) for directions for holding the meetings of the share-holders and creditors of the two companies. Pending the approval of the Scheme, financial statements have been prepared without considering the effect thereof.

**PUBLIC DEPOSITS**

Your Company has not accepted any deposit from the public during the year, nor does it hold any public deposit at the end of the financial year.

**PARTICULARS OF LOANS AND GUARANTEES**

The Company, being a Non-Banking Financial Company (NBFC) registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934), is exempt from complying with the provisions of Section 186 of the Companies Act, 2013 with respect to loans and guarantees.

**ASSOCIATE COMPANIES**

The Company does not have any associate.

**UNCLAIMED DIVIDEND**

Members are advised to note the provision of Section 124 (5) of the Companies Act, 2013 which states that *“Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125 ....”*

It is clear that the dividend if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”). Further, all the shares in respect of which dividend has remained



unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their unpaid dividends from the Company for the financial year 2016-17 within the stipulated timeline, i.e. 20.10.2024. However, no such amount of unpaid / unclaimed dividend and shares were transferable by the Company during the year.

#### **RELATED PARTY TRANSACTIONS**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. None of the transactions required members' prior approval under the Act or SEBI Listing Regulations except remuneration paid to KMP which has duly been approved by the members, wherever required. There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

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 and sitting fees paid to directors in the ordinary course of business. The details of such transactions with Related Parties as per Ind AS 24 are provided in the accompanying financial statements. There were no transaction requiring disclosure under section 134(3)(h) of the Act except as aforesaid.

The Company has formulated a policy on materiality of related party transactions and on dealings with related parties. The policy is available on the website of the Company. Related Party Disclosures as required under Schedule V of the Listing Regulations is annexed to this report.

#### **INTERNAL FINANCIAL CONTROL**

The Company has in place adequate financial controls commensurate with its size, scale, nature of business and operations with reference to its financial statements. The Company has appointed internal auditors who review the internal financial control system. These have been designed to provide reasonable assurance about recording and providing reliable financial information, ensuring integrity in conducting business, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors.

#### **RISK MANAGEMENT**

The Board of Directors has adopted a risk management policy for the Company which provides for identification, assessment, control and governance of risks which, in the opinion of the

Board, may pose significant loss or threat to the Company. The Policy is formulated in compliance with Regulation 21 and Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and relevant provisions of the Companies Act, 2013. The policy is available on the website of the Company and also forms a part of the Corporate Governance Report.

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. The details of the Risk Management Committee of the Board are given in the Corporate Governance Report.

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

#### **Directors**

As on March 31, 2024, the Company has eight Directors with an optimum combination of Non-Executive and Independent Directors including two women directors on its Board. Detailed composition about the Board is disclosed in the Corporate Governance Report. All the Directors have submitted relevant declarations / disclosures as required under the Act and the Listing Regulations.

Shri Ashok Bhandari, Chairman and Independent Director, resigned from the Board on 4<sup>th</sup> September, 2023. He was appointed on the Board as a Non Executive Non Independent Director on 20<sup>th</sup> October, 2023 and was appointed as the Chairman of the Company.

#### **Re-appointment of Directors**

Shri Bankat Lal Gaggar (DIN: 00404123) and Smt. Riya Puja Jain (DIN: 01559454), Directors of the Company, retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Act read with the Companies (Appointment and Qualification of Directors), Rules 2014 and the Articles of Association of your Company and being eligible, have offered themselves for re-appointment as Directors.

In accordance with Regulation 17(1A) of the Listing regulations, no person can be appointed or continue as a non-executive director who has attained the age of seventy five years unless a Special Resolution has been passed to that effect. The Company has already taken consent of the members by way of special resolution for continuation of Directorship of Mr. Bankat Lal Gaggar (DIN: 00404123), who has attained the age of seventy five years.

In the Annual General Meeting held on 21<sup>st</sup> August, 2023, the members of the Company approved with requisite majority, the re-appointment of Shri Tapas Kumar Bhattacharya as a Non-executive Independent Director with effect from 29<sup>th</sup> June, 2023 for a second term of 5 consecutive years.

Shri Debasish Ray has been re-appointed as a Non-executive Independent Director by the Board on 16<sup>th</sup> April, 2024 for a second term of 5 consecutive years, with effect from 25<sup>th</sup> April, 2024, subject to Members' approval through postal ballot. Shri Debasish Ray has given a declaration that he meets the criteria of Independence and is Independent of the Management.

The Board recommends the re-appointment / appointment of directors retiring by rotation as aforesaid and accordingly resolutions seeking approval of the members for their re-appointments / appointments have been included in the Notice of forthcoming Annual General Meeting of the Company along with their brief profile. As required by Regulation 36(3) of the Listing Regulations and provisions of the Secretarial Standards, brief resume and other details of the above-mentioned Director(s) seeking appointment/re-appointment, is attached to the Notice of the ensuing Annual General Meeting.

None of the Directors proposed for appointment / reappointment at the ensuing Annual General Meeting is disqualified from being appointed /reappointed as Director under the provisions of the Act, the SEBI Listing Regulations or any other order, directions of MCA, SEBI or any other statutory authority.

Shri Tapas Kumar Bhattacharya, Shri Debasish Ray, Shri Sundeep Bhutoria and Smt. Priyanka Mohta continue to be Independent Directors of the Company appointed for a period of five years from their respective dates of appointment. The reappointment of Shri Debasish Ray is subject to members' approval as aforesaid.

The Independent Directors have appropriate skill, knowledge and experience in their respective fields. 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 Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Companies Act, 2013, the Rules made thereunder and SEBI Listing Regulations and are independent of the management, and are persons of high integrity, expertise and experience. Further, in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of strategy, business management, accounts & finance and taxation.

All the Independent Directors of the Company have registered themselves with Indian Institute of Corporate Affairs ('IICA'). In terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have completed online proficiency self-assessment test conducted by the said Institute.

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

Shri Ashish Kedia is the Company Secretary of the Company.

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

**ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of the Act and SEBI Listing Regulations the Board has carried out an annual evaluation of its own performance, the performance of the Directors individually as well as the evaluation of the working of its Committees.

For evaluating the Board as a whole, views were sought from the Directors on various aspects of the Board's functioning such as degree of fulfilment of key responsibilities, Board Structure and composition, establishment, delineation of responsibilities to various committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the management.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, attendance at the meetings, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of non-executive directors. The Independent Directors 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, sufficiency 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.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The independent directors have submitted declaration of independence, stating that they meet the criteria of independence provided under section 149(6) of the Act, as amended, and regulation 16 of the SEBI Listing Regulations. The independent directors have also confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of independent directors.

The Board took on record the declarations and confirmations submitted by the independent directors regarding their meeting the prescribed criteria of independence, after undertaking due assessment of the veracity of the same in terms of the requirements of regulation 25 of the SEBI Listing Regulations.

#### **ANNUAL RETURN**

Pursuant to the provisions of the Companies Act, 2013 as amended upto date, the extract of annual return is no longer required to be part of the Board Report. In Compliance to the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the financial year ended 31st March, 2024 will be placed on the Company's website in due course.

#### **AUDITORS:**

##### **Statutory Auditors**

M/s Chaturvedi & Co., Chartered Accountants having Firm Registration No. 302137E, who are Statutory Auditors of the Company, were appointed by the Company at the Extraordinary General Meeting ("EGM") held on 27<sup>th</sup> January, 2022, to hold office from the date of passing of resolution until the conclusion of the 89<sup>th</sup> Annual General Meeting to be held in the year 2024 subject to the Boards' review every year. In accordance with the RBI directives, the present Statutory Auditors will hold office till the conclusion of this Annual General Meeting.

In accordance with the requirement of the RBI Guidelines, the Board of Directors, based on the recommendation of the Audit Committee, has recommended the appointment of M/s. R Kothari & Co LLP, Chartered Accountants, (Firm Registration No. 307069E) as statutory auditors for a

period of 3 (three) consecutive years to hold office with effect from the date of passing of the Resolution in the ensuing Annual General Meeting, until the conclusion of the 92nd AGM of the Company to be held in the calendar year 2027, subject to the said firm continuing to fulfill the applicable eligibility norms.

The Auditors have confirmed that their appointment, if made, will be within the limit specified under the Act and RBI Guidelines. They have also confirmed that they are not disqualified from being appointed as statutory auditors in terms of the provisions of Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and the RBI Guidelines.

The audit report by M/s Chaturvedi & Co., for the FY2024 is unmodified, i.e., it does not contain any qualification, reservation or adverse remark or disclaimer.

#### **Secretarial Auditor and Secretarial Audit Report**

Section 204 of the Act, inter-alia requires every listed company to undertake Secretarial Audit and annex with its Board's Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form.

In line with the said requirement of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Listing Regulations and other applicable provisions, if any, the Secretarial Audit for the financial year 2023-24 has been conducted by Ms. Sneha Agarwal, Practicing Company Secretary (PCS).

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 is annexed to this Report. The report does not contain any qualification, reservation or adverse remark requiring explanation or clarification from the Board.

#### **Cost Audit**

Pursuant to provisions of section 148 of the Companies Act, 2013 cost audit as specified by the Central Government is not applicable to the Company.

#### **Tax Auditor**

The Board of Directors has appointed M/s Chaturvedi & Co., Chartered Accountants, to carry out the Tax Audit for the Assessment Year 2024-25.

#### **Internal Auditor**

The Board of Directors on the recommendation of the Audit Committee had appointed M/s D. K. Parmanandka & Co., Chartered Accountants, to carry out the Internal Audit of the Company for the Financial Year 2023-24.

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

During the reporting period, 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.

#### **BOARD & COMMITTEE MEETINGS:**

Meetings of Board and its Committees are held as per statutory requirements and as per business needs. Due to business exigencies, the Board and Committees have also been approving proposals by circulation from time to time.

#### **Board Meeting**

During the year, five Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act, Secretarial Standards–1 (SS-1) issued by the Institute of Company Secretaries of India and Listing Regulations.

The Company has the following eight (8) Committees, which have been formed in compliance with the relevant provisions of applicable laws, RBI directions and as per business requirements:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. Stakeholders' Relationship Committee
5. Corporate Social Responsibility (CSR) Committee
6. Finance and Assets Liability Supervisory Committee (ALCO)
7. Investment/Credit Committee
8. Grievance Redressal Mechanism Committee

#### **1. Audit Committee**

The Audit Committee comprises of two Independent Directors namely, Shri Tapas Kumar Bhattacharya (Chairman) and Shri Debasish Ray and a Non Independent Director Shri Jagdish Prasad Mundra. The Committee met five times during the year.

**2. Nomination & Remuneration Committee**

The Company has a Nomination & Remuneration Committee comprising of two independent directors and one non-independent director namely, Shri Tapas Kumar Bhattacharya (Chairman), Shri Debasish Ray and Shri Bankat Lal Gaggar. The Committee met twice during the year.

**3. Risk Management Committee**

The Company has a Risk Management Committee comprising of three members, namely Shri Debasish Ray (Chairman), Shri Bankat Lal Gaggar (Director) and Shri S P Kumar. The Committee met twice during the year.

**4. Stakeholders Relationship Committee**

Stakeholders' Relationship Committee of Directors comprises of three members, namely Shri Bankat Lal Gaggar (Chairman), Shri Jagdish Prasad Mundra and Shri Tapas Kumar Bhattacharya. The Committee held two meetings during the year.

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

In terms of Section 135 and Schedule VII of the Act the Board of Directors has constituted a CSR Committee under the Chairmanship of Shri Tapas Kumar Bhattacharya. Shri Debasish Ray, Shri Bankat Lal Gaggar and Shri Jagdish Prasad Mundra are the other members of the Committee. The Committee met once during the reporting period.

The CSR Committee of the Board has framed a CSR Policy which is 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/20211109\\_NBI\\_CSR\\_Policy\\_2021.pdf](http://www.nbi-india.co.in/policies/20211109_NBI_CSR_Policy_2021.pdf)

**6. Finance and Assets Liability Supervisory Committee (ALCO)**

Finance And Assets Liability Supervisory Committee (ALCO) of Directors comprises of three members, namely Shri Ashok Bhandari (Chairman), Shri Bankat Lal Gaggar and Shri Jagdish Prasad Mundra. The Committee held four meetings during the year.

**7. Investment/Credit Committee**

Investment/Credit Committee of Directors comprises of three members, namely Shri Debasish Ray (Chairman), Shri Bankat Lal Gaggar and Shri Jagdish Prasad Mundra. The Committee held four meetings during the year.

**8. Grievance Redressal Mechanism Committee**

Grievance Redressal Mechanism Committee of Directors comprises of three members, namely



Shri Debasish Ray (Chairman), Shri Bankat Lal Gaggar and Shri Tapas Kumar Bhattacharya. The Committee held four meetings during the year.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy, inter alia, 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. Further, Policy relating to remuneration for the directors, key managerial personnel and other employees is also annexed hereto and forms part of this Report.

The Board of Directors of the Company follows the criteria for determining qualification, positive attributes, independence of Directors as per applicable policies of the Company.

Directors are appointed /re-appointed with the approval of the Members for a term in accordance with the provisions of law and the Articles of Association of the Company. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise specifically provided under the Articles of Association or under any statute or terms of appointment.

**MATERIAL CHANGES AND COMMITMENTS**

There have not been any material changes and commitments in terms of Section 134(3)(l) of the Act, affecting the financial position of the Company between the end of the financial year of the Company as on 31<sup>st</sup> March, 2024 and the date of this report i.e. 16<sup>th</sup> May, 2024.

**DIRECTORS AND OFFICERS LIABILITY INSURANCE (D&O POLICY)**

The Company has in place a D&O policy which is renewed every year. It covers directors (including independent directors) of the Company. The Board is of the opinion that quantum and risk presently covered is adequate.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has always provided a congenial atmosphere for work that is free from discrimination and harassment, including sexual harassment. 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. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. However, constitution of Internal Committee as

required under the Act is not applicable to the Company since the company has less than 10 employees. All employees are covered under this Policy. During the year under review, the Company has not received any complaint of sexual harassment, hence no disclosure is applicable. This Policy is available on our website.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values pursuant to the provisions of the Act and guidelines issued by SEBI. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy. These form part of the Notes to the financial statements.

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i) in the preparation of the Annual Accounts for the financial year 2023-24, 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 FY 2023-24;
- 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 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 are operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and are operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the

Company's internal financial controls were adequate and effective during FY 2024.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

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 the 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 are annexed hereto forming part of this report.

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

Being an investment company and not involved in any industrial or manufacturing activity, the Company's activities involve very low energy consumption and has no particulars to report regarding conservation of energy and technology absorption. The 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.

During the year under review, the Company did not have any foreign exchange expenditure and foreign exchange earnings.

#### **LISTING OF EQUITY SHARES**

The Company's equity shares are listed on the National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fee to the stock exchange upto the financial year 2024-25.

#### **CORPORATE GOVERNANCE REPORT**

The Annual Report contains a separate section on the Company's corporate governance practices. It forms an integral part of this Report, as annexed hereto, together with the Certificate from the Practicing Company Secretary regarding compliance with the conditions of Corporate Governance as stipulated in Part E of Schedule V to the Listing Regulations. There are no demat suspense account/ unclaimed suspense account as on the date of this Report as required in Part F of Schedule V of the SEBI Listing Regulations. More details about all the Committees of the Board, including details of the role and responsibilities of Committees, the particulars of meetings held and attendance of the Members at such meetings are stated in the Corporate Governance Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As per Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report is set out hereunder and forms part of this Annual Report.

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING**

A separate section on Business Responsibility and Sustainability Report is annexed herewith and forms an integral part of this Annual Report.

**CORPORATE SOCIAL RESPONSIBILITY**

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 2023-24 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.

**MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:**

**Vigil Mechanism (Whistle Blower Policy) and Code of Conduct**

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee Chairman. The Whistle Blower Policy is posted on the website of the Company.

The Company's "Code of Business Conduct and Ethics (Code of Conduct)" is applicable to the employees including KMPs and 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.

**Code of Conduct to Regulate, Monitor and report trading by Insiders**

In terms of SEBI (Prohibitions of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted a Code of Conduct for Prevention of Insider Trading (Insider Code) as approved by the Company's Board. Insiders (as defined in Insider Code) including designated employees & persons and their relatives are, inter-alia, prohibited from trading in the shares and securities of the Company or counsel any person during any period when the "unpublished price sensitive information" are available with them.

The Insider Code also requires pre-clearance for dealing in the Company's shares and prohibits dealing in Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company.

#### **TRANSFER OF SHARES ONLY IN DEMAT MODE**

In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities of listed entities can be processed only in dematerialized form. Further, pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agents – MDPL. It may be noted that any service request can be processed only after the folio is KYC Compliant.

#### **UPDATING KYC DETAILS**

The investor service requests forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 are available on our website [www.nbi-india.co.in](http://www.nbi-india.co.in). We urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

In respect of shareholders who hold shares in the dematerialized form and wish to update their PAN, KYC, Bank Details and Nomination are requested to contact their respective Depository Participants.

**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/NBI Archival Policy.pdf">http://www.nbi-india.co.in/policies/NBI Archival Policy.pdf</a>
Policy on Determination of Materiality	<a href="http://www.nbi-india.co.in/policies/NBI Determination of Materiality.pdf">http://www.nbi-india.co.in/policies/NBI Determination of Materiality.pdf</a>
Familiarisation Program for Independent Directors	<a href="http://www.nbi-india.co.in/policies/NBI Familiarisation Program.pdf">http://www.nbi-india.co.in/policies/NBI Familiarisation Program.pdf</a>
Insider Trading Code	<a href="http://www.nbi-india.co.in/policies/NBI Insider Trading Code.pdf">http://www.nbi-india.co.in/policies/NBI Insider Trading Code.pdf</a>
Policy for Determining Material Subsidiary	<a href="http://www.nbi-india.co.in/policies/NBI Material Subsidiary.pdf">http://www.nbi-india.co.in/policies/NBI Material Subsidiary.pdf</a>
Policy on Materiality of Related Party Transactions	<a href="http://www.nbi-india.co.in/policies/20220518 NBI Policy on Materiality of RPT.pdf">http://www.nbi-india.co.in/policies/20220518 NBI Policy on Materiality of RPT.pdf</a>
Policy relating to remuneration for the directors, key managerial personnel and other employees	<a href="http://www.nbi-india.co.in/policies/NBI Remuneration Policy.pdf">http://www.nbi-india.co.in/policies/NBI Remuneration Policy.pdf</a>
Vigil Mechanism and Whistle Blower Policy	<a href="http://www.nbi-india.co.in/policies/NBI Whistle Blower Policy.pdf">http://www.nbi-india.co.in/policies/NBI Whistle Blower Policy.pdf</a>
Prohibition of Insider Trading	<a href="http://www.nbi-india.co.in/policies/NBI Prohibition of Insider Trading Policy.pdf">http://www.nbi-india.co.in/policies/NBI Prohibition 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/NBI Prohibition of Sexual Harassment Policy.pdf">http://www.nbi-india.co.in/policies/NBI Prohibition of Sexual Harassment Policy.pdf</a>
Dividend Distribution Policy	<a href="http://www.nbi-india.co.in/policies/20211227 NBI Dividend Distribution Policy.pdf">http://www.nbi-india.co.in/policies/20211227 NBI Dividend Distribution Policy.pdf</a>
Risk Management Policy	<a href="http://www.nbi-india.co.in/policies/20220518 NBI Risk Management Policy.pdf">http://www.nbi-india.co.in/policies/20220518 NBI Risk Management 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.

For and on behalf of the Board

Place: Kolkata

Dated: 16<sup>th</sup> May, 2024

(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

Details of transactions with related parties:

<b>Nature of Transactions</b>	<b>Name of related party</b>	<b>Description of Relationship</b>	<b>Amount (Rs. Lacs)</b>
Payment of Remuneration	Mr. S.P. Kumar	Key Management Personnel	20.33
Payment of Remuneration	Ashish Kedia	Key Management Personnel	21.69

For and on behalf of the Board

Place: Kolkata

Dated: 16<sup>th</sup> May, 2024

(Ashok Bhandari)  
Chairman  
DIN: 00012210

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

*FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024*

*[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]*

**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”) having (CIN- L65923WB1936PLC065596). 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 company's 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 March 31, 2024 (“**Audit Period**”) complied with the applicable 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 the Company for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **The Company did not have any Foreign Direct Investment during the financial year;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: - : -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- (b) The Securities and Exchange Board of India ((Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the year under review)
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ( Not Applicable to the Company during the Audit Period)
  - (g) The Securities and Exchange Board of India (Depository Participant) Regulations,2018;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not Applicable to the Company during the Audit Period)
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period).
  - (j) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
- (vi) The Company is a non-deposit taking Non - Banking Financial Company (NBFC) categorized as Investment and Credit Company (ICC) with the Reserve Bank of India (RBI) and the Company is engaged in the business of investment in shares in securities & financial. As confirmed and certified by the management, following laws are specifically applicable to the Company based on the Sector(s) / Business(es):
- (a) Reserve Bank of India Act, 1934 and rules, regulations and directions issued by RBI, from time to time.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

- (ii) The Listing Agreements entered into by the Company with NSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 Company Secretary. The changes 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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 etc.

I further report that during the Audit Period, the Company has not incurred any specific event / action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

**Place : Kolkata**

**Date : 08/05/2024**

**Signature:**

**Sneha Agarwal  
ACS No.38284  
C P No.: 14914  
UDIN- A038284F000335196  
PEER REVIEW NO- 2479/2022**

**Annexure – A**

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

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test check basis.
5. I believe that the audit evidence and information obtained from the Company's management is adequate and appropriate for me.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place : Kolkata**

**Date : 08/05/2024**

**Signature:**

**Sneha Agarwal  
ACS No.38284  
C P No.: 14914  
UDIN- A038284F000335196  
PEER REVIEW NO- 2479/2022**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****1. Brief outline on CSR Policy of the Company**

In today's context, the 'Corporate Social Responsibility' (CSR) is defined as a mandatory way for a Company to balance its Economic, Social and Environmental objectives while enhancing the Shareholders' value and Stakeholders expectations.

The Company aims to focus on environment preservation, spreading education, sports, woman empowerment, rural and urban development 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. The Company has framed its CSR Policy in compliance with the provisions of the Companies Act 2013 and the same is placed on the Company's website.

**2. Composition of CSR Committee:**

The CSR Committee comprises 4 members, of which two are Independent Directors. The Committee met once during the reporting period on 28<sup>th</sup> February, 2024. The details of members and the meeting are as under:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Tapas Kumar Bhattacharya	Chairman (Independent Director)	1	1
2	Mr. Debasish Ray	Member (Independent Director)	1	1
3	Mr. B L Gaggar	Member (Non-executive Non-Independent Director)	1	1
4	Mr. J P Mundra	Member (Non-executive Non-Independent Director)	1	1

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 and the said Policy along with composition of CSR Committee and CSR Projects are placed on the website of the Company and the web link for the same is: [http://www.nbi-india.co.in/policies/20211109\\_NBI\\_CSR\\_Policy\\_2021.pdf](http://www.nbi-india.co.in/policies/20211109_NBI_CSR_Policy_2021.pdf)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

(Rs Lacs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
NIL			

6. Average net profit of the company as per section 135(5) : (Rs. 122.94 Lacs)
7. (a) Two percent of average net profit of the company as per section 135(5) :  
(Rs. 2.46 Lacs)
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b- 7c): NIL

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
NIL									

- (d) Amount spent in Administrative Overheads – NIL
- (e) Amount spent on Impact Assessment, if applicable – NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e)- Not Applicable

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. Lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	(2.46)
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)(in Rs. Lacs)	Amount spent in the reporting Financial Year (in Rs. Lacs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs. Lacs)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2020-21	NIL	NIL	NIL	NIL	Not Applicable	NIL
2.	2021-22	NIL	NIL	NIL	NIL	Not Applicable	NIL
3.	2022-23	NIL	NIL	NIL	NIL	Not Applicable	NIL
	<b>TOTAL</b>		<b>NIL</b>				

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **(asset-wise details)**.
- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
  - (b) Amount of CSR spent for creation or acquisition of capital asset : Not Applicable
  - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
  - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable

Place: Kolkata  
Date: 16<sup>th</sup> May, 2024

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

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

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

NB: Figures in bracket indicate negative figures.



**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: 16<sup>th</sup> May, 2024

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

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

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

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

**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, including any alternate directorship, 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/Managing Director in any Listed entity.

A Director shall not be a member in more than 10 committees or act as Chairperson of more than 5 committees across all listed entities in which he /she is a director.

**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, high value debt listed entities 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 Company Limited (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

**Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i) **Ratio of the remuneration of each Director to the median remuneration of all the employees of the Company for the financial year :**

Not Applicable, as none of the directors draw remuneration except sitting fees for attending 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**  
8.55%.

- iii) **Percentage increase in the median remuneration of employees in the financial year**  
8.54%.

- 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 the 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 FY 2023-24 was 10.41%. Percentage increase in the managerial remuneration for the year was 8.55%.

- 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 AND SUSTAINABILITY REPORT**

## SECTION A: GENERAL DISCLOSURES

## I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L65923WB1936PLC065596
2. Name of the Listed Entity : N.B.I. INDUSTRIAL FINANCE COMPANY LTD.
3. Year of incorporation : 1936
4. Registered office address : 21 STRAND ROAD, KOLKATA 700001
5. Corporate address : 21 STRAND ROAD KOLKATA 700001
6. E-mail : nbifinance@ymail.com
7. Telephone : 033: 2230 9601-03
8. Website : www.nbi-india.co.in
9. Financial year for which reporting is being done : FY 2023-24
10. Name of the Stock Exchange(s) where shares are listed : National Stock Exchange of India Ltd.
11. Paid-up Capital : Rs. 1,22.84 Lacs
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report. : Mr. Ashish Kedia  
: Company Secretary  
: 033: 2230 9601-03  
: nbifinance@ymail.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). : The disclosures under this report are made on Standalone basis.

## II. Products/services :

## 14. Details of business activities (accounting for 90% of the turnover) :

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	The Company is a Systemically Important Non-Deposit taking NBFC registered with Reserve Bank of India as an Investment & Credit Company.	The Company operates primarily as other Financial activities with investments mainly in shares & securities.	The Company's primary sources of income consist of dividends, interest, and gains on sale of investments. This constitutes almost 100% of the company's income.

**15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	INVESTMENT ACTIVITIES	13010	100.00%
2.	COMMERCIAL LOAN ACTIVITIES	13006	0.00%

**III. Operations:****16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	-	1	1
International	-	-	-

The Company operates from one location from its Registered Office situated in Kolkata, India.

**17. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	1 (West Bengal)
International (No. of Countries)	-

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

Not applicable

**c. A brief on types of customers**

The Company is a non-deposit taking non-banking financial company, primarily involved in investments in equity shares, equity-related securities and other securities etc. It does not have any customer interface.

**IV. Employees****18. Details as at the end of Financial Year:****a. Employees and workers (including differently abled) :**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
<b>Employees</b>						
1.	Permanent (D)	5	5	100.00%	-	0.00%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	5	5	100.00%	-	0.00%
<b>Workers</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

## b. Differently abled Employees and workers :

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	-	-	-	-	-
<b>Differently Abled Workers</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

## 19. Participation/Inclusion/Representation of women :

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel*	2	-	-

\*Mr. Ashish Kedia (Company Secretary) and Mr S P Kumar (Manager & CFO) are the Key Management Personnel of the Company.

## 20. Turnover rate for permanent employees and workers :

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	-	-	-	-	100%	20%	25%	100%	40%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / Subsidiary / Associate Companies / Joint Ventures:

S. No.	Name of the holding/ subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	-	-	-	-

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): 1294.58 Lacs

(iii) Net worth (in Rs.): 233812.31 Lacs

Figures in point (ii) and (iii) above are of Financial Year 2023-24.

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

There was no case of violation of the Code of Conduct in 2023-24 and no case was reported under the Company's whistle blower policy during the year.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders & Employees	<a href="http://www.nbi-india.co.in/policies.shtml">http://www.nbi-india.co.in/policies.shtml</a>	1	-	-	1	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	1	-	Resolved	1	-	Resolved
Employees	NO	-	-	-	-	-	-
Customers	Not Applicable	-	-	-	-	-	-
Value Chain Partners	Not Applicable	-	-	-	-	-	-
Other (please specify)	Not Applicable	-	-	-	-	-	-

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format :

The most relevant material Issues identified for:

1.	Governance/Economics	Corporate Governance and Ethics
2.	Social	Talent Management
3.	Governance/Economic	Sustainable Investing

The details of each of the material issues is detailed in the table below :

1. Corporate Governance and Ethics

Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Risk	<ul style="list-style-type: none"> <li>NBI stakeholders seek accountability for compliant, ethical and transparent business conduct.</li> </ul>	Nil	Financial implications will be negative as poor corporate governance or unethical practices lead to loss of confidence of stakeholders.

2. Talent Management

Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Opportunity	A good talent pool will help NBI develop leadership capabilities among its employees and ensure continuity of business.	The Company encourages its employees to undertake functional and soft-skill training programs.	Good talent management will have positive financial implications as it will give a competitive edge to the company and ensure continuity of business.

3. Sustainable Investing

Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Opportunity	<ul style="list-style-type: none"> <li>The global trend of investment is now inclined towards sustainable portfolios</li> <li>Companies with good ESG /Sustainability performance are shown to be delivering better returns over the long term.</li> </ul>	The Company looks to invest in companies which demonstrate good ESG practices.	The financial implications will be positive. If NBI invests in companies that have good ESG performance, it is likely that the risk adjusted returns will be improved.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and Management Processes</b>									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available.	<ul style="list-style-type: none"> <li>• Prohibition of Insider Trading</li> <li>• Corporate Social Responsibility Policy</li> <li>• Whistle Blower Policy</li> <li>• Policy on Prevention of Sexual Harassment of Women at Workplace</li> </ul> <p>All the Policies are available on the website of the Company.</p>								
2. Whether the entity has translated the policy into procedures. (Yes /No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The policies have been communicated to all the stakeholders based on the relevance.								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No	No	No	No	No	No	No	No	No
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has developed detailed action plans and goals for each of the material issues aligned with the NGRBC principles, these are detailed under the relevant principle in section C of this Report.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Detailed under the relevant principles in section C of this Report.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
<b>Governance, Leadership and Oversight</b>																		
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Company is deeply committed to achieving ESG-related objectives and continues to prioritize related agenda over the near and medium term. The Company's focus on ESG parameters is best reflected through values that are imbibed in all spheres of activity of the Company																	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Board of Directors																	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Corporate Social Responsibility Committee Details on: <a href="http://www.nbi-india.co.in/policies.shtml">http://www.nbi-india.co.in/policies.shtml</a>																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against Above policies and follow up action	As a practice, policies on business responsibility of the Company are reviewed periodically or on a need basis by the Management Team. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies & procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	All compliance requirements with respect to the NGRBC principles have been fulfilled.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	No								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
The entity does not consider the Principles material to its business (Yes/No)	All Principles are covered by the Policies.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year :**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	During the year, the Board of Directors of the Company invested their time on various updates pertaining to the business, regulations, etc.		100%
Key Managerial Personnel	KMP – 1	<ul style="list-style-type: none"> <li>- Anti-money laundering</li> <li>- Anti-bribery and anti-corruption</li> <li>- Whistle blower</li> <li>- Prevention of Sexual Harassment at the Workplace</li> </ul>	
Employees other than BoD and KMPs	Employees other than BoD and KMPs - 1		
Workers	Not applicable	Not applicable	Not applicable



2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website) :

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been Preferred ? (Yes/No)
Penalty/ Fine		National Stock Exchange of India Ltd. (NSE)	Rs. 8.26 lacs	Delayed Compliance of Regulation 23(9) of LODR	Yes
Settlement					
Compounding Fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount(In Rs.)	Brief of theCase	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/ judicial institutions
Appeal has been filed against the order of the NSE for alleged delayed Compliance of Regulation 23(9) of LODR.	Securities Appellate Tribunal

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.  
No
5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption :  
No such action was taken during the financial year 2023-24 and 2022-23.
6. Details of complaints with regard to conflict of interest :  
No complaints during the financial year 2023-24 and 2022-23.
7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.  
Not applicable.

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year :

Total Number of awareness programs held	Topics/principles covered under the training	% of value chain partners covered (by the value of business done with such partners) under the awareness programs
Not applicable since the Company is an Investment company and no value chain partners are involved.		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, every Director of the Company discloses his/her concern or interest in the Company or companies or bodies corporate, firms, or other association of individuals and any change therein, annually or upon any change, which includes shareholding therein.

Further, a declaration is also taken annually from the Directors under the Code of Conduct confirming that they will always act in the interest of the Company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the Company and the role therein.

In the Meetings of the Board, the Directors abstain from participating in the items in which they are concerned or interested.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY2023-24	FY2022-23	Details of improvements in environmental and social impacts
R&D	Not applicable		
Capex			

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Not Applicable

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not applicable. The Company is engaged only in investment activities as a Non-Banking Financial Company and does not have any goods and raw materials utilization as a part of its products and services.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No.

## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not Applicable as the Company is not involved in manufacturing or service activity.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Not applicable.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Not Applicable		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format :

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

Note: The Company is committed to responsible waste management and takes measures to dispose of e-waste, and other waste in an environmentally sustainable manner.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not applicable.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees :

Category	% of Employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent employees</b>											
Male	The Company does not have employees other than Permanent Employees.										
Female											
<b>Total</b>											

b. Details of measures for the well-being of workers:

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Total (A)		Health Insurance	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	The Company does not employ workers.										
Female											
<b>Total</b>											
<b>Other than Permanent workers</b>											
Male	The Company does not employ temporary workers.										
Female											
<b>Total</b>											

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	100	Not Applicable	Y	100	N.A.	Y
Gratuity	100	Not Applicable	N.A.	100	N.A.	N.A.
Super-annuation Fund/ NPS	-	Not Applicable	N.A.	0	N.A.	N.A.

3. Accessibility of workplaces Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Not Applicable, as no differently abled employees are in the employment of the Company.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Not Applicable

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention Rate
Male	Not applicable		Not applicable	
Female				
<b>Total</b>				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes / No If Yes, then give details of the mechanism in brief
Permanent workers	The Company does not have workers
Other than permanent workers	The Company does not have workers
Permanent employees	Yes - Any employee having issues with /related to work may contact senior management freely.
Other than permanent employees	The Company does not have employees other than Permanent Employees.

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity :**

Category	FY2023-24			FY2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	-	-	-	-	-	-
- Male	5	-	-	5	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers	-	-	-	-	-	-
- Male	Not applicable.					
- Female						

**8. Details of training given to employees and workers :**

Category	FY2023-24					FY2022-23				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (F / D)
	<b>Employees</b>									
Male	5	4	80%	3	60%	-	-	-	4	80%
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-
	<b>Workers</b>									
Male	Not applicable.									
Female										
<b>Total</b>										

**9. Details of performance and career development reviews of employees and worker:**

Category	FY2023-24			FY2022-23		
	Total(A)	Number(B)	% (B / A)	Total(C)	Number(D)	% (C / D)
<b>Employees</b>						
Male	5	5	100%	-	-	-
Female	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Workers</b>						
Male	Not applicable					
Female						
<b>Total</b>						

**10. Health and safety management system :**

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No).**  
If yes, the coverage such system?–  
No, the nature of the operations of the Company do not involve any critical occupational health and safety risks.
- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**  
Not Applicable
- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)-**  
Not applicable
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?(Yes/ No)-**  
Yes

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY2023-24	FY2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	Not applicable	Not applicable
Total recordable work-related injuries	Employees	-	-
	Workers	Not applicable	Not applicable
No. of fatalities	Employees	-	-
	Workers	Not applicable	Not applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	Not applicable	Not applicable

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company provides a safe and healthy work place to its employees.

**13. Number of Complaints on the following made by employees and workers:**

Category	FY2023-24			FY2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL					
Health & Safety						

**14. Assessments for the year :**

Filed during the year	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

**15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

There were no safety related incidents or risks/concerns related to health and safety.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees(Y/N) (B) Workers (Y/N)**

No

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company does not have value chain partners.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed insuitable employment or whose family members have been placed in suitable employment :**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	NIL			
Workers				



**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Not applicable.
Working Conditions	Not applicable.

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The key stake – holder groups have been identified by the Company through materiality exercise.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/others—please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Circulars / Meetings	As & when required	-
Share- holders	No	Meeting	Annual	-
Community around Co's establishment	No	Meeting	Annual	-

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company has always maintained that a constant and proactive engagement with key stakeholders enables the Company to better communicate its strategies and performance. A continuous engagement helps align expectations, thereby enabling the Company to better serve its stakeholders. The Board is provided with feedback from consultation from time to time by the senior management.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. The issues pertaining to economic, environmental and social topics have been identified and incorporated.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Not Applicable

PRINCIPLE 5: Businesses should respect and promote human rights

## Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
<b>Total Employees</b>	-	-	-	-	-	-
<b>Workers</b>						
Permanent	Not applicable.					
Other than permanent						
<b>Total Workers</b>						

2. Details of minimum wages paid to employees and workers, in the following format :

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	5	Not Applicable	Yes	100%	5	Not Applicable	Yes	100%		
Female	-	-	-	-	-	-	-	-	-	-
<b>Other than Permanent</b>										
Male	Not applicable.									
Female										
<b>Workers</b>										
<b>Permanent</b>										
Male	Not applicable.									
Female										
<b>Other than Permanent</b>										
Male	Not applicable.									
Female										

3. Details of remuneration/salary/wages, in the following format :

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) *	6	NA	2	NA
Key Managerial Personnel	2	21.75 Lacs	0	NA
Employees other than BoD and KMP	3	22.25 Lacs	0	NA
Workers	0	0	0	NA

\* Members of Board are entitled to fee for attending meetings of Board and Committees thereof only.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

No.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company is committed to maintaining a safe and harmonious business environment and work place for everyone irrespective of ethnicity, region, race, caste, gender, religion, disability sexual orientation etc.

6. Number of Complaints on the following made by employees and workers :

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL					
Discrimination at workplace						
Child Labour						
Forced Labour/ Involuntary Labour						
Wages						
Other Human Rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a Whistle Blower Policy to prevent adverse consequences to the complainant in discrimination and harassment cases.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0.00%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable.

**Leadership Indicators**

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

None, due to NIL grievance.

2. Details of the scope and coverage of any Human rights due diligence conducted.

None.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners :

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	Not applicable
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

None.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total electricity consumption (A)	Negligible	Negligible
Total fuel consumption (B)	Not applicable	Not applicable
Energy consumption through other sources (C)	Not applicable	Not applicable
Total Energy Consumed (A+B+C)	Negligible	Negligible

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

Not applicable.

3. Provide details of the following disclosures related to water, in the following format:

The Company's usage of water is primarily restricted to employees' consumption purposes.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Not Applicable.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format :

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	The Company is a non-banking financial co. and its direct emissions are very much limited.		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format :**

Parameter	Unit	FY 2023- 24	FY 2022-23
Total Scope 1 emissions (Break- up of the GHG into CO2, CH4, N2O,HFCs, PFCs, SF6, NF3, if available)		NIL	None
Total Scope 2 emissions (Break- up of the GHG into CO2, CH4, N2O,HFCs, PFCs, SF6, NF3, if available)		NIL	None
Total Scope 1 and Scope 2 emissions per rupee of turnover		Negligible	Negligible
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details :**

No

**8. Provide details related to waste management by the entity, in the following format :**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Negligible	Negligible
E-waste (B)	Negligible	Negligible
Bio-medical waste (C)	Not applicable	Not applicable
Construction and demolition waste (D)	Not applicable	Not applicable
Battery waste (E)	Not applicable	Not applicable
Radioactive waste (F)	Not applicable	Not applicable
Other Hazardous waste. Please specify, if any. (G)	Not applicable	Not applicable
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Not applicable	Not applicable
<b>Total (A+B + C + D + E + F + G+ H)</b>	Negligible	Negligible

Parameter	FY 2023-24	FY 2022-23
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	Not available	Not available
(ii) Re-used	Not available	Not available
(iii) Other recovery operations	Not available	Not available
<b>Total</b>	Not available	Not available
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	Not applicable	Not applicable
(ii) Landfilling	Not applicable	Not applicable
(iii) Other disposal operations	Not applicable	Not applicable
<b>Total</b>	Not applicable	Not applicable

- 9.** Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes :

Not applicable.

- 10.** If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format :

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, thereasons thereof and corrective action taken, if any.
Not applicable.			

- 11.** Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year :

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable.					

- 12.** Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format :

Not applicable.

#### Leadership Indicators

- 1.** Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format :

Parameter	FY 2023-24	FY 2022-23
Total electricity consumption (A)	Negligible	Negligible
Total fuel consumption (B)	Not applicable	Not applicable
Energy consumption through other sources(C)	Not applicable	Not applicable
<b>Total Energy Consumed (A+B+C)</b>	Negligible	Negligible

- 2.** Provide the following details related to water discharged:

Not applicable.

- 3.** Water withdrawal, consumption and discharge in areas of water stress (in kilolitres) :

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge

Not applicable.

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023- 24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)		Not applicable	Not applicable
Total Scope 3 emissions per rupee of turnover		Negligible	Not available
Total Scope 3 emission intensity (optional) – therelevant metric may be selected by the entity			

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, providedetails of significant direct & indirect impact of the entity on biodiversity in such areas along-with preventionand remediation activities :**

Not applicable.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please providedetails of the same as well as outcome of such initiatives, as per the following format :**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be providedalong-with summary)	Outcome of the initiative
1	None	Not applicable	Not applicable

**7. Does the entity have a business continuity and disaster management plan?**

Yes

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard :**

No such impact as the entity has no value chain.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts :**

Not applicable.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of suchbody) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
	NIL	

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by theentity, based on adverse orders from regulatory authorities.**

Name of Authority	Brief of Case	Corrective action taken
Not Applicable		

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

Not applicable

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of the project	SIA notification No.	Date of notification	Whether conducted by an external agency (Yes/No)	Results communicated on the public domain (Yes/No)	Relevant web link
Not applicable.					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% PAFs covered by R&R	Amount paid to the PAFs in FY (In Rs)
Not applicable.					

**3. Describe the mechanisms to receive and redress grievances of the community:**

The Company is committed to contributing to the empowerment of institutions which serve the community.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers :**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	Not applicable.	
Sourced directly from within the district and neighbouring districts		

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above) :**

Details of negative social impact identified	Corrective action taken
Not applicable	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies :**

State	Aspirational District	Amount Spent (Rs in lacs)
Not Applicable	Not Applicable	NIL

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) :**

No

**(b) From which marginalized /vulnerable groups do you procure?**

Not applicable.



(c) What percentage of total procurement (by value) does it constitute?

Not applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge :

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved :

Name of authority	Brief of the case	Corrective action taken
None.		

6. Details of beneficiaries of CSR Projects :

S. No.	Beneficiary	Project Name	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
	Not Applicable this financial year	-	-	-

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

**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company does not have a customer interface as it is not involved in consumer product sale / distribution.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about :

	As a percentage of total turnover
Environmental and social parameters relevant to the product	Not applicable.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy			NIL			
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

**4. Details of instances of product recalls on account of safety issues :**

	Number	Reasons for recall
Voluntary recalls	Not applicable.	
Forced recalls		

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. It is not hosted on the website of the Company.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Not applicable.

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide weblink, if available).**

The Company is an investment company and does not deal in any consumer products.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not applicable.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not applicable.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not applicable.

**5. Provide the following information relating to data breaches:**

**a) Number of instances of data breaches along-with impact.**

NIL.

**b) Percentage of data breaches involving personally identifiable information of customers.**

NIL.

## **CORPORATE GOVERNANCE REPORT**

The Board of N.B.I. Industrial Finance Company Limited (“Company”) is pleased to present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2024. This Report includes a review of how corporate governance acts as the foundation for our corporate activity and is embedded in our business and the decisions we make. Corporate governance is all 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.

### **(A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long-term success. We believe that corporate governance is a continuous journey towards sustainable value creation for all the stakeholders, which is driven by our values and built on the foundation of Assurance. Our Corporate Governance principles are a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values and built on the foundation of assurance. The Board of Directors (“Board”) helps to ensure that we have appropriate governance in place, both to support our operations and protect our Members' interest. 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. 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. The requirements under the Listing Regulations mandated by the Securities and Exchange Board of India (“SEBI”) have been fully complied with. 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.

### **(B) 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 members of the Board of the Company are eminent personalities from various fields. 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. None of the directors draw remuneration except sitting fees for Board / Committee meetings.

### **Composition**

The composition of the Board is in conformity with Regulation 17 and Regulation 17A of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013. In terms of the provisions of the Act and the SEBI Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis. The Board comprises of Independent and Non- Independent Directors. The directors are persons of eminence in areas such as profession, business, industry, finance, law, administration, social work etc. and bring with them experience/skills which add value to the performance of the Board. The directors are selected purely on the basis of merit with no discrimination on race, colour, religion, gender or nationality. The present composition broadly meets this objective. The strength of the Board as on 31<sup>st</sup> March, 2024 was eight (8) members all of whom are Non- Executive Directors. Out of them four (4) are Independent Directors (including one-woman independent director) and four (4) are Non- Independent Directors (including one Woman Director). Shri Ashok Bhandari, Non- Executive Non Independent Director, is the Chairman of the Board.

All Independent Directors make annual disclosure of their Independence to 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. 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 the Companies Act, 2013 and are independent of the management.

**Board Meetings and Attendance of Directors:**

Five Board Meetings were held during the financial year 2023-24 on the following dates:

Sl. No.	Date of Board Meeting	No. of Directors attended
1	24 <sup>th</sup> May, 2023	7
2	9 <sup>th</sup> June, 2023	6
3	11 <sup>th</sup> August, 2023	6
4	20 <sup>th</sup> October, 2023	5
5	2 <sup>nd</sup> February, 2024	7

**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 31<sup>st</sup> March, 2024, are given below:

Sl No.	Name of the Director	Category	No. of Board Meetings attended	Attended last AGM	No. of other Directorship (*)	Number of other Board Committee positions (@)	
						As Chairman	As Member
1	Ashok Bhandari <sup>1</sup>	Non-Executive	4	Yes	7	1	6
2	B.L. Gaggar	Non-Executive	5	Yes	3	-	1
3	Riya Puja Jain	Non-Executive	2	No	0	-	-
4	J.P. Mundra	Non-Executive	5	Yes	5	-	1
5	T.K. Bhattacharya	Independent	5	Yes	1	-	2
6	Debasish Ray	Independent	5	Yes	0	-	-
7	Priyanka Mohta	Independent	4	Yes	2	-	-
8	Sundeep Bhutoria	Independent	1	Yes	3	-	1

- 1 Resigned from the Board as an Independent Director on 04.09.2023 and was appointed as a Non- Executive Director w.e.f. 20.10.2023

**Notes:**

- (\*) 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.

Other details of directors are given below:-

SI No.	Name of the Director	Director Since	DIN	Remuneration			No. of shares held in & convertible instruments held in the Co.
				Salary & other compensation	Sitting fee	Commission	
1	Ashok Bhandari	20-10-2023	00012210	NIL	40,000	NIL	Nil
2	B.L. Gaggar	30-01-2004	00404123	NIL	53,000	NIL	Nil
3	Riya Puja Jain	14-11-2014	01559454	NIL	10,000	NIL	Nil
4	J.P. Mundra	22-09-2012	00630475	NIL	57,000	NIL	Nil
5	T.K. Bhattacharya	29-06-2023	00711665	NIL	65,000	NIL	Nil
6	Debasish Ray	27-04-2019	08387947	NIL	61,000	NIL	Nil
7	Priyanka Mohta	29-08-2020	08853818	NIL	20,000	NIL	Nil
8	Sundeep Bhutoria	21-09-2022	00733800	NIL	5,000	NIL	Nil

Change in composition of the Board during the Current and previous financial year:-

SI No.	Name of the Director	Capacity (i.e., Executive / Non-executive etc)	Nature of Change (resignation, appointment)	Effective date
1	Ashok Bhandari	Non- Executive Independent Director	Resignation	04-09-2023
2	T.K. Bhattacharya	Non- Executive Independent Director	Re- appointment	29-06-2023
3	Ashok Bhandari	Non- Executive Director	Appointment	20-10-2023

None of the directors hold office as a director, including as an alternate director, in more than twenty companies at the same time. None of the Directors on the Board holds directorships in more than ten public companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary companies of a public company are included; while directorships in dormant companies are excluded. For the purpose of reckoning the directorships in listed companies, only equity listed companies have been considered.

As per declarations received, no director serves as an independent director in more than seven equity listed companies or in more than three equity listed companies if he/she is a whole-time director/managing director in any listed company.

None of the directors was a member in more than ten committees, nor a chairperson in more than five committees across all public companies in which he/she was a director.

Notwithstanding the number of directorships, as highlighted herein, the attendance record and participation of the directors in Board/Committee meetings indicates their commitment and ability to devote adequate time to their responsibilities as Board/Committee members.

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 alongwith category of directorship:

Sl No.	Name of the Director	Name of the Listed Entities	Category of Directorship
1	Ashok Bhandari	1) Maharashtra Seamless Ltd 2) J. G. Chemicals Ltd 3) Rupa & Co. Ltd. 4) Skipper Ltd. 5) IFB Industries Ltd.	1) Independent Director 2) Independent Director 3) Independent Director 4) Independent Director 5) Independent Director
2	Riya Puja Jain	NIL	NIL
3	B.L. Gaggar	NIL	NIL
4	J.P. Mundra	Western India Commercial Co. Ltd.	Non-Executive Non-Independent Director
5	T.K. Bhattacharya	Western India Commercial Co. Ltd.	Non-Executive-Independent Director
6	Debasish Ray	NIL	NIL
7	Priyanka Mohta	NIL	NIL
8	Sundeep Bhutoria	Petronet LNG Ltd	Independent Director

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/Competencies of Directors

As per the SEBI Listing Regulations, the Board of Directors of the Company has identified the below mentioned skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

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, culture, regulatory framework and a broad perspective on market opportunities including exposure in the secondary market.
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
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

The above skills / expertise / competencies identified by the Company are also actually available with the Board as under:-

Name of the Director	Financial, Regulatory / Legal & Risk Management	Strategy and strategic planning	Business Exposure	Leadership	Mergers and Acquisitions	Corporate Governance
Ashok Bhandari	✓	✓	✓	✓	✓	✓
Riya Puja Jain	✓		✓			✓
B.L. Gaggar	✓	✓	✓	✓		✓
J.P. Mundra	✓	✓	✓		✓	✓
T.K. Bhattacharya	✓				✓	✓
Debasish Ray	✓		✓		✓	✓
Sundeep Bhutoria	✓	✓		✓		✓
Priyanka Mohta	✓	✓			✓	✓

### **Independent Directors**

Eminent people having an independent standing in their respective profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee (NRC) of the Company, for appointment as Independent Director on the Board. The NRC, inter alia, considers qualifications, positive attributes, experience, area of expertise, duties as Directors or Committee members.



**Maximum tenure of Independent Directors**

In terms of the Act, independent directors shall hold office for a term of up to five consecutive years on the Board of a company, but shall be eligible for re-appointment for a second term of upto five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. The tenure of the independent directors is in accordance with the provisions of the Act. Shri Debasish Ray has been re- appointed by the Board for a second term of five years during the year.

**Formal letter of appointment to independent directors**

The Company issues a formal letter of appointment/re-appointment to independent directors in the manner provided in the Act. As per regulation 46(2) of the SEBI Listing Regulations, the terms and conditions of appointment/ re-appointment of independent directors are placed on the Company's website.

**Other Directorships**

None of the Directors is a director in more than 10 public limited companies or acts as an independent director in more than 7 listed companies. Further, none of the Directors acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all public limited companies in which he/she is a director.

**Code of Conduct**

The Company has in place a comprehensive Code of Conduct and the 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, 2024. 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)

**(C) Committees of the Board**

Details of the various Committees of the Board of Directors of the Company as on 31<sup>st</sup> March, 2024 are as under. Each Committee of the Board is guided by its charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval. During the financial year 2023-24, the Board constituted certain Committees as required by the Reserve Bank of India's directives, namely Assets Liability Supervisory Committee, Investment/Credit Committee and Grievance Redressal Mechanism Committee.

The Board has constituted following Committees of Directors:

- 1) Audit Committee,
- 2) Nomination and Remuneration Committee,
- 3) Stakeholders Relationship Committee,
- 4) Risk Management Committee,
- 5) Corporate Social Responsibility Committee,
- 6) Assets Liability Supervisory Committee,
- 7) Investment/Credit Committee and
- 8) Grievance Redressal Mechanism Committee

### 1. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act. The Audit Committee as on 31<sup>st</sup> March, 2024 comprises of two 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.

### Constitution of the Audit Committee

The Composition of the Committee, together with the details of the attendance of each member during the year 2023-24 is given below:

Sl No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	T.K. Bhattacharya	30-Jun-2018	Chairman	Non-Executive Independent Director	5	5	Nil
2	Debasish Ray	27-Apr-2019	Member	Non-Executive Independent Director	5	5	Nil
3	J.P. Mundra	04-Feb-2015	Member	Non-Executive Non-Independent Director	5	5	Nil
4	Ashok Bhandari	29-Aug-2020	Member-resigned w.e.f. 04-09-2023	Non-Executive Independent Director	3	3	Nil

**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 the 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 Rs.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 or as may be referred/assigned by the Board.

**Meetings of the Audit Committee**

Five Audit Committee Meetings were held during the financial year 2023-24 on the following dates:

- ✓ 24<sup>th</sup> May, 2023
- ✓ 9<sup>th</sup> June, 2023
- ✓ 11<sup>th</sup> August, 2023
- ✓ 20<sup>th</sup> October, 2023
- ✓ 2<sup>th</sup> February, 2024

**2. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee (NRC) of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. 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 conditions of appointment 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 2023-24. The remuneration 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.

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 2023-24 is given below:

Sl No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	T.K. Bhattacharya	30-Jun-2018	Chairman	Non- Executive Independent Director	2	2	Nil
2	Ashok Bhandari	29-Aug-2020	Member-resigned w.e.f. 04-09-2023	Non- Executive Independent Director	2	1	Nil
3	Debasish Ray	27-Apr-2019	Member	Non- Executive Independent Director	2	2	Nil
4	B.L. Gaggar	14-Nov-2018	Member	Non-Executive Non-Independent Director	2	2	Nil

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

Two NRC Meetings were held during the financial year 2023-24 on the following dates:

- ✓ 23<sup>rd</sup> May, 2023
- ✓ 19<sup>th</sup> October, 2023

**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.

Details of meeting fees paid to the Directors for the year ended 31<sup>st</sup> March, 2024:

Director	Category	Sitting Fees (Rs)
Ashok Bhandari	Non- Executive Non-Independent Director	40,000
B.L. Gaggar	Non- Executive Non-Independent Director	53,000
Riya Puja Jain	Non- Executive Non-Independent Director	10,000
J.P. Mundra	Non- Executive Non-Independent Director	57,000
T.K. Bhattacharya	Non- Executive -Independent Director	65,000
Debasish Ray	Non- Executive -Independent Director	61,000
Sundeep Bhutoria	Non- Executive –Independent Director	5,000
Priyanka Mohta	Non- Executive –Independent Director	20,000
	<b>Total</b>	<b>3,11,000</b>

**3. Stakeholders Relationship Committee**

The composition of the Stakeholders' Relationship Committee (SRC) of the Board is in line with the prescribed provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations. The Committee *inter alia* approves transposition & 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 2023-24 is given below:

SI No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	B. L. Gaggar	04-Feb-2015	Chairman	Non-Executive Non-Independent Director	2	2	Nil
2	T.K. Bhattacharya	14-Aug-2019	Member	Non- Executive Independent Director	2	2	Nil
3	J.P. Mundra	14-Nov-2018	Member	Non-Executive Non-Independent Director	2	2	Nil

**Meetings of the Stakeholders Relationship Committee**

Two Stakeholders Relationship Committee Meetings were held during the financial year 2023-24 on-

- 1) 7<sup>th</sup> August, 2023
- 2) 1<sup>st</sup> February, 2024

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

<b>Name</b>	Ashish Kedia
<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 transmission/transpositions as at the end of the year.

**4. Risk Management Committee**

The Risk Management Committee has been constituted in line with Regulation 21 of the Listing Regulations. The Company has come within the top 1000 listed entities by market capitalization as on 31<sup>st</sup> March, 2021 and the requirement to comply with Regulation 21 of the Listing Regulations has become mandatory.

**Constitution of the Risk Management Committee**

The Composition of the Committee during the year 2023-24 is given below:

Sl No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	Ashok Bhandari	14-Aug-2021	Chairman – resigned w.e.f 04-09-2023	Non- Executive Independent Director	1	1	Nil
2	Debasish Ray	20-Oct-2023	Chairman w.e.f. 20.10.2023	Non- Executive Independent Director	2	1	Nil
3	B. L. Gaggar	14-Aug-2021	Member	Non-Executive Non-Independent Director	2	2	Nil
4	S. P. Kumar	14-Aug-2021	Member	Manager & CFO	2	2	Nil

The primary role and responsibility of the Risk Management Committee is:

- i. To formulate risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- ii. To review that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems and processes;
- iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vi. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and



- vii. Such other aspects as the Board may consider appropriate and require from the Committee from time to time.
- viii. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

**Terms of Reference:**

The brief terms of reference of the Risk Management Committee are outlined here under:

- review of strategic risks arising out of adverse business decisions and lack of responsiveness to changes;
  - review of operational risks;
  - review of financial and reporting risks:
  - review of compliance risks;
  - review or discuss the Company's risk philosophy and the quantum of risk, on a broad level that the Company, as an organization, is willing to accept in pursuit of stakeholder value;
  - inquiring about existing risk management processes and review the effectiveness of those processes in identifying, assessing and managing the Company's most significant enterprise-wide risk exposures;
  - review periodically key risk indicators and management response thereto.

**5. 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 details of the members of the CSR Committee and their attendance at the meeting during the year 2023-24 is given below:

Sl No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	T.K. Bhattacharya	14-Aug-2018	Chairman	Non- Executive Independent Director	1	1	Nil
2	B. L. Gaggar	29-Apr-2017	Member	Non-Executive Non-Independent Director	1	1	Nil
3	J.P. Mundra	29-Apr-2017	Member	Non-Executive Non-Independent Director	1	1	Nil
4	Debasish Ray	27-Apr-2019	Member	Non- Executive Independent Director	1	1	Nil

The Annual Report on CSR Activities as required under the Companies Act, 2013 for the year ended 31<sup>st</sup> March, 2024 is attached to the Board's Report.

#### Meeting of the Corporate Social Responsibility (CSR) Committee

One CSR Committee Meeting was held during the financial year 2023-24 on 28<sup>th</sup> February, 2024.

#### 6. Assets Liability Supervisory Committee

In accordance with the Reserve Bank of India guidelines, an Asset Liability Supervisory Committee of the Board has been constituted for implementation of the Asset Liability Management system and to review its functions periodically. As on 31st March, 2024, the Committee comprises of Mr. Ashok Bhandari, Non-Executive Non-Independent Director, Mr. B. L. Gaggar and Mr. J. P. Mundra as members. Details of their attendance at the meetings of the Committee during the year 2023-24 are as follows:-

Sl No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	Ashok Bhandari	12-Aug-2022	Chairman-resigned w.e.f 04-09-2023	Non- Executive Independent Director	2	2	Nil
2	Ashok Bhandari	20-Oct-2023	Chairman-w.e.f 20-10-2023	Non-Executive Non-Independent Director	4	2	Nil
3	B. L. Gaggar	12-Aug-2022	Member	Non-Executive Non-Independent Director	4	4	Nil
4	J.P. Mundra	12-Aug-2022	Member	Non-Executive Non-Independent Director	4	4	Nil

The primary role and responsibility of the Committee is:

- Understanding business requirement and devising appropriate pricing strategies

- Management of profitability by maintaining relevant Net interest margins (NIM)
- Ensuring Liquidity through maturity matching.
- Management of balance sheet in accordance with internal policies and applicable regulatory requirements.
- Ensuring efficient implementation of balance sheet management policies.
- Review reports on liquidity, market risk and capital management.
- To identify balance sheet management issues that are leading to under-performance and ensure corrective action.
- Ensuring appropriate mix of different forms of debt i.e., Bank Loans, Commercial Paper, Non-Convertible Debentures, etc.
- Giving directions to the ALM team on the interest rate risk.
- ALCO delegates the daily management of liquidity risk and interest rate risk to ALM team.
- Approving major decisions affecting NBI's risk profile or exposure (product pricing for advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by peer NBFCs for the similar services/product, etc).
- Satisfy itself that the less fundamental risks are being actively managed, with the appropriate controls in place and working effectively.
- Articulate the current interest rate review and formulate future business strategy on this view.

#### 7. Investment/Credit Committee

In accordance with the Reserve Bank of India guidelines, an Investment/Credit Committee of the Board has been constituted for implementation of the Policy which will govern all investments, including statutory investments, to be made by NBI. As on 31st March, 2024, the Committee comprises of Mr. Debasish Ray (Chairman), Mr. B. L. Gaggar and Mr. J. P. Mundra as members. Details of their attendance at the meetings of the Committee are as under:-

SI No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	Ashok Bhandari	12-Aug-2022	Chairman resigned w.e.f 04-09-2023	Non- Executive Independent Director	2	2	Nil
2	Debasish Ray	20-Oct-2023	Chairman w.e.f. 20-10-2023	Non- Executive Independent Director	4	2	Nil
3	B. L. Gaggar	12-Aug-2022	Member	Non-Executive Non-Independent Director	4	4	Nil
4	J.P. Mundra	12-Aug-2022	Member	Non-Executive Non-Independent Director	4	4	Nil

**8. Grievance Redressal Mechanism Committee**

In accordance with the Reserve Bank of India guidelines, a Grievance Redressal Mechanism Committee of the Board has been constituted for resolving the grievances of the customers. As on 31st March, 2024, the Committee comprises of Mr. Debasish Ray (Chairman), Mr. B. L. Gaggar and Mr. T. K. Bhattacharya as members. Details of their attendance at the meetings of the Committee are as follows:-

Sl No	Name of Director	Member of Committee since	Designation	Capacity (i.e., Executive / Non-executive etc)	Number of Meetings of the Committee		No. of shares held in the Co.
					Held	Attended	
1	Ashok Bhandari	12-Aug-2022	Chairman resigned w.e.f 04-09-2023	Non-Executive Independent Director	2	2	Nil
2	Debasish Ray	20-Oct-2023	Chairman w.e.f. 20-10-2023	Non- Executive Independent Director	4	2	Nil
3	B. L. Gaggar	12-Aug-2022	Member	Non-Executive Non-Independent Director	4	4	Nil
4	T.K. Bhattacharya	12-Aug-2022	Member	Non-Executive Independent Director	4	4	Nil

**(D) Details of General Body Meeting****Annual General Meeting (AGM)**

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
31 <sup>st</sup> March, 2023	Monday, 21 <sup>st</sup> August, 2023 at 10:30 A.M.	21, Strand Road, Kolkata – 700 001	Yes
31 <sup>st</sup> March, 2022	Tuesday, 30 <sup>th</sup> August, 2022 at 4:00 P.M.	21, Strand Road, Kolkata – 700 001	No
31 <sup>st</sup> March, 2021	Thursday, 23 <sup>rd</sup> September, 2021 at 10:30 A.M.	21, Strand Road, Kolkata – 700 001	Yes

**Special Resolutions**

The Special Resolutions passed in the last 3 Annual General Meetings are provided hereunder:

AGM - Day, Date and Time	Details of Special Resolution
Monday, 21 <sup>st</sup> August, 2023 at 10:30 A.M.	To approve re-appointment of Mr. Tapas Kumar Bhattacharya as a Non-Executive Independent Director.
Tuesday, 30 <sup>th</sup> August, 2022 at 4:00 P.M.	None
Thursday, 23 <sup>rd</sup> September, 2021 at 10:30 A.M.	To confirm appointment of Smt. Priyanka Mohta as an Independent Director.

**Postal Ballot Notice**

During the financial year, the following Ordinary Resolution was passed by the Shareholders by requisite majority by way of postal ballot. The Board of Directors of the Company appointed Mr. Rohit Kumarr Mundhra, Practicing Chartered Accountant, partner of M/s. ASRM & Co., as the Scrutinizer for scrutinizing the postal ballot. Brief details pertaining to the said postal ballot are provided below:

Particulars	Appointment of Mr. Ashok Bhandari as a Non-Executive Non- Independent Director
Date of Postal Ballot Notice	20 <sup>th</sup> October, 2023
Period of e-voting	22 <sup>nd</sup> November, 2023 to 21 <sup>st</sup> December, 2023
Date of declaration of results	22 <sup>nd</sup> December, 2023

The results of the postal ballot are as follows:-

Resolution	Votes in favour of the Resolution		Votes against the Resolution	
	Number of shares	Percentage	Number of shares	Percentage
Resolution No 1	1983564	99.96	706	0.04

➤ No Special Resolution is proposed to be passed by postal ballot.

Further, the following Special Resolution for re-appointment of Mr. Debasish Ray as a Non-Executive Independent Director was proposed by the Board through Postal Ballot. The Board of Directors of the Company appointed Mr. Rohit Kumarr Mundhra, Practicing Chartered Accountant, partner of M/s. ASRM & Co., as the Scrutinizer for scrutinizing the postal ballot. Brief details pertaining to the said postal ballot are provided below:

Particulars	Appointment of Mr. Debasish Ray as a Non-Executive Independent Director
Date of Postal Ballot Notice	16 <sup>th</sup> April, 2024
Period of e-voting	19 <sup>th</sup> April, 2024 to 18 <sup>th</sup> May, 2024

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

It has been decided to enable e-voting to all the demat account holders, via a single login credential, through their demat accounts/websites of Depositories/ Depository Participants. Demat account holders will be able to cast their vote without having to register again with the e-voting service providers (ESPs). This will not only facilitate seamless authentication but also enhance the ease and convenience of participating in the e-voting process.

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 cut-off date i.e. 9<sup>th</sup> August, 2024 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.

**(E) 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 Arthiklipi.

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.

**General Shareholders' Information**

Annual General Meeting	Friday, the 16 <sup>th</sup> August, 2024 at 10.30 A.M. at 21, Strand Road, Kolkata – 700 001 Book Closure Dates: 10.08.2024 to 16.08.2024 (both days inclusive) E-voting Dates: 13.08.2024 to 15.08.2024
Financial Year	2023-24
Dividend payment date	On or after 27 <sup>th</sup> August, 2024
Listing on Stock Exchange	<u>The Equity Shares of the Company are listed on:</u> 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 2024-25.
Stock Code	NSE Symbol:NBIFIN
ISIN	<b>INE365I01020</b>
Dividend payment	A dividend of Rs. 0.50 per share (10%) for the year ended 31st March, 2024 on the existing Ordinary Share Capital of Rs. 122.84 lacs, if approved, would be paid, in case of shares held in physical form, to those Members whose names appear on the Register of Members on 9th August, 2024, after giving effect to the transfers lodged and found to be complete and in order. In respect of shares held in electronic form, dividend would be paid to the beneficial owners of shares as at the end of business hours on 9th August, 2024, as furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd.

### **Unclaimed Dividend**

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website.

The Members who have a claim on above dividends and/or shares are requested to follow the below process:

1. Submit self-attested copies of documents provided in IEPF 5 helpkit, which is available on IEPF website ([www.iepf.gov.in](http://www.iepf.gov.in)) to the Company / Registrar and Transfer Agent (RTA).
2. After verification of the aforesaid documents submitted, Company will issue an entitlement letter.
3. File Form IEPF-5 on IEPF website and send self-attested copies of IEPF-5 form along with the acknowledgement (SRN), Indemnity bond and entitlement letter to Company.
4. On receipt of the physical documents mentioned above, Company will submit e-Verification report, for further processing by the IEPF Authority.

Members are requested to note that no claims shall lie against the Company in respect of the dividend/shares transferred to IEPF.

The following table give information relating to outstanding dividend and the last date by which it can be claimed by the shareholders from the Company's RTA:

Year	Type of Dividend	Dividend per share of Rs.10/- (Rs)	Dividend per share of Rs.5/- (Rs)	Date of declaration of Dividend	Dividend amount unpaid as on 31.03.2024 (Rs)	Last date for transfer of unpaid dividend in Investor Education and Protection Fund
2016-17	Final	1/-	-	16.09.2017	1,61,953	21.10.2024
2022-23	Final	-	0.40	21.08.2023	1,01,285	20.09.2030

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.

#### GENERAL INFORMATION TO SHAREHOLDERS

Tentative Financial Calendar for the year 2024-25

Financial Year	1 <sup>st</sup> April, 2024 - 31 <sup>st</sup> March, 2025
First quarter results	Within 45 days of the end of the quarter
Second Quarter and Half-yearly results	
Third quarter results	
Fourth quarter & Annual results	Within 60 days of the end of the financial year

#### Listing of Shares:

The Equity shares of the Company are listed at the National Stock Exchange of India Ltd. (NSE).

The Company's Stock code is : NBIFIN

The security of the Company was never suspended from trading during the year 2023-24.

**Corporate Identity Number (CIN):** L65923WB1936PLC065596



**Market Price Data during financial year 2023-2024:**

Month	High	Low
April, 2023	1515.00	1406.05
May, 2023	1608.00	1430.00
June, 2023	1580.00	1400.00
July, 2023	1586.70	1449.70
August, 2023	1988.75	1455.05
September, 2023	1984.40	1705.10
October, 2023	1881.90	1675.00
November, 2023	1999.00	1714.15
December, 2023	1961.00	1797.40
January, 2024	2030.00	1810.00
February, 2024	2014.00	1702.70
March, 2024	1936.65	1723.20

**Registrar and Share Transfer Agents (RTA)**

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, 5<sup>th</sup> 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

**Penalties and Strictures**

The National Stock exchange of India has imposed a Penalty of Rs. 8.26 lacs for alleged delay in compliance of Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has filed an appeal against the order of the National Stock exchange in the Securities Appellate Tribunal.

**Share Transfer System**

## a) Transfer of Securities held in physical Mode

As per SEBI norms, all requests for transfer of securities including transmission and transposition shall be processed only in dematerialised form. Further, all requests for duplicate issuance, splitting and consolidation too will be processed in demat mode only.

## b) Nomination facility for shareholding

As per the provision of the Act, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form shall file Form No SH -13 to the RTA of the Company. Members holding shares in dematerialized form should contact their Depository Participant (DP) in this regard.

## c) Reconciliation of Share Capital

As required by the Securities & Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by an independent external Auditor (Practicing Company Secretary) with a view to reconcile the total share capital admitted with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and shares held in physical form, with the issued and listed capital. The Auditors Certificates in regard to the same are submitted to NSE, from time to time.

Distribution of Shareholding as on 31/03/2024				
Share Holding	No of Holders	% age	No of Shares	% age
Upto 500	5794	97.69	2,59,567	10.57
501 to 1000	80	1.34	59,389	2.42
1001 to 2000	28	0.47	40,235	1.64
2001 to 3000	6	0.10	15,222	0.62
3001 to 4000	1	0.01	3,642	0.15
4001 to 5000	2	0.03	8,800	0.36
5001 to 10000	5	0.08	34,515	1.40
Above 10000	15	0.25	20,35,436	82.84
<b>Grand Total</b>	<b>5931</b>	<b>100.00</b>	<b>24,56,806</b>	<b>100.00</b>

**Dematerialisation of Shares and Liquidity**

As on 31<sup>st</sup> March, 2024, 89.59% of the Company's total equity shares representing 22,01,101 equity shares were held in dematerialized form and the rest were in physical form. 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).

Status of total number of shares dematerialized and in physical form as on **31<sup>st</sup> March 2024:**

Depository	No. of Shares	% of Paid up Capital
NSDL	20,41,101	83.08
CDSL	1,60,000	6.51
Physical	2,55,705	10.41
<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.

**Secretarial Audit**

Pursuant to Section 204 of the Companies Act, 2013 and Rules framed thereunder, Ms. Sneha Agarwal, Practicing Company Secretary was appointed by the Company to conduct Secretarial

Audit of records and documents of the Company for the financial year 2023-24. 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 on quarterly basis to reconcile the total admitted capital with NSDL & CDSL and total paid up 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.

**Address for Correspondence**

Company Secretary
Ashish Kedia
21, Strand Road, Kolkata – 700 001
Tel: 033 -22309601
Email ID: nbifinance@ymail.com
Website: www.nbi-india.co.in

Share transmissions and transpositions 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 lodgement. The same is examined by a Practicing Company Secretary as required under Listing Regulations and its certificate is forwarded to NSE where the Company's shares are listed.

**SEBI Complaints Redress System (SCORES)**

SEBI vide circular dated 3<sup>rd</sup> 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. 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.

**Credit Ratings**

No instances have occurred during the financial year 2023-24 which warrant the Company to obtain Credit Rating.

**(F) Other Disclosures**

- a) During the financial year 2023-24 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 and financial statements.

- b) The Company has adopted the Code of Ethics and Business principles for the members of Board and senior management personnel.
- c) 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, promoters 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.
- d) The Company is in compliance with all the mandatory requirements of the Listing Regulations.
- e) **Certificate from Company Secretary in Practice**  
Ms. Sneha Agarwal, 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 has been debarred or disqualified from being appointed or continuing as director of the company by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report.
- f) 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	Rs. in Lakhs	
	FY 2023-24	FY 2022-23
Audit Fees	1.18	1.20
Tax Audit Fees	0.12	0.10
Others	0.48	0.06

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

**Non-Mandatory / Discretionary requirements of regulation 27(1) & Part E of Schedule II of the SEBI Listing Regulations:**

**Shareholders Rights:**

The quarterly/half yearly results are not sent to the shareholders. However, the same are sent to the NSE and are also posted on the Company's website.

**Auditor's Opinion:**

The Company's financial statements for the financial year 2023-24 do not contain any audit qualification.

**Reporting of internal auditor:**

The internal auditors report to the Audit Committee.

**Code for Prohibition 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. The Company Secretary is the "Compliance Officer". The Code of Conduct is applicable to all Directors and designated persons as defined in the Code of Conduct.

**Compliance Certificate on Corporate Governance**

As required by provisions of the Listing Regulations, the *Compliance Certificate on Corporate Governance* is annexed to this Report.

**CEO and CFO Certification**

The Chief Financial Officer 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 OF NON DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members  
N.B.I. Industrial Finance Company Ltd.  
(CIN: L65923WB1936PLC065596)

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), I hereby certify that:

On the basis of the written representation / declaration received from the directors as on March 31, 2024, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the company by the SEBI / Ministry of Corporate Affairs or any other statutory authority.

Signature: Sd/-

Name : Sneha Agarwal  
ACS No. : 38284  
CP No : 14914

Place : Kolkata  
Date : 24.04.2024

UDIN : A038284F000226186  
PEER REVIEW NO- 2479/2022

**CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE**

To  
The Members of  
**N.B.I. Industrial Finance Company Ltd**

I, Sneha Agarwal, Company Secretary in Practice, the Secretarial Auditor of N.B.I. Industrial Finance Company Ltd (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) 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 “Listing Regulations”).

**Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

My responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations referred to in above paragraph. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have examined the 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.

**Opinion**

Based on my examination of the relevant records and according to the information and explanations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C, D and E of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2024.

I 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.

Signature:

Name : Sneha Agarwal  
ACS No. : 38284  
CP No : 14914

Place : Kolkata  
Date : 24.04.2024  
UDIN : A038284F000226351  
PEER REVIEW NO- 2479/2022



## **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 COMPANY LIMITED** 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, 2024. 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: 7<sup>th</sup> May 2024

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

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**GLOBAL ECONOMY AND MARKETS:**

The World Economic Outlook Report of April 2024 from IMF describes the Global Economic situation as “Steady but Slow”. It says as global inflation has descended from its mid-2022 peak, economic activity has grown steadily. Growth in employment and incomes have held steady, resulting in increased consumption demand. The unexpected growth in consumption is a residual effect of the substantial savings accumulated by households during the pandemic.

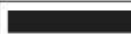


Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025.

Oil prices have remained volatile having risen to near the \$90 per barrel-mark, with supply worries high given the escalating Middle East tensions between Iran and Israel and back-to-back attacks on energy infrastructure between Ukraine and Russia. The price has since corrected but remains above USD 80-85.

**2024 – The year of elections world over:**

2024 is not just an election year. It's perhaps the election year! Globally, more voters than ever in history will head to the polls as at least 64 countries (plus the European Union)—representing a combined population of about 49% of the people in the world—are meant to hold national elections, the results of which, for many, will prove consequential for years to come.

**2024 Elections:**

	Total	Global Share
Number of countries	40	 21%
Population	3.2 billion	 41%
GDP	\$ 44.2 trillion	 42%

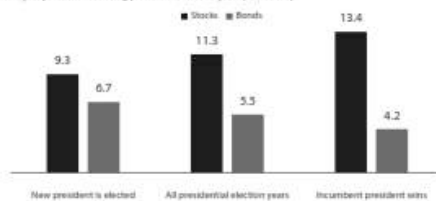
Source: Bloomberg Economics based on IMF forecasts

Figures exclude elections for the European Parliament

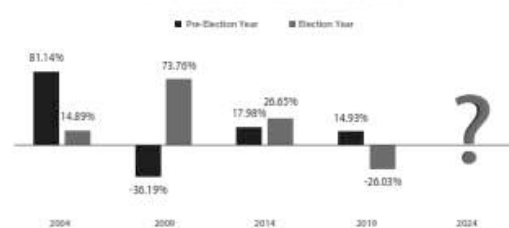
Equity markets tend to perform well in a year when Elections held:

**HISTORIC YEARS**  
**Presidential election years throughout history - USA**

Calendar year performance during presidential election years (1928-2016)



**NIFTY Returns Pre and Post Election**



Source: Morningstar as of 31.12.19 | Stock market represented by S&P 500 and the IA SBBI US Large Cap Index, Source: ACE Equity | Financial Year Returns

**Economic situation in major world markets:**

**Eurozone:**

The Eurozone presents a promising outlook, with economic activity indicators surpassing expectations. Core inflation tracking towards the European Central Bank's target of 2% is supported by various factors including falling energy prices and real wage gains.

**Japan:**

Japan's macroeconomic shift, marked by increasing inflation expectations and wage growth, presents favorable investment opportunities. Corporate behavior reforms driven by initiatives from the Tokyo Stock Exchange contribute to improved return on equity, signaling a positive trajectory for investments in the region.

**United States:**

Despite challenges such as rising default rates on credit obligations, the U.S. economy remains resilient. The S&P 500 Index is poised to continue its upward trajectory, fueled by positive momentum and investor enthusiasm.

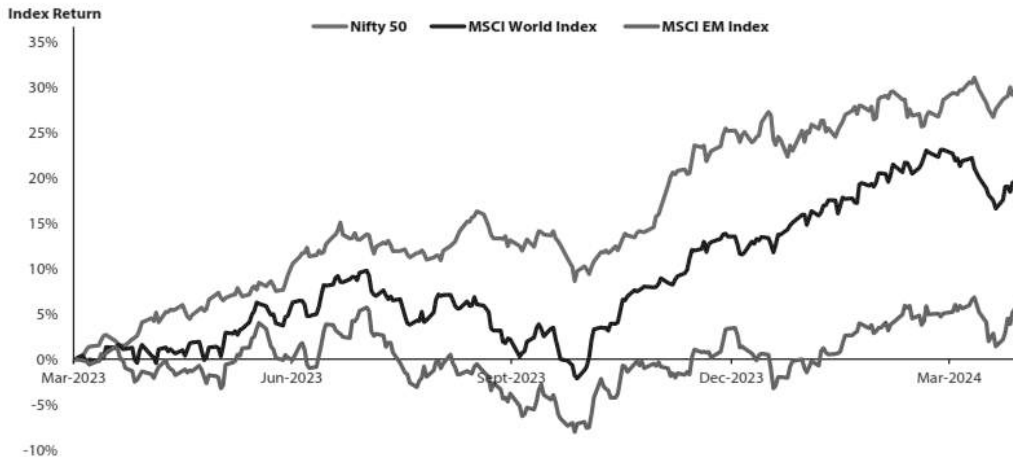
**India:**

India continues to shine as a bright spot. It is the fifth-largest economy in the world and is poised to retain its position as the world's fastest-growing major economy. Its GDP growth remained buoyant at 7.3% in FY 2023-24 as against 7.2% in FY 2022-23 was supported by robust domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. The International Monetary Fund (IMF) commended India's economic resilience, robust growth, and notable progress in formalization and digital infrastructure.

India's economic outlook is optimistic as it reaps the benefits of demographic dividend, physical and digital infrastructure enhancements, increased capital expenditure and the government's proactive policy measures such as Production Linked Incentive (PLI) Schemes. According to the IMF, the Indian economy is expected to expand steadily at 6.5% in 2024.

**Indian Equity Markets FY 23-24:**

The Indian stock market delivered an exceptional year. The Nifty50 spiked up an impressive 28.6% in FY24, outperforming most major market indices globally.



Source: Bloomberg data,

The broader market recorded a much higher return with overall market cap of all listed companies appreciating 47.91%.

Date	31-03-2023	31-03-2024
INR	82.18	83.40
Market Cap In INR - Lacs Crores	257.59	387.02
in USD in bn	3,134.45	4,640.50

**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 and unbanked areas. The sector has 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.

### **COMPANY'S POSITION**

The Company NBI is registered with the RBI as a Non-Banking Financial Institution and is categorized as Non-Deposit taking NBFC" (NBFC-ND). The operations of the company continue to be centered around investments in shares and securities. The main income of the Company is dividend income on long-term investments and profit from sale of investments. The results of the Company's operations for the financial year ended 31<sup>st</sup> March, 2024 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 sale / purchase operations, 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, corporate earnings, stable tax regime, 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 AND THEIR ADEQUACY**

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. All transactions entered into by the Company are duly authorized and recorded correctly. The internal financial controls within the Company are commensurate with the size, scale and complexity of its operations. 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. The Company has robust policies and procedures which, inter alia, ensure integrity in conducting its business, safeguarding of its assets, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and the prevention and detection of frauds and errors.

**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:-

Particulars	Financial Year	
	2024	2023
GNPA (%)	NIL	NIL
NNPA (%)	NIL	NIL
Return on Assets (%)	0.32	0.21
Return on Equity (%)	0.34	0.22
Net Interest Margin (%)	100	100
Current Ratio	2.98	6.12
Debt-Equity Ratio	0.00	0.00
Net Profit Margin (%)	60.70	51.92
EPS	32.02	21.46
Price Earnings Ratio	55.89	67.66

**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.



## **CHATURVEDI & COMPANY**

**CHARTERED ACCOUNTANTS**

**KOLKATA. MUMBAI. DELHI. CHENNAI. KANPUR**

**60, BENTINCK STREET, KOLKATA - 700 069**

**Phone : 2237 - 4060 / 4603 6407**

**E-mail: [hocalcutta@chaturvedico.com](mailto:hocalcutta@chaturvedico.com); [canilimajoshi@gmail.com](mailto:canilimajoshi@gmail.com)**

### **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 31<sup>st</sup> March 2024, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "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 Indian Accounting Standard (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, the profit and other comprehensive income, statement of changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143 (10) of the Act. Our responsibilities under those SAs 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 ("the ICAI") 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.	The Key audit matter	Auditor's Response
1.	<p>Valuation and Existence of Investments –</p> <p>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.</p> <p>Refer Note 6 to the Financial Statements.</p>	<p>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 value.</p> <p>We have also obtained the most recent set of audited financial statements for unquoted investments.</p>

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information obtained at the date of this auditor's report is the Director's report but does not include 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 in the 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 responsibility for the financial statements**

The Company's Management and Board of Directors are responsible for the matter stated in Section 134(5) of the Act with respect to preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with IndAS prescribed under section 133 of the Act and other accounting principles generally accepted in India. 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 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 statements 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 and the Board of Directors are responsible for assessing the ability of the Company 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.

Board of Directors are 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to the financial statements 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 in the financial statements 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.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", 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. 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 my 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, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rules made thereunder.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2024 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 given in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our

opinion and to the best of my information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigation on its financial position in the financial statements - Refer Note no. 35 to the 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 were no amount which were required to be transferred during the year ended 31<sup>st</sup> March 2024 to the Investor Education and Protection Fund by the Company.
- iv. As per the management representation provided, we report,
  - no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("intermediaries"), with the understanding that the intermediaries shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
  - no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
  - Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given by management under the above sub-clauses contain any material mis-statement.
  - The final dividend paid by the company during the year, in respect of the previous year is in accordance with Section 123 of the Act.

As stated in note 40 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year and the same is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

**For Chaturvedi & Co.**  
**Chartered Accountants**  
Firm Registration: 302137E

**Nilima Joshi**  
Partner  
Membership No. 52122  
UDIN : 24052122BKGPTZ2636

Place : Kolkata  
Date : 16/05/2024

**N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED**

**Annexure-'A' to the Independent Auditor's Report for the year ended 31<sup>st</sup> March 2024**

[Referred to in para 1 of the heading 'Report on other legal and regulatory requirements' of our report]

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant & Equipment.  
(B) The company has no intangible assets, hence para 3(i)(a)(B)a of the Order is not applicable to the Company.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified every year. In accordance with this programme, all the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not have any immovable properties. Accordingly, para 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The Company has no inventory hence para 3(ii)(a) of the Order is not applicable to the Company.  
(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the requirement to report on para 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that since the company is in the business of making investments including granting loans in the normal course of its business and further, as it has not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties, the provisions of paragraph 3(iii)(a) to (f) of the Order are not applicable.
- (iv) According to the information and explanations given to us and based on the audit

procedures performed by us, the Company being a Non-banking Finance company, provisions of section 185 and 186 of the Act is not applicable. Thus paragraph 3(iv) of the Order is not applicable.

- (v) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not accepted any deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder apply. Thus paragraph 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Thus paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to the Company. There are no undisputed statutory dues payable in respect of above statutes outstanding as at 31<sup>st</sup> March 2024 for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of income tax, Goods & service tax, cess etc. which have not been deposited as at 31 March, 2024 on account of any dispute except :

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Periods to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax including Penalty	12.02	A.Y 2018-2019 (FY 2017-2018)	CIT ( A )

- (viii) According to information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on para 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or



- borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not been declared will full defaulter by any bank or financial institution or other lender.
  - (c) The company has not raised any funds by way of term loan, hence para 3(ix)(c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations given to us and based on the audit procedures performed by us, no funds raised on short term basis have been used for long term purposes by the Company
  - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on paragraph 3(ix)(e) and (f) of the Order are not applicable to the Company.
- (x) (a) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not raised any money during the year by way of further public offer (including debt instruments). Hence reporting under clause (x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based on the examination of the books and records of the Company and according to the information and explanation given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report
- (c) According to the information and explanation given to us, there were no whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on the audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

- (xiv) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business and report of the Internal Auditors have been considered by us.
- (xv) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company has obtained registration under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Hence reporting under paragraph 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation given to us, none of the group companies are CIC and hence reporting under paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and hence reporting under clause (xviii) of the order is not applicable.
- (xix) According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanation given to us, with respect

to obligations under Corporate social responsibility (CSR), the company is not required to spend towards CSR based on criteria as specified under section 134(5) of the act during the year and there are no such ongoing projects and unspent amount related to it, hence no reporting is required to be reported under the clause (xx)(a) and (xx)(b) of the order.

- (xxi) The preparation of consolidated financial statements is not applicable to the Company. Hence reporting under paragraph (xxi) of the Order is not applicable to the Company.

**For Chaturvedi & Co.**  
**Chartered Accountants**  
Firm Registration: 302137E

**Nilima Joshi**  
Partner  
Membership No. 52122  
UDIN : 24052122BKGPTZ2636

Place : Kolkata  
Date : 16/05/2024

**Annexure B to the Independent Auditor's Report**

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

[Referred to in para 2(f) of the heading 'Report on other legal and regulatory requirements' of our report]

**Opinion**

We have audited the internal financial controls over financial reporting of **N. B. I. Industrial Finance Co. Limited** ('the Company') as of 31<sup>st</sup> March 2024 in conjunction with our audit of the financial statements of the Company for the year then ended.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2024, 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 (the "Guidance Note").

**Management's and Board of Directors' Responsibility for Internal Financial Controls**

The Company's management and Board of Directors are 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. 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 Act.

**Auditors' 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. 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 authorizations 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.

**For Chaturvedi & Co.**  
**Chartered Accountants**  
Firm Registration: 302137E

**Nilima Joshi**  
Partner  
Membership No. 52122  
UDIN : 24052122BKGPTZ2636

Place : Kolkata  
Date : 16/05/2024

**Balance Sheet as at 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Financial assets</b>			
(a) Cash and cash equivalents	4	4.30	3.04
(b) Bank balances other than cash and cash equivalents	5	1.73	55.39
(c) Investments	6	242,577.92	245,701.66
(d) Other financial assets	7	18.03	8.48
<b>TOTAL</b>		<b>242,601.98</b>	<b>245,768.57</b>
<b>Non-financial assets</b>			
(a) Current tax assets (Net)	8	34.91	43.39
(b) Property, plant and equipment	9	0.24	0.30
(c) Other non-financial assets	10	8.88	0.73
<b>TOTAL</b>		<b>44.03</b>	<b>44.42</b>
<b>TOTAL - ASSETS</b>		<b>242,646.01</b>	<b>245,812.99</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
(a) Other financial liabilities	11	16.41	11.91
<b>Non-financial liabilities</b>			
(a) Current tax liabilities (net)	12	1.50	-
(b) Provisions	13	67.47	60.27
(c) Deferred tax liability (net)	14	8,743.37	9,965.77
(d) Other non-financial liabilities	15	4.95	4.73
<b>TOTAL</b>		<b>8,833.70</b>	<b>10,042.68</b>
<b>Equity</b>			
(a) Equity Share capital	16	122.84	122.84
(b) Other equity	17	233,689.47	235,647.47
<b>TOTAL</b>		<b>233,812.31</b>	<b>235,770.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>242,646.01</b>	<b>245,812.99</b>

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

In terms of our report attached  
**For Chaturvedi & Company**  
Chartered Accountants  
Firm Registration No. 302137E

For and on behalf of the Board of Directors

**Nilima Joshi**  
Partner  
Membership No. 052122  
UDIN: 240521228KGPZ2636

**Ashok Bhandari**  
Chairman  
DIN - 00012210

**Tapas Kumar Bhattacharya**  
Director  
DIN-00711665

Place : Kolkata  
Date : 16th May 2024

**Sundrapandiyapuram**  
**Pichumani Kumar**  
Manager & CFO

**Ashish Kedia**  
Company Secretary

**Statement of profit and loss for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
<b>Revenue from operations</b>			
(a) Interest income	18	2.07	2.34
(b) Dividend Income	19	1,261.01	1,007.68
(c) Net gain on fair value changes	20	31.50	4.71
<b>Total revenue from operations</b>		<b>1,294.58</b>	<b>1,014.73</b>
Other income	21	1.25	0.80
<b>Total income</b>		<b>1,295.83</b>	<b>1,015.53</b>
<b>Expenses</b>			
(a) Finance Cost	22	0.02	-
(b) Employee benefits expense	23	164.37	157.31
(c) Depreciation	24	0.06	0.17
(d) Other expenses	25	60.83	70.05
<b>Total expenses</b>		<b>225.28</b>	<b>227.53</b>
<b>Profit before tax</b>		<b>1,070.55</b>	<b>788.00</b>
<b>Tax expense</b>	26		
(a) Current tax		474.72	229.16
Less: Tax charged in OCI		191.50	-
		283.22	229.16
(b) Deferred tax		0.75	31.53
<b>Tax expense</b>		<b>283.97</b>	<b>260.69</b>
<b>Profit for the year (A)</b>		<b>786.58</b>	<b>527.31</b>
<b>Other comprehensive income</b>			
<b>(a) Items that will not be reclassified to profit or loss</b>			
- Re-measurement (loss)/ gain on defined benefit plans		1.43	2.84
Tax impact on above		(0.36)	(0.72)
- Changes in fair valuation of equity instruments		(3,767.84)	25,034.21
Tax impact on above		1,029.52	(3,646.58)
<b>(b) Items that will be reclassified to profit or loss</b>			
- Changes in fair valuation of bonds/ debt instruments		-	-
Tax impact on above		2.50	-
<b>Other comprehensive income for the year</b>		<b>(2,734.75)</b>	<b>21,389.75</b>
<b>Total comprehensive income for the year</b>		<b>(1,948.17)</b>	<b>21,917.06</b>
<b>Earnings per equity share (face value ₹ 5 each)</b>			
<b>Basic &amp; Diluted (₹)</b>	27	32.02	21.46

The accompanying notes are an integral part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

**For Chaturvedi & Company**

Chartered Accountants

Firm Registration No. 302137E

**Nilima Joshi**

Partner

Membership No. 052122

UDIN: 24052122BKGPTZ2636

Place : Kolkata

Date : 16th May 2024

**Ashok Bhandari**

Chairman

DIN - 00012210

**Tapas Kumar Bhattacharya**

Director

DIN-00711665

**Sundrapandiyapuram****Pichumani Kumar**

Manager &amp; CFO

**Ashish Kedia**

Company Secretary

**Statement of cash flow for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from operating activities</b>		
Net profit before tax	1,070.55	788.00
Adjustments for :		
Depreciation	0.06	0.17
Investment written Off	-	0.29
Interest income calculated using effective interest rates	(1.89)	(1.74)
Net (gain)/loss on fair value changes of investment	(31.50)	(4.71)
	<b>(33.33)</b>	<b>(5.99)</b>
<b>Operating profit/(loss) before working capital changes</b>	<b>1,037.22</b>	<b>782.01</b>
Adjustments for :		
(Increase)/Decrease in other financial assets	(9.55)	9.07
(Increase)/Decrease in other non- financial assets	(8.15)	0.01
Increase / (Decrease) in Trade Payable	-	(1.04)
Increase/(Decrease) in other financial liabilities	4.49	6.21
Increase / (Decrease) in provision	8.63	9.58
Increase / (Decrease) in other non-financial liabilities	0.23	0.57
	<b>(4.35)</b>	<b>24.40</b>
<b>Cash generated from operations</b>	<b>1,032.87</b>	<b>806.41</b>
Net income tax (paid)/refund	(464.75)	(231.96)
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES (A)</b>	<b>568.12</b>	<b>574.45</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Investments	(7,738.18)	(2,997.75)
Sale of Investments	7,127.49	1,869.90
(Investment)/Realisation of Fixed Deposit	53.66	(53.77)
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES (B)</b>	<b>(557.03)</b>	<b>(1,181.62)</b>
<b>C. Cash flow from financing activities</b>		
Dividends paid	(9.83)	0.01
<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES (C)</b>	<b>(9.83)</b>	<b>0.01</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>1.26</b>	<b>(607.16)</b>
Cash and cash equivalents at the beginning of the year	3.04	610.20
<b>Cash and cash equivalents at the end of the year</b>	<b>4.30</b>	<b>3.04</b>

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

**Notes:**

- The above statement of cash flow has been prepared under the 'Indirect Method' as set out in IND AS 7-'Statement of Cash Flows'.
- Since the Company is an Investment and finance company, purchase and sale of Investments have been considered as part of "Cash flow from investing activities" and interest earned (net) ₹ 0.18 lakhs (Previous year ₹ 0.60 lakhs) and dividend earned of ₹ 1,261.01 lakhs (Previous year ₹ 1,007.68 lakhs) have been considered as part of "Cash flow from operating activities".
- Direct taxes paid is treated as arising from operating activities and is not bifurcated between investing and financing activities.

In terms of our report attached

For and on behalf of the Board of Directors

**For Chaturvedi & Company**

Chartered Accountants

Firm Registration No. 302137E

**Nilima Joshi**

Partner

Membership No. 052122

UDIN: 24052122BKGPT22636

Place : Kolkata

Date : 16th May 2024

**Ashok Bhandari**

Chairman

DIN - 00012210

**Tapas Kumar Bhattacharya**

Director

DIN-00711665

**Sundrapandiyapuram****Pichumani Kumar**

Manager &amp; CFO

**Ashish Kedia**

Company Secretary



## Statement of changes in equity for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Reserve & surplus			Items of other comprehensive income			Total	
	Capital reserve	Securities premium	Statutory reserve	General reserve	Retained earnings	Debt instruments through OCI		Equity instruments through OCI
<b>Balance as on 31 March 2022</b>	0.55	16.51	2,588.16	4,913.06	6,277.57	(6.03)	199,940.59	213,730.41
Profit/(loss) for the year	-	-	-	-	527.31	-	-	527.31
Fair value gain/(loss) during the year (net of tax)	-	-	-	-	-	-	21,387.63	21,387.63
Other Comprehensive Income/(net of tax)	-	-	-	-	2.12	-	-	2.12
Transfer from equity instrument through OCI on realisation	-	-	-	-	(4.42)	-	4.42	-
<b>Balance as on 31 March 2023</b>	0.55	16.51	2,693.62	4,913.06	6,697.12	(6.03)	221,332.64	235,647.47
Profit/(loss) for the year	-	-	-	-	786.58	-	-	786.58
Fair value gain/(loss) during the Year (net of tax)	-	-	-	-	-	2.50	(2,735.82)	(2,735.82)
Other Comprehensive Income/(net of tax)	-	-	-	-	1.07	-	-	1.07
Inter head transfer	-	-	-	-	-	0.04	(0.04)	-
Transfer from equity instrument through OCI on realisation	-	-	-	-	1,910.34	-	(1,910.34)	-
Transfer to statutory reserve	-	-	157.32	-	(157.32)	-	-	-
Dividend Paid	-	-	-	-	(9.83)	-	-	(9.83)
<b>Balance as on 31 March 2024</b>	0.55	16.51	2,850.94	4,913.06	9,227.96	(3.49)	216,683.94	233,689.47

The accompanying notes are an integral part of the financial statements

In terms of our report attached  
For **Charurvedi & Company**  
Chartered Accountants  
Firm Registration No. 302137ENilima Joshi  
PartnerMembership No. 052122  
UDIN: 24052122BKGP7Z636

Place : Kolkata

Date : 16th May 2024

For and on behalf of the Board of Directors

Ashok Bhandari  
Chairman  
DIN - 00012210  
Tapas Kumar Bhattacharya  
Director  
DIN-00711665Sundrapandiyapuram  
Pichumani Kumar  
Manager & CFO  
Ashish Kedia  
Company Secretary

## **Notes to financial statements for the year ended 31st March 2024**

### **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.

The financial statements of the Company as on 31st March, 2024 were approved and authorised for issue by the Board of Directors on 16th May, 2024.

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

#### **2.1 Statement of compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

#### **2.2 Basis of Preparation of Financial Statements**

The financial statements have been prepared on accrual basis under the historical cost convention, except for certain financial instruments measured at fair value at the end of each reporting period as explained in the accounting policies below.

The financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest lakhs up to two decimals, unless otherwise indicated.

#### **2.3 Use of Estimates**

The preparation of financial statements in conformity with the recognition and measurement principles of IND AS requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures including disclosures of contingent assets and contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may 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 future periods which are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of: fair valuation of unquoted equity investments, impairment of financial instruments, impairment of property, plant & equipment, useful lives of property, plant & equipment, provisions and contingent liabilities and long term retirement benefits.

### 3. Material accounting policies

#### 3.1 Financial instruments

##### i) Classification

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.

Financial assets, other than equity, are classified into, Financial assets at fair value through other comprehensive income (FVOCI) or fair value through profit and loss account (FVTPL) or at amortised cost. Financial assets that are equity instruments are classified as FVTPL or FVOCI. Financial liabilities are classified as amortised cost category and FVTPL.

##### ii) Business Model assessment and Solely payments of principal and interest (SPPI) test:

Classification and measurement of financial assets depends on the business model and results of SPPI test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

##### iii) Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of profit or loss.

Financial assets and financial liabilities, with the exception of loans, debt securities and deposits are recognised on the trade date i.e. when a Company becomes a party to the contractual provisions of the instruments. Loans, debt securities and deposits are recognised when the funds are transferred to the customers account. Trade receivables are measured at the transaction price.

**iv) Subsequent measurement**

**(a) Financial assets at amortised cost:**

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently these are measured at amortised cost using effective interest method less any impairment losses.

**(b) Debt Instruments at FVOCI**

Debt instruments that are measured at FVOCI have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. These instruments largely comprise long-term investments made by the Company. FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss.

**(c) Equity Instruments at FVOCI**

These include financial assets that are equity instruments as defined in IND AS 32 "Financial Instruments: Presentation" and are not held for trading and where the Company's management has elected to irrevocably designated the same as Equity instruments at FVOCI upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Gains and losses on these equity instruments are never recycled to profit or loss.

Dividends from these equity investments are recognised in the statement of profit and loss when the right to receive the payment has been established.

**(d) Fair value through Profit and loss account:**

Financial assets are measured at FVTPL unless it is measured at amortised cost or at FVOCI on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

**v) Financial Liabilities and equity instruments:**

**(a) Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**(b) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**(c) Other Financial Liabilities:**

These are measured at amortised cost using effective interest rate.

**vi) Derecognition of Financial assets and Financial liabilities:**

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

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

**vii) Impairment of financial assets:**

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost or fair value through OCI. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

**viii) Reclassification of Financial assets:**

The Company does not re-classify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances when the Company changes its business model for managing such financial assets. The Company does not re-classify its financial liabilities.

**3.2 Determination of fair value:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

### **3.3 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.

### **3.4 Employee Benefits Expenses**

#### **i) 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.

#### **ii) 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.

#### **iii) Gratuity**

Liability with regard to long-term employee benefits is provided for on the basis of an actuarial valuation at the Balance Sheet date. Actuarial gain / loss is recognised immediately in the statement of other comprehensive income.

### **3.5 Taxes**

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

#### **i) 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.

#### **ii) 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.

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.

### **3.6 Provisions, contingent liabilities and contingent 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.

### **3.7 Earnings per share (EPS)**

"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."

### **3.8 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.

Company is an investment and finance company and therefore, purchase and sale of investments are considered as part of "Cash flow from investing activities" and interest earned (net) and dividend earned are considered as part of "Cash flow from operating activities".

### **3.9 Use of estimates, judgements and adjustments**

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. 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 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 statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 4:- Cash and cash equivalents**

	As at 31 March 2024	As at 31 March 2023
Cash in hand	3.01	2.00
<b>Balances with banks</b>		
a) in current accounts	1.29	1.04
	<b>4.30</b>	<b>3.04</b>

**Note 5:- Bank Balances other than cash and cash equivalents**

	As at 31 March 2024	As at 31 March 2023
Fixed deposits with banks (with original maturity of more than three months)	0.11	53.77
Unpaid(Unclaimed) Dividend Account	1.62	1.62
	<b>1.73</b>	<b>55.39</b>

**Note 6: Investments**

Investments	Amortised cost	At fair value		Total
		Through other comprehensive income (FVOCI)	Through profit and loss	
<b>As at 31 March 2024</b>				
i) Mutual funds	-	-	3,317.09	3,317.09
ii) Equity instruments-				
-Quoted	-	236,969.07	-	236,969.07
-Other(unquoted)	-	2,268.82	-	2,268.82
iii) Preference shares				
-Other(unquoted)	-	22.94	-	22.94
<b>Total</b>	<b>-</b>	<b>239,260.83</b>	<b>3,317.09</b>	<b>242,577.92</b>

Investments	Amortised cost	At fair value		Total
		Through other comprehensive income	Through profit and loss	
<b>As at 31 March 2023</b>				
i) Mutual funds	-	-	35.59	35.59
ii) Equity instruments				
-Quoted	-	238,568.00	-	238,568.00
-Other(unquoted)	-	7,077.03	-	7,077.03
iii) Preference shares				
-Other(unquoted)	-	21.04	-	21.04
<b>Total</b>	<b>-</b>	<b>245,666.07</b>	<b>35.59</b>	<b>245,701.66</b>

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

The fair value of investments in equity shares designated at FVOCI derecognised during the year on the date of derecognition is ₹ 5,586.30 lakhs (previous year ₹ 874.75 lakhs).

Particulars	As at	As at
	31 March 2024	31 March 2023
(i) Investment outside India	-	-
(ii) Investment in India	242,577.92	245,701.66
<b>Total</b>	<b>242,577.92</b>	<b>245,701.66</b>

6.1 The market value of investments is equal to the book value.

6.2. The Company has elected an irrevocable option to designate its investments in quoted equity instruments through FVOCI, as the said investments are not held for trading and company continues to invest for long term and remain invested in leaders in sectors, which it believes to have potential to remain accretive over the long term.

6.3. Of the total dividend recognised during the year from investment in equity share designated at FVOCI ₹ 119.68 lakhs (Previous year ₹ 1.33 lakhs) is relating to investment derecognised during the period and ₹ 1,139.08 lakhs (previous year ₹ 1,006.35 lakhs) pertains to investment held at the end of reporting period.

6.4. During the year, total gain of ₹ 1,910.34 lakhs (Previous year loss ₹ 4.42 lakhs) on investment in equity shares designated at FVOCI have been transferred to retained earnings on derecognition of related investments after adjusting for tax effect thereon.

6.5. The other disclosure regarding fair value and risk arising from financial instruments are explained in Note No.32 and 33.

6.6 Details of investments are as follows :-

**Mutual funds**

Particulars	Face Value (₹)	As at 31 March 2024		As at 31 March 2023	
		Units	Amount	Units	Amount
<b>At fair value through profit and loss</b>					
<b>Quoted</b>					
UTI Money Market Fund-Regular Plan Growth	1000	118,194.37	3,317.09	1,364.59	35.59
<b>Sub Total (A)</b>			<b>3,317.09</b>		<b>35.59</b>

**Notes to financial statements for the year ended 31 March 2024****Equity instruments - others, fully paid up**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Face Value (₹)	As at 31 March 2024		As at 31 March 2023	
		Numbers	Amount	Numbers	Amount
<b>At fair value through other comprehensive income</b>					
<b>Quoted</b>					
<b>1. Automobiles and auto components</b>					
Bosch Limited	10	9,599	2,882.70	9,599	1,859.32
			<b>2,882.70</b>		<b>1,859.32</b>
<b>2. Banks</b>					
AXIS Bank Ltd	2	83,600	875.46	83,600	717.71
ICICI Bank Limited	2	110,500	1,208.10	110,500	969.36
			<b>2,083.56</b>		<b>1,687.07</b>
<b>3. Cement</b>					
Orient Cement Limited	1	260,000	509.08	260,000	285.87
Ambuja Cements Limited	2	23,000	140.84	-	-
Shree Cement Limited	10	849,450	218,162.97	849,450	222,445.05
			<b>218,812.89</b>		<b>222,730.92</b>
<b>4. Diversified</b>					
3M India Limited	10	1,094	341.26	1,094	251.22
			<b>341.26</b>		<b>251.22</b>
<b>5. Finances, services and insurance</b>					
REC Limited	10	204,000	920.04	204,000	235.52
Jio Financial Services Limited*	10	10,000	35.38	-	-
			<b>955.42</b>		<b>235.52</b>
<b>6. Fast Moving Consumer Goods And Consumer Durables</b>					
Gillette India Limited	10	38,350	2,500.27	38,350	1,655.22
Hindustan Unilever Limited	1	-	-	115,461	2,956.21
ITC Limited	1	-	-	465,000	1,783.27
Kansai Nerolac Paints Limited	1	4,850	12.72	9,700	37.52
Nestle India Limited	1/10	20,300	532.34	2,030	400.00
Procter & Gamble Hygiene & Health Care Ltd.	10	19,970	3,380.61	19,970	2,663.93
United Spirits Limited	2	45,500	516.08	45,500	344.12
Hatsun Agro Product Ltd.	1	25,300	255.91	-	-
Whirlpool of India Limited	10	30,000	366.44	30,000	394.52
			<b>7,564.37</b>		<b>10,234.79</b>
<b>7. Heavy Electrical Equipments</b>					
GE Power India Limited	10	-	-	266,455	264.32
			-		<b>264.32</b>
<b>8. Healthcare</b>					
Pfizer Limited	10	17,177	720.56	17,177	595.55
			<b>720.56</b>		<b>595.55</b>
<b>9. Oil &amp; Natural Resources</b>					
Reliance Industries Limited	10	10,000	297.17	10,000	233.11
			<b>297.17</b>		<b>233.11</b>
<b>10. Packaging</b>					
EPL Ltd	2	-	-	30,500	49.47
Huhtamaki India Limited	2	122,050	365.11	122,050	231.28
			<b>365.11</b>		<b>280.75</b>

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Face Value (₹)	As at 31 March 2024		As at 31 March 2023	
		Units	Amount	Units	Amount
<b>11. Speciality Chemicals</b>					
Foseco India Limited	10	-	-	8,887	195.43
			-		195.43
<b>12. Power &amp; Energy</b>					
Shyam Metals & Energy Limited	10	15,000	88.70		
NTPC Limited	10	384,000	1,289.47	-	-
			1,378.17		-
<b>13. E-Retail</b>					
Zomato Limited	1	100,000	182.10	-	-
			182.10		-
<b>14. Port &amp; Port Services</b>					
Adani Ports & Special Economic Zone Limited	2	80,000	1,073.48	-	-
			1,073.48		-
<b>15. Transport Services</b>					
Interglobe Aviation Limited	10	8,800	312.28	-	-
			312.28		-
<b>Sub Total (B)</b>			<b>236,969.07</b>		<b>238,568.00</b>

\* On demerger from Reliance Industries Ltd.

Particulars	Face Value (₹)	As at 31 March 2024		As at 31 March 2023	
		Units	Amount	Units	Amount
<b>Unquoted</b>					
Alfabuild Home Private Limited	10	9,000	97.87	9,000	119.25
Aqua Infra Projects Limited	10	740,000	509.42	740,000	563.14
Karmayog Properties Private Limited	10	258,000	269.40	258,000	272.50
Ramgopal Holdings Private Limited	10	60,625	26.08	60,625	21.77
Shree Cement Marketing Limited	10	9,000	1.77	9,000	1.76
Shree Cement East Bengal Foundation Limited	10	1,000	0.43	1,000	0.01
Shreecap Holdings Private Limited	10	7,000	0.90	7,000	0.86
Tanushree Logistics Private Limited	10	99,000	182.56	99,000	209.05
Western India Commercial Company Limited**	100	2,105	1,180.39	2,105	5,888.69
<b>Sub Total (C)</b>			<b>2,268.82</b>		<b>7,077.03</b>

\*\*Listed but not quoted.

Particulars	Face Value (₹)	As at 31 March 2024		As at 31 March 2023	
		Units	Amount (₹ in lakhs)	Units	Amount (₹ in lakhs)
<b>At fair value through other comprehensive income</b>					
<b>Unquoted</b>					
9% Cem Logistics Private Limited - NCNCRP	100	25,000	22.94	25,000.00	21.04
<b>Sub Total (D)</b>			<b>22.94</b>		<b>21.04</b>

Total Investments (A+B+C+D)

242,577.92

245,701.66

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 7:-Other financial assets****Unsecured****considered good**

	As at 31 March 2024	As at 31 March 2023
Interest accrued on bank deposits	0.01	0.17
Security deposits	0.01	0.31
Dividend receivables	8.26	-
Advance to employee	9.75	8.00
	<b>18.03</b>	<b>8.48</b>

**Note 8:-Current tax assets**

	As at 31 March 2024	As at 31 March 2023
Advance tax-Net of provision of Rs. 707.00 lakhs (previous year Rs. 445.90 lakhs)	34.91	43.39
	<b>34.91</b>	<b>43.39</b>

**Note 9: Property, plant and equipment**

Particulars	Furniture and fixtures	Office equipments	Total
<b>Gross Block (Deemed Cost)</b>			
As at 01 April 2022	0.63	1.51	2.14
Additions	-	-	-
Sale/Deduction	-	-	-
As at 31 March 2023	0.63	1.51	2.14
Additions	-	-	-
Sale/Deduction	-	-	-
As at 31 March 2024	0.63	1.51	2.14
<b>Accumulated depreciation</b>			
As at 01 April 2022	0.43	1.23	1.66
For the year	0.04	0.13	0.17
Adjustment	-	-	-
As at 31 March 2023	0.48	1.36	1.84
For the year	0.03	0.03	0.06
Adjustment	-	-	-
As at 31 March 2024	0.51	1.39	1.90
<b>Net Book Value</b>			
As at 31 March 2024	0.12	0.12	0.24
As at 31 March 2023	0.15	0.15	0.30

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 10:-Other non-financial assets**

	As at 31 March 2024	As at 31 March 2023
Advance against expense	0.37	0.54
Prepaid expenses	0.24	0.11
Balances/deposits with government authorities	0.01	0.08
Advance to others	8.26	-
	<b>8.88</b>	<b>0.73</b>

**Note 11:-Other financial liabilities**

	As at 31 March 2024	As at 31 March 2023
Unclaimed dividend	2.63	1.62
Capital repayable under capital reduction scheme	1.75	1.75
Employee Benefits Payable	8.31	7.32
Other expenses payable	3.72	1.22
	<b>16.41</b>	<b>11.91</b>

**Note 12:-Current tax liabilities (net)**

	As at 31 March 2024	As at 31 March 2023
Provision for income tax- net of advance tax of Rs. 463.50 lakhs (Previous year- Nil)	1.50	-
	<b>1.50</b>	<b>-</b>

**Note 13:-Provisions**

	As at 31 March 2024	As at 31 March 2023
<b>Provision for employee benefits:</b>		
a) Gratuity	51.73	46.14
b) Leave salary	15.08	13.47
<b>Others</b>		
a) Contingent provision against standard assets	0.66	0.66
	<b>67.47</b>	<b>60.27</b>

**13.1 Movement in provisions:**

	Provision for leave salary	Provision for gratuity
<b>As at 01 April 2022</b>	<b>10.31</b>	<b>42.56</b>
Provision utilised	-	-
Provision created / (reversed)	3.16	3.58
<b>Balance as at 31 March 2023</b>	<b>13.47</b>	<b>46.14</b>
Provision utilised	(2.78)	-
Provision created / (reversed)	4.39	5.58
<b>Balance as at 31 March 2024</b>	<b>15.08</b>	<b>51.72</b>

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 14:-Deferred tax (assets)/liabilities (net)****Deferred tax liabilities**

	As at 31 March 2024	As at 31 March 2023
- On fair value gain of investments (through other comprehensive income)	8,757.08	9,991.78
- On Interest on Investment	-	0.44
- On fair value gain of investments (through profit or loss)	3.31	0.06
	<b>8,760.39</b>	<b>9,992.28</b>

**Deferred tax assets**

-Property, plant and equipment	0.21	0.26
-Investments Written Off	-	0.07
- Provision for gratuity	13.02	11.61
- Provision for leave salary	3.79	3.39
- Unabsorbed capital losses	-	11.18
	<b>17.02</b>	<b>26.51</b>

**Deferred tax (assets)/ liabilities (net)**

	<b>8,743.37</b>	<b>9,965.77</b>
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**Note 15:-Other non-financial liabilities**

	As at 31 March 2024	As at 31 March 2023
Statutory dues	4.95	4.73
	<b>4.95</b>	<b>4.73</b>



**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 16: Equity share capital**

	As at 31 March 2024	As at 31 March 2023
<b>Authorised:</b>		
2,00,00,000 Equity Shares of Rs. 5/- each (Previous Year: 2,00,00,000)	1,000.00	1,000.00
<b>Issued:</b>		
24,59,058 Equity Shares of Rs. 5/- each ( Previous year Rs.5/- each )	122.95	122.95
<b>Subscribed and Fully Paid:</b>		
24,56,806 Equity Shares of Rs. 5/- each fully paid up (Previous year Rs. 5/- each )	122.84	122.84
	<b>122.84</b>	<b>122.84</b>

**16.1 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.

**16.2 Reconciliation of the number and amount of equity shares**

<b>Particulars</b>	<b>In Number</b>	<b>Amount (₹ in lakhs)</b>
<b>As at 01 April 2022</b>	2,456,806	122.84
Add: Movement during the year	-	-
<b>As at 31 March 2023</b>	2,456,806	122.84
Add: Movement during the year	-	-
<b>As at 31 March 2024</b>	<b>2,456,806</b>	<b>122.84</b>

16.3 The Company is a non-banking finance company, the objective of the Company is to invest in long term investments and granting of loans to ensure sustainable growth. The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment.

**Notes to financial statements for the year ended 31 March 2024****16.4 Details of shareholders holding more than 5% equity shares in the company**

(All amounts in ₹ lakhs, unless otherwise stated)

Name	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% holding	No. of Shares held	% holding
Shree Capital Services Ltd.	482,000	19.62%	482,000	19.62%
Digvijay Finlease Ltd.	486,478	19.80%	486,478	19.80%
Prashant Bangur*	208,200	8.47%	208,200	8.47%
Mannakrishna Investments Pvt Ltd	175,622	7.15%	175,622	7.15%
The Didwana Investment Company Limited	138,838	5.65%	138,838	5.65%
Asish Creations Private Limited	130,878	5.33%	130,878	5.33%
Newa Investments Pvt Ltd	144,187	5.87%	144,187	5.87%

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

**16.5 Shares held by promoters as at 31 March 2024 :-**

Promoter name	Shareholding at the end of the year [As on 31 Mar 2023]		Shareholding at the end of the year [As on 31 Mar 2024]		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Shree Capital Services Ltd	482,000	19.62	482,000	19.62	-
Digvijay Finlease Ltd	486,478	19.80	486,478	19.80	-
Prashant Bangur*	208,200	8.47	208,200	8.47	-
Mannakrishna Investments Pvt Ltd	175,622	7.15	175,622	7.15	-
The Didwana Investment Company Limited	138,838	5.65	138,838	5.65	-
Asish Creations Private Limited	130,878	5.33	130,878	5.33	-
Newa Investments Pvt Ltd	144,187	5.87	144,187	5.87	-
Didu Investments Pvt Ltd	22,852	0.93	22,852	0.93	-
Ragini Finance Private Limited	19,023	0.77	19,023	0.77	-
Rajesh Vanijya Private Ltd	8,052	0.33	8,052	0.33	-
The Venkatesh Co Private Ltd	10,152	0.41	10,152	0.41	-
Harimohan Bangur	4	0.00	4	0.00	-
Rajkamal Devi Bangur	2	0.00	2	0.00	-
The Laxmi Salt Co Ltd	2	0.00	2	0.00	-
Ranu Bangur	2	0.00	2	0.00	-
<b>Total</b>	<b>1,826,292</b>	<b>74.34</b>	<b>1,826,292</b>	<b>74.34</b>	<b>-</b>

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

**16.6 Shares held by promoters as at 31 March 2023:-**

Promoter name	Shareholding at the end of the year [As on 31 Mar 2022]		Shareholding at the end of the year [As on 31 Mar 2023]		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Shree Capital Services Ltd	472,000	19.21	482,000	19.62	0.41
Digvijay Finlease Ltd	471,478	19.19	486,478	19.80	0.61
Prashant Bangur*	208,200	8.47	208,200	8.47	0.00
Mannakrishna Investments Pvt Ltd	165,472	6.74	175,622	7.15	0.41
The Didwana Investment Company Limited	130,788	5.32	138,838	5.65	0.33
Asish Creations Private Limited	124,478	5.07	130,878	5.33	0.26
Newa Investments Pvt Ltd	119,223	4.85	144,187	5.87	1.02
Didu Investments Pvt Ltd	17,252	0.70	22,852	0.93	0.23
Ragini Finance Private Limited	1,873	0.08	19,023	0.77	0.70
Rajesh Vanijya P Ltd	2	0.00	8,052	0.33	0.33
The Venkatesh Co Private Ltd	2	0.00	10,152	0.41	0.41
Harimohan Bangur	4	0.00	4	0.00	-0.00
Rajkamal Devi Bangur	2	0.00	2	0.00	-0.00
The Laxmi Salt Co Ltd	2	0.00	2	0.00	-0.00
Ranu Bangur	2	0.00	2	0.00	-0.00
<b>Total</b>	<b>1,710,778</b>	<b>69.63</b>	<b>1,826,292</b>	<b>74.34</b>	<b>4.70</b>

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

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 17: Other equity**

	As at 31 March 2024	As at 31 March 2023
<b>Reserves and Surplus</b>		
<b>Capital Reserve</b>		
Balance at the beginning and end of the year	0.55	0.55
<b>Securities Premium</b>		
Balance at the beginning and end of the year	16.51	16.51
<b>Statutory Reserve</b>		
Balance at the beginning and end of the year	2,693.62	2,588.16
Add: Transfer from retained earnings	157.32	105.46
Closing balance	<b>2,850.94</b>	<b>2,693.62</b>
<b>General Reserve</b>		
Opening balance	4,913.06	4,913.06
Add: Transfer from retained earnings	-	-
Closing balance	<b>4,913.06</b>	<b>4,913.06</b>
<b>Retained Earnings</b>		
<b>Opening Balance</b>	6,697.12	6,277.57
Add: Profit for the year	786.58	527.31
Add: Transfer from equity instrument through OCI on realisation	1,910.34	(4.42)
Less: Transfer to statutory reserve	(157.32)	(105.46)
Add: Other comprehensive income for the year	1.07	2.12
Dividend Paid	(9.83)	-
	<b>9,227.96</b>	<b>6,697.12</b>
<b>Debt instruments through OCI</b>		
Opening balance	(6.03)	(6.03)
Add: Inter head transfer	0.04	-
Add: Fair value gain/(loss) during the Year (net of tax)	2.50	-
Less: Reclassification of gain on sale of FVTOCI debt instruments	-	-
	<b>(3.49)</b>	<b>(6.03)</b>
<b>Equity instruments through OCI</b>		
Opening balance	221,332.64	199,940.59
Add: Fair value gain/(loss) during the year (net of tax)	(2,738.32)	21,387.63
Add: Inter head transfer	(0.04)	-
Add: Transfer from equity instrument through OCI on realisation	(1,910.34)	4.42
Closing balance	<b>216,683.94</b>	<b>221,332.64</b>
<b>TOTAL</b>	<b>233,689.47</b>	<b>235,647.47</b>

## Notes to financial statements for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

### Capital Reserve

This reserve represent the amount of share forefeited

### Securities premium Reserve

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

### 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.

### General reserve

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

### Retained earnings

This reserve represents the cumulative profits of the Company. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

### Debt instruments through other comprehensive income

This reserve represents the cumulative gains (net of losses) arising on the revaluation of debt instruments measured at fair value through Other Comprehensive Income, net of tax. The amount is transferred from this reserve to the statement of profit and loss when the debt instrument is derecognised.

### Equity instruments through other comprehensive income

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of tax, under an irrevocable option, net of amount reclassified to retained earnings when such assets are disposed off, if any.

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 18:- Interest income****On financial assets measured at amortised cost**

	Year ended 31 March 2024	Year ended 31 March 2023
- deposits with banks	0.18	0.60
<b>On financial assets measured at FVOCI on effective rate</b>		
- preference shares	1.89	1.74
	<b>2.07</b>	<b>2.34</b>

**Note 19:- Dividend income****Dividend income from:****On financial assets measured at FVTOCI**

	Year ended 31 March 2024	Year ended 31 March 2023
a) Equity shares	1,258.76	1,007.68
b) Preference shares	2.25	-
	<b>1,261.01</b>	<b>1,007.68</b>

**Note 20:- Net gain on fair value change****Net gain/ (loss) on fair value changes****on Financial Instruments designated at FVTPL**

	Year ended 31 March 2024	Year ended 31 March 2023
- Mutual funds	31.50	4.71
	<b>31.50</b>	<b>4.71</b>

**Fair value changes**

Realised	18.58	7.02
Unrealised	12.92	(2.31)
	<b>31.50</b>	<b>4.71</b>

**Note 21:- Other income****Interest on income tax refund**

	Year ended 31 March 2024	Year ended 31 March 2023
	1.25	0.80
	<b>1.25</b>	<b>0.80</b>

**Note 22:- Finance Cost****Interest expenses at amortised cost**

	Year ended 31 March 2024	Year ended 31 March 2023
	0.02	-
	<b>0.02</b>	<b>-</b>

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 23:- Employee benefits expense**

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and allowance	131.28	135.58
Contribution to Provident Fund and other fund	9.97	8.82
Staff welfare expenses	11.72	3.33
Gratuity	7.01	6.42
Leave salary	4.39	3.16
	<b>164.37</b>	<b>157.31</b>

**Note 24:- Depreciation**

	Year ended 31 March 2024	Year ended 31 March 2023
On property, plant and equipment	0.06	0.17
	<b>0.06</b>	<b>0.17</b>

**Note 25:- Other expenses**

	Year ended 31 March 2024	Year ended 31 March 2023
Directors Meeting Fees	3.11	3.86
Listing Fees	3.54	3.54
Filing Fees	0.27	5.21
Printing and stationery	8.28	6.09
Professional and legal charges	11.62	32.55
Rent, rates and taxes	0.35	1.32
Repairs and maintenance - others	0.82	1.38
Auditor's fees and expenses [Refer note-25.1]	1.78	1.36
Advertisement & Subscriptions	0.48	1.31
Communication Expenses	6.08	5.09
Security transaction tax	5.59	2.89
Investment Written Off	-	0.29
Transaction charges on sale of shares	13.37	-
Miscellaneous expenses	5.54	5.16
	<b>60.83</b>	<b>70.05</b>

**Note 25.1-Payment to auditor**

<u>Particulars</u>	Year ended 31 March 2024	Year ended 31 March 2023
For statutory audit	1.18	1.20
For tax audit	0.13	0.10
For other services	0.47	0.06
	<b>1.78</b>	<b>1.36</b>

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 26:- Tax expense**

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Amounts recognised in profit and loss</b>		
Current tax	273.50	202.00
Income tax relating to earlier years	9.72	27.16
Deferred tax relating to origination and reversal of temporary differences	0.75	31.53
	<b>283.97</b>	<b>260.69</b>

**Amounts recognised in other comprehensive income**

<b>Current tax</b>		
Equity instruments through other comprehensive income	191.50	-
<b>Deferred tax relating to origination and reversal of temporary differences</b>		
Remeasurement of the defined benefit plans	0.36	0.72
Equity instruments through other comprehensive income	(1,221.02)	3,646.58
Financial Instruments measured Through OCI	(2.50)	-
	<b>(1,031.66)</b>	<b>3,647.30</b>

**Reconciliation of effective tax rate**

The income tax expense for the year can be reconciled to the accounting profit as follows:

<b>Profit before tax</b>	<b>1,070.55</b>	<b>788.00</b>
<b>Tax Rate</b>	<b>25.17%</b>	<b>25.17%</b>
<b>Income tax expense calculated at the effective rate</b>	<b>269.44</b>	<b>198.32</b>
<b>Non Deductible Expenses</b>	<b>4.78</b>	<b>0.73</b>
<b>Effect of MAT credit</b>	<b>-</b>	<b>21.61</b>
<b>Effect of Tax transfer to OCI</b>	<b>-</b>	<b>9.76</b>
<b>Rate Difference</b>	<b>-</b>	<b>1.65</b>
<b>Effect of rounding of Taxes</b>	<b>0.88</b>	<b>1.46</b>
<b>Income Tax relating to earlier years</b>	<b>9.72</b>	<b>27.16</b>
<b>Other adjustments</b>	<b>(0.85)</b>	<b>-</b>
<b>Tax expenses</b>	<b>283.97</b>	<b>260.69</b>

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**26.1 Tax losses**

Particulars	As at 31 March 2024	As at 31 March 2023
Unused Tax Losses & unabsorbed depreciation for which no deferred tax assets has been created		
-Business Loss	147.45	160.67
-Unabsorbed depreciation	-	1.00
Potential tax benefit@ applicable tax rate		
-Business Loss	37.11	40.44
-Unabsorbed depreciation	-	0.25
Business losses will lapse between	Asst. year 2025-26 to Asst. year 2030- 31	Asst. year 2024- 25 to Asst. year 2030-31

**26.2 Movement in deferred tax liabilities for year ended 31 March 2023:**

Particulars	As at 01 April 2022	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2023
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
On fair value gain of investment (FVTOCI)	6,334.02	-	3,657.76	9,991.78
Interest on Financial Assets	-	0.44	-	0.44
On fair value gain of investment (FVTPL)	0.42	(0.37)	-	0.06
Deferred tax liabilities	6,334.44	0.07	3,657.76	9,992.28

**Movement in deferred tax asset for year ended 31 March 2023:**

Particulars	As at 01 April 2022	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2023
<b>Deferred tax assets for taxable temporary differences on:</b>				
-Property, plant and equipment	0.31	(0.06)	-	0.25
-Investments Written Off	-	0.07	-	0.07
- Provision for gratuity	11.84	0.49	(0.72)	11.61
- Provision for leave salary	2.87	0.52	-	3.39
- MAT Credit	21.61	(21.61)	-	-
- Unabsorbed capital losses	10.88	(10.88)	11.18	11.18
Deferred tax assets	47.51	(31.46)	10.46	26.51
Net deferred tax liabilities/(assets)	6,286.94	31.53	3,647.30	9,965.77



**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**26.3 Movement in deferred tax liabilities for year ended 31 March 2024:**

Particulars	As at 01 April 2023	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2024
<b>Deferred tax liabilities for taxable temporary differences on:</b>				
On fair value gain of investment (FVTOCI)	9,991.78	-	(1,234.70)	8,757.08
Interest on Financial Assets	0.44	(0.44)	-	-
On fair value gain of investment (FVTPL)	0.06	3.25	-	3.31
<b>Deferred tax liabilities</b>	<b>9,992.28</b>	<b>2.81</b>	<b>(1,234.70)</b>	<b>8,760.39</b>

**Movement in deferred tax asset for year ended 31 March 2024:**

Particulars	As at 01 April 2023	Statement of Profit or Loss	Other comprehensive Income	As at 31 March 2024
<b>Deferred tax assets for taxable temporary differences on:</b>				
-Property, plant and equipment	0.25	(0.04)	-	0.21
-Investments Written Off	0.07	(0.07)	-	-
- Provision for gratuity	11.61	1.77	(0.36)	13.02
- Provision for leave salary	3.39	0.40	-	3.79
- Unabsorbed capital losses	11.18	-	(11.18)	-
Deferred tax assets	26.50	2.06	(11.54)	17.02
<b>Net deferred tax liabilities/(assets)</b>	<b>9,965.78</b>	<b>0.75</b>	<b>(1,223.16)</b>	<b>8,743.37</b>

**Note 27-Basic and Diluted earnings per share**

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Net profit after tax as per statement of profit and loss	786.58	527.31
Weighted average number of equity shares used as denominator for calculating Basic EPS	2,456,806	2,456,806
Total weighted average number of equity shares used as denominator for calculating Diluted EPS	2,456,806	2,456,806
Basic earnings per share (₹)	32.02	21.46
Diluted earnings per share (₹)	32.02	21.46
Face value per equity share (₹)	5.00	5.00

**Notes to financial statements for the year ended 31 March 2024****Note 28:- Segment reporting**

(All amounts in ₹ lakhs, unless otherwise stated)

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 29:- Employee benefits****a) Defined Contribution plans:**

Contribution to defined contribution plans, recognised as an expense in profit and loss statement for the year are as under:

**Particulars**

Contribution to provident &amp; other funds

Year ended 31 March 2024	Year ended 31 March 2023
9.97	8.82
<b>9.97</b>	<b>8.82</b>

**b) Defined benefit plans:**

Contribution to defined benefit plans, recognised as an expense in profit and loss statement for the year are as under:

**Particulars**

Gratuity - Net defined benefit obligation

Year ended 31 March 2024	Year ended 31 March 2023
7.01	6.42
<b>7.01</b>	<b>6.42</b>

**Defined benefit plan**

The employee gratuity scheme of the company is unfunded. The present value of obligation is determined based on the actuarial valuation using the projected unit credit method as on 31st March 2024, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The company's gratuity expense is recognized under the head - "Gratuity" in note 23.

**Movement of defined benefit obligation**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Defined benefit obligation at beginning of the year	46.14	42.56
Current service cost	3.80	3.39
Interest cost	3.21	3.04
Benefits paid	-	-
Actuarial (gain)/loss	(1.43)	(2.84)
Defined benefit obligation at end of the year	<b>51.73</b>	<b>46.14</b>

**Liability recognised in the balance sheet**

Present value of defined benefit obligation	<b>51.73</b>	<b>46.14</b>
Amount recognised as liability in balance sheet	<b>51.73</b>	<b>46.14</b>

**Notes to financial statements for the year ended 31 March 2024****Expenses recognised during the year (Under the head  
"Employee benefits expense" – Refer note no. 23)**

(All amounts in ₹ lakhs, unless otherwise stated)

Expense recognised in profit and loss statement	Year ended	Year ended
	31 March 2024	31 March 2023
Current service cost	3.80	3.39
Past service cost (vested)	-	-
Net interest cost	3.21	3.04
<b>Total amount</b>	<b>7.01</b>	<b>6.43</b>
<b>Remeasurements recognised in other comprehensive income</b>		
	Year ended	Year ended
	31 March 2024	31 March 2023
Actuarial (gain)/loss on obligations due to change in financial assumption	-	-
Actuarial (gain)/loss on obligations due to unexpected experience	(1.43)	(2.84)
<b>Total amount recognised in other comprehensive income</b>	<b>(1.43)</b>	<b>(2.84)</b>
<b>Net Cost</b>	<b>5.58</b>	<b>3.59</b>
<b>Actuarial assumptions</b>		
Discount rate (per annum)	6.96%	7.14%
Rate of escalation in salary (per annum)	6.00%	6.00%
Retirement age	60 years	60 years

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2012-14) Ultimate.

**Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Sensitivity analysis	Increase by	Decrease by
	Year ended 31 March 2023	Year ended 31 March 2023
Discount rate (-/+ 0.5%)	46.07	46.22
Salary growth (-/+ 0.5%)	46.22	46.07
Attrition rate (-/+ 10%)	46.14	46.15
Mortality rate (-/+ 10%)	46.14	46.14

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Sensitivity analysis	<b>Increase by</b>	<b>Decrease by</b>
	<b>Year ended</b>	<b>Year ended</b>
	<b>31 March 2024</b>	<b>31 March 2024</b>
Discount rate (-/+ 0.5%)	51.57	51.89
Salary growth (-/+ 0.5%)	51.89	51.57
Attrition rate (-/+ 10%)	51.72	51.73
Mortality rate (-/+ 10%)	51.73	51.73

**Maturity profile**

Year	<b>Year ended</b>	<b>Year ended</b>
	<b>31 March 2024</b>	<b>31 March 2023</b>
1	47.63	44.38
2	0.02	0.02
3	0.03	0.02
4	0.03	0.02
5	0.03	0.02
6 to 10	4.69	2.14
More than 10 years	2.91	1.39

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discounting rate is considered based on market yield on government bonds having currency and terms consistent with the currency in terms of the post employment benefit obligations.

**Notes to financial statements for the year ended 31 March 2024****Note 30:- Related party disclosure**

(All amounts in ₹ lakhs, unless otherwise stated)

<u>I) Particulars of relationship</u>	<u>Name of related parties</u>	<u>Designation</u>
<b>Key managerial personnel</b>	Ashok Bhandari	Chairman, Non Executive & Non Independent Director
	Bankat Lal Gaggar	Non executive Director
	Jagdish Prasad Mundra	Non executive Director
	Riya Puja Jain	Non executive Director
	Tapas Kumar Bhattacharya	Independent director
	Debasish Ray	Independent director
	Priyanka Mohta	Independent director
	Sundeeep Bhutoria (Appointed w.e.f 21st September, 2022)	Independent director
Sundrapandiyapuram Pichumani Kumar	Manager & CFO	
<b>Key managerial personnel- as per Section 2(76) of the Companies Act 2013</b>	Sudha Jain (ceased w.e.f 31st May, 2022)	Company Secretary
	Ashish Kedia (Appointed w.e.f 01st June, 2022)	Company Secretary

**II) Disclosures of transactions between the companies and related parties with status of outstanding closing balances:**

<u>Particular</u>	<u>Year ended 31 March 2024</u>	<u>Year ended 31 March 2023</u>
<b>(I) Particulars of transactions with related parties (Key managerial personnel)</b>		
<b>i) Remuneration of Key Managerial Personnel*</b>		
<b>S. P. Kumar</b>		
Short term employee benefits	20.33	22.28
Post-employment benefits	-	1.36
<b>Sudha Jain</b>		
Short term employee benefits	-	0.40
<b>Ashish Kedia</b>		
Short term employee benefits	21.69	14.23
Post-employment benefits	-	1.08
<b>ii) Advances</b>		
Paid	6.50	4.50
Received back	4.70	6.55
<b>iii) Directors sitting fees</b>		
Ashok Bhandari	0.40	0.57
Bankat Lal Gaggar	0.53	0.67
Jagdish Prasad Mundra	0.57	0.71
Riya Puja Jain	0.10	0.05
Tapas Kumar Bhattacharya	0.65	0.69
Debasish Ray	0.61	0.67
Sundeeep Bhutoria	0.05	0.20
Priyanka Mohta	0.20	0.30
<b>B) Outstanding balance at the end of year (Key Managerial Personnel)</b>		
Closing balance of advances	5.00	3.20
Maximum balance of advances during the year	6.20	9.75

\* Post employment benefit details doesn't include Gratuity as the same is not separately disclosed in actuarial report for the year (Refer note: 29)

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Ratios	Formula	Current period	Previous period	% variance	Reason for variance
a) Capital to risk-weighted assets ratio (CRAR)	Tier I plus Tier II capital / Risk weighted assets	102.05%	101.98%	0.07%	NA
b) Tier I CRAR	Tier I capital / Risk weighted assets	102.05%	101.98%	0.07%	NA
c) Tier II CRAR	Tier II capital / Risk weighted assets	0.00%	0.00%	-	NA
d) Liquidity coverage ratio	Highly liquid assets / Net cash outflow over next 30 days	15912.60%	485.81%	3175.47%	Increase in Level 1 assets

Ratio is calculated as per formula prescribed by the regulatory authority.

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Note 32:- 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 material 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.

**(i) Categories of Financial Instruments**

Particulars	Note	As at 31 March 2024	As at 31 March 2023
<b>Financial assets</b>			
<b>a) Measured at amortised cost</b>			
i) Cash and cash equivalents	4	4.30	3.04
ii) Other bank balances	5	1.73	55.39
iii) Other financial assets	7	18.03	8.48
Sub-Total		<b>24.06</b>	<b>66.91</b>
<b>b) Measured at fair value through OCI (FVOCI)</b>			
i) Investment in quoted equity shares	6	236,969.07	238,568.00
ii) Investment in unquoted equity shares	6	2,268.82	7,077.03
iii) Investment in unquoted preference shares	6	22.94	21.04
Sub-Total		<b>239,260.83</b>	<b>245,666.07</b>
<b>c) Measured at fair value through profit and loss (FVTPL)</b>			
i) Investment in mutual fund	6	3,317.09	35.59
Sub-Total		<b>3,317.09</b>	<b>35.59</b>
<b>Total financial assets</b>		<b>242,601.98</b>	<b>245,768.57</b>
<b>Financial liabilities</b>			
<b>a) Measured at amortised cost</b>			
i) Other financial liabilities	11	16.41	11.91
<b>Total financial liabilities</b>		<b>16.41</b>	<b>11.91</b>

**(ii) 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.

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**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.**(iii) Valuation technique used to determine Fair Value**

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 2 instruments is valued using inputs based on information about market participants assumptions and other data that are available.

**(iv) Fair value of Financial Assets and Liabilities measured at Fair value - recurring Fair Value Measurements**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Level 1	Level 2	Level 1	Level 2
<b>Financial assets</b>				
Investment in equity instruments	236,969.07	2,268.82	238,568.00	7,077.03
Investment in debt instruments	-	22.94	-	21.04
Investment in mutual fund	3,317.09	-	35.59	-
<b>Total financial assets</b>	<b>240,286.16</b>	<b>2,291.76</b>	<b>238,603.59</b>	<b>7,098.07</b>

**(v) 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.

**(vi) Fair value of assets and liabilities measured at cost/amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, Other financial assets and other financial liabilities approximate their carrying amounts of these instruments, as discussed below:



**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets:</b>				
Cash and cash equivalents	4.30	4.30	3.04	3.04
Other bank balances	1.73	1.73	55.39	55.39
Other financial assets	18.03	18.03	8.48	8.48
<b>Financial liabilities</b>				
Other financial liabilities	16.41	16.41	11.91	11.91

**(vii) Maturity analysis of assets and liabilities**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	4.30	-	3.04	-
Other bank balances	1.73	-	55.39	-
Investments	3,317.09	239,260.83	35.59	245,666.07
Other financial assets	18.03	-	8.48	-
<b>Total financial assets</b>	<b>3,341.15</b>	<b>239,260.83</b>	<b>102.50</b>	<b>245,666.07</b>
<b>Non-financial assets</b>				
Current tax assets (Net)	34.91	-	43.39	-
Property, plant & equipment	-	0.24	-	0.30
Other non-financial assets	8.88	-	0.73	-
<b>Total non financial assets</b>	<b>43.79</b>	<b>0.24</b>	<b>44.12</b>	<b>0.30</b>
<b>Total assets</b>	<b>3,384.94</b>	<b>239,261.07</b>	<b>146.62</b>	<b>245,666.37</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Other financial liabilities	16.41	-	11.91	-
<b>Total financial liabilities</b>	<b>16.41</b>	<b>-</b>	<b>11.91</b>	<b>-</b>
<b>Non-financial liabilities</b>				
Current tax liabilities (Net)	1.50	-	-	-
Provisions	62.71	4.76	57.85	2.42
Deferred tax liabilities (Net)	3.31	8,740.06	0.06	9,965.71
Other non-financial liabilities	4.95	-	4.73	-
<b>Total non financial liabilities</b>	<b>72.47</b>	<b>8,744.82</b>	<b>62.64</b>	<b>9,968.13</b>
<b>Total liabilities</b>	<b>88.88</b>	<b>8,744.82</b>	<b>74.55</b>	<b>9,968.13</b>
<b>Net equity</b>	<b>3,296.06</b>	<b>230,516.25</b>	<b>72.07</b>	<b>235,698.24</b>

## Notes to financial statements for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 33

#### Financial risk management

The Company is a Non-Banking Financial Company registered with the Reserve Bank of India. On account of its business activities it is exposed to various financial risks associated with financial products such as credit or default risk, market risk, interest rate risk, liquidity risk and inflationary risk. However, the Company has a robust financial risk management system in place to identify, evaluate, manage and mitigate various risks associated with its financial products to ensure that desired financial objectives are met. The Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies, as approved by the Board of Director. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies needs prior approval of its Board of Directors.

#### Credit risk

This risk is common to all investors who invest in bonds and debt instruments and it refers to a situation where a particular bond/debenture issuer is unable to make the expected principal payment interest rate payment, or both. Similarly, a lender bears the risk that the borrower may default in the payment of contractual interest or principal on its debt obligation, or both. The entity continuously monitors defaults of the customers and other counterparties and incorporates this information into its credit risk control.

#### Market risk:

Market risk is a form of systematic risk associated with the day-to-day fluctuation in the market prices of shares and securities and such market risk affects all securities and investors in the same manner. These daily price fluctuations follows its own broad trends and cycles and are more news and transaction driven rather than fundamentals and many a times, it may affect the returns from an investment. Market risks majorly comprises of two types - interest rate risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risks include borrowings and investments.

#### Interest rate risk

Interest rate risk is a type of systematic risk that particularly affects fixed rate debt instruments like bonds and debentures. The value of the fixed-rate debt instruments generally decline due to rise in interest rates and vice versa. The rationale is that a bond is a promise of a future stream of payments; an investor will offer less for a bond that pays-out at a rate lower than the rates offered in the current market. A rising interest rate scenario also affects the Company's interest expenditure on borrowed funds.

The Company monitors the interest rate scenarios on a regular basis and accordingly takes investments decisions as whether to invest in fixed rate debt instruments, shares and securities at a particular point of time.

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

**Price risk**

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in equity instruments, bonds, mutual funds etc. The Company is exposed to price risk arising mainly from investments carried at FVOCI which are valued using quoted prices in active markets. A sensitivity analysis demonstrating the impact of the change in market prices of these instruments from the prices existing as at the reporting date is given below:

Particulars	Carrying value as at	
	31-Mar-24	31-Mar-23
Investments carried at FVOCI valued using quoted prices in active market	236,969.07	238,568.00

Particulars	Sensitivity analysis on total comprehensive income upon fluctuation of market prices	
	Increase by 10 %	Decrease by 10 %
Impact on total comprehensive income for year ended 31 March 2024	23,696.91	(23,696.91)
Impact on total comprehensive income for year ended 31 March 2023	23,856.80	(23,856.80)

Equity instrument through OCI being a component of other equity would increase/decrease as a result of gain/loss on equity securities classified as fair value through Other Comprehensive Income.

**Liquidity risk:**

Liquidity refers to the readiness of the Company to sell and realise its financial assets. Liquidity risk is one of the most critical risk factors for Companies which is into the business of investments in shares and securities. It is the risk of not being able to realise the true price of a financial asset, or is not being able to sell the financial asset at all because of non-availability of buyer Unwillingness to lend or restricted lending by Banks and Financial Institutions may also lead to liquidity concerns for the entities.

The Company maintains a well-diversified portfolio of investments in shares and securities . A dedicated team of market experts are monitoring the markets on a continuous basis, which advises the management for timely purchase or sale of securities. The management ensures to manage its cash flows and asset liability patterns to ensure that the financial obligations are satisfied in timely manner.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis.

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Less than 1 year	Between 1 to 5 years	Over 5 years	Total
<b>As at 31 March 2024</b>				
Other financial liabilities	16.41	-	-	16.41
	<b>16.41</b>	-	-	<b>16.41</b>
<b>As at 31 March 2023</b>				
Other financial liabilities	11.91	-	-	11.91
	<b>11.91</b>	-	-	<b>11.91</b>

**Inflationary risk:**

Inflationary or purchasing power risk refers to the variation in investor returns caused by inflation. It is the risk that results in increase of the prices of goods and services which results in decrease of purchasing power of money, and likely negatively impact the value of investments. The two important sources of inflation are rising costs of production and excess demand for goods and services in relation to their supply. Inflation and interest rate risks are closely related as interest rates generally go up with inflation.

The Company closely monitors the inflation data and analyses the reasons for wide fluctuations thereof and its effect on various sectors and businesses. The main objective is to avoid inflationary risk and accordingly invest in securities and debt instruments that provides higher returns as compared to the inflation in long-term.

**Note 34-Capital management**

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserves and borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximize shareholder's value.

The entity manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the entity may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The entity monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The entity's policy is to keep an optimum gearing ratio. The entity includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Following table summarizes the capital structure of the Company.

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings	-	-
Less: Cash and cash equivalents	4.30	3.04
<b>Adjusted net debt</b>	<b>(4.30)</b>	<b>(3.04)</b>
Total equity (*)	<b>233,812.31</b>	<b>235,770.31</b>
<b>Net debt to equity ratio**</b>	-	-

(\*) Equity includes capital and all reserves of the Company that are managed as capital.

\*\* As negative kept Nil.

**Notes to financial statements for the year ended 31 March 2024****Note 35: Contingent liabilities**

(All amounts in ₹ lakhs, unless otherwise stated)

Contingent Liabilities	As at 31 March 2024	As at 31 March 2023
(a) Claims against company not acknowledged as debts		
i) Income tax matters under dispute with Ld. CIT (A)	12.02	30.65
ii) Fine imposed by Competent Authority for delayed compliance of certain requirements against which Company's appeal (Previous year-representation) is pending (net of advances of ₹ 8.26 lacs)	-	35.93

The company has reviewed all its pending litigations and proceedings and has made adequate provisions wherever required and disclosed the contingent liabilities wherever applicable, in its financial statements. The company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

**Note 36**

Particulars required under paragraph 31 of Master Direction Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 are given in annexure appended hereto

**Note 37**

The Company entered into cancellable lease arrangements for certain accommodations. Terms of such lease include upto three month's notice by either party for cancellation, option for renewal on mutually agreed terms and there are no restrictions imposed by such lease arrangements. The Company has applied the 'short-term lease' exemptions for these leases. Rental expenses incurred are disclosed in Note 25 as Rent.

**Note 38: Other statutory information:**

(i) The company has not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in ₹ lakhs, unless otherwise stated)

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Other than the above disclosures, the remaining other disclosures as prescribed in Amended Division III of Schedule III read with section 129 of Companies Act 2013 are either NIL or Not Applicable to the company for the current period.

**Note 39: Disclosure on CSR Expenditure**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount required to be spent by the Company during the Year	-	-
Amount of expenditure incurred	-	-
Shortfall at the end of the year	-	-
Total of the previous year shortfall	-	-
Reason for shortfall	Not Applicable	Not Applicable
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
Where a provision is made with respect to a liability incurred by entering into contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

**Note 40: Events Occurring After The Balance Sheet Date**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Dividend proposed for equity share holders (₹ 0.50 per equity share for FY 2023-24 (Previous Year : ₹ 0.40))	12.28	9.83

**Note 41:****Statement of Balance Sheet disclosures in terms of Master Direction Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023**

(Amount in ₹ Crore)

i) Capital	31 March 2024	31 March 2023
Capital to Risk/Weighted Assets Ratio (CRAR) (%)	102.05%	101.98%
CRAR-Tier I Capital (%)	102.05%	101.98%
CRAR-Tier II Capital (%)	-	-
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

**Notes to financial statements for the year ended 31 March 2024**

(Amount in ₹ Crore)

ii) Investments	<u>31 March 2024</u>	<u>31 March 2023</u>
<b>A. Value of Investments</b>		
Gross Value of Investments:		
a) In India	2,425.78	2,457.02
b) Outside India	-	-
<b>Provisions for Depreciation:</b>		
a) In India	-	-
b) Outside India	-	-
<b>Net Value of Investments</b>		
a) In India	2,425.78	2,457.02
b) Outside India	-	-
<b>B. Movement of provisions held towards depreciation on investments</b>		
Opening Balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off/Write-back of excess provisions during the year	-	-
Closing Balance	-	-

**iii) Derivatives**

The Company does not have any derivatives exposure in the current and previous financial year.

**iv) Disclosures relating to Securitisation**

The Company does not have any securitisation transaction in the current and previous financial year.

**v) Asset Liability Management**

Disclosures relating to maturity pattern of certain items of assets and liabilities are given in annexure appended hereto.

**vi) Exposures**

A) Exposure to Real Estate Sector	<u>31 March 2024</u>	<u>31 March 2023</u>
<b>Category</b>		
<b>a) Direct Exposure</b>		
<b>i) Residential Mortgages-</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	-	-

**Notes to financial statements for the year ended 31 March 2024**

	(Amount in ₹ Crore)	
	<u>31 March 2024</u>	<u>31 March 2023</u>
<b>ii) Commercial Real Estate</b>		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits.	-	-
<b>iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -</b>		
a. Residential	-	-
b. Commercial Real Estate	-	-
<b>b) Indirect Exposure</b>	-	-
<b>Total Exposure to Real Estate Sector</b>	<u>-</u>	<u>-</u>
<b>B) Exposure to Capital Market</b>	<b>31 March 2024</b>	<b>31 March 2023</b>
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	2,392.38	2,456.45
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) bridge loans to companies against expected equity flows / issues;	-	-
viii) underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix) financing to stockbrokers for margin trading	-	-
x) all exposures to Alternative Investment Funds:	-	-
(a) Category I	-	-
(b) Category II	-	-
(c) Category III	-	-
xi) All exposures to venture capital funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<u><b>2,392.38</b></u>	<u><b>2,456.45</b></u>



**Notes to financial statements for the year ended 31 March 2024****D) Details of financing of parent company products**

The Company does not have a parent company and accordingly no disclosures required.

**E) Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC**

There are no instances of exceeding the single and group borrowing limit by the Company during the current and previous year.

**F) Unsecured Advances**

The Company does not have any unsecured advances for which intangible securities such as charge over rights, license, authority, etc. has been taken.

**vii) Miscellaneous****A) Registration obtained from other financial sector regulators**

The Company has not obtained any registration from other financial sector regulators.

**B) Disclosure of Penalties imposed by RBI and other regulators**

There have been no penalties imposed on the Company by RBI or other financial sector regulators during the current and previous financial year.

**C) Related Party Transactions**

Details of all material related party transactions as per Ind AS 24 are disclosed in Note 30. Disclosures with respect to transactions with related parties as per section 2(76) of companies Act 2013, are given hereunder:

**I) Particulars of relationship**

Private company where a director, manager, or their relative is a member or director

**Name of related parties**

Asish Creations Private Limited  
Mannakrishna Investments Private Limited  
Newa Investments Private Limited  
Rajesh Vanijya Private Limited  
Ragini Finance Private limited  
The Venktesh Company Private Limited  
Tulika Investments Private Limited

**II) Disclosures of transactions with related parties:**

	(Amount in ₹ crore)	
	31 March 2024	31 March 2023
<b>Dividend payments</b>		
Asish Creations Private Limited	0.01	-
Mannakrishna Investments Private Limited	0.01	-
Newa Investments Private Limited	0.01	-
Rajesh Vanijya Private Limited*	0.00	-
Ragini Finance Private limited*	0.00	-
The Venktesh Company Private Limited*	0.00	-
Tulika Investments Private Limited*	0.00	-

0.00' represents amount below rounding off norms adopted by the company

**Notes to financial statements for the year ended 31 March 2024****D) Ratings assigned by credit rating agencies and migration of ratings during the year**

Not applicable

**E) Remuneration of Directors**

Details relating to remuneration of directors are disclosed in Note 30. All pecuniary relationship or transactions of the Non Executive Directors vis a vis have been disclosed in the Annual Report.

**F) Management**

The management discussion and analysis report for the year ended March 31, 2024 forms part of the Annual Report.

**G) Sectoral Exposures (Amount in ₹ crore)**

Sectors	As at 31 March 2024		
	Total exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
Agriculture & allied activities	-	-	-
Corporate borrowers	-	-	-
Services	-	-	-
<b>Total</b>	-	-	-

**(Amount in ₹ crore)**

Sectors	As at 31 March 2023		
	Total exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
Agriculture & allied activities	-	-	-
Corporate borrowers	-	-	-
Services	-	-	-
<b>Total</b>	-	-	-

**H) Intra-group exposures****(Amount in ₹ crore)**

	31 March 2024	31 March 2023
Total amount of intra-group exposures	-	-
Total amount of top 20 intra-group exposures	-	-
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

**I) Unhedged foreign currency exposure**

The Company does not have any foreign currency exposure during the current and previous year.

**J) Breach of covenant**

There were no instances of breach of covenant of loan availed during the year under review. No debt securities were issued by the company during the year.

**K) Divergence in assets classification and provisioning**

RBI has not assessed or identified any additional provisioning requirement in the case of the company other than what has been provided for. Hence not applicable.

**Notes to financial statements for the year ended 31 March 2024****viii) Additional Disclosures**

(Amount in ₹ Crore)

**A) Provisions and Contingencies****"Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss"**

	<u>31 March 2024</u>	<u>31 March 2023</u>
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax (including deferred tax)	2.84	2.61
Other Provision and Contingencies (Employee Benefits)	0.07	0.07
Provision for Standard Assets	-	-

**B) Draw Down from Reserves**

There have been no instances of draw down from reserves by the Company during the current and previous financial year.

**C) Concentration of Advances, Exposures and NPAs**

	(Amount in ₹ crore)	
	<u>31 March 2024</u>	<u>31 March 2023</u>
<b>a) Concentration of Advances</b>		
Total Advances to twenty largest borrowers	-	-
Percentage of Advances to twenty largest borrowers to Total Advances	-	-

	(Amount in ₹ crore)	
	<u>31 March 2024</u>	<u>31 March 2023</u>
<b>b) Concentration of Exposures</b>		
Total exposure to twenty largest borrowers/customers	-	-
Percentage of exposures to twenty largest borrowers / customers to Total Exposure	-	-

**c) Concentration of NPAs**

Total exposure to top four NPA accounts	-	-
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	(Amount in ₹ crore)	
	<u>31 March 2024</u>	<u>31 March 2023</u>
<b>d) Sector-wise NPAs</b>		
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	-	-
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

**Notes to financial statements for the year ended 31 March 2024**

(Amount in ₹ Crore)

**D) Movement of NPAs**

(Amount in ₹ crore)

	31 March 2024	31 March 2023
<b>i) Net NPAs to net advances (%)</b>		
<b>ii) Movement of NPAs (Gross)</b>		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
<b>iii) Movement of net NPAs</b>		
a) Opening balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
<b>iv) Movement of provisions for NPAs (excluding provisions on standard assets)</b>		
a) Opening balance	-	-
b) Provisions made during the year	-	-
c) Write-off/write-back of excess provisions	-	-
d) Closing balance	-	-

**E) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**

The Company did not have any overseas assets during the current and previous year.

**F) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)**

The Company did not sponsor any SPVs during the current and previous financial year.

**ix) Disclosure of customer complaints**

A) Summary information on complaints received by the NBFCs from customers

(Amount in ₹ crore)

Particulars	31 March 2024	31 March 2023
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	-	-
c) No. of complaints disposed during the year	-	-
-Of which, number of complaints rejected by the NBFC	-	-
d) No. of complaints pending at the end of the year	-	-

**Notes to financial statements for the year ended 31 March 2024****B) Top five grounds of complaints received by the NBFCs from customers**

(Amount in ₹ crore)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at beginning of the year	No. of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	No. of complaints pending at the end of the year	Of 5 no. of complaints pending beyond 30 days
As at 31 March 2024					
Nil	Nil	Nil	Nil	Nil	Nil
As at 31 March 2023					
Nil	Nil	Nil	Nil	Nil	Nil

**Note 43**

Disclosure on liquidity risk in terms of Master Direction Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023

(Amount in ₹ crore)

(i) Funding Concentration based on significant counterparty on borrowings & deposits	31 March 2024	31 March 2023
Number of significant counterparties	-	-
Amount of borrowed funds from significant counterparties	-	-
Percentage of total deposits	NA	NA
Percentage of total liabilities	-	-

**Note:**

- i) A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
- ii) Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

**(ii) Top 20 large deposits (amount in ₹ crore and % of total deposits)**

The company has not taken any deposits for the FY 2023-24.

**(iii) Top 10 borrowings (amount in ₹ crore and % of total deposits)**

The company does not have any borrowings as on 31st March 2024

**(iv) Funding Concentration based on significant instrument / product**

(Amount in ₹ crore)

Name of the instrument/product	As on 31 March 2024		As on 31 March 2023	
	Amount (**)	% of total liabilities	Amount (**)	% of total liabilities
Borrowings (other than debt securities)	-	-	-	-

**Note:**

(i) A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

(ii) Total liabilities has been computed as total assets less equity share capital less reserve & surplus and computed basis extant regulatory ALM guidelines.

(\*\*) Figures are based on gross borrowing outstanding and does not includes accrued interest and other Ind AS adjustments.

**Notes to financial statements for the year ended 31 March 2024**

(V) Stock ratios in percentage	(Amount in ₹ Crore)	
	31 March 2024	31 March 2023
1. Commercial papers as a % of total liabilities	-	-
2. Commercial papers as a % of total assets	-	-
3. Commercial papers as a % of public fund	-	-
4. Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	-	-
5. Non-convertible debentures (original maturity of less than one year) as a % of total assets	-	-
6. Non-convertible debentures (original maturity of less than one year) as a % of public fund	-	-
7. Other short-term liabilities as a % of total liabilities	0.06%	0.05%
8. Other short-term liabilities as a % of total assets	0.00%	0.00%
9. Other short-term liabilities as a % of public fund	-	-

**(vi) Institutional set-up for Liquidity Risk Management**

The Board of Directors of the Company have an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a Quarterly or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

**Note 44:**

The following disclosures is required pursuant to RBI circular dated March 13, 2020 - Circular No.RBI/2019-20/170 DOR (NBFC).CC.PD.No. 109/22.10.106/2019-20

Asset classification as per RBI Norms	Asset Classification as per IND AS 109	Gross carrying amount as per IND AS	(Amount in ₹ crore)		
			Gross allowances (provisions) as required under IND AS 109	Net carrying amount	Provision required as per IRACP Norms
Performing assets	Stage 1	-	-	-	-
Non-performing assets	Stage 3	-	-	-	-

There is no difference between the provisioning requirements as per IND AS 109 and IRACP norms.

## Notes to financial statements for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

### **Note 45**

#### **Disclosure with regard to dues to micro enterprises and small enterprises**

(i) The Ministry of micro, small and medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received and available with the Company.

(ii) Based on the information / documents available with the company, no interest provisions / payments has to be made by the Company to micro enterprises and small enterprises creditors and thus, no related disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 are made in these accounts.

### **Note 46**

The Board of Directors of the Company at its meeting held on September 21, 2022 has approved the scheme of amalgamation ("Scheme") of Western India Commercial Company Limited ("Transferor Company") with the Company and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 with the Appointed Date being April 1, 2022. The Scheme is subject to the required statutory and regulatory approvals.

### **Note 47:**

Figures for the previous period have been regrouped and reclassified to conform to the classification of current period wherever necessary.

In terms of our report attached  
**For Chaturvedi & Company**  
Chartered Accountants  
Firm Registration No. 302137E

**Nilima Joshi**  
Partner  
Membership No. 052122  
UDIN: 240521228KGPZ2636

Place : Kolkata

Date : 16th May 2024

For and on behalf of the Board of Directors

**Ashok Bhandari**  
Chairman  
DIN - 00012210

**Tapas Kumar Bhattacharya**  
Director  
DIN-00711665

**Sundrapandiyapuram  
Pichumani Kumar**  
Manager & CFO

**Ashish Kedia**  
Company Secretary





**Notes to financial statements for the year ended 31 March 2024**

[as required in terms of paragraph 31 of Master Direction Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023]

## Annexure to Note 36

(Amount in ₹ Crore)

	<u>Amount outstanding</u> 31.03.2024	<u>Amount outstanding</u> 31.03.2023
<b>(4) Break up of leased assets and stock on hire and other assets counting towards AFC activities</b>		
<b>(i) Lease assets including lease rentals under sundry debtors:</b>		
(a) Financial lease	-	-
(b) Operating lease	-	-
<b>(ii) Stock on hire including hire charges under sundry debtors:</b>		
(a) Assets on hire	-	-
(b) Repossessed assets	-	-
<b>(iii) Other loans counting towards AFC activities</b>		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
<b>(5) Break-up of investments:</b>		
<b>Current investments:</b>		
<b>1. *Quoted:</b>		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	33.04	0.35
(iv) Government securities	-	-
(v) Others	-	-
<b>2. *Unquoted:</b>		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others	-	-

**Notes to financial statements for the year ended 31 March 2024**

[as required in terms of paragraph 31 of Master Direction Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023]

Annexure to Note 36

(Amount in ₹ Crore)

Long Term investments:	<u>Amount</u> <u>outstanding</u>	<u>Amount</u> <u>outstanding</u>
	31.03.2024	31.03.2023
<b>1. *Quoted:</b>		
(i) Share: (a) Equity	130.53	135.89
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-
<b>2. *Unquoted:</b>		
(i) Shares: (a) Equity	7.40	7.40
(b) Preference	0.25	0.25
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (Please specify)	-	-
	<b>171.22</b>	<b>143.90</b>

\*considered at original cost

(6) Borrower group-wise classification of all leased assets, stock on hire and loans and advances (including other Current Assets):  
Please see Note 2 below

Category	Amount net of provisions 31.03.2024		Amount net of provisions 31.03.2023	
	Secured	Unsecured	Secured	Unsecured
<b>1. Related Parties **</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	0.05	-	0.03
<b>2. Other than related parties</b>	-	0.13	-	0.05
	-	<b>0.18</b>	-	<b>0.08</b>

**Notes to financial statements for the year ended 31 March 2024**

[as required in terms of paragraph 31 of Master Direction Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023]

## Annexure to Note 36

(Amount in ₹ Crore)

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

Category	31.03.2024		31.03.2023	
	Market Value /break up/or fair value or NAV	Book Value (Net of Provisions)	Market Value /break up/or fair value or NAV	Book Value (Net of Provisions)
<b>1. Related Parties**</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
<b>2. Other than related parties</b>	2,425.78	171.22	2,457.02	143.90
<b>Total</b>	<b>2,425.78</b>	<b>171.22</b>	<b>2,457.02</b>	<b>143.90</b>

\*\* As per Accounting Standards of ICAI (Please see Note 3)

	31.03.2024	31.03.2023
<b>(8) Other information</b>		
<b>(i) Gross non-performing assets</b>		
(a) Related parties	-	-
(b) Other than related parties	-	-
<b>(ii) Net non-performing assets</b>		
(a) Related parties	-	-
(b) Other than related parties	-	-
<b>(iii) Assets acquired in satisfaction of debt</b>	-	-

**Notes:**

- As defined in paragraph 5.1.26 of the Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.
- All notified Accounting Standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term ( amortised cost in the case of Ind AS) or current(fair value in the case of Ind AS) in (5) above.

N.B.I. INDUSTRIAL FINANCE CO. LTD.  
CIN : L65923WB1936PLC065596  
Annexure to Note 41

Asset Liability Management

Maturity pattern of assets and liability as on 31 March 2024

Particulars	(Amount in ₹ crore)										
	1 to 7 days	8 to 14 days	15-30 days	Over 1 Month up to 2 Months	Over 2 Months up to 3 Months	Over 3 Months & up to 6 Months	Over 6 Months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits*	-	-	-	-	-	-	-	-	-	0.00	0.00
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments**	-	-	33.17	-	-	-	-	0.25	-	-	33.42
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

\*0.00 represents rounding off norms adopted by the company

\*\* Equity shares amounting to 2,392.38 crore are not included above, since there is no set maturity pattern for the same

Maturity pattern of assets and liability as on 31 March 2023

Particulars	(Amount in ₹ crore)										
	1 to 7 days	8 to 14 days	15 to 30 days	Over 1 Month up to 2 Months	Over 2 Months up to 3 Months	Over 3 Months & up to 6 Months	Over 6 Months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits*	-	-	-	-	-	-	-	-	-	0.00	0.00
Advances	-	-	-	-	-	-	-	-	-	-	-
Investments**	-	-	0.36	-	-	-	-	-	0.25	-	0.61
Borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-	-	-

\*0.00 represents rounding off norms adopted by the company

\*\* Equity shares amounting to 2,456.45 crore are not included above, since there is no set maturity pattern for the same

Notes

- The above information has been considered as per Asset Liability Management (ALM) report compiled by the Management and reviewed by the ALM committee.
- In compiling the information in the above note, certain assumptions have been made by the Company and the same have been relied upon by the Auditors.

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