

NALWA SONS INVESTMENTS LIMITED

Regd. Office: 28, Najafgarh Road,
Moti Nagar Industrial Area,
Delhi – 110 015. India
CIN: L65993DL1970PLC146414

September 6, 2023

BSE Ltd.
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai – 400 001
Email: corp.relations@bseindia.com

Security Code: 532256

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra(E),
Mumbai-400051
Email: cmlist@nse.co.in

Security Code: NSIL

Sub: Annual Report for the FY 2022-23 including Notice of the 52nd Annual General Meeting Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir,

We wish to inform you that the 52nd Annual General Meeting (“AGM”) of Nalwa Sons Investments Limited (“the Company”) will be held on Friday, September 29, 2023 at 11.30 a.m. (IST) through Video Conferencing / Other Audio Visual Means.

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”), we are submitting herewith the Annual Report for the financial year 2022-23 including Notice of 52nd AGM of the Company, which is being sent through electronic mode to the Members.

The same is available at the website of the Company at www.nalwasons.com.

You are request to kindly take the above information on record.

Yours Faithfully,
For **Nalwa Sons Investments Limited**

(Ajay Mittal)
Company Secretary

Encl. As above

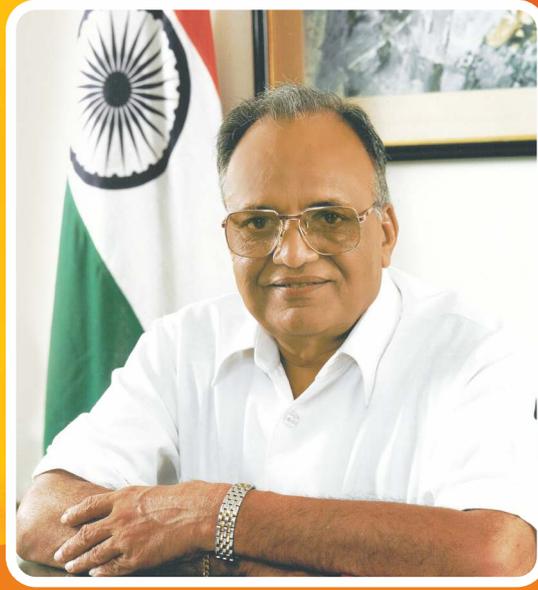


INNOVATE ADAPT EXCEL

ANNUAL REPORT 2022-23

NALWA SONS INVESTMENTS LIMITED

www.nalwasons.com



SHRI O. P. JINDAL

7TH AUGUST 1930 – 31ST MARCH 2005
FOUNDER AND VISIONARY,
O. P. JINDAL GROUP

"WHERE OTHERS SAW WALLS, HE SAW DOORS"

A man whose inspiration will forever shape destinies

An industrialist who built a multi-billion dollar empire through sheer grit and determination

A philanthropist who championed the cause of the underprivileged

A statesman who dedicated his life to the service of the people

A son of the soil who looked beyond the India that was, to the India that could be

A visionary who foresaw a self-reliant India half a century ago



Directors

Mr. Rajinder Parkash Jindal
Mr. Mahender Kumar Goel
Mr. Nrender Garg
Mr. Kanwaljit Singh Thind
Mrs. Shruti Shrivastava

Chief Financial Officer

Mr. Deepak Garg

Company Secretary

Mr. Ajay Mittal

Registrar & Transfer Agent

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No. NH2,
C1 Block LSC, Near Savitri Market,
Janakpuri, New Delhi - 110058
Phone No. (011) 41410592/93/94
Fax No. (011) 41410591
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in

Bankers

State Bank of India
Standard Chartered Bank
ICICI Bank Ltd.
IndusInd Bank

Statutory Auditors

M/s. B S D & Co.,
Chartered Accountants

Secretarial Auditors

M/s. Rajesh Garg & Co.,
Practicing Company Secretaries

Registered Office

28, Najafgarh Road,
Moti Nagar Industrial Area,
New Delhi - 110 015 India
Phone: (011) 45021854, 45021812
Email id: investorcare@nalwasons.com

Corporate Office

Jindal Centre, 12, Bhikaiji Cama Place,
New Delhi-110066
Phone : (011) 26188345-60,41462000

Branch Office

O.P. Jindal Marg,
Hisar -125 005 (Haryana) India
Phone: (01662) 222471-83

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52nd Annual General Meeting

Date : 29th September, 2023

Day : Friday

Time : 11:30 A.M.

Nalwa Sons Investments Limited

CIN: L65993DL1970PLC146414

Regd. Office: 28 Najafgarh Road, Moti Nagar Industrial Area, New Delhi – 110 015**Phone No.:** (011) 45021854, 45021812**Email Id.:** investorcare@nalwasons.com, **Website:** www.nalwasons.com**Corporate Office:** Jindal Centre, 12, Bhikaiji Cama Place, New Delhi-110 066**Branch Office:** O.P. Jindal Marg, Hisar- 125 005, Haryana**Phone:** (01662) 222471-83

NOTICE is hereby given that the 52nd **Annual General Meeting (“AGM”)** of Members of **Nalwa Sons Investments Limited** will be held on Friday, the 29th day of September, 2023 at 11:30 A.M. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. The audited standalone financial statements of the Company for the financial year ended on 31st March, 2023, the Reports of Board of Directors and Auditors thereon, and
 - b. The audited consolidated financial statements of the Company for the financial year ended on 31st March, 2023 and the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Mahender Kumar Goel (DIN: 00041866), who retires by rotation and being eligible, offers himself for re-appointment.

Branch Office:

O.P. Jindal Marg,

Hisar-125 005.

Date: August 31, 2023**By order of the Board**
For **Nalwa Sons Investments Limited****(Ajay Mittal)**
Company Secretary
ICSI Membership No. F11573**NOTES:**

1. The Ministry of Corporate Affairs (“MCA”) has vide its circular dated 28th December, 2022 read with circulars dated 5th May, 2022, 13th January, 2021, 8th December, 2021, 28th September, 2020, 15th June, 2020, 5th May, 2020, 8th April, 2020 and 13th April, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM Facility, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), MCA Circulars; and circular dated 5th January, 2023, 13th May, 2022, 15th January, 2021 and 12th May, 2020 issued by the Securities and Exchange Board of India (“SEBI Circulars”), the 52nd AGM of the Company is being held through VC / OAVM Facility. The detailed procedure for participating in the meeting through VC/OAVM Facility is mentioned hereunder in this notice. The deemed venue for the 52nd AGM shall be the Registered Office of the Company.

In terms of the MCA Circulars and SEBI Circulars, the Notice of the 52nd AGM will be available on the website of the Company at www.nalwasons.com, on the website of BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and also on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in/>.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM Facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 52nd AGM of the Company and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Attendance of the Members of the Company, participating in the 52nd AGM through VC / OAVM Facility will be counted for the purpose of reckoning the quorum under section 103 of the Act.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of SEBI Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 52nd AGM and facility for those Members participating in the 52nd AGM to cast vote through e-Voting system during the 52nd AGM. Link Intime India Private Limited ("Link Intime/Registrar") will be providing facility for voting through remote e-Voting, for participation in the 52nd AGM through VC/OAVM Facility and e-Voting during the 52nd AGM.
5. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") of the person who retire by rotation and eligible for re- appointment as Director under Item No. 2 of the Notice is also attached. The Company has received relevant disclosures / consent from the Director seeking re-appointment.
6. Pursuant to Section 91 of the Act and Regulation 42 of the SEBI Listing Regulations, the Register of Members and the Share Transfer books of the Company will remain closed from Wednesday, 20th September, 2023 to Thursday, 21st September, 2023 (both days inclusive) for the purpose of 52nd AGM of the Company.
7. The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar and Transfer Agent of the Company.
8. As per Regulation 40 of SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form and transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. Members holding shares of the Company in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Link Intime for the same. Further, Members may please note that SEBI, vide its Circular dated 25th January, 2022, mandated the listed companies to issue securities in demat form only, while processing any service request(s) related to issue of duplicate securities certificate; claim from Unclaimed Suspense Account; 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 website of the Company at www.nalwasons.com.
9. Pursuant to the MCA Circulars and SEBI Circulars, the Notice of the 52nd AGM and the Annual Report for the financial year 2022-23 including therein the Audited Financial Statements for financial year ended on 31st March 2023, are being sent only by email to the Members. Members who have not registered their email addresses with the Company or with their respective Depository Participant(s) and who wish to receive the Notice of the 52nd AGM and the Annual Report for the financial year 2022-23 including therein the Audited Financial Statements for financial year ended on 31st March 2023 and all other communication sent by the Company, from time to time, can now register for the same by submitting a duly filled-in request form mentioning their folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN Card and any document (such as Driving License, Passport, Bank Statement, Aadhaar Card) supporting the registered address of the Member, by email to the Company / Registrar. Members holding shares in demat form are requested to register their email addresses with their Depository Participant(s) only.
10. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date 22nd September, 2023 and as per the Register of Members of the Company. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
11. In case of joint holders attending the Meeting, only the Member whose name appears first will be entitled to vote.
12. Since 52nd AGM of the Company will be held through VC / OAVM Facility, therefore Route Map is not annexed to this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Item No. 2

Pursuant to the provisions of Section 152 of the Companies Act, 2013, the period of office of at least two-third of the total number of Directors shall be liable to retire by rotation and at every Annual General Meeting ("AGM") at least one-third of such number of Directors, who have been longest in the office shall retire by rotation. For this purpose, the total number of directors shall not include Independent Directors.

In view of the above provisions, Mr. Rakesh Kumar Garg, Executive Director & CEO was liable to retire by rotation at this AGM. Accordingly, the Board of Directors at its meeting held on 30th May, 2023 recommended re-appointment of Mr. Rakesh Kumar Garg as Director liable to retire by rotation to the shareholders at the ensuing AGM.

However, since Mr. Rakesh Kumar has resigned from the Board of Directors of the Company w.e.f. close of working hours on 31st August, 2023, the Board of Directors upon the recommendation of the Nomination and Remuneration Committee at its meeting held on 31st August, 2023 recommended reappointment of Mr. Mahender Kumar Goel as liable to retire by rotation at this AGM, since he holds longest position amongst directors liable to retire by rotation.

Mr. Mahender Kumar Goel is not disqualified from being appointed as Director in terms of provisions of Companies Act, 2013 ("the Act") and he has given his consent to act as Director. Mr. Goel is also not debarred from holding the office of a Director by virtue of any SEBI order or any other authority.

The information as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 is provided under the head "Additional Information".

Your Directors recommend passing the resolution as set out at Item No. 2 of this notice as an Ordinary Resolution for your approval.

Mr. Mahender Kumar Goel is interested in the resolution as set out at Item No. 2 of this Notice. The other relatives of Mr. Mahender Kumar Goel may be deemed to be interested to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors/ key Managerial Personnel(s) of the Company/ their relative are, in any way, concerned or interested, financially or otherwise in the above referred resolution.

Branch Office

O.P. Jindal Marg,
Hisar-125 005.

Date: August 31, 2023

By order of the Board

For Nalwa Sons Investments Limited

(Ajay Mittal)

Company Secretary

ICSI Membership No. F11573

Additional Information:

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India.

Brief Profile of directors and the director, who retire by rotation and eligible for re- appointment:

| | |
|---|---|
| Name of the Director | Mr. Mahender Kumar Goel |
| DIN | 00041866 |
| Date of Birth/ Age | 10/12/1957; 65 years |
| Date of Appointment in the Current Term | 30th May, 2019 |
| Qualification | Under Graduate |
| Expertise/Experience in specific functional area | He has work experience of more than 38 years in various field such as business management, managing the industrial units and general administration |

| | |
|---|---|
| Directorship in other Indian Public Limited Companies as on 31.03.2023* | Sonabheel Tea Limited. Stainless Investments Limited Nalwa Engineering Company Limited |
| Chairman/Member ship of Committees in other Indian Public Limited Companies (As on 31.03.2023)# | -- |
| No. of shares held in the Company | -- |
| Relationship with other Directors, Managers or KMP | -- |
| Number of meetings of Board attended during the year 2022-23 | 2 |
| Last Remuneration Drawn and Remuneration proposed to be paid and Terms and conditions of appointment | Nil As per Remuneration and Nomination Policy of the Company as displayed on the Company's website viz. www.nalwasons.com |

*Excluding directorship in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

Only two committees i.e. Audit Committee and Stakeholders' Relationship Committee have been considered as per provisions of Regulation 26 of the SEBI (LODR) Regulations, 2015.

INSTRUCTIONS FOR E-VOTING:

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended, the Company is pleased to provide remote e-voting facility to enable the members to cast their votes electronically on the resolutions mentioned in the Notice of the 52nd AGM of the Company to be held on Friday, the 29th day of September, 2023. The Company has appointed Mr. Rajesh Garg (Membership No. 5960) of M/s. Rajesh Garg & Co., Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting process and e-voting during the AGM in a fair and transparent manner. The list of shareholders/ beneficial owners shall be reckoned on the equity shares as on 22nd September, 2023.

The Member(s) requiring any assistance with regard to use of technology for remote e-voting during the 52nd AGM may contact Mr. Swapan Kumar Naskar, Associate Vice President & Head (North India) at the designated Email ID: swapann@linkintime.co.in or contact at 011- 49411000.

The remote e-voting period will commence on 26th September, 2023 at 9.00 a.m. (IST) and ends on 28th September, 2023 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September, 2023, may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime India Private Limited ("Link Intime") for voting thereafter. Once the vote on a resolution is cast by a Member, whether partially or otherwise, it shall not be allowed to change subsequently.

Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e- Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders holding securities in demat mode with CDSL | <ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at : https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) & login through their depository participants | <ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e- Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

| | |
|---|--|
| <p>Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME</p> | <ol style="list-style-type: none"> 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in <input type="checkbox"/> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable). DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above <input type="checkbox"/> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$&*), at least one numeral, at least one alphabet and at least one capital letter). <input type="checkbox"/> Click “confirm” (Your password is now generated). 2. Click on ‘Login’ under ‘SHARE HOLDER’ tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. 4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). 7. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote. |
|---|--|

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e- voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund/ Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME, have forgotten the password:

- Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on ‘**Submit**’.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e- mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$&*), at least one numeral, at least one alphabet and at least one capital letter

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

| Login type | Helpdesk details |
|---|---|
| Individual Shareholder holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholder holding Securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 23058738 or 022-23058542-43. |

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions (‘FAQs’) and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on:- Tel: 022-4918 6000.

InstaVote Support Desk

Link Intime India Private Limited

Process and manner for attending the Annual General Meeting through InstaMeet:

Shareholders/Members are entitled to attend and participate in the Annual General Meeting (“AGM”) through VC/OAVM Facility being provided by Link Intime by following the below mentioned process:

1. Facility for joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and shall be kept open till the expiry of 15 minutes after the schedule time on first come first basis.
2. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first come first basis.
3. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Members shall register their details and attend the AGM as under:
 1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

▶ Select the “Company” and ‘Event Date’ and register with your following details: -

- A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID

- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

InstaMeet Support Desk

Link Intime India Private Limited

Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

The image shows a screenshot of the Cisco Webex website's download page. The top navigation bar includes 'Solutions', 'Webex Devices', 'Plans & Pricing', and 'Learn'. The main content is divided into two columns: 'Webex Meetings' and 'Webex Teams'. Both columns feature a 'Download for Windows' button, with an arrow pointing to the 'Webex Meetings' button. Below the main content, there is a three-step guide for installation:

- Step 1**: Double-click the webexapp.msi file you downloaded.
- Step 2**: The Webex Meetings setup wizard will launch. Follow the instructions to set up.
- Step 3**: Once installed the app will launch automatically.

Below the steps, there is a note: 'To open the app double-click the Webex Meetings icon on your desktop.' At the bottom, a Windows file explorer dialog box is visible, showing the file 'webexapp.msi (88.1 MB)' and buttons for 'Run', 'Save', and 'Cancel'.

Step 1
Double-click the webexapp.msi file downloaded.

Step 3
Once installed, the app will launch automatically.

To open the app double-click the Webex Meetings icon on your desktop.

Step 1
Double-click the webexapp.msi file downloaded.

Step 3
Once installed, the app will launch automatically.

Step 1
Double-click the webexapp.msi file downloaded.

Step 3
Once installed, the app will launch automatically.

or

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

| | |
|--------|--|
| Step 1 | Enter your First Name, Last Name and Email ID and click on Join Now. |
| 1 (A) | If you have already installed the Webex application on your device, join the meeting by clicking on Join Now |
| 1 (B) | If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now |

FOR ATTENTION OF SHAREHOLDERS

- Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 52nd AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning the name, folio number and complete address; and (ii) self attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, Aadhar Card) in support of the address of the Member as registered with the Company; to the email address of the Company investorcare@nalwasons.com.

In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of

- a signed request letter mentioning your name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID);
 - self attested scanned copy of client master or Consolidated Demat Account statement; and
 - self attested scanned copy of the PAN Card, to the email address of the Company investorcare@nalwasons.com
- Members are requested to immediately notify to the Registrar any change in their address, in respect of equity shares held in physical mode and to their depository participants (DPs) in respect of equity shares held in dematerialised form.
 - The Securities & Exchange Board of India ("SEBI") vide its circular SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with clarification circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 has notified simplified norms for processing investors service request by Registrar and mandatory furnishing/updation of PAN, KYC, Bank details, Nomination details and specimen signature by all share holders holding share in physical form.

Accordingly, the shareholders of the Company holding shares in physical form are requested to submit the following documents/information to the Registrar and Share Transfer Agent ("RTA") of the Company:

- Update valid PAN and KYC details in Form ISR-1;
- Nomination details in Form SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- Submit Form SH-14 to change nomination details;
- Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- Bank Account details including name of Bank and branch address, Bank account number, IFS code; and
- Register/update Specimen Signature in Form ISR-2, duly attested by the banker of the concerned Shareholders, along with original cancelled cheque with respective name(s) printed thereon or extracts of the Bank Passbook / Statement reflecting their bank account details, duly attested by the Bank.

Further, in terms of SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and as an on-going measure to enhance ease of dealing in shares by the shareholders, the securities will be issued in dematerialized form only while processing certain service requests including issue of duplicate securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission, transposition etc. Therefore, the shareholder(s)/ claimant(s) are requested to submit duly filled up Form ISR-4 along with the documents

/details specified therein for processing any requests pertaining to the abovementioned services requests to the Registrar.

Shareholders are requested to kindly update respective Email Id and Mobile No. with Registrar of the Company for records as well as for receiving communications by electronic means. The shareholders are requested to convert their shareholding in Dematerialised Form to eliminate the risk associated with the physical share certificate including Freezing of Folio.

The relevant forms for the aforementioned submissions are available at the website of the Company at : www.nalwasons.com

The shareholders are advised to provide the duly filled-in and signed documents along with the related proofs to the Registrar.

You are requested to ignore this communication if you have already updated/submitted the aforesaid information.

4. The Company's equity shares are compulsorily traded in dematerialised form by all investors Shareholders are requested to get the shares dematerialised in their own interest.
5. **The Company has created an Email Id. 'investorcare@nalwasons.com', which is being used exclusively for the purpose of redressing the complaints of the investors.**
6. Members should quote their Folio No. / DP Id-Client Id, email addresses, telephone / fax numbers to get a prompt reply to their communications.
7. The annual accounts and other related documents of the subsidiaries are available at the website of the Company at www.nalwasons.com and will be made available to any member of the Company who may be interested in obtaining the same. The consolidated financial statements of the Company include the financial results of all the subsidiary companies. The annual accounts of the subsidiary companies would be open and accessible for inspection by shareholder / investor at registered office of the Company and registered office of the subsidiary companies on any working day except holidays.
8. The Scrutinizer shall after the conclusion of e-Voting at the 52nd AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 2 working days from the conclusion of the 52nd AGM, who shall then countersign and declare the result of the voting forthwith. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the AGM, i.e. Friday, September 29, 2023.
9. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and Relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to investorcare@nalwasons.com.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 52nd Annual Report on the Business and Operations of your Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2023.

1. FINANCIAL RESULTS

The Financial performance for the Financial year ended 31st March, 2023 is summarized below:

(Rs. in Lakhs)

| PARTICULARS | Standalone | | Consolidated | |
|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Year Ended 31.03.2023 | Year Ended 31.03.2022 | Year Ended 31.03.2023 | Year Ended 31.03.2022 |
| Revenue from Operations | 10,995.07 | 6,814.95 | 13,138.31 | 9,307.38 |
| Other Income | 212.05 | 426.74 | 218.26 | 428.39 |
| Total Income | 11,207.12 | 7,241.69 | 13,356.57 | 9,735.77 |
| Total Expenses | 295.50 | 225.35 | 921.38 | 1,700.02 |
| Profit before Exceptional items & Tax | 10,911.62 | 7,016.34 | 12,435.19 | 8,035.75 |
| Exceptional Item | - | - | - | - |
| Income Tax earlier years | - | (370.59) | - | (371.56) |
| Current Tax | 2,521.72 | 1300.83 | 2,747.37 | 1,538.83 |
| Deferred Tax Liability/(Assets) | 295.27 | 449.99 | 428.72 | 233.24 |
| Profit for the year after Tax | 8,094.63 | 5,636.11 | 9,258.26 | 6,586.37 |
| Total Comprehensive Income | 104.45 | 2,75,791.94 | 5,874.99 | 2,83,658.14 |

2. COMPANY'S PERFORMANCE

On a standalone basis, the Income of the Company by way of dividend, interest and other income stood at Rs. 11,207.12 lakh during the financial year ended 31st March, 2023 as compared to Rs. 7,241.69 lakh during the previous year. Profit before exceptional items & Tax at Rs. 10,911.62 Lakh as compared to Rs. 7,016.34 lakh during previous year. Profit after tax stood at Rs. 8,094.63 lakh as compared to Rs. 5,636.11 lakh during the previous year.

On a consolidated basis, the Total Income stood at Rs. 13,356.57 lakh during the financial year ended 31st March, 2023 as compared to Rs. 9,735.77 lakh during the previous year. Profit after tax stood at Rs. 9,258.26 lakh as compared to Rs. 6,586.37 lakh during the previous year.

3. FUTURE PROSPECTS

Your Company holds significant investments in Equity Shares of O.P. Jindal Group of Companies, therefore the business prospects of the Company largely depends on the business prospects of O.P. Jindal Group of Companies and the steel industry. The Indian steel industry has entered into a new development stage, riding high on the resurgent economy and rising demand for steel.

Your Company is looking forward for a sustainable growth in its investee Companies in the coming years which would enhance the shareholders' value. Considering the forecasted growth in the economy as a whole and the steel industry in particular, the Company expects to enhance its entrenched value for the benefit of the shareholders' at large.

4. DIVIDEND & INVESTOR EDUCATION AND PROTECTION FUND

In terms of the Dividend Distribution Policy of the Company and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), equity shareholders of the Company may expect dividend if the Company is having surplus funds and after taking into consideration the relevant internal and external factors as mentioned in the said Policy. Accordingly, Board of Directors has not recommended any dividend for the financial year ended 31st March, 2023. The Dividend Distribution Policy is available on Company's website at the following link: www.nalwasons.com.

There is no unclaimed and unpaid dividend remaining due with the Company. Hence, the Company has not transferred any amount to Investor Education and Protection Fund of Government of India during the financial year under review.

5. TRANSFER TO RESERVES

An amount of Rs.1,618.93 lakh was transferred to Statutory Reserve Fund during the financial year under review.

6. DEPOSITS

Your Company has not accepted/received any deposits under report falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Hence, the requirement of providing details relating to deposits as also of deposits which are not in compliance with Chapter V of the Act, is not applicable.

7. SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakhs only) Equity shares of Rs. 10 (Rupees Ten only) each. The paid up equity share capital as on March 31, 2023 is Rs. 5,13,61,630 (Rupees Five Crore Thirteen Lakhs Sixty One Thousand Six Hundred and Thirty only) comprising 51,36,163 (Fifty One Lakhs Thirty Six Thousand One Hundred and Sixty Three only) equity shares.

There was no buy back of equity shares, public issue of securities, rights issue, bonus issue or preferential issue etc. during the year under review. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

8. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of your Company for the Financial Year 2022-23, is prepared in compliance with the applicable provisions of the Companies Act, 2013, Indian Accounting Standards(Ind-AS) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company does not have any Holding Company. The Company has 3 direct subsidiaries as on March 31, 2023, namely (i) Jindal Steel & Alloys Ltd. (ii) Nalwa Trading Limited(formerly known as Jindal Holdings Ltd.) and (iii) Brahmaputra Capital & Financial Services Ltd. Jindal Equipment Leasing and Consultancy Services Ltd. is an associate of the Company. There is no Joint Venture of the Company, Jindal Steel & Alloys Limited is material subsidiary of your Company.

In terms of the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements of the Company, along with other relevant documents and separate audited accounts of the subsidiaries, are available on the website of the Company, at the link: www.nalwasons.com.

The members, if they desire, may write to the Secretarial Department of the Company at 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi-110 015 to obtain the copy of the financial statements of the subsidiary companies. A statement containing the salient features of the financial statement of the subsidiaries and associate company in the prescribed Form AOC - 1 is attached along with financial statements. The statement also provides the details of performance and financial position of each of the subsidiary company. Your Company has framed a policy for determining "Material Subsidiary" in terms of Regulation 16(1)(c) of SEBI LODR, which is available at the website of the Company at the link: http://nalwasons.com/pdf/Policy_for_determining_material_subsidiaries_NSIL001.pdf

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The members of the company at AGM held on 30th September, 2022 had re-appointed Mr. Rakesh Kumar Garg as Whole Time Director designated him as Executive Director & Chief Executive Officer (C.E.O.) and Key Managerial Personnel ("KMP") of the Company for a period of five years w.e.f 17th October, 2022.

Further, in accordance with the provisions of the Act, Mr. Rakesh Kumar Garg, Executive Director & C.E.O. is liable to retire by rotation as Director at the ensuing AGM and being eligible, offers himself for re- appointment.

Brief resumes of director, who retire by rotation and eligible for re- appointment, nature of their expertise in specific functional areas, details of Directorship in other companies, membership / chairmanship of committees of the board

and other details, as stipulated under Regulation 36(3) of SEBI LODR and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India, are given in the Notice forming part of the Annual Report.

All Independent Directors have given declaration to the Company that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI LODR. Further, all the Directors have also confirmed that they are not debarred to act as a Director by virtue of any SEBI order or any other statutory authority.

Your Company has also devised a Policy on Familiarization Programme for Independent Directors which aims to familiarize the Independent Directors with your Company, nature of the industry in which your Company operates, business operations of your Company etc. The said Policy may be accessed on your Company's website at the link:

<https://nalwasons.com/pdf/DETAILS%20OF%20FAMILIARIZATION%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS%20NSIL.pdf>

11. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met four times during the financial year ended on 31st March, 2023. The details of Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report forming part of this Annual Report.

In term of requirements of Schedule IV to the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 28th May, 2022.

The Independent Directors at the meeting reviewed the following:

- a) Performance of Non-Independent Directors and the Board as a whole and
- b) Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

12. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 ("the Act") and the Corporate Governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"), the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

An annual performance evaluation of all Directors, the Committees of Directors and the Board as a whole for the year under review was carried out. For the purpose of carrying out performance evaluation, assessment questionnaires were circulated to all Directors and their feedback was obtained and recorded. The Directors expressed their satisfaction with the evaluation process.

13. POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS, KMP & OTHER SENIOR EMPLOYEES

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance Report, which is a part of this report.

14. DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued there under as well as Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. EXTRACT OF ANNUAL RETURN

In terms of Sections 92(3) and 134(3) of the Act, annual return is available on the Company's website at the link: www.nalwasons.com

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to directors' responsibility statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors 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 as at 31st March, 2023 and of the profit and loss of the Company for the year ended on that date;
- c) the directors 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;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

17. AUDITORS

a) Statutory Auditor:

M/s. B S D & Co., Chartered Accountants, (Firm Registration No. 000312S) were appointed as Statutory Auditors of the Company by the shareholders at the 50th Annual General Meeting of the Company held on 30th September, 2021 for the period of 3 years starting from conclusion of 50th AGM till the conclusion of 53rd AGM of the Company. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes to financial statements referred to in the Auditor's Report are self explanatory and do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

b) Secretarial Auditor:

The Board had appointed M/s. Rajesh Garg & Co., Practicing Company Secretary to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith marked as **Annexure-A1** to this report. Also Secretarial Audit report(s) of Indian unlisted material subsidiaries are also attached as **Annexure A2 & A3** to this report.

In line with the Circular dated February 08, 2019 as amended issued by the Securities and Exchange Board of India, Annual Secretarial Compliance Report for the year ended 31st March, 2023 confirming compliance of all applicable SEBI Regulations, Circulars and Guidelines by the Company was issued by M/s. Rajesh Garg & Co., Practicing Company Secretaries and filed with the Stock Exchanges on May 30, 2023. The same is available on the website of the Company at www.nalwasons.com.

The Secretarial Audit Report of the Company contains the following qualification, reservation or adverse remark as follows:

The Company has not availed Director and Officer Insurance ('D' and 'O') Policy for its independent directors during the period 1st April, 2022 to 24th May, 2022 in compliance with Regulations 25(10) of SEBI(Listing Obligations and Disclosure Requirements), Regulations, 2015, amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 dated 3rd August, 2021 read with the corrigendum dated 6th August, 2021, as applicable to the top 1000 listed entities with effect from January 1, 2022.

Management's Reply:

The Company, after finding and evaluation the suitable insurance company, has taken the Director and Officer Insurance ('D' and 'O') Policy for its independent directors from ICICI Lombard General Insurance Company Limited on 25th May, 2022.

18. AUDIT COMMITTEE

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report. All the recommendations made by the Audit Committee during the financial year 2022-23 were accepted by the Board.

19. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to the provisions of Section 135 of the Act, read with CSR Rules, the Company has constituted CSR Committee and formulated CSR policy. The policy primarily rests on four broad categories: Environment, Health, Education and Community Development. The details pertaining to the composition of the Corporate Social Responsibility Committee are included in the Corporate Governance Report which is a part of this Report.

The Disclosure as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report at **Annexure - B**.

The CSR Policy can be accessed on the Company's website at the link: <http://nalwasons.com/pdf/CSR%20Policy-NSIL.pdf>

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The particulars of loans, guarantees or investments by the Company are stated in Notes to Accounts, forming part of this Annual Report.

21. TRANSACTIONS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC-2 is not required.

Your Directors draw attention of the members to Notes to the financial statement which sets out related party disclosures.

Moreover, Policy on Related Party Transactions in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the provisions of the Companies Act, 2013 is uploaded at the web link: http://nalwasons.com/pdf/Related_Party_Transactions-file001.pdf

Pursuant to Part A of Schedule V to the Listing Regulations, there were no transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

22. DISCLOSURE REQUIREMENTS

As per Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis report are attached, which forms part of this report. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

23. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY (OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE DIRECTORS REPORT)

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

24. PARTICULARS REGARDING THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO

Since the Company is not engaged in any manufacturing activity, particulars under section 134(4)(l) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption are not available.

There were no foreign exchange transactions during the year.

25. RISK MANAGEMENT

The Board of Directors had constituted the Risk Management Committee which has been entrusted inter alia with the following functions: (a) Framing of Risk Management Plan and Policy; (b) Overseeing implementation / Monitoring of Risk Management Plan and Policy; (c) Identifying emerging risks and reviewing risk mitigation strategies; and (d) Formulating a cyber security plan and overseeing its implementation.

Your Company has laid down procedures to inform Board members about risk assessment and minimization strategy. The Board doesn't foresee any immediate risk which threatens the existence of the Company. The details of Risk Management Committee are mentioned in the Corporate Governance Report.

26. PARTICULARS OF EMPLOYEES

The information required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure – C**.

27. RESERVE BANK OF INDIA GUIDELINES

Your Company is registered as a Non Banking Financial Company (NBFC) with Reserve Bank of India under the provisions of Section 45 IA of the Reserve Bank of India Act, 1934. In term of Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Nalwa Sons Investments Limited ('NSIL' or 'the Company') is a Systemically Important Non-Deposit taking-Non Banking Financial Company (i.e a non-banking financial company not accepting / holding public deposits and having an asset size of more than Rs.500 crores) having total assets of Rs. 9223.32 Crore.

Your Company has duly complied with all applicable rules, regulations and guidelines issued by Reserve Bank of India for NBFCs from time to time.

28. INTERNAL FINANCIAL CONTROLS

The Board of Directors in consultation with Internal Auditors have laid down the Internal Financial Control Framework, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

The Statutory Auditors has reviewed and reported on the adequacy of the Internal Financial Controls as per the provisions of the Companies Act, 2013 and the same is forming part of Financial Statements and Auditors' Report.

29. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

During the year under review, there were no cases filed pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

30. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Vigil Mechanism namely, Whistle Blower Policy for directors, employees and business partners to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The Whistle Blower Policy is posted on the website of the Company and can be accessed at the link: http://nalwasons.com/pdf/Whistle_Blower_Policy001.pdf

31. FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS INCLUDING INDEPENDENT DIRECTORS

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with Company's procedures and practices.

The Independent Directors are given every opportunity to interact with the Key / Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

The familiarization programme for Independent Directors in terms of the provisions of Regulations 25 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is uploaded on the website of the Company and can be accessed through the following link:

<https://nalwasons.com/pdf/DETAILS%20OF%20FAMILIARIZATION%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS%20NSIL.pdf>

Your Company has also devised a Policy on Familiarization Programme for Independent Directors. The said Policy may be accessed on your Company's website at the link:

http://nalwasons.com/pdf/Policy_on_familiarisation_programme_for_independent_directors_NSIL001.pdf

32. THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of Company's business during the financial year ended on 31st March, 2023.

33. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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.

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the listing regulations forms part of this Annual Report.

35. HUMAN RESOURCES

The Company continues to put due emphasis on appropriate human resource development for its business. The employees of your Company and the Group fully identify with the Company's and Group's vision and business goals.

36. E-VOTING PLATFORM

In compliance with provisions of Section 108 of the Companies Act, 2013 and MCA General Circular dated 28th December, 2022 read with circulars dated 5th May, 2022, 13th January, 2021, 8th December, 2021, 28th September, 2020, 15th June, 2020, 5th May, 2020, 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") and circulars dated 5th January, 2023, 13th May, 2022, 15th January, 2021 and 12th May, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular"), your Company is registered with Link Intime India Private Limited for providing E-Voting services to set up an electronic platform to facilitate shareholders to cast votes through remote e-voting and also through e-voting system at the ensuing Annual General Meeting scheduled to be held through Video Conferencing/ Other Audio Visual Means) on the business to be transacted at the said AGM.

Detailed procedure will be provided in the Notice convening the Annual General Meeting sent to the Shareholders.

37. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT(BRSR)

SEBI vide its circular dated 10th May, 2021 has introduced new reporting requirements on Environmental, Social and Governance ('ESG') parameters viz. the Business Responsibility and Sustainability Report ('BRSR'). The said reporting is applicable for the top 1,000 listed companies based on market capitalization and has been made mandatory from F.Y. 2022-23.

Pursuant to SEBI Listing Regulations, BRSR has become applicable on your Company (being among the top 1,000 listed entities based on market capitalisation) with effect from the F.Y. 2022-23. Accordingly, the Company has adopted a Policy on BRSR and other ESG initiatives. A detailed BRSR in the format prescribed by SEBI describing various initiatives,

actions and process of the Company towards the ESG endeavour has been hosted on Company's website at: www.nalwasons.com

38. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations includes, changes in Government Regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

39. OTHER DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items, during the period under review:

- a) There was no issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- b) There was no issue of shares (including sweat equity shares) to the employees of the Company under any Scheme.
- c) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- d) There was no instance of one time settlement with any bank or financial institution.
- e) The Whole-time Director of the Company did not receive any remuneration or commission from any of the subsidiary companies.
- f) No credit rating was required to be obtained.

40. ACKNOWLEDGEMENT

The Directors thank the Company's employees, customers, vendors, banks and investors for their continuous support.

The Directors also thank the Government of India, Governments of various States in India and other concerned Government departments and agencies for their co-operation.

For and on behalf of the Board of Directors

Place: Hisar
Date: May 30, 2023

Rakesh Kumar Garg
Executive Director & C.E.O.
DIN: 00038580

Nrender Garg
Director
DIN: 08486246

Annexure- A-1 of Directors' Report

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2023

[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,
Nalwa Sons Investments Limited,
CIN: L65993DL1970PLC146414,
28 Najafgarh Road,
Moti Nagar Industrial Area,
New Delhi-110 015.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Nalwa Sons Investments Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has adequate Board processes and compliance mechanism in place to the extent in the manner and subject to reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Nalwa Sons Investments Limited** for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (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;
 - (e) The Securities and Exchange Board of India (Depositors and Participants) Regulations, 2018.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Other laws applicable to the company as per the representations made by the Company:-
 - (a) Rules, Regulations, Guidelines and Directions issued by the Reserve Bank of India for Non-Deposit taking NBFCs as specifically applicable to the Company;
 - (b) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
 - (c) The Payment of Bonus Act, 1965; and
 - (d) Payment of Gratuity Act, 1972;
 - (e) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;
- (b) The listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. as mentioned above except as follows:-

The company has not availed Director and Officer Insurance ('D' and 'O') Insurance Policy for its Independent Directors during the period 1st April, 2022 to 24th May, 2022 in compliance with regulations 25(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), (Third Amendment) Regulations, 2021 dated 3rd August, 2021 read with the corrigendum dated 6th August, 2021, as applicable to the top 1000 listed entities with effect from January 1, 2022.

We further report, that the compliance by the company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory financial audit and other designated professionals.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at Board / Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of Directors, as the case may be.

We 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.

We further report that during the audit period there were no specific events/actions such as Public Issue of Securities, buy back, merger, amalgamation, foreign technical collaborations etc. or any other major decisions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place: Hisar

Dated: 15th May, 2023

Rajesh Garg

M/s Rajesh Garg & Co.

Practising Company Secretary

FCS No. 5960

CP No. 4093

UDIN: F005960E000307008

Peer Review Certificate No.:799/2020

The report is to be read with our letter of even date which is annexed as **Annexure 'I'** and forms and integral part of this report.

Annexure I

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Nalwa Sons Investments Limited,
CIN: L65993DL1970PLC146414,
28 Najafgarh Road,
Moti Nagar Industrial Area,
New Delhi-110 015.

Our Secretarial Audit 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
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: Hisar

Dated: 15th May,2023

Rajesh Garg

M/s Rajesh Garg & Co.

Practising Company Secretary

FCS No. 5960

CP No. 4093

UDIN: F005960E000307008

Peer Review Certificate No.:799/2020

Annexure- A 2 of Directors' Report**To The Members****Jindal Steel & Alloys Limited****Mumbai.****CIN: U74920GJ1993PLC069400**

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

1. Maintenance of Secretarial Records 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 assurances 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 reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company. I have relied on the statutory report provided by the Statutory Auditors as well as Internal Auditors of the company for the financial year ending 31st March, 2023.
4. I have obtained the management representation wherever required about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial audit reports neither an assurance as to the future liability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **P Mehta & Associates.**

Practicing Company Secretaries

Prashant S Mehta

(Proprietor)

ACS No. 5814

C.P. No. 17341

Date: 18th May, 2023

Place: Mumbai

SECRETARIAL AUDIT REPORT

Form No. MR-3

[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]

For the financial year ended 31st March, 2023

To

The Members

Jindal Steel & Alloys Limited

Mumbai.

CIN: U74920GJ1993PLC069400

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Jindal Steel & Alloys Limited** (hereinafter called the "Company") being a material subsidiary of Nalwa Sons Investments Limited (Holding Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company. The Company has complied with the following laws/provisions as specifically applicable to the Company for the financial year ended on 31st March, 2023:
 - (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; Not Applicable during the review period
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 as amended ('SEBI Act'):-

| SEBI REGULATIONS | Applicability |
|--|-----------------------|
| The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR); | Not Applicable |
| The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; | |
| Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; | |
| Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; | |
| The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; | |
| The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; | |
| The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with the Client; | |
| The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; | |
| The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. | |

2. I have relied on the representation and information provided by the management and its officers for systems and mechanism framed by the Company and having regard to the compliance system prevailing in the Company & on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws as specifically applicable to the Company:

- a. Income Tax Act, 1961 and other Indirect Tax laws;
- b. Bombay Shops & Establishment Act, 1948;
- c. Factories Act, 1948; Industrial Dispute Act, 1947; Contract Labour (Regulation and Abolition) Act, 1970 and other legislations relating to Human Resources and Industrial Relations governing the Company;
- d. All applicable Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, bonus, provident fund, ESIC, compensation, Labour welfare Act of respective states, etc;
- e. Acts prescribed under Environmental protection;
- f. Acts prescribed under prevention and control of pollution;
- g. Industries (Development and Regulation) Act, 1951;
- h. Maharashtra State Profession Tax Act, 1975 & Rules made thereunder;
- i. IT, GST Act & Rules made thereunder;

I have also examined compliance with the applicable provisions 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 BSE Limited National Stock Exchange of India Limited-Not Applicable since the Company is an Unlisted Public Company.

and to the best of my knowledge and belief, during the period under review, the Company has generally 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 as required under the Companies Act, 2013. There are no changes took place in the composition of the Board of Directors during the period under review.

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

All decision is carried out through the unanimous consent of all the Board of Directors and recorded as part of the minutes.

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.

I further report that during the audit period the Company and its officers has co-operated with me and have produced before me all the required forms, information, clarifications, returns and other documents as required for the purpose of my audit.

I further report that during the period under review, the Company has changed its registered office within local limits of city, town or village.

For P Mehta & Associates.
Practicing Company Secretaries

Prashant S Mehta
(Proprietor)

ACS No. 5814

C.P. No. 17341

UDIN: A005814E000328037

PR No. 2354/2022

Date: 18th May, 2023

Place: Mumbai

Annexure- A 3 of Directors' Report

Secretarial Audit Report
 [For the Financial Year ended on 31st March 2023]
 [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,

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

Regd Office: 28, Najafgarh Road, New Delhi-110015

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED (CIN No: U74899DL1994PLC373555) (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and compliance -mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2023 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 there under- As the Securities of the Company were not listed with the Stock Exchanges hence not applicable to the Company during the audit period;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; -Not applicable
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - No Transaction was held during the financial year hence not applicable to the Company during the audit period;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011:- Not applicable
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - Not applicable
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not applicable
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021 Not applicable
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 Not applicable
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - The Company was not involved in the activities relating to Registrar to a issue and not acting as Share Transfer Agent hence not applicable to the Company during the audit period;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.- Not applicable
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. - Not applicable
- (vi) We further inform that, based on the representation received from the management, the following industry specific laws, are applicable to the Company.

- a. The Reserve Bank of India Act, 1934, as amended; and
- b. Regulations, directions, circulars issued by RBI for the Non-Banking Financial Companies-Non Accepting Public Deposits

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

During the period under review the Company is generally regular in compliance of the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We have not examined compliance by the Company with:

- Applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals and other compliances, in the laws applicable to the Company, for which Statutory Auditors have given their observations in the Statutory Audit Report.
- The Listing Agreements with Stock Exchanges / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- As the Securities of the Company were not listed with the Stock Exchanges hence not applicable to the Company during the audit period;

We further report that:

1. The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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. Mrs. Meenakshi Sethi was appointed as Company Secretary of the Company with effect from July 1, 2022 to fill the vacancy caused by her predecessor as on December 30, 2021.
2. 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 or proper consent were recorded for shorter notices, if any 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.

We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

- a. Public / Rights / Preferential Issue of shares / debentures / sweat equity.
- b. Redemption / buy-back of securities
- c. Major decisions taken by the Members in pursuance of Section 180 of the Companies Act, 2013.
- d. Merger / Amalgamation / Reconstruction etc. and
- e. Foreign Technical Collaborations.

For **Harish Popli & Associates, Company Secretaries**

CS Harish Kumar

Proprietor

FCS: 11918, COP: 22475

Place: New Delhi

Date: May 23, 2023

UDIN: F011918E000355404

Note: This report is to be read with our letter of even date which is annexed as "Annexure-A" and forms an integral part of this report.

Annexure –“A”

To,

The Members,

BRAHMPUTRA CAPITAL AND FINANCIAL SERVICES LIMITED

Regd Office: 28, Najafgarh Road, New Delhi-110015

Our report of even date is to be read along with this letter as under:

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records on our audit.
- 2) We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 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.

For **Harish Popli & Associates, Company Secretaries**

CS Harish Kumar

Proprietor

FCS: 11918, COP: 22475

Place: New Delhi

Date: May 23, 2023

UDIN: F011918E000355404

Annexure- B of Directors' Report**1. Brief outline on CSR Policy of the Company.**

The Corporate Social Responsibility (CSR) activities of Jindal Group are guided by the vision and philosophy of its Founder, Late Shri O.P Jindal, who embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning. He believed that the growth should be inclusive and made it his life's mission to help the underprivileged sections of society. The Company strongly believes that sustainable community development is essential for harmony between the community and the industry. The Company endeavors to make a positive contribution especially to the underprivileged communities by supporting a wide range of socio-economic, educational and health initiatives. Detailed CSR Policy of the Company has been uploaded on the website of the Company and can be viewed at below mentioned link: <http://nalwasons.com/pdf/CSR%20Policy-NSIL.pdf>

2. Composition of CSR Committee:

| 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. Rajinder Parkash Jindal | Chairman (Non-Executive, Independent) | 1 | 1 |
| 2 | Mr. Rakesh Kumar Garg | Member (Executive, Non-Independent) | 1 | 1 |
| 3 | Mr. Nrender Garg | Member (Non-Executive, Independent) | 1 | 1 |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.nalwasons.com**4. Provide the 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:**

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (Rs. in Lakh) | Amount required to be set-off for - the financial year, if any (Rs. in Lakh) |
|---------|----------------|--|---|
| 1 | 2021-22 | 0.50 | Nil |
| 2 | 2020-21 | 0.42 | Nil |
| 3 | 2019-20 | Nil | Nil |

6. Average net profit of the company as per section 135(5): Rs. 834.90 Lakh**7. (a) Two percent of average net profit of the company as per section 135(5):** Rs. 16.70 Lakh

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: Rs. 0.92 Lakh

(c) Amount required to be set off for the financial year, If any: Nil

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

| Total Amount Spent for the Financial Year. (Rs. In Lakh) | Amount Unspent (Rs.in Lakh) | | | | |
|---|--|-------------------|--|---------|-------------------|
| | 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. |
| 17.00 | - | - | - | - | - |

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

| 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 (Rs. in lakh) | Amount spent in the current financial Year (Rs. in lakh) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. in lakh) | Mode of Implementation Direct (Yes/ No) | Mode of Implementation - Through Implementing Agency | |
| | | | | State | State District Name | | | | | | 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 in the Project (Rs. in lakh) | Mode of Implementation Direct (Yes/ No) | Mode of Implementation – Through Implementing Agency | |
| | | | | State | State District Name | | | Name | CSR Registration number |
| 1 | Health Supporting Activities | promoting health care including preventive health care | Yes | Delhi Haryana | Multi Districts | 3.68 | No | Jindal Stainless Foundation | CSR00002669 |
| 2 | Education Supporting Activities | Promoting education | No | Haryana | Hisar | 0.62 | No | Jindal Stainless Foundation | CSR00002669 |
| 3 | Education and Financial assistance, vaccination support to COVID effected persons | Disaster Management, including relief, rehabilitation and reconstruction activities | Yes | Delhi Haryana Odhisa Gujarat | Multi Districts | 12.70 | No | Jindal Stainless Foundation | CSR00002669 |

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : NA

(f) (Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 17 Lakh

(g) Excess amount for set off, if any:

| Sl. No. | Particular | Amount (Rs.in lakh) |
|---------|---|---------------------|
| i | Two percent of average net profit of the company as per section 135(5) | 16.70 |
| ii | Total amount spent for the Financial Year | 17.00 |
| iii | Excess amount spent for the financial year [(ii)-(i)] | 0.30 |
| iv | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| v | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.30 |

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) (Rs. in Lakh) | Amount spent in the reporting Financial Year (Rs. in Lakh) | 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. (Rs. in Lakh) |
|-----------------|--------------------------|---|--|---|----------------------|------------------|---|
| | | | | Name of the Fund | Amount (Rs. in Lakh) | Date of transfer | |
| ----- NIL ----- | | | | | | | |

(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 (Rs. in lakh) | Amount spent on the project in the reporting Financial Year (Rs. in Lakh) | Cumulative amount spent at the end of reporting Financial Year (Rs. in Lakh) | 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: N.A.

(asset-wise details).

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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): N.A.

For Nalwa Sons Investments Limited

Place: Hisar
Date: 30th May, 2023

(Rakesh Kumar Garg)
Executive Director & Chief Executive Officer
DIN: 00038580

(Rajinder Parkash Jindal)
Chairman, CSR Committee
DIN: 00004594

Annexure- C of Directors' Report:

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sr. No. | Requirement | Information | Ratio% Change** |
|---------|--|--|--|
| i. | The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year | As on 31 st March, 2023, there are three whole-time key Managerial Personals in the Company and one general staff. Information is not comparable and hence, not stated. | Details of all the employees are Given in this Annexure. |
| ii. | % increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the Financial Year | Mr. Rakesh Kumar Garg, Executive Director & C.E.O. | 9.5% |
| | | Mr. Deepak Garg, Chief Financial Officer | 11.5% |
| | | Mr. Ajay Mittal, Company Secretary | 9.5% |
| iii. | % increase in the median remuneration of employees in the Financial Year | Refer point No. (i) above | |
| iv. | No. of permanent employees on the rolls of the company | 4(Four)as on 31 st March,2023 | |
| 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 | As on 31 st March, 2023, there are three whole-time key Managerial Personals in the Company and one general staff. Information is not comparable and hence, not stated. | Details of all the employees are Given in this Annexure. |
| vi. | Affirmation that the remuneration is as per the remuneration policy of the company | Affirmed | |

** Since Non Executive Directors did not receive any remuneration during the financial year 2022-23, except sitting fees for attending Board meetings, the required details are not applicable.

Information as per Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the Financial Year ended March 31, 2023

A. Details of Top ten employees in terms of remuneration drawn during the financial year 2022-23

| Name of the Employee | Age in years | Qualification | Date of Commencement of employment | Designation | Remuneration (Rs. in lakh) | Total experience (No. of years) | Previous Employment | % of Equity Shares held by employee in company |
|---------------------------|--------------|--|------------------------------------|-----------------------------|----------------------------|---------------------------------|--|--|
| Mr. Rakesh Kumar Garg | 64 | Post Graduate | 17-10-2017 | Executive Director & C.E.O. | 91.83 | 40 | Jindal Stainless Corporate Management Services Private Limited | 16 equity shares constituting 0.00% |
| Mr. Deepak Garg | 42 | C.A. | 17-10-2017 | Chief Financial Officer | 19.54 | 17 | Jindal Stainless (Hisar) Limited | Nil |
| Mr. Ajay Mittal | 31 | CS, MBA (Finance), Graduate in Commerce; Graduate in Law | 28-02-2020 | Company Secretary | 6.76 | 6.5 | Jindal Holdings Limited (Now Known as Nalwa Trading Limited) | Nil |
| Mr. Narender Singh Yadav* | 52 | Under Graduate | 01-03-2005 | General Staff | 4.98 | 26 | - | Nil |

*During the financial year 2022-23, there was an increase of 7.10 % in the remuneration of Mr. Narender Singh Yadav.

Gross remuneration shown above is subject to tax and comprises salary including arrears, allowances, rent, medical reimbursements, leave travel benefits, leave encashment, provident fund, superannuation fund & gratuity etc.

All appointments are permanent in nature.

- B. **Employees employed throughout the financial year and were in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 1,02,00,000/- during the financial year 2022-23: Nil**
- C. **Employees employed for the part of the year and were in receipt of remuneration aggregating to not less than Rs. 8,50,000/- per month during the financial year 2022-23: Nil**

CORPORATE GOVERNANCE REPORT

In accordance with Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report containing the details of Corporate Governance systems and processes at Nalwa Sons Investments Limited (“NSIL”) is as follows:

1. Company’s philosophy on Corporate Governance:

The Company’s philosophy on Corporate Governance is aimed at efficient conduct of its business and in meeting its obligations towards various Stakeholders. Hence, considerable emphasis is placed on accountability in decision-making and ethics in implementing them. It is also believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but complying the same in letter and spirit.

Your Company confirms the compliance of Corporate Governance as contained in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“Listing Regulations”], details of which are given below:

2. Board of Directors

(i) Composition and category of Directors:

As at 31st March, 2023, the Board of your Company consisted of six Directors, including four independent Directors. Details with respect to size, composition and category of Board of Directors are given hereunder:

| Sr. No. | Name | Category [Non-Promoter] |
|---------|------------------------------------|--|
| 1 | Mr. Rakesh Kumar Garg ¹ | Executive Director & CEO, Non- Independent |
| 2 | Mr. Rajinder Parkash Jindal | Non-Executive Director, Independent |
| 3 | Mr. Mahender Kumar Goel | Non-Executive Director, Non-Independent |
| 4 | Mr. Nrender Garg | Non-Executive Director, Independent |
| 5 | Mr. Kanwaljit Singh Thind | Non-Executive Director, Independent |
| 6 | Mrs. Shruti Shrivastava | Non-Executive Director, Independent |

- The members of the company at AGM held on 30th September, 2022 had re-appointed Mr. Rakesh Kumar Garg as Whole Time Director designated him as Executive Director & C.E.O. and Key Managerial Personnel (“KMP”) of the Company for a period of five years w.e.f 17th October, 2022. Further, in accordance with the provisions of the Act, Mr. Rakesh Kumar Garg is liable to retire by rotation at the ensuing AGM and being eligible has offered himself for reappointment.

The Independent Directors are non-executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 (“Act”). The maximum tenure of Independent Directors is in compliance with the Act.

The Company has received declarations as stipulated under Section 149(7) of the Act and Regulation 16 of the Listing Regulations from the Independent Directors confirming that they are not disqualified from being appointed/continuing as an Independent Directors. Further, in terms of Regulation 25(8) of Listing Regulations, the Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. with an objective of independent judgement and without any external influence In the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management. Further, no Independent Director resigned during the year under review.

No Director is related to any other Director on the Board in terms of the definition of “relative” as defined in Section 2(77) of the Act. The Independent Directors confirm that they are not disqualified under Section 164 of the Act.

Further the board of directors of the company is satisfied the integrity expertise and experience (including proficiency in terms of section 150(1) of the act and applicable rules thereunder) of all independent directors on the board. Your company had also issued formal appointment letters to the independent directors in the manner provided under the act and the SEBI LODR. The terms and conditions of the appointment of independent directors have been displayed on the website of the company and can be accessed through the following link :

<http://nalwasons.com/pdf/Terms%20&%20conditions%20of%20Appointment%20of%20Independent%20Directors.pdf>

(ii) Board Meetings:

During the financial year 2022-23, four Board meetings were held on 30th May, 2022, 10th August, 2022, 14th November, 2022 and 13th February, 2023. The gap between any two consecutive meetings was within the limit prescribed under the Act. The necessary quorum was present during all the meetings.

The Board oversees overall functioning of the Company. All statutory and significant information are placed before the Board to enable to discharge its responsibilities. The agenda and notes on agenda are circulated to Board members in advance. The Board is given presentations on various matters from time to time. The Board notes on quarterly basis the compliance reports of all laws applicable to the Company and its subsidiaries. The Board meets at least four times in a year and more frequently, if deemed necessary. In case of any business exigencies or urgency, resolutions are passed by circulation.

During the period under review, the Board has accepted all the recommendations made by the Committees of Board.

(iii) Attendance of Directors, Directorships and other details:

Attendance of Directors at the Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships / Memberships of Committee(s) in other companies as on 31st March, 2023 are given below:

| Name of Director | No. of Board Meeting attended | Attendance at last AGM | No. of Directorship held in other public Companies | No. of Memberships (M)/ Chairmanship (C) in other Board Committee(s) ¹ | No. of shares and Convertible Instruments held by Non- Executive Directors |
|-----------------------------|-------------------------------|------------------------|--|---|--|
| Mr. Rakesh Kumar Garg | 4 | Yes | - | - | N.A. |
| Mr. Rajinder Parkash Jindal | 3 | Yes | 2 | - | - |
| Mr. Mahender Kumar Goel | 2 | No | 4 | - | - |
| Mr. Nrender Garg | 4 | Yes | 4 | - | - |
| Mr. Kanwaljit Singh Thind | 4 | No | - | - | - |
| Mrs. Shruti Shrivastava | 4 | No | 2 | 1(M) | - |

1. Directorships do not include directorships in foreign companies, private limited companies and companies under Section 8 of the Act.

N.A. Not Applicable

None of the Directors on the Board is a Director in more than 20 companies (including not more than 10 public limited companies) as specified in Section 165 of the Act. In terms of the regulations of SEBI LODR, none of the Directors of the Company:

- I. holds Directorship in more than seven listed entities, and;
- II. are member in more than 10 committees or acting as a Chairperson of more than 5 committees across all listed entities.

Further, for the purpose of determining the limit of the Board Committee, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered as per Regulation 26 (1)(b) of SEBI LODR.

Also, none of the Independent Directors of the Company:

- I. serves as an Independent Director in more than seven listed companies, and;
- II. acts as a Whole-time Director/ Managing Director in any listed entity.

Names of the other listed entities where the Directors of the Company are Directors as on 31st March, 2023, are mentioned hereunder:

| S. No. | Name of Director | No. of Directorship | Name of Listed entity | Category of Directorship in other listed entity |
|--------|-----------------------------|---------------------|-----------------------|---|
| 1. | Mr. Rakesh Kumar Garg | Nil | N.A. | N.A. |
| 2. | Mr. Rajinder Parkash Jindal | Nil | N.A. | N.A. |
| 3. | Mr. Mahender Kumar Goel | Nil | N.A. | N.A. |
| 4. | Mr. Nrender Garg | Nil | N.A. | N.A. |

| S. No. | Name of Director | No. of Directorship | Name of Listed entity | Category of Directorship in other listed entity |
|--------|---------------------------|---------------------|-----------------------|---|
| 5. | Mr. Kanwaljit Singh Thind | Nil | N.A. | N.A. |
| 6. | Mrs. Shruti Shrivastava | Nil | N.A. | N.A. |

(iv) Board Meetings, its Committee Meetings and Procedures thereof:

A. Scheduling and selection of agenda items for Board Meetings

- I. The Board meets at least once in a quarter to review the financial results, performance of the Company and other items on the agenda. Apart from the four Board Meetings, additional Board Meetings are also convened as and when required to address the specific needs of the Company by giving appropriate notice to the Directors. The Board also approves permitted urgent matters by passing the resolutions through circulation.
- II. The meetings are usually held at the Company's Branch Office at Hisar, Haryana.
- III. All departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/approval/decision in the Board/Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board meetings.
- IV. The Board is given presentations on finance, performance of subsidiaries and the major business segments and operations of the Company, while considering the results of the Company.
- V. The Company Secretary, in consultation with the Executive Director and other concerned persons in the top management, finalizes the agenda papers for the Board / Committee meetings.

B. Circulation of Board Agenda

- I. Agenda papers are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda papers for facilitating meaningful, informed and focused discussions at the meeting. Where it is not possible to attach any document to the agenda, the same is placed on the table at the meeting with specific reference to this effect in the agenda.
- II. With the permission of Chairman and other directors present at the Meeting, additional or supplementary item(s) in the agenda are taken up for discussion and consideration. Sensitive matters may be discussed at the meeting without written material being circulated in advance for the meeting.

C. Recording minutes of proceedings at Board / Committee meeting

The Company Secretary records the minutes of the proceedings of each Board and Committee Meetings. Draft minutes of the meetings are circulated to the Directors within 15 days of the meetings for their comments / inputs. Thereafter, the minutes of the proceedings of meeting are entered in the minute's book within 30 days from the conclusion of the meeting and signed by the Chairman of the next Board / Committee Meeting.

Further, the signed and certified true copy of the minutes of the meetings are circulated to all the Directors within 15 days of signing of the minutes.

D. Post meeting follow up mechanism

There is an effective post meeting follow-up, review and reporting process for the action taken on decisions of the Board and Committees. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments. Action Taken Report on the decisions taken during a Board meeting is placed at the next Board Meeting.

E. Compliance

The Company is in compliance of the applicable provisions of the SEBI LODR including compliance with Corporate Governance requirements except as follows:-

The Company has not availed Director and Officer Insurance ('D' and 'O') Insurance Policy for its independent directors during the period 1st April, 2022 to 24th May, 2022 in compliance with Regulations 25(10) of SEBI(Listing Obligations and Disclosure Requirements), Regulations, 2015, amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 dated 3rd August, 2021 read with the corrigendum dated 6th August, 2021, as applicable to the top 1000 listed entities with effect from 1st January, 2022.

During the period under review the Board has accepted all the recommendations made by the Committees of the Board.

(v) Familiarization Programme for Board Members and Independent Directors

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with Company's procedures and practices.

The Independent Directors are given every opportunity to interact with the Key / Senior Management Personnel and are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part.

The familiarization programme for Independent Directors in terms of the provisions of Regulations 25 and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is uploaded on the website of the Company and can be accessed through the following link:

<http://nalwasons.com/pdf/DETAILS%20OF%20FAMILIARIZATION%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS%20NSIL.pdf>

Your Company has also devised a Policy on Familiarization Programme for Independent Directors. The said Policy may be accessed on your Company's website at the link:

<http://nalwasons.com/pdf/Policy on familiarisation programme for independent directors NSIL001.pdf>

(vi) Desired skill/ expertise/ competence of the Board of Directors

The Board of Directors has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

| Areas of Core Skills/Expertise/Competence | Mr. Rakesh Kumar Garg | Mr. Rajinder Parkash Jindal | Mr. Mahender Kumar Goel | Mr. Nrender Garg | Mr. Kanwaljit Singh Thind | Mrs. Shruti Shrivastava |
|---|-----------------------|-----------------------------|-------------------------|------------------|---------------------------|-------------------------|
| Leadership & Strategic Planning | Yes | Yes | Yes | Yes | Yes | Yes |
| Audit & Risk Management | Yes | Yes | Yes | Yes | Yes | Yes |
| Compliance & Governance | Yes | Yes | Yes | Yes | Yes | Yes |
| Financial | Yes | Yes | Yes | Yes | Yes | Yes |
| Legal & Regulatory Expertise | Yes | Yes | No | No | Yes | Yes |
| Economics | Yes | Yes | Yes | Yes | Yes | Yes |
| Merger & Amalgamation | Yes | Yes | Yes | No | Yes | Yes |
| Human Resource | Yes | Yes | Yes | No | Yes | No |

(vii) Independent Directors' meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) to the Act and Regulation 25 of the SEBI LODR, meetings of the Independent Directors of the Company was held on 29th May, 2023 without the presence of Non-Independent Directors and representatives of the management. The Independent Directors inter alia, reviewed the performance of non independent directors, Chairman and the Board of Directors as a whole, for the financial year 2022-23, taking into account the views of the Executive and Non-Executive Directors. The Independent Directors also evaluated the quality, contents and timelines of flow of information, between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(viii) Evaluation of Board Effectiveness

In terms of the provisions of the Act read with relevant rules thereof and Regulation 19(4) read with Part D of Schedule II of the SEBI LODR, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have to evaluate the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2023.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board

acknowledges its intention to establish and follow best practices in Board Governance in order to fulfill its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board's time and increased effectiveness of the Board as a governing body.

The evaluation of the Directors was based on various aspects, inter-alia, including the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

3. Board Committees:

The Committees constituted by the Board plays a very important role in the governance structure of the Company. The composition and the terms of reference of these Committees are approved by the Board and are in line with the requirement of the Act and Regulations of the SEBI (LODR). The Board is updated on the discussions held at the Committee meetings and the recommendations made by various Committees. Further, the minutes of the Committee meetings are placed at the Board meetings. Details of the various committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Share Transfer Committee, Corporate Social Responsibility committee and Risk Management Committee are as follows:

Meetings of Committees held during the year and Member's attendance:

| Particulars | Audit Committee | Nomination & Remuneration Committee | Stakeholders' Relationship Committee | Corporate Social Responsibility Committee | Risk Management Committee |
|-----------------------------|-----------------|-------------------------------------|--------------------------------------|---|---------------------------|
| Meetings held | 4 | 2 | 4 | 1 | 2 |
| Members' Attendance | | | | | |
| Mr. Rakesh Kumar Garg | 4 | N.A. | 4 | 1 | 2 |
| Mr. Rajinder Parkash Jindal | 4 | 2 | 4 | 1 | 2 |
| Mr. Mahender Kumar Goel | N.A. | 2 | N.A. | N.A. | N.A. |
| Mr. Nrender Garg | 4 | 2 | 4 | 1 | 2 |
| Mr. Kanwaljit Singh Thind | N.A. | N.A. | N.A. | N.A. | N.A. |
| Mrs. Shruti Shrivastava | N.A. | N.A. | N.A. | N.A. | N.A. |

(i) Audit Committee

Composition and Terms of Reference:

The composition and terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI LODR. The composition of the Audit Committee as on 31st March, 2023 is as under:

| Name of Director | Category | Status |
|-----------------------------|-------------------------------------|----------|
| Mr. Rajinder Parkash Jindal | Independent Director | Chairman |
| Mr. Rakesh Kumar Garg | Executive Director, Non-Independent | Member |
| Mr. Nrender Garg | Independent Director | Member |

Meetings & Terms of Reference of Audit Committee:

The Audit Committee met four times during the financial year 2022-23 on 30th May, 2022, 10th August, 2022, 14th November, 2022 and 13th February, 2023. Requisite quorum was present during the meetings.

The functions of the Audit Committee inter-alia include:

- reviewing the quarterly and annual financial results/statements before submission to the Board for approval;
- recommending to the Board, the appointment, re-appointment or removal of the statutory auditors and their remuneration;
- overseeing the Company's financial reporting process;
- overseeing compliance with listing and other legal requirements relating to the financial statements;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
- scrutiny of the inter-corporate loans and investments;

- evaluation of internal financial controls and the risk management systems;
- reviewing performance of the statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of the internal audit;
- reviewing the findings of any internal investigations by the internal auditors;
- discussion with the statutory auditors, before the audit commences, the nature and the scope of audit as well as post-audit discussion to ascertain any area of concern;
- reviewing the functioning of the whistle blower mechanism;
- approving the appointment of the Chief Financial Officer;
- reviewing the Management Discussion and Analysis of financial condition and results of operations;
- reviewing the statement of significant related party transactions, submitted by the Management;
- reviewing any risks and steps to mitigate them;
- reviewing the appointment, removal and terms of remuneration of the internal auditor.

The Chief Financial Officer regularly attends the Committee meetings and the Company Secretary acts as the Secretary of the Committee. Meetings were also attended by the Internal Auditors and the Statutory Auditors.

(ii) Nomination and Remuneration Committee:

Composition

The Composition and terms of reference of the Nomination and Remuneration Committee (NRC) are in conformity with Section 178 of the Act and Regulation 19 of the SEBI LODR. The composition of the NRC as on 31st March, 2023 is as under:

| Name of Director | Category | Status |
|-----------------------------|---|----------|
| Mr. Rajinder Parkash Jindal | Independent Director | Chairman |
| Mr. Nrender Garg | Independent Director | Member |
| Mr. Mahender Kumar Goel | Non-Executive, Non-Independent Director | Member |

Brief terms of reference:

The terms of reference for the Nomination and Remuneration Committee of the Company inter-alia include:

- formulation of the criteria for determining qualifications and independence of a director and recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- formulation of criteria for evaluation of performance of the Independent Directors and the Board of Directors and carry out evaluation of every director's performance;
- devising a policy to ensure diversity among the Board of Directors;
- identifying persons who are qualified to become Directors;
- deciding on the term of appointment of the Independent Directors on the basis of the report of performance evaluation of the independent directors.

Meetings:

The Nomination and Remuneration Committee met two times during the financial year 2022-23 on 30th May, 2022 and 10th August, 2022. Requisite quorum was present during the meetings. The Company Secretary acts as a Secretary of the Committee.

Performance Evaluation Criteria for Independent Directors:

The policy framework for nomination, election and performance review of Independent Directors is duly approved by the Board of Directors upon the recommendation of the NRC. The performance of the Independent Directors is being evaluated by the entire Board, except for the director being evaluated. A brief description of the performance evaluation of the same is mentioned elsewhere in the Directors' Report.

(iii) Stakeholders Relationship Committee:

Composition:

The Composition and Terms of Reference of the Stakeholders Relationship Committee are in conformity with Section 178 of the Act and Regulation 20 of the SEBI(LODR). The composition of the Stakeholders' Relationship Committee as on 31st March, 2023 is as under:

| Name of Director | Category | Status |
|-----------------------------|-------------------------------------|----------|
| Mr. Rajinder Parkash Jindal | Independent Director | Chairman |
| Mr. Rakesh kumar Garg | Executive Director, Non-Independent | Member |
| Mr. Nrender Garg | Independent Director | Member |

Brief terms of reference:

The terms of reference for the Stakeholders' Relationship Committee of the Company inter-alia include:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, issue of new / duplicate share certificates etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Meetings

During the financial year ended 31st March, 2023, four meetings were held on 30th May, 2022, 10th August, 2022, 14th November, 2022 and 13th February, 2023. Requisite quorum was present during the meetings.

The Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholders and investor's grievances, transfer/transmission of shares, non-receipt of annual report or declared dividend, issue of duplicate shares, recording dematerialisation/ rematerialization of shares and related matters. Mr. Ajay Mittal, Company Secretary acts as a Secretary of the Committee and as the Compliance Officer for the requirements of Listing Regulations.

The details of the investors compliant(s) received and resolved during the financial year 2022-23 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0 | 12 | 11 | 1 |

The Company has appointed Registrar & Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time.

(iv) Corporate Social Responsibility Committee: Composition and Terms of Reference:

The Composition and terms of reference of the Corporate Social Responsibility Committee ("CSR Committee") are in conformity with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee consists of three Directors, out of which two are Independent. The composition of the CSR Committee as on 31st March, 2023 is as under:

| Name of Director | Category | Status |
|-----------------------------|-------------------------------------|----------|
| Mr. Rajinder Parkash Jindal | Independent Director | Chairman |
| Mr. Rakesh Kumar Garg | Executive Director, Non-Independent | Member |
| Mr. Nrender Garg | Independent Director | Member |

Meetings

During the financial year ended 31st March, 2023, one meeting of the Committee was held on 30th May, 2022. Requisite quorum was present during the meeting. The Company Secretary acts as a Secretary to the Committee.

(v) Share Transfer Committee:

The Board of Directors has delegated the power of approving transfer / transmission / transposition of securities and other related formalities to the Share Transfer Committee. The Committee meets from time to time on need basis.

| Name of Member | Category | Status |
|--|-------------------------------------|----------|
| Mr. Rajinder Parkash Jindal | Independent Director | Chairman |
| Mr. Rakesh Kumar Garg | Executive Director, Non-Independent | Member |
| Mr. Ajay Mittal | Company Secretary | Member |
| Representative of Registrar and Transfer Agent | -- | Member |

TRANSMISSION SYSTEM

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; 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 at www.nalwasons.com and on the website of the Company's Registrar and Transfer Agents, Link Intime India Private Limited at <https://www.linkintime.co.in/>. Shareholders should communicate with the Company's Registrar and Transfer Agent quoting their folio number or Depository Participant Id and Client Id number, for any queries w.r.t their securities. Shareholders are also advised to refer to the latest SEBI guidelines /circulars issued from time to time for all the holder holding securities in listed companies in physical form and keep their KYC details updated at all times, to avoid freezing their folio as prescribed by SEBI.

SHARE TRANSFER SYSTEM

Transfer of securities held in physical mode has been discontinued w.e.f. April 01, 2019. However, SEBI vide its various circulars / notifications granted relaxation for re-lodgement cases till March 31, 2021. In compliance with the circular, Re-lodgement of transfer requests was carried out till the validity period of Circular.

Further, effective from April 1, 2021, Company / RTA is not accepting any requests for the physical transfer of shares from the shareholders.

(vi) Risk Management Committee**Composition and Terms of Reference:**

The composition and Terms of Reference of the Risk Management Committee are in conformity with the provisions of Regulation 21 of the SEBI (LODR), as amended which inter-alia includes cyber security. The composition of the Risk Management Committee as on 31st March, 2023 is as under:

| Name of Member | Category | Status |
|-----------------------------|--------------------------------------|----------|
| Mr. Rakesh Kumar Garg | Executive, Director, Non-Independent | Chairman |
| Mr. Rajinder Parkash Jindal | Independent Director | Member |
| Mr. Nrender Garg | Independent Director | Member |

Brief terms of reference:

The terms of reference for Risk Management Committee of the Company inter-alia include:

- i. To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the 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 ensure 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;
- 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.

Meetings

During the financial year ended 31st March, 2023, two meeting of the Committee was held on 10th August, 2022 and 6th February, 2023. Requisite quorum was present during the meetings.

4. REMUNERATION OF DIRECTORS

Remuneration Policy

The Company has in place a Remuneration Policy duly approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee of the Company. Remuneration given to the Directors of the Company is based on the principles of performance, equitableness and competitiveness. The Remuneration Policy has been designed to reflect these principles and to attract, motivate and retain quality manpower for driving the Company successfully.

The remuneration of the Executive Directors and KMPs is based on Company's financial position, industrial trends and remuneration paid by peer companies. Remuneration to Executive Directors is paid by way of salary, perquisites and retirement benefits, based on recommendation of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The Non-executive directors are paid sitting fee for attending the meetings of the Board. No stock option were granted to the Directors of the Company during the period under review.

(i) Details of Remuneration paid to the Directors during the financial year ended 31st March 2023:

(a) Executive Directors:

(Rs in Lakh)

| Name of Director | Designation | Salary | Commission | Contribution to PF | Others | Total | Notice Period |
|-----------------------|-----------------------------|--------|------------|--------------------|--------|-------|---------------|
| Mr. Rakesh Kumar Garg | Executive Director & C.E.O. | 91.83 | 0 | 0 | 0 | 91.83 | 2 months |

(b) Non-Executive Directors:

Particulars of sitting fee paid to the Non Executive Directors during financial year ended 31st March, 2023 are as follows:

| Name of Director | Sitting fee paid (Rs. in Lakh) |
|-----------------------------|--------------------------------|
| Mr. Rajinder Parkash Jindal | - |
| Mr. Mahender Kumar Goel | - |
| Mr. Nrender Garg | - |
| Mr. Kanwaljit Singh Thind | 1.0 |
| Mrs. Shruti Shrivastava | 1.0 |

There has been no material pecuniary relationship or transactions between the Company and Non Executive Directors during the financial year 2022-23, except as stated above. Therefore the requirement of mentioning the criteria for making the payment to Non Executive Directors and dissemination the same on website of the Company is not applicable to the Company.

(ii) Stock Options granted to Directors:

The Company has not issued any stock options.

5. GENERAL BODY MEETINGS:

The details of Annual General Meeting (AGM) of the Company held in last three years are as under:

| Year | Date | Day | Venue | Time | Special resolution(s) Passed |
|---------|------------|----------|--|------------|------------------------------|
| 2019-20 | 28.12.2020 | Monday | Deemed venue: 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi-110015 | 11.00 A.M. | No |
| 2020-21 | 30.09.2021 | Thursday | Deemed venue: 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi-110015 | 11.30 A.M. | No |
| 2021-22 | 30.09.2022 | Friday | Deemed venue: 28, Najafgarh Road, Moti Nagar Industrial Area, New Delhi-110015 | 3.30 P.M. | No |

There is no resolution proposed to be passed as special resolution at the ensuing Annual General Meeting of the Company.

There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of provisions of the Companies Act, 2013, the Listing Regulations or any other applicable laws.

No postal ballots and extra ordinary meeting (EGM) of the company were conducted during F.Y. 2022-23.

6. MEANS OF COMMUNICATION:

| | | |
|------|---|--|
| i | Quarterly Results | The quarterly, half yearly and yearly financial results of the Company are submitted with the stock exchanges after they are approved by the Board. These are also published in the Newspapers, in the prescribed format as per the provisions of the SEBI LODR. |
| ii | Newspapers where in results normally published | Financial Express (English), Jansatta (Hindi) for the year 2022-23. |
| iii | Any website, where displayed | www.nalwasons.com |
| iv | Whether it also displays official news releases | Yes, wherever applicable. |
| v | The Presentations made to institutional investors or to the analysts | Will be complied with whenever applicable. |
| vi | NSE Electronic Application Processing System (NEAPS)/Digital platform | The NEAPS/digital portal is a web based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS/digital platform as applicable. |
| vii | BSE Corporate Compliance & Listing Centre (the 'Listing Centre') | BSE's Listing Centre is a web based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre. |
| viii | SEBI Complaint Redressal System (SCORES) | The investor complaints are processed in a centralized web based complaint redressal system. The salient features of this system are: Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status. |

7. General Shareholders' Information

| | | | | | | | | | | | | | | |
|---|---|---|--------------------------------------|-----------------|----------------------------|--|---|--------------------------|---|--------------------------|--|--------------------------|---|--------------------------|
| 7.1 | Annual General Meeting : - Day, Date and Time - Venue | Friday, September 29, 2023 at 11:30 a.m. The Company is conducting the 52 nd Annual General Meeting (AGM) through VC/OAVM facility pursuant to the circular dated 28 th December, 2022 read with circulars dated 5 th May, 2022, 13 th January, 2021, 14 th December 2021, 28 th September 2020, 15 th June 2020, 5 th May, 2020, 8 th April, 2020 and 13 th April, 2020 issued by the Ministry of Corporate Affairs read with SEBI Circular dated 5 th January, 2023 read with circulars dated 13 th May, 2022, 15 th January, 2021, 12 th May 2020 and as such there is no requirement to have a venue of AGM. However, the deemed venue for the 52 nd AGM shall be the Registered Office of the Company. | | | | | | | | | | | | |
| 7.2 | Financial Year : | The Financial year of the Company starts from 1 st April and end on 31 st March every year. | | | | | | | | | | | | |
| 7.3 | Financial Calendar 2023-24 (Tentative) : | <table border="1"> <tr> <td>Annual General Meeting – (Next Year)</td> <td>September, 2024</td> </tr> <tr> <td>Financial Reporting</td> <td></td> </tr> <tr> <td>Results for quarter ended June 30, 2023</td> <td>On and before 14-08-2023</td> </tr> <tr> <td>Results for quarter ending Sept. 30, 2023</td> <td>On and before 14-11-2023</td> </tr> <tr> <td>Results for quarter ending Dec. 31, 2023</td> <td>On and before 14-02-2024</td> </tr> <tr> <td>Results for year ending Mar. 31, 2024 (Audited)</td> <td>On and before 30-05-2024</td> </tr> </table> | Annual General Meeting – (Next Year) | September, 2024 | Financial Reporting | | Results for quarter ended June 30, 2023 | On and before 14-08-2023 | Results for quarter ending Sept. 30, 2023 | On and before 14-11-2023 | Results for quarter ending Dec. 31, 2023 | On and before 14-02-2024 | Results for year ending Mar. 31, 2024 (Audited) | On and before 30-05-2024 |
| Annual General Meeting – (Next Year) | September, 2024 | | | | | | | | | | | | | |
| Financial Reporting | | | | | | | | | | | | | | |
| Results for quarter ended June 30, 2023 | On and before 14-08-2023 | | | | | | | | | | | | | |
| Results for quarter ending Sept. 30, 2023 | On and before 14-11-2023 | | | | | | | | | | | | | |
| Results for quarter ending Dec. 31, 2023 | On and before 14-02-2024 | | | | | | | | | | | | | |
| Results for year ending Mar. 31, 2024 (Audited) | On and before 30-05-2024 | | | | | | | | | | | | | |

| | | |
|-----|-------------------------|---|
| 7.4 | Book Closure date : | Wednesday, 20th September, 2023 to Thursday, 21 st September, 2023 (both days inclusive) for Annual General Meeting. |
| 7.5 | Dividend payment date : | No dividend has been recommended by the Board of Directors for the financial year 2022-23. |

7.6 Unclaimed Share:

In terms of Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company had through its RTA sent three reminders to Shareholders, whose Share Certificates were lying unclaimed with the Company, requesting them to provide complete postal address and other relevant details to enable the RTA to dispatch such unclaimed Share Certificates to them. Details of Unclaimed shares as required under Regulation 34(3) and Part F of the Listing Regulation is given hereunder:

| Particulars | No. of Shareholders | No. of Shares |
|---|---------------------|---------------|
| Aggregate number of shareholders and the outstanding shares in the suspense account as on 1 st April, 2022 | 224 | 3,591 |
| Number of shareholders who approached the Company / RTA for transfer of shares from suspense account during the year ended 31 st March, 2023 | - | - |
| Number of shareholders to whom shares were transferred from suspense account during the year ended 31 st March, 2023 | - | - |
| Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2023 | 224 | 3,591 |

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

As and when the rightful owner of such shares approaches the Company or RTA, the Company shall to the extent of his/her entitlement, arrange to deliver the shares from the said account to the rightful owner after proper verification of his/her identity.

| | | | |
|------------|--|--|--|
| 7.7 | Listing of Equity Shares on Stock Exchanges | National Stock Exchange of India Ltd., Exchange Plaza, 5 th Floor, Plot No. C/1, G – Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051 | BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 |
|------------|--|--|--|

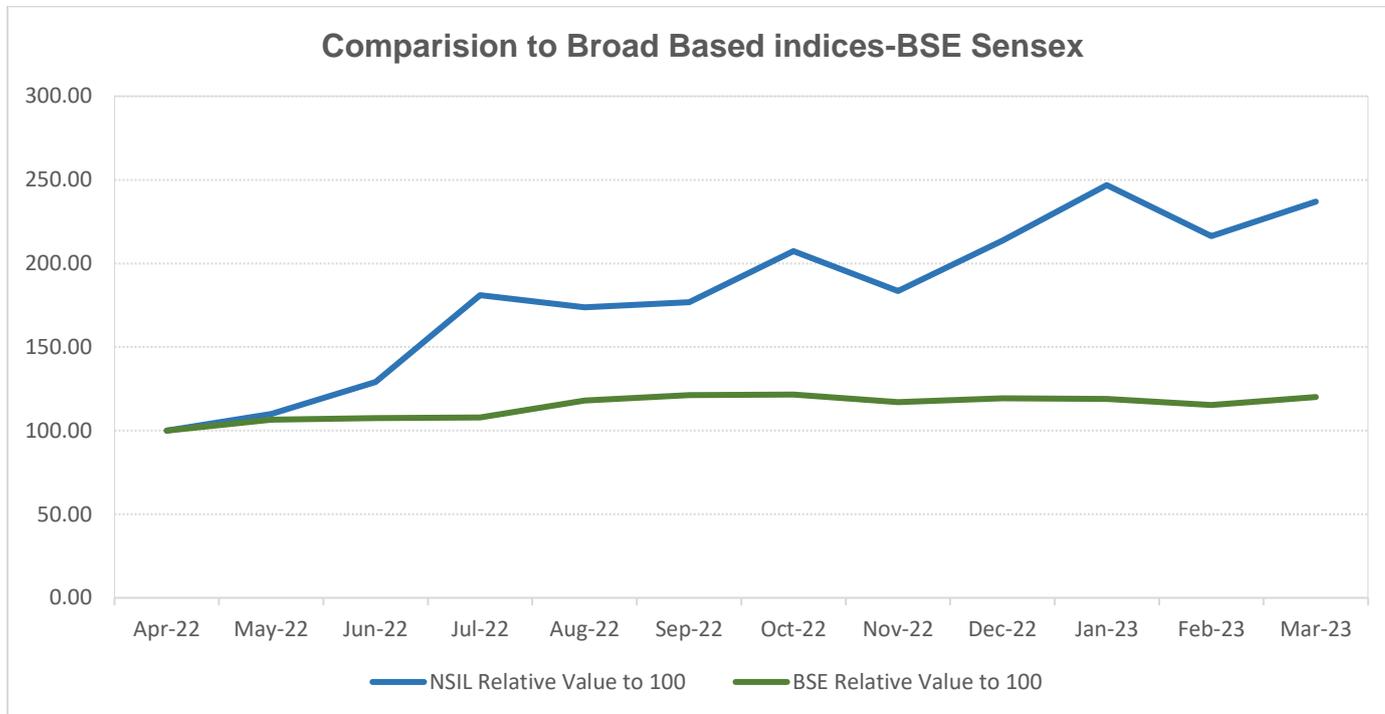
The Company pays annual listing fees to NSE and BSE.

| | | | |
|---|-----------------------------------|---|------------------------|
| 7.8 | Stock Code (Equity Shares) | Trading Symbol – BSE Limited | 532256 (Demat Segment) |
| | | Trading Symbol – National Stock Exchange of India | NSIL (Demat Segment) |
| International Securities Identification Number (ISIN) Equity Shares : INE023A01030 | | | |

| 7.9 | Stock Market Price Data | National Stock Exchange of India Ltd. (NSE) | | BSE Limited (BSE) | |
|-----|-------------------------|---|----------------------------|-----------------------------|----------------------------|
| | Month | Month's High Price (In Rs.) | Month's low Price (In Rs.) | Month's High Price (In Rs.) | Month's low Price (In Rs.) |
| | April, 2022 | 2,300.00 | 1,699.25 | 2,299.00 | 1,705.80 |
| | May, 2022 | 1,859.95 | 1,282.00 | 1,803.35 | 1,279.95 |
| | June, 2022 | 1,475.00 | 1,230.00 | 1,473.00 | 1,228.35 |
| | July, 2022 | 1,499.95 | 1,300.20 | 1,493.55 | 1,299.95 |
| | August, 2022 | 1,531.00 | 1,399.30 | 1,602.55 | 1,401.85 |
| | September, 2022 | 1,949.00 | 1,475.20 | 1,931.05 | 1,465.05 |
| | October, 2022 | 2,780.00 | 1,555.00 | 2,787.95 | 1,574.80 |
| | November, 2022 | 2,590.00 | 2,311.10 | 2,570.35 | 2,300.00 |

| | | | | |
|----------------|----------|----------|----------|----------|
| December, 2022 | 2,500.00 | 2,020.00 | 2,472.30 | 2,019.55 |
| January, 2023 | 2,389.90 | 2,075.05 | 2,400.00 | 2,081.50 |
| February, 2023 | 2,279.00 | 2,001.00 | 2,280.65 | 2,000.05 |
| March, 2023 | 2,413.15 | 1,999.10 | 2,407.05 | 2,000.00 |

7.10 Share price performance in comparison to broad based indices – BSE Sensex :



| | | |
|-------------|--|---|
| 7.11 | Registrar and Transfer Agents: | Link Intime India Private Limited Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC Near Savitri Market, Janakpuri, New Delhi – 110 058 Phone No. (011) 41410592/93/94 ; Fax No. (011) 41410591 Email: delhi@linkintime.co.in |
| 7.12 | Share Transfer System: | Transfer of securities held in physical mode has been discontinued w.e.f. April 01, 2019. However, SEBI vide its various circulars / notifications granted relaxation for relodgement cases till March 31, 2021. In compliance with the circular, Re-lodgement of transfer requests was carried out till the validity period of Circular. Further, effective from April 1, 2021, Company / RTA is not accepting any requests for the physical transfer of shares from the shareholders. |
| 7.13 | Reconciliation of Share Capital Audit: | The reconciliation of Share Capital Audit is conducted by a Chartered Accountant in practice to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Ltd. ("Depositories") and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the R&T Agents within stipulated period of 21 days and uploaded with the concerned depositories. |
| 7.14 | Transfer of Unpaid / Unclaimed Amounts to Investor Education and Protection Fund: | Not Applicable |

| 7.15 Distribution of shareholding as at 31st March, 2023: | | | | |
|---|---------------------|---------------|------------------|---------------|
| By size of shareholding | Shareholders | % | Shares | % TO |
| 1-2500 | 23,946 | 99.83 | 6,65,619 | 12.96 |
| 2501 - 5000 | 10 | 0.04 | 37,589 | 0.73 |
| 5001-10000 | 6 | 0.03 | 42,464 | 0.83 |
| 10001-15000 | 4 | 0.02 | 53,046 | 1.03 |
| 15001-20000 | 1 | 0.00 | 16,593 | 0.32 |
| 20001 - 25000 | 1 | 0.00 | 21,173 | 0.41 |
| 25001 - 50000 | 5 | 0.02 | 1,40,515 | 2.74 |
| 50001 and abv | 13 | 0.05 | 41,59,164 | 80.98 |
| TOTAL | 23,986 | 100.00 | 51,36,163 | 100.00 |
| PHYSICAL | 8757 | 36.51 | 165242 | 3.22 |
| ELECTRONIC | 15,229 | 63.49 | 49,70,921 | 96.78 |
| TOTAL | 23,986 | 100.00 | 51,36,163 | 100.00 |

| Category-wise distribution as on 31.3.2023 | Shares | % |
|---|------------------|---------------|
| Promoters / Promoter group | 28,56,490 | 55.61 |
| FIs/Banks/Mutual Fund/ Alternate Investment Fund etc. | 30,895 | 0.60 |
| Corporate Bodies | 8,71,077 | 16.96 |
| FII's / Foreign Portfolio Investors (Corporate) | 2,61,325 | 5.09 |
| NRI's/OCBs | 4,96,686 | 9.67 |
| Public / Others | 6,19,690 | 12.07 |
| TOTAL | 51,36,163 | 100.00 |

| | | |
|-------------|---|--|
| 7.16 | Dematerialisation of shares and liquidity: | As on 31 st March, 2023, 96.78% of the total share capital was in dematerialized form. Trading in equity shares of the Company is permitted only in dematerialized form. The equity share of the Company are listed and traded on NSE & BSE. |
| 7.17 | Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity.: | As at 31 st March, 2023, the Company does not have any convertible instruments. |
| 7.18 | Commodity price risk or foreign exchange risk and hedging activities: | Company was not dealing with commodity and lending activities. Also there was no foreign exchange transactions during the year. |
| 7.19 | Plant locations: | Not Applicable |
| 7.20 | Investor Correspondence For transfer / dematerialisation of shares, payment of dividend on shares, query on Annual Report and any other query on the shares of the Company.: | Name: Mr. Swapan Naskar Designation: Associate Vice President & Head (North India) Address : Link Intime India Private Limited Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC Near Savitri Market, Janakpuri, New Delhi – 110 058 Phone No. (011) 41410592/93/94 Fax No. (011) 41410591 Email: delhi@linkintime.co.in |
| 7.21 | Address for correspondence: | Nalwa Sons Investments Limited 28 Najafgarh Road, Moti Nagar Industrial Area, New Delhi – 110 015 Phone No.: (011) 45021854, 45021812 Fax No.: (011) 25928118, 45021982 Email: investorcare@nalwasons.com Website: www.nalwasons.com |

| | | |
|------|---|-----------------------------|
| | Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, bank mandate and status to their respective Depository Participants (DPs). | |
| 7.22 | List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.: | Not required to be obtained |

8. Disclosure of loans and advances in the nature of loans to Firms/Companies in which Director are Interested : NIL

9. DISCLOSURES:

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large.

During the year, the Company has not entered into any transaction of material nature with the related parties that may have any potential conflict with the interests of the Company. Related Party transactions are disclosed in the notes to Accounts forming part of this Annual Report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link: http://nalwasons.com/pdf/Related_Party_Transactions-file001.pdf

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authorities relating to the above during the last three years.

(iii) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee.

The Company has formulated a Whistle Blower Policy ("WBP") in accordance with the requirements of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI LODR. The WBP provides for establishment of vigil mechanism for directors and employees to report genuine concerns or grievances. It encourages all employees, directors and business partners to report any suspected violations promptly and intends to investigate any bona-fide reports of violations. It also specifies the procedures and reporting authority for reporting unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including financial irregularities, including fraud, or suspected fraud, wastage/ misappropriation of Company's funds/assets etc. The WBP also provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee, in exceptional cases. The WBP has also been uploaded on Company's website at the following link: http://nalwasons.com/pdf/Whistle_Blower_Policy001.pdf

(iv) The Company has also formulated the Policy on Disclosure of Material Events or Information and Policy on Preservation and Archival of Documents.

The said Policies have also been uploaded on Company's website at the following links: <http://nalwasons.com/pdf/Nalwa%20Material%20Event%20Policy.pdf>
<http://nalwasons.com/pdf/Nalwa%20Preservation%20and%20Archival%20Policy.pdf>

(v) Subsidiary Companies

The Audit Committee of the Company reviews the financial statements and the investments made by its unlisted subsidiaries companies. Further, the minutes of the meetings of the board of directors of the unlisted subsidiary companies and statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies are periodically placed at the meeting of the Board of directors of the Company. Jindal Steel & Alloys

Limited is material non-listed Indian subsidiary of the Company. The Company has formulated a policy for determining material subsidiaries which is uploaded on Company's website at the following link:

[http://nalwasons.com/pdf/Policy for determining material subsidiaries NSIL001.pdf](http://nalwasons.com/pdf/Policy_for_determining_material_subsidaries_NSIL001.pdf)

(vi) Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in accordance with the requirement of Regulation 43A of SEBI LODR. The said Policy has also been uploaded on Company's website at the following link: <https://www.nalwasons.com/pdf/NSIL-Dividend%20Distribution%20Policy.pdf>

(vii) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned elsewhere in the Director's Report.

(viii) Fees paid to the Statutory Auditors

M/s. B S D & Co., Chartered Accountants, (Firm Registration No. 000312S) were appointed as Statutory Auditors of the Company by the shareholders at the 50th Annual General Meeting of the Company held on 30th September, 2021 for the period of 3 years starting from conclusion of 50th AGM till the conclusion of 53rd AGM of the Company.

During the F.Y. 2022-23, Company has made payment of Rs. 3.54 Lakh (including Tax) to M/s. B S D & Co., Chartered Accountants for all the services availed by the Company during F.Y. 2021-22.

No services were availed by the company/subsidiaries from the network firm/entity of the statutory auditors during the period under review.

(ix) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

Compliance with mandatory and non-mandatory requirements (as on 31st March, 2023)

The Company has complied with all mandatory requirements of Regulation 34 of the SEBI LODR. The Company has adopted following non-mandatory requirements of Regulation 27 and Regulation 34 of the SEBI LODR:

1. Modified Opinion(s) in Audit Report

During the period under review, there were no audit qualifications in the Company's financial statements.

2. Reporting of Internal Auditor

During FY 2022-23, M/s U K Agrawal & Associates, Chartered Accountants were the internal auditors of the Company and made presentations on their reports to the Audit Committee.

(x) No funds were raised by the Company through preferential allotment or by way of qualified institution placement during financial year 2022-23.

(xi) The Company has complied with Corporate Governance requirement specified in regulation 17 to 27 of SEBI LODR, except as follows:

The Company has not availed Director and Officer Insurance ('D' and 'O') Insurance Policy for its independent directors during the period 1st April, 2022 to 24th May, 2022 in compliance with Regulations 25(10) of SEBI(Listing Obligations and Disclosure Requirements), Regulations, 2015, amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 dated 3rd August, 2021 read with the corrigendum dated 6th August, 2021, as applicable to the top 1000 listed entities with effect from 1st January, 2022.

10. OTHER INFORMATION

A. Risk Management Framework

The Company has in place mechanism to inform Board members about the risk assessment and minimization procedures and periodical reviews to ensure that risk is controlled by the executive management through the means of a properly defined framework.

B. CEO and CFO Certification

The Executive Director & C.E.O. and the Chief Financial Officer of the Company have given certification on financial reporting and internal controls to the Board as specified in Part B of Schedule II to the SEBI (LODR). They also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI (LODR).

C. Website disclosure

All the necessary disclosures as prescribed under clause (b) to (i) of sub-regulation 2 of Regulation 46 as prescribed under the SEBI (LODR) have been disseminated on the Company's Website i.e. www.nalwasons.com.

D. Code of Conduct

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of conduct is available on the website of the Company. The declaration of the Executive Director & CEO is given below:

To the Shareholders of Nalwa Sons Investments Limited

Sub.: Compliance with Code of Conduct

I hereby declare that for the financial year ended 31st March, 2023 all the Board members and senior management personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Dated: 30th May, 2023

(Rakesh Kumar Garg)
Executive Director & Chief Executive Officer
DIN: 00038580

General Disclosures

- (i) A summary of transactions with related parties in the ordinary course of business is periodically placed before the audit committee;
- (ii) The mandatory disclosure of transactions with related parties in compliance with Indian Accounting Standard (Ind AS) is a part of this annual report;
- (iii) While preparing the annual accounts in respect of the financial year ended 31st March, 2023, no accounting treatment was different from that prescribed in the Indian Accounting Standards (Ind AS);
- (iv) The Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**To the Members of****Nalwa Sons Investments Limited**

We have examined the compliance of the conditions of Corporate Governance by Nalwa Sons Investments Limited ("the Company") (CIN:L65993DL1970PLC146414) for the year ended on March 31, 2023 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the period from April 1, 2022 up to March 31, 2023.

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

On the basis of our findings from the examination of the records produced and explanations and information furnished to us and the representation made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2023 except in respect of matter specified below:-

The company has not availed Director and Officer Insurance ('D' and 'O') Insurance Policy for its Independent Directors during the period 1st April, 2022 to 24th May, 2022 in compliance with regulations 25(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), (Third Amendment) Regulations, 2021 dated 3rd August, 2021 read with the corrigendum dated 6th August, 2021, as applicable to the top 1000 listed entities with effect from January 1, 2022.

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

Place: Hisar

Dated: 30th May, 2023

Rajesh Garg

M/s Rajesh Garg & Co.

Practising Company Secretary

FCS No. 5960

CP No. 4093

UDIN: F005960E000627977

PRC No.799/2020

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

[PURSUANT TO CLAUSE 10 OF PART C OF SECHDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

To the Members of,
Nalwa Sons Investments Limited

On the basis of our review and according to the records of Nalwa Sons Investments Limited ("the Company") (CIN No.L65993DL1970PLC146414), we certify that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Place: Hisar

Dated: 30th May, 2023

Rajesh Garg

M/s Rajesh Garg & Co.

Practising Company Secretary

FCS No. 5960

CP No. 4093

UDIN: F005960E000627977

PRC No.799/2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BACKGROUND

The Company is registered as a Non Banking Financial Company (NBFC) with Reserve Bank of India under the provisions of Section 45 IA of the Reserve Bank of India Act, 1934. In term of Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Nalwa Sons Investments Limited ('NSIL' or 'the Company') is a Systemically Important Non-Deposit taking-Non Banking Financial Company (i.e a non-banking financial company not accepting / holding public deposits and having an asset size of more than Rs.500 crores) having total assets of Rs. 9223.32 Crore.

OVERVIEW OF FINANCIAL AND OPERATIONAL PERFORMANCE

Your Company follows Indian Accounting Standards ('IndAS') for preparing its financial statements, in compliance with the requirement of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India ('SEBI') from time to time.

Your Company has recorded a very good performance during the Financial Year 2022-23 on Standalone as well as Consolidated basis. Below is a brief quantitative overview of the financial and operational performance of your Company during the reporting period. This Report should be read in conjunction with the Company's financial statements and other information included elsewhere in this Annual Report.

a) Standalone Results:

Your Company has recorded a very good performance during the year under review. The Company during the year has received an Income by way of dividend, interest and other income stood at Rs. 11,207.12 lakh during the financial year ended 31st March, 2023 as compared to Rs. 7,241.69 lakh during the previous year. Profit before exceptional items and tax stood at Rs. 10,911.62 lakh as compared to Rs. 7,016.34 lakh during previous year. Profit after tax stood at Rs. 8,094.63 lakh as compared to Rs. 5,636.11 lakh during the previous financial year, an increase of 43.62 %.

b) Consolidated Results:

Your Company has recorded a very good performance during the year under review. The Company during the year has received an Income by way of Interest of Rs. 3,209.23 Lakh, Dividend of Rs. 8,923.65 Lakh, sale of goods of Rs. 1,005.43 Lakh. Total Income stood at Rs. 13,356.57 lakh during the financial year ended 31st March, 2023 as compared to Rs. 9735.77 lakh during the previous year. Profit after tax stood at Rs. 9,258.26 lakh as compared to Rs. 6586.37 lakh during the previous year.

OUTLOOK**a. Global Economy**

Global GDP growth is estimated to fall from 3.4% in 2022 to 2.8% in 2023. The continuing Russia-Ukraine war along with central banks hiking rates to tame inflation continues to weigh on economic activity. Growth in 2022 was dampened due to rapid spread of COVID-19 variants in China and the ongoing war in Ukraine. The concerted sanctions on Russia, which supplies around 10% of the world's energy, lead to dampening growth and further straining of supply chain. The war worsens the persistent inflation across developed economies. However, the recent re-opening may lead to faster than expected recovery in 2023.

The current global economic slowdown cuts across both developed and developing countries. In the US, economic growth is expected to be slower in 2023 given the tightening monetary and fiscal policy. Contrary to late 2022 estimates, US will avoid a recession due to declining energy prices, strong employment growth, and easing of supply chain stress.

Threat of recession continuous to loom over Europe as wages and consumer spending has fallen significantly. Elevated natural gas prices are fuelling inflation and driving down purchasing power. The tightening of monetary policy by ECB and Bank of England along with energy shock resulting from the Russia-Ukraine war will play a key impact on the growth potential.

b. Indian Economy

GDP growth rate in 2023 is expected to be 5.9%, lower than the 2022 growth of 6.8% due to subdued external demand and tightening monetary policy. However, India will remain the fastest growing major economy. The efforts of Government of India including health and safety measures, financial incentives and a sustained increase in the capital expenditure and incentivized boost to infrastructure development projects underpinned by private players, have placed the country on the path of fast paced recovery, ahead of many nations. The industry showed robust growth, particularly in the second-half of 2022-23, with Index of Industrial Production (IIP) accelerated to 5.6 percent year-on-year in February 2023.

Brent oil prices are expected to remain range bound in 2023, given the continuing war in Ukraine and sanctions imposed in response by the USA and European Union. India meets nearly 80% of its oil needs through imports. High oil prices will also have a trickledown effect on the prices paid by consumers for goods and services. Persistent inflation resulted in RBI to increase the repo rate by 250 basis points throughout FY2022-23. Further rate hikes are expected in the coming year, despite no rate hike in the April Monetary Policy Committee meeting.

c. Company Prospects

With a size of around 15% of Scheduled Commercial Banks' combined balance sheet, the NBFC sector has been growing robustly in recent years, providing an alternative source of funds to the commercial sector in the face of slowing bank credit. NBFC-ND-SI (Systematically Important Non-Deposit accepting NBFCs) comprise 85.4% of the total balance sheet size of the NBFC sector. Whereas the balance 14.6% accounted by NBFC-D (Deposit accepting NBFCs). Although in the FY 2022-23, the concerns surrounding the sector due to debt defaults amidst temporary asset liability mismatches arose, the inherent strength of the sector, coupled with the Reserve Bank's continuing vigil on the regulatory and supervisory front, ensure that the growth of the sector is sustained and liquidity fears are allayed and the introduction of Scaled Based Regulations have elevated the private NBFC sector at par with public NBFCs.

Your Company continues to hold significant investments in equity shares of steel manufacturing companies of O.P. Jindal group. The performances of the Investee Companies are expected to improve in the current financial year, which would result in higher dividend payouts in the coming year. The Company will focus on making long term strategic investments in various new ventures promoted by O.P. Jindal group, besides consolidating the existing investments through further investments in the existing companies.

FUTURE PROSPECTS

Your Company holds significant investments in Equity Shares of O.P. Jindal Group of Companies, therefore the business prospects of the Company largely depends on the business prospects of O.P. Jindal Group of Companies and the steel industry.

Worldsteel has forecasted that demand for steel is expected to see a 2.3% rebound to reach 1,822.3 MT in F.Y. 2023 and is forecasted to grow by 1.7% in F.Y. 2024 to reach 1,854.0 MT. Manufacturing is expected to lead the recovery, but persistent inflation and high interest rates in most economies will limit the recovery of steel demand, despite positive factors like China's reopening, Europe's resilience and the easing of supply chain bottlenecks. Demand in India is expected to show healthy growth of 7.3% in F.Y. 2023 and 6.2% in F.Y. 2024. The growth in steel consumption is expected to accelerate in most regions, but expected deceleration in China may overshadow the improved environment.

Your Company is looking forward for a sustainable growth in its investee Companies in the coming years which would enhance the shareholders' value. Considering the forecasted growth in the economy as a whole and the steel industry in particular, the Company expects to enhance its entrenched value for the benefit of the shareholders' at large.

OPPORTUNITIES AND THREATS

NBFCs have become important constituents of India's financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs continue to leverage their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, innovative products, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, these are well-suited to bridge the financing gap in a large country like India. Systemically important NBFCs have demonstrated agility, innovation and frugality to provide formal financial services to millions of Indians.

Every business carried out by any Company are full of challenges and risk and the success of any business always depend upon the ability of the Company how it faces the challenges and survive in the highly competitive market. Your Company holds significant investments in Equity Shares of O.P. Jindal Group of Companies, therefore the business prospects of the Company largely depends on the business prospects of O.P. Jindal Group of Companies and the steel industry.

Your company is developing various systems and strategies to face the challenges in the competitive market. The Challenges are not from the competitors but from the domestic and global economic scenario. Your company is taking all precautions to offset the associated risks. As a result of which, the Company is looking forward for a sustainable growth in its investee Companies in the coming years which would enhance the shareholders' value. The Company expects to enhance its entrenched value for the benefit of the shareholders' at large.

RISKS AND CONCERNS

The Company's business is exposed to many internal and external risks and it has consequently put in place robust systems and processes, along with appropriate review mechanisms to actively monitor, manage and mitigate these risks.

The geo-political war in Ukraine, a slowing global economy, tightening fiscal policy mired with badly managed/failure of few major players in banking and finance sectors around the world suggest a possible moderation in business confidence and investment. Uncertainty over the global trade environment and volatility in the financial markets have softened the global trade and protracted war in Ukraine poses further downside risks to this forecast. The short-term economic outlook for many European countries has deteriorated sharply giving headwinds for mild recession.

The Company continuously evaluates its investments in such company to ensure that the same meets the objective of ensuring maximisation of value to all its stakeholders in a prudent manner. The Company expects to make full use of the growth opportunities available to it, however, the challenge remains on being able to leverage these initiatives to carve out a space in the competitive industry, within the regulatory and compliance framework.

SIGNIFICANT CHANGE IN KEY FINANCIAL RATIOS

As compared to the figures of previous year, your Company's Current Ratio increase significantly by 176.86 %, owing to decrease in tax liability, Debtor Turnover Ratio of the Company has decreased Significantly by 34.25%, owing to increase in dividend and interest income as compared to corresponding previous financial year.

Except for this, there is no significant change (i.e. change of more than 25%) in any other key financial ratios during the current financial year as compared to immediately preceding financial year.

ADEQUACY OF INTERNAL CONTROL SYSTEM

The Company has an Internal Control System, commensurate with the size and nature of its business. The audit plan is approved by the Audit Committee, which regularly reviews compliances to the plan. All Audit observations and follow-up actions thereon were reported to the Audit Committee. The Audit Committee also met the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal control and systems followed by the Company. The Management acted upon the observations and suggestions of the Audit Committee.

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The Audit Committee reviews the adequacy of internal controls on regular basis.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/INDUSTRIAL RELATIONS FRONT

There have been no material developments in Human Resource and Industrial Relations front during the F.Y. 2022-23, given the nature of business your Company is engaged in.

The Company recognizes that its human resource is its strength in realizing its goals and objectives. As on March 31, 2023, there are three Whole-time Key Managerial Personnel and one general staff in the Company. The Company will strengthen its operative staff as and when the need arises.

CAUTIONARY STATEMENT

The Statement in this Management Discussion and Analysis report, describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking" within the meaning of applicable laws or regulations. Actual results could differ materially from those expressed or implied owing to successful implementation of our strategies, our growth and expansion, global & Indian economy, political stability, stock performance on stock markets, changes in government regulations, tax regimes, economic developments and other incidental factors. Except as required by law, the Company does not undertake to update any forward-looking statements to reflect future events or circumstances. This MDA should not be considered as a recommendation that any investor should subscribe for or purchase any of the Company's shares. The Company makes no representation or warranty, express or implied, as to and does not accept any responsibility or liability with respect to the fairness, accuracy, completeness or correctness of any information or opinions contained herein. Investors are advised to exercise due care and caution while interpreting these statements.

INDEPENDENT AUDITOR'S REPORT

To The Members of
Nalwa Sons Investments Limited

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

We have audited the accompanying standalone financial statements of Nalwa Sons Investments Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2023, the standalone statement of profit and loss (including Other Comprehensive Income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the statement financial statements, including a summary of the significant accounting policies and other explanatory information ("the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, the 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), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone 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.

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| Disputed Income Tax Demands (as described in note no. 34 to the standalone financial statements) | |
| <p>The Company has received income tax demand orders and notices relating to disallowances of certain deductions, expenses which are under litigation. The Company is contesting these demands.</p> <p>The unexpected adverse outcomes of such litigations and tax demands could materially impact the Company as the outcome of such legal actions is uncertain and the positions taken by the management are based on the legal opinions obtained by the Company.</p> <p>The amounts involved may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant management judgement.</p> <p>Accordingly, this matter has been determined to be a key matter in our audit of the financial statements.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the progress of all significant litigations, Tax demands and contingencies. Evaluated management's assessment of the likely outcome and considered the requirements for any provision. Inquired with both legal and finance personnel in respect of ongoing litigations or tax demands proceedings, inspected relevant correspondence. Also, obtained legal confirmation letters on sample basis from external legal experts. <p>Assessed the related disclosure of litigations, tax demands and other contingencies as described in the financial statements.</p> |

| Valuation of Investments in Un-Quoted Securities | |
|---|--|
| <p>The company has investments in various unquoted equity and preference shares. These instruments are measured at fair value with the corresponding fair value change recognized in Statement of Profit and Loss or other comprehensive income depending upon the nature of financial instruments.</p> <p>The valuation is performed by the company using a fair value hierarchy (Level 1, 2 and 3) as disclosed in note no.37 to the standalone financial statements.</p> <p>Given the inherent subjectivity in the valuation of level 2 investments, we determined this to be a significant matter for our audit. This was an area of focus for our audit and an area where significant audit effort was directed.</p> <p>Disclosures on the investments are included at Note 8 and Note 37 to the Standalone Financial Statements</p> | <p>Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation techniques and inputs used by management to value investments.</p> <p>Further, we assessed the valuation of all individual investments to determine whether the valuations performed by the company were within a predefined tolerable differences threshold.</p> <p>As part of these audit procedures, we assessed the accuracy of key inputs used in the valuation including observable and non-observable inputs.</p> <p>We also evaluated the company's assessment whether objective evidence of impairment exists for individual investments.</p> <p>Based on these procedures we have not noted any material differences outside the predefined tolerable differences threshold.</p> |

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

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

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standard ('Ind AS') 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 the 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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 Standalone 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 Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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 sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the standalone statement of changes in equity and the standalone statement of cash flow dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". 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 other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended. In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - 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 our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer note 34 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has also represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining the Books of Accounts using accounting software which has feature of recording Audit Trail (Edit Log) is applicable to the Company with effect from 1st April 2023 and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rule 2014 is not applicable for the financial year ended 31st March 2023.

For B S D & Co.

Chartered Accountants

Firm Registration No: 000312S

Sujata Sharma

(Partner)

Membership No: 087919

UDIN: 23087919BGWNMJ1157

Place: Hisar

Date: 30th May 2023

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Nalwa Sons Investments Limited of even date)

Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”)

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets: -
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and Equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable to the Company.
 - b. Property, Plant and Equipment have been physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies were identified on such verification.
 - c. According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any immovable properties and accordingly, reporting under this Clause is not applicable to the Company.
 - d. The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the order is not applicable to it.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable to the Company.
- iii. (a) Since the company’s principal business is to give loans. accordingly, the provision of clause 3(iii)(a) of the order is not applicable to it.

(b) The company, being a non-Banking Financial company (‘NBFC’), registered under provisions of RBI Act, 1934. in our opinion and according to the information and explanations given to us, the investments made during the year and the terms and conditions of the grant of all unsecured loans, provided during the year are, prima facie, not prejudicial to the company’s interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the amount, principal as well as interest accrued thereon is repayable on demand and hence, the question of repayment schedule and irregularity on payment of principal and interest does not arise.

(d) According to information and explanations given to us and based on the audit procedures performed, the total amount which is overdue for 90 days or more in respect of loans and advances in the nature of loans given aggregates to Rs.1552.15 lakhs. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.

(e) Since the Company’s principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to it.

(f) Based on our audit procedures, according to the information and explanation made available to us, the company has granted loans or advances in the nature of loans which repayable on demand as per details below: -

(₹ in Lakh)

| Particulars | Total | Promoter & Promoter Group |
|---|------------------|---------------------------|
| Aggregate of loans/advances in nature of loans | | |
| (a) Repayable on demand | 21,415.47 | 21,415.47 |
| (b) Agreement does not specify any terms or period of repayment | - | - |
| Total (a+b) | 21,415.47 | 21,415.47 |
| Total Loans | 21,415.47 | 21,415.47 |
| Percentage of loans/ advances in nature of loans to the total loans | 100% | 100% |

- iv. According to the information and explanation given to us, the company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the act. The company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3(v) of the Order are not applicable.
- vi. The central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the act for the business activities carried out by the company. accordingly, the provision of clause 3(vi) of the order is not applicable to the company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities. There are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

| Nature of Statute | Nature of dues | Forum where dispute is pending | Period(s) to which the amount relates (Financial Year) | Amount involved (₹ in Lakh) | Amount Paid (₹ in Lakh) |
|----------------------|----------------|--------------------------------------|--|-----------------------------|-------------------------|
| Income Tax Act, 1961 | Income Tax | Hon'ble Supreme Court of India | 2004-05 | 640.80 | Nil |
| Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 2012-13 | 13.06 | 13.06 |
| Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 2013-14 | 10.26 | 10.26 |
| Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeals) | 2016-17 | 93.64 | Nil |

- viii. According to the information and explanation given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender as at the balance sheet date.
- (b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanation given to us, and the procedures performed by us, and on the overall examination of the financial statements of the Company, we report that no funds raised on the 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 has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x) of the Order are not applicable to the Company.
- xi. (a) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such case by the Management.
- (b) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 was not required to be filed. Accordingly, the reporting under Clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and as represented to us by the management, no whistle blower complaints have been received during the year by the Company. Accordingly, the reporting under Clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. The Company is not a Nidhi Company. Accordingly, the reporting under Clause 3(xii) of the Order are not applicable.
- xiii. According to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, reporting under Clause 3(xv) of the Order are not applicable.
- xvi. (a) The company is required to be registered under Section 45-ia of the Reserve Bank of India Act, 1934 and the company has obtained the required registration.
- (b) According to the information and explanations given to us, the company has not conducted any non-Banking Financial or Housing Finance activities without obtaining a valid COR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the company is not a core investment company ('CIC') as defined under the Regulations by the Reserve Bank of India.
- (d) According to the information and explanations given to us, the Group has no core investment company ('CIC').
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations 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 and our knowledge of the Board of Directors and Management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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, however, 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. (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) According to the information and explanations given to us, there are no amount remaining unspent in pursuant to ongoing project under sub-section (5) of Section 135 of the Act. Accordingly, reporting under Clause 3(xx)(b) is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable to the Company in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For B S D & Co.

Chartered Accountants

Firm Registration No: 000312S**Sujata Sharma**

(Partner)

Membership No: 087919

UDIN: 23087919BGWNMJ1157

Place: Hisar

Date: 30th May 2023

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Nalwa Sons Investments Limited of even date)

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

We have audited the internal financial controls over financial reporting of Nalwa Sons Investments Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘the Guidance Note’) and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B S D & Co.

Chartered Accountants

Firm Registration No: 000312S**Sujata Sharma**

(Partner)

Membership No: 087919

UDIN: 23087919BGWNMJ1157

Place: Hisar

Date: 30th May 2023

Standalone Balance Sheet as at March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note No. | As at March 31, 2023 | As at March 31, 2022 |
|-------------|--|----------|-------------------------|-------------------------|
| I. | ASSETS | | | |
| 1) | Financial Assets | | | |
| (a) | Cash and cash equivalents | 4 | 483.19 | 125.16 |
| (b) | Bank balances other than Cash and Cash Equivalents | 5 | 1,418.76 | 1,334.42 |
| (c) | Receivables | | | |
| (i) | Other receivables | 6 | 52.10 | 979.55 |
| (c) | Loans | 7 | 19,783.87 | 18,084.64 |
| (d) | Investments | 8 | 900,584.86 | 905,240.89 |
| (e) | Other financial assets | 9 | 3.36 | 10.58 |
| | Total financial assets | | 922,326.14 | 925,775.24 |
| 2) | Non-financial assets | | | |
| (a) | Property, plant and equipment | 10 | 6.16 | 7.95 |
| | Total non-financial assets | | 6.16 | 7.95 |
| | Total Assets | | 922,332.30 | 925,783.19 |
| II. | Liabilities and Equity | | | |
| 1) | Financial Liabilities | | | |
| (a) | Other payables | 11 | | |
| (i) | Dues of micro enterprises and small enterprises | | - | 2.24 |
| (ii) | Dues of Other than micro enterprises and small enterprises | | 4.67 | 1.75 |
| (b) | Other financial liabilities | 12 | 0.09 | 7.57 |
| | | | 4.76 | 11.56 |
| 2) | Non-Financial Liabilities | | | |
| (a) | Provisions | 13 | 24.32 | 19.36 |
| (b) | Other non-financial liabilities | 14 | 3.53 | 1.99 |
| (c) | Deferred tax liabilities (net) | 15 | 141,562.68 | 144,909.39 |
| (d) | Current tax liabilities (net) | 16 | 96.57 | 304.89 |
| | Total Liabilities | | 141,687.10 | 145,235.63 |
| 3) | Equity | | | |
| (a) | Equity share capital | 17 | 513.62 | 513.62 |
| (b) | Other equity | 18 | 780,126.82 | 780,022.38 |
| | Total Equity | | 780,640.44 | 780,536.00 |
| | TOTAL EQUITY AND LIABILITIES | | 922,332.30 | 925,783.19 |

Significant accounting policies and notes to the financial statements 1 to 49

As per our report of even date

For BSD & Co.Chartered Accountants
Firm's Reg. No. 000312S**Sujata Sharma**Partner
M. No. 087919**Place:** Hisar**Dated:** 30th May, 2023**For and on behalf of the Board of Directors****Nrender Garg**Director
DIN: 08486246**Deepak Garg**

Chief Financial Officer

Rakesh Kumar GargExecutive Director & CEO
DIN: 00038580**Ajay Mittal**Company Secretary
M.No. FCS-11573

Standalone Statement of Profit and Loss for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| | Particulars | Note No. | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--------------|--|----------|------------------------------|------------------------------|
| | Revenue from operations | | | |
| (i) | Interest Income | 19 | 2,071.49 | 1,366.72 |
| (ii) | Dividend Income | 20 | 8,923.58 | 3,988.31 |
| (iii) | Net gain on derecognition of financial instruments | 21 | - | 929.15 |
| (iv) | Net gain/(loss) on fair value changes | 23 | - | 530.77 |
| I. | Total revenue from operations | | 10,995.07 | 6,814.95 |
| II. | Other income | 22 | 212.05 | 426.74 |
| III. | Total Income (I+II) | | 11,207.12 | 7,241.69 |
| IV. | Expenses : | | | |
| | Impairment on financial instruments | 24 | 6.82 | 32.44 |
| | Employee benefits expenses | 25 | 128.39 | 126.76 |
| | Finance cost | 26 | 87.76 | - |
| | Depreciation and amortisation expense | 10 | 1.80 | 1.80 |
| | Other expenses | 27 | 70.72 | 64.35 |
| | Total expenses (IV) | | 295.49 | 225.35 |
| V. | Profit before tax (III-IV) | | 10,911.63 | 7,016.34 |
| VI. | Tax Expense: | | | |
| | Current tax | | 2,521.72 | 1,300.83 |
| | Deferred tax | | 295.27 | 449.99 |
| | Income tax earlier years | | - | (370.59) |
| | Total tax expense (VI) | | 2,816.99 | 1,380.23 |
| VII. | Profit for the year (VI-VII) | | 8,094.64 | 5,636.11 |
| VIII. | Other Comprehensive Income | | | |
| | Items that will not be re-classified to profit or loss | | | |
| (i) | Re-measurement gain/(loss) on defined benefit plans | | (0.57) | (0.22) |
| (ii) | Equity instruments through other comprehensive income | | (11,631.60) | 350,929.03 |
| (iii) | Income tax relating to items that will not be reclassified to profit or loss | | 3,641.98 | (80,772.98) |
| | Total Other comprehensive income (VIII) | | (7,990.19) | 270,155.83 |
| IX. | Total Comprehensive Income for the year (VII+VIII) | | 104.45 | 275,791.94 |
| X. | Earning per equity share (Face value Rs 10 each) | | | |
| | Basic | 28 | 157.60 | 109.73 |
| | Diluted | | 157.60 | 109.73 |

Significant accounting policies and notes to the financial statements 1 to 49

As per our report of even date

For BSD & Co.

Chartered Accountants

Firm's Reg. No. 000312S

Sujata Sharma

Partner

M. No. 087919

For and on behalf of the Board of Directors**Nrender Garg**

Director

DIN: 08486246

Rakesh Kumar Garg

Executive Director & CEO

DIN: 00038580

Place: Hisar**Dated:** 30th May, 2023**Deepak Garg**

Chief Financial Officer

Ajay Mittal

Company Secretary

M.No. FCS-11573

Standalone Statement of changes in equity for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

A. Equity Share Capital

| Balance as at April 1, 2021 | Movement during the year | Balance as at March 31, 2022 | Movement during the year | Balance as at March 31, 2023 |
|-----------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
| 513.62 | - | 513.62 | - | 513.62 |

B. Other Equity

| Particulars | Reserve & Surplus | | | | | Other Comprehensive Income | | Total |
|--|--------------------|-------------------|-----------------|------------------|-------------------|--------------------------------|---|-------------------|
| | Securities Premium | Statutory Reserve | General Reserve | Capital Reserve | Retained Earnings | Equity Instruments through OCI | Remeasurements of defined benefit plans | |
| Balance as at 1st April, 2021 | 3,004.20 | 4,848.05 | 2,262.77 | 17,276.90 | 17,337.59 | 459,501.25 | (0.32) | 504,230.44 |
| Profit/(loss) for the year | - | - | - | - | 5,636.11 | - | - | 5,636.11 |
| Total comprehensive income for the year (net of tax) | - | - | - | - | - | 270,156.05 | (0.22) | 270,155.83 |
| Transferred from retained earnings | - | 1,127.22 | - | - | (1,127.22) | - | - | - |
| Balance as at March 31, 2022 | 3,004.20 | 5,975.27 | 2,262.77 | 17,276.90 | 21,846.47 | 729,657.30 | (0.54) | 780,022.38 |
| Profit/(loss) for the year | - | - | - | - | 8,094.64 | - | - | 8,094.64 |
| Total comprehensive income for the year (net of tax) | - | - | - | - | - | (7,989.62) | (0.57) | (7,990.19) |
| Transferred from retained earnings | - | 1,618.93 | - | - | (1,618.93) | - | - | - |
| Balance as at March 31, 2023 | 3,004.20 | 7,594.20 | 2,262.77 | 17,276.90 | 28,322.17 | 721,667.68 | (1.11) | 780,126.82 |

See accompanying notes to the financial statements

1 to 49

As per our report of even date

For BSD & Co.Chartered Accountants
Firm's Reg. No. 000312S**Sujata Sharma**

Partner

M. No. 087919

Place: Hisar

Dated: 30th May, 2023**For and on behalf of the Board of Directors****Nrender Garg**

Director

DIN: 08486246

Deepak Garg

Chief Financial Officer

Rakesh Kumar Garg

Executive Director & CEO

DIN: 00038580

Ajay Mittal

Company Secretary

M.No. FCS-11573

Standalone Cash flow statement for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| A) Cash Flows from the operating activities | | |
| Net profit before tax | 10,911.63 | 7,016.33 |
| Adjustments: | | |
| Interest Income | (2,071.49) | (1,366.72) |
| Dividend Income | (8,923.58) | (3,988.31) |
| Depreciation and amortisation | 1.79 | 1.80 |
| (Gain)/loss on fair valuation of debt instruments | - | (530.77) |
| (Gain) on de-recognition of financial instruments | - | (929.15) |
| Bad debts | 238.96 | - |
| Provision for doubtful debt written back | (238.96) | - |
| Interest on income tax | 87.76 | |
| Profit on sale of mutual funds | (212.05) | - |
| Provision for standard assets | 6.82 | 32.44 |
| Provision for employee benefits | 4.96 | 5.68 |
| | (194.17) | 241.30 |
| Interest received | 92.90 | 928.59 |
| Dividend received | 9,851.03 | 2,984.26 |
| | | |
| Operating profit before working capital changes | | |
| Adjustments for :- | | |
| (Increase)/Decrease in other financial assets | - | 36.26 |
| Increase/(decrease) in financial liabilities | (6.80) | 0.10 |
| Increase/(decrease) in non-financial liabilities | 1.54 | (1.15) |
| Cash generated from operations | 9,744.50 | 4,189.36 |
| Income tax paid | (2,730.05) | (754.03) |
| Net cash inflow/(outflow) in operating activities | 7,014.45 | 3,435.33 |
| | | |
| B) Cash inflow/(Outflow) from investment activities | | |
| Loans and advances received/(given) (net) | (437.28) | (4,760.77) |
| Purchase of investments | (16,543.00) | (384.57) |
| Sale of investments | 10,496.50 | 1,835.00 |
| Investment in fixed deposits | (84.88) | (66.28) |
| Net Cash inflow/(outflow) in investment activities | (6,568.66) | (3,376.62) |
| | | |
| C) Cash flows from financing activities | | |
| Interest on income tax paid | (87.76) | |
| Net Cash inflow/(outflow) in financing activities | (87.76) | - |
| | | |
| Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C) | 358.03 | 58.71 |
| Cash and cash equivalents at the beginning of the period | 125.16 | 66.45 |
| Cash and cash equivalents at the end of the period | 483.19 | 125.16 |

Notes: -

(i) The above cash flow statement has been prepared by using the "indirect method" set out in IND AS -7- Statement of Cash Flows.

Significant accounting policies and notes to the financial statements 1 to 49

As per our report of even date

For BSD & Co.

Chartered Accountants
Firm's Reg. No. 000312S

Sujata Sharma

Partner
M. No. 087919

Place: Hisar

Dated: 30th May, 2023

For and on behalf of the Board of Directors**Nrender Garg**

Director
DIN: 08486246

Deepak Garg

Chief Financial Officer

Rakesh Kumar Garg

Executive Director & CEO
DIN: 00038580

Ajay Mittal

Company Secretary
M.No. FCS-11573

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

1. GENERAL INFORMATION

Nalwa Sons Investments Limited was incorporated on November 18, 1970 under the erstwhile Companies Act i.e. Companies Act, 1956 (now Companies Act, 2013) and is registered as Non-deposit taking Non-Banking Financial Company ('NBFC') under the provisions of Section 45-IA of the Reserve Bank of India Act, 1934.

2. SIGNIFICANT ACCOUNTING POLICIES**a) Basis of preparation**

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). These standalone financial statements are presented in INR Lakhs and all values are rounded to the nearest lakhs, except when otherwise indicated.

The regulatory disclosures as required by Master Directions for Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company Directions, 2016 issued by the RBI ('RBI Master Directions') to be included as a part of the Notes to Accounts are prepared as per the Ind AS financial statements pursuant to the notification on Implementation of Indian Accounting Standards, dated March 13, 2020.

b) Use of estimates and judgements

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the standalone financial statements and the reported amounts of income and expenses for the periods presented. The Company has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected.

c) Revenue recognition**Interest Income**

Under Ind AS 109 interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost. The EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend Income

Income from dividend on shares of corporate bodies is taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the Company's right to receive payment is established.

d) Employee Benefits Expense**(i) Defined contribution plans**

Contributions to the Provident Fund based on the statutory provisions as per the Employee Provident Fund Scheme is recognised as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

(ii) Defined benefit plans**Gratuity**

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

(iii) Leave encashment

The company treats its liability for long-term compensated absences based on actuarial valuation as at the Balance Sheet date, determined by an independent actuary using the Projected Unit Credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur.

e) Property, Plant and Equipment**(i) Measurement**

Items of Property, plant and equipment, are measured at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that it will increase the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing Property, plants and equipment, including day to day repair and maintenance and cost of replacing parts are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(iii) Derecognition

An item of Property, plant and equipment is derecognized upon its disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the same (calculated as the difference between the net disposal proceeds and its carrying amount) is recognized in the Statement of Profit and Loss in the period the item is derecognized.

(iv) Depreciation

Depreciation is calculated using Straight Line Method (SLM) over the useful lives of assets and is recognized in the Statement of profit and loss. Depreciation for assets purchased / sold during the period is proportionately charged. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

f) Impairment of Non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognized in the Statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Investment in Subsidiaries and Associate

On transition to Ind AS, the Company has elected to continue with the carrying value of investments in subsidiaries and associate as on 1 April 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of such investments.

Investment in Subsidiaries and associates are carried at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. Upon disposal of investment, the difference between the net disposal proceeds and the carrying amount is credited or charged to the Statement of Profit and Loss.

h) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and in the Statement of Cash flows comprise of cash in hand and balance with banks in current accounts.

i) Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

j) Provisions and Contingent Liabilities

Provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

k) Tax Expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Current tax and deferred tax is recognized in the Profit and Loss except when it relates to items that are recognized in Other Comprehensive Income.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognized using the Balance Sheet approach. It represents temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill. The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a Deferred tax asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

I) Financial Instruments

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

(i) Financial Assets

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss).
- Those measured at amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

Initial recognition and measurement

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

Business Model Test: The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

Cash flow characteristics test: The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category general applies to trade and other receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

Financial assets designated at fair value through Other Comprehensive Income (OCI)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the right and obligations that the Company has retained.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables without significant financial element;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 –Leases

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

(ii) Financial liabilities:**Initial recognition and measurement**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company financial liabilities include trade payables, liabilities towards services, and other payables.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

Financial liabilities at Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at Amortized cost

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

m) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

n) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

Ind AS- 1- Presentation of Financials Statements-

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS-8 Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of "accounting estimates" and included amendments to Ind AS-8 to help entities distinguish changes in the accounting policies from change in accounting policies.

Ind AS- 12 Income taxes

This amendment has narrowed the scope of initial recognition exemption so that it does not apply to transaction that give rise to equal and offsetting temporary differences.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

4) Cash and cash equivalents

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Cash on hand | 0.15 | 0.04 |
| Balances with banks | | |
| - in current accounts | 483.04 | 125.13 |
| Total cash and cash equivalents | 483.19 | 125.16 |

5) Bank balances other than Cash and Cash Equivalents

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| In Deposit Accounts | | |
| - Original maturity more than 3 months | 1,418.76 | 1,334.42 |
| Total Bank balances other than Cash & Cash Equivalents | 1,418.76 | 1,334.42 |

6) Other receivables

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Dividend receivable | 0.01 | 927.46 |
| Others | 52.09 | 52.09 |
| Total other receivables | 52.10 | 979.55 |

7) Loans (measured at amortised costs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| Loans repayable on demand | | |
| - others | 21,415.47 | 19,948.38 |
| Less: Impairment loss allowance | (1,631.60) | (1,863.74) |
| Total loans | 19,783.87 | 18,084.64 |

8) Investments

| S.N. | Particulars | As at March 31, 2023 | | | As at March 31, 2022 | |
|------|--|----------------------|------------|------------------|----------------------|------------------|
| | | Par Value | Nos. | Amount | Nos. | Amount |
| I. | Subsidiaries | | | | | |
| | (measured at deemed cost) | | | | | |
| | Nalwa Trading Limited | 10 | 16,085,665 | 6,100.66 | 16,085,665 | 6,100.66 |
| | Brahmputra Capital & Financial Services Ltd. | 10 | 21,337,490 | 2,168.79 | 21,337,490 | 2,168.79 |
| | Jindal Steel & Alloys Ltd. | 10 | 7,019,860 | 3,501.93 | 7,019,860 | 3,501.93 |
| | | | | 11,771.38 | | 11,771.38 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| S.N. | Particulars | Par Value | As at March 31, 2023 | | As at March 31, 2022 | |
|-------------|--|-----------|----------------------|-------------------|----------------------|-------------------|
| | | | Nos. | Amount | Nos. | Amount |
| II. | Associates | | | | | |
| | (measured at deemed cost) | | | | | |
| | Jindal Equipment Leasing and Consultancy Services Ltd. | 10 | 1,539,000 | 892.27 | 1,539,000 | 892.27 |
| | Sub-total (II) | | | 892.27 | | 892.27 |
| III. | Equity Instruments | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | (i) Quoted equity shares of | | | | | |
| | Jindal Saw Limited | 2 | 53,550,000 | 77,942.03 | 53,550,000 | 48,221.78 |
| | Shalimar Paints Limited | 2 | 1,372,590 | 1,873.59 | 1,372,590 | 1,609.36 |
| | JSW Steel Limited | 1 | 45,486,370 | 312,968.97 | 45,486,370 | 333,233.15 |
| | JSW Holdings Limited | 10 | 1,137,145 | 43,626.57 | 1,137,145 | 46,587.69 |
| | JSW Energy Limited | 10 | 370 | 0.89 | 370 | 1.11 |
| | Hexa Tradex Limited | 2 | 10,710,000 | 15,749.06 | 10,710,000 | 17,484.08 |
| | Jindal Stainless (Hisar) Limited * | 2 | - | - | 347,945 | 1,345.50 |
| | Jindal Stainless Limited * | 2 | 1,026,438 | 2,972.56 | 347,945 | 705.11 |
| | JITF Infralogistics Limited | 2 | 4,304,662 | 3,584.49 | 4,304,662 | 4,229.33 |
| | | | | 458,718.15 | 117,257,027 | 453,417.10 |
| | Less: Provision for disputed shares | | | (3,542.94) | | (2,484.68) |
| | Sub-total (i) | | | 455,175.21 | | 450,932.43 |
| | (ii) Unquoted equity shares | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | Abhinandan Investments Limited | 10 | 39,900 | 1,351.86 | 39,900 | 924.64 |
| | Stainless Investments Limited | 100 | 2,065,000 | 3,715.08 | 2,065,000 | 2,529.76 |
| | Rohit Tower Building Ltd. | 10 | 2,400 | 2.04 | 2,400 | 2.04 |
| | Sahyog Holdings Pvt. Limited | 10 | 8,524 | 1,235.45 | 8,524 | 1,286.62 |
| | Siddeshwari Tradex Private Limited | 10 | 7,956 | 70,373.84 | 7,956 | 74,911.60 |
| | Indusglobe Multiventures Private Limited | 10 | 852 | 454.77 | 852 | 564.07 |
| | Strata Multiventures Private Limited | 10 | 852 | 22.69 | 852 | 24.10 |
| | Radius Multiventures Private Limited | 10 | 852 | 2.15 | 852 | 2.39 |
| | Divino Multiventures Private Limited | 10 | 852 | 6.32 | 852 | 4.06 |
| | Genova Multisolutions Private Limited | 10 | 852 | 9.15 | 852 | 7.25 |
| | Mansarover Investments Limited | 10 | 1,085,000 | 4,680.23 | 1,085,000 | 3,246.26 |
| | Goswamis Credits & Investment Limited | 10 | 500,000 | 2,359.79 | 500,000 | 1,943.36 |
| | Sun Investments Pvt. Ltd. | 10 | 17,000 | 27.10 | 17,000 | 16.56 |
| | Groovy Trading Private Limited | 10 | 10 | 0.70 | 10 | 0.70 |
| | Saraswat Co. Op. Bank | 10 | 1,000 | 1.55 | 1,000 | 1.55 |
| | Midland Steel Processors Ltd. | 10 | 200,000 | - | 200,000 | - |
| | PT Jindal Stainless Indonesia | US\$1 | 100 | - | 100 | 0.05 |
| | Sonabheel Tea Limited | 10 | 100 | 0.07 | 100 | 0.15 |
| | Virtuous Tradecorp Pvt. Ltd. | 10 | 8,524 | 76,330.77 | 8,524 | 76,807.87 |
| | OPJ Trading Pvt. Limited | 10 | 8,524 | 1,116.73 | 8,524 | 1,090.56 |
| | Sub-total (ii) | | | 161,690.28 | | 163,363.59 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| S.N. | Particulars | Par Value | As at March 31, 2023 | | As at March 31, 2022 | |
|------------|---|-----------|----------------------|-------------------|----------------------|-------------------|
| | | | Nos. | Amount | Nos. | Amount |
| | (iii) Zero Coupon Compulsory Convertible Preference Shares | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | Indusglobe Multiventures Private Limited | 10 | 85,200 | 45,476.54 | 85,200 | 56,407.33 |
| | Strata Multiventures Private Limited | 10 | 85,200 | 2,269.48 | 85,200 | 2,410.18 |
| | Radius Multiventures Private Limited | 10 | 85,200 | 215.42 | 85,200 | 239.46 |
| | Divino Multiventures Private Limited | 10 | 85,200 | 631.92 | 85,200 | 405.84 |
| | Genova Multisolutions Private Limited | 10 | 85,200 | 914.74 | 85,200 | 725.28 |
| | Sub-total (iii) | | | 49,508.09 | | 60,188.09 |
| | (iv) Compulsory Convertible Preference Shares | | | | | |
| | (measured at Fair Value Through OCI) | | | - | | |
| | Sahyog Holdings Pvt. Limited | 100 | 852,400 | 123,544.61 | 852,400 | 128,661.99 |
| | Mansarover Investments Limited | 100 | 400,000 | 446.15 | 400,000 | 309.45 |
| | Nalwa Investments Limited | 100 | 100,000 | 466.03 | 100,000 | 838.18 |
| | JITF Shipyards Limited | 100 | 2,400,000 | 4,310.34 | 2,400,000 | 4,310.34 |
| | Sub-total (iv) | | | 128,767.13 | | 134,119.96 |
| | (v) Optionally Convertible Preference Shares | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | OPJ Trading Pvt. Limited | 10 | 596,680 | 78,171.30 | 596,680 | 76,339.54 |
| | Sub-total (v) | | | 78,171.30 | | 76,339.54 |
| IV. | Debt Instruments | | | | | |
| | (measured at Fair Value Through P&L) | | | | | |
| | Everplus Securities & Finance Limited | 100 | 2,761,585 | 2,303.83 | 2,761,585 | 2,113.60 |
| | Abhinandan Investments Limited | 100 | 30,000 | 25.03 | 30,000 | 22.96 |
| | Mansarover Investments Limited | 100 | 360,000 | 269.52 | 360,000 | 247.27 |
| | Jindal Equipment Leasing and Consultancy Services Ltd. | 100 | 2,578,000 | 2,184.24 | 2,578,000 | 2,003.89 |
| | Jindal Reality Limited | 100 | 18,000 | 10.73 | 18,000 | 9.85 |
| | Jagran Developers Private Limited | 100 | 497,000 | 414.68 | 497,000 | 380.44 |
| | Goswami Credits & Investment Limited | 100 | 600,000 | 517.68 | 600,000 | 474.94 |
| | Renuka Financial Services Limited | 100 | 1,115,000 | 947.21 | 1,115,000 | 869.00 |
| | Jindal Petroleum Limited | 100 | 1,756,400 | 1,860.29 | 1,063,400 | 1,033.55 |
| | Mineral management Services Private Limited | 100 | 102,100 | 110.44 | 102,100 | 101.32 |
| | Siddeshwari Tradex Private Limited | 100 | 119,000 | 119.00 | 119,000 | 119.00 |
| | Stainless Investments | 100 | 333,820 | 281.03 | 333,820 | 257.82 |
| | Sub-total (IV) | | | 9,043.67 | | 7,633.63 |
| V. | FVTPL | | | | | |
| | (measured at Fair Value Through P&L) | | | | | |
| | Mutual funds | | - | 5,565.53 | - | - |
| | Total (I to V) | | | 900,584.86 | | 905,240.89 |
| (i) | Investments in India | | | 900,584.86 | | 905,240.85 |
| (ii) | Investments outside India | | - | - | - | 0.05 |
| | Total (A to H) | | | 900,584.86 | | 905,240.89 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Notes: -

- i. 3,47,945 (March 31, 2022: 3,47,945) shares of Jindal Stainless Limited have been pledged to the lenders of Jindal Stainless Limited to the extent of the liability of Nalwa Sons Investments Limited is restricted to the market value of shares.
- ii. Pursuant to the implementation of the approved composite scheme of arrangement between various Companies of Jindal Stainless Group, the Company has received 6,78,493 number of shares of Jindal Stainless Limited, being the amalgamated Company, against 3,47,945 shares of Jindal Stainless (Hisar) Limited, the amalgamating Company, during the year ended March 31, 2023.

9) Other financial assets

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Interest accrued but not due | 3.36 | 10.58 |
| Total other financial assets | 3.36 | 10.58 |

10) Property, Plant and Equipment

| Particulars | Furniture & Fixtures | Computers | Vehicles | Other Assets | Total |
|---------------------------------|-------------------------|-------------|--------------|-----------------|--------------|
| Gross Block | | | | | |
| As at April 1, 2021 | 1.14 | 1.10 | 15.15 | 0.41 | 17.80 |
| Additions | - | - | - | - | - |
| Disposal/Adjustments | (1.14) | (1.10) | - | (0.41) | (2.65) |
| As at March 31, 2022 | - | - | 15.15 | - | 15.15 |
| Additions | - | - | - | - | - |
| Disposal/Adjustments | - | - | - | - | - |
| As at March 31, 2023 | - | - | 15.15 | - | 15.15 |
| Accumulated Depreciation | | | | | |
| As at April 1, 2021 | 1.08 | 1.05 | 5.40 | 0.39 | 7.92 |
| Depreciation for the year | - | - | 1.80 | - | 1.80 |
| Disposal/Adjustments | (1.08) | (1.05) | - | (0.39) | (2.52) |
| As at March 31, 2022 | - | - | 7.20 | - | 7.20 |
| Depreciation for the year | - | - | 1.80 | - | 1.80 |
| Disposal/Adjustments | - | - | - | - | - |
| As at March 31, 2023 | - | - | 9.00 | - | 9.00 |
| Net Block | | | | | |
| As at April 1, 2021 | 0.06 | 0.06 | 9.75 | 0.02 | 9.89 |
| As at March 31, 2022 | - | - | 7.95 | - | 7.95 |
| As at March 31, 2023 | - | - | 6.16 | - | 6.16 |

11) Trade payables

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| (i) Dues of micro enterprises and small enterprises | - | 2.24 |
| (ii) Dues of Other than micro enterprises and small enterprises | 4.67 | 1.75 |
| Total Trade payables | 4.67 | 3.99 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Trade payables ageing schedule as on 31.03.2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|--------------|--------------|-------------------|-------------|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 4.67 | - | - | - | 4.67 |
| (iii) Disputed dues MSME | - | - | - | - | - |
| (iv) Disputed dues others | - | - | - | - | - |
| Total trade payables | 4.67 | - | - | - | 4.67 |

Trade payables ageing schedule as on 31.03.2022

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|--------------|--------------|-------------------|-------------|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
| (i) MSME | 2.24 | - | - | - | 2.24 |
| (ii) Others | 1.75 | - | - | - | 1.75 |
| (iii) Disputed dues MSME | - | - | - | - | - |
| (iv) Disputed dues others | - | - | - | - | - |
| Total trade payables | 3.99 | - | - | - | 3.99 |

Disclosures required under Micro, Small and Medium Enterprises Development Act 2006

The company has not received any memorandum from 'Suppliers' (as required to be filed by the 'Supplier' with the notified authority under Micro, Small and Medium Enterprises Development Act 2006) claiming the status as on 31st March, 2023 as Micro, Small or Medium enterprises, Consequently, the interest paid/payable by the company to such Suppliers during the year is Nil.

12) Other financial liabilities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Employees related payable | 0.09 | 7.57 |
| Total Other financial liabilities | 0.09 | 7.57 |

13) Provisions

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Provisions for employee benefits | | |
| Gratuity | 11.78 | 8.68 |
| Leave encashment | 12.54 | 10.68 |
| Total provisions | 24.32 | 19.36 |

refer note no. 33.

14) Other non-financial liabilities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Statutory dues payable | 3.53 | 1.99 |
| Total other non-financial liabilities | 3.53 | 1.99 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

15) Deferred tax liabilities (net)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Deferred tax liabilities (a) | 141,996.18 | 145,399.93 |
| Deferred tax assets (b) | (433.50) | (490.55) |
| Net deferred tax liabilities (a-b) | 141,562.68 | 144,909.39 |
| * refer note no.29 for significant components of deferred tax liabilities/(assets) | | |

16) Current tax liabilities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Provision for income tax (net of advance tax and TDS receivable) | 96.57 | 304.89 |
| Net current tax liabilities (a-b) | 96.57 | 304.89 |

17) Equity share capital

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|-------------------------|-----------------|-------------------------|-----------------|
| | No. of shares | Amount | No. of shares | Amount |
| Authorised | | | | |
| Equity shares of ₹ 10 /- each | 15,000,000 | 1,500.00 | 15,000,000 | 1,500.00 |
| Total | 15,000,000 | 1,500.00 | 15,000,000 | 1,500.00 |
| Issued, subscribed and fully paid up | | | | |
| Equity shares of ₹10/- each | 5,136,163 | 513.62 | 5,136,163 | 513.62 |
| Total | 5,136,163 | 513.62 | 5,136,163 | 513.62 |

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|-------------------------|--|-------------------------|--|
| | Number of shares | | Number of shares | |
| Shares at the beginning of the year | 5,136,163 | | 5,136,163 | |
| Movement during the year | - | | - | |
| Shares outstanding at the end of the year | 5,136,163 | | 5,136,163 | |

(b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of ₹ 10/- each. Each equity shareholder is entitled to one vote per share.

(c) Detail of shareholders holding more than 5% shares in the Company

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|-------------------------|-----------|-------------------------|-----------|
| | Number | % holding | Number | % holding |
| Equity shares of ₹ 10 each fully paid | | | | |
| Vistra Itcl (India)Limited | 799,711 | 15.57% | 831,213 | 16.18% |
| OPJ Trading Private Limited | 571,386 | 11.12% | 571,386 | 11.12% |
| Virtuous Tradecrop Private Limited | 571,385 | 11.12% | 571,385 | 11.12% |
| Genova Multisolutions Private Limited | 571,286 | 11.12% | 571,286 | 11.12% |
| Siddeshwari Tradex Private Limited | 693,692 | 13.51% | 693,692 | 13.51% |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| (d) Detail of shareholding of promoter and promoter group | | | | | |
|--|-------------------------|---------------|-------------------------|---------------|----------|
| Particulars | As at March 31, 2023 | | As at March 31, 2022 | | % change |
| | Number | % holding | Number | % holding | |
| Equity shares of ₹ 10 each fully paid | | | | | |
| Saroj Bhartia | 2 | 0.00% | 2 | 0.00% | - |
| Urmila Bhuwalka | 48 | 0.00% | 48 | 0.00% | - |
| Seema Jajodia | 49 | 0.00% | 49 | 0.00% | - |
| Urvi Jindal | 631 | 0.01% | 631 | 0.01% | - |
| Tarini Jindal Handa | 100 | 0.00% | 100 | 0.00% | - |
| Tanvi Shete | 100 | 0.00% | 100 | 0.00% | - |
| Tripti Jindal | 662 | 0.01% | 662 | 0.01% | - |
| Naveen Jindal | 712 | 0.01% | 692 | 0.01% | - |
| R K Jindal & Sons Huf . | 756 | 0.01% | 756 | 0.01% | - |
| Arti Jindal | 2,479 | 0.05% | 781 | 0.02% | 0.00 |
| Parth Jindal | 100 | 0.00% | 100 | 0.00% | - |
| S K Jindal And Sons Huf . | 1,809 | 0.04% | 1,809 | 0.04% | - |
| Sminu Jindal | 2,382 | 0.05% | 2,382 | 0.05% | - |
| Sangita Jindal | 100 | 0.00% | 100 | 0.00% | - |
| Sajjan Jindal | 160 | 0.00% | 160 | 0.00% | - |
| P R Jindal Huf . | 3,163 | 0.06% | 3,163 | 0.06% | - |
| Deepika Jindal | 3,760 | 0.07% | 3,760 | 0.07% | - |
| Savitri Devi Jindal | 4,815 | 0.09% | 4,815 | 0.09% | - |
| Naveen Jindal Huf | 5,854 | 0.11% | 5,854 | 0.11% | - |
| Abhyuday Jindal | 5,230 | 0.10% | 5,230 | 0.10% | - |
| Goswamis Credits & Investments Ltd | 12,721 | 0.25% | 12,721 | 0.25% | - |
| Jsw Holdings Limited | 25,014 | 0.49% | 25,014 | 0.49% | - |
| Jsl Limited | 120,615 | 2.35% | 120,615 | 2.35% | - |
| Vinamra Consultancy Pvt Ltd | 100 | 0.00% | 100 | 0.00% | - |
| Siddeshwari Tradex Private Limited | 693,692 | 13.51% | 693,692 | 13.51% | - |
| Worldone Private Limited | 124,446 | 2.42% | 124,446 | 2.42% | - |
| Virtuous Tradecorp Private Limited | 571,385 | 11.12% | 571,385 | 11.12% | - |
| Opj Trading Private Limited | 571,386 | 11.12% | 571,386 | 11.12% | - |
| Sahyog Holdings Private Limited | 100 | 0.00% | 100 | 0.00% | - |
| Jsw Organics Pvt Ltd | 128,583 | 2.50% | 128,583 | 2.50% | - |
| Genova Multisolutions Private Limited | 571,286 | 11.12% | 571,286 | 11.12% | - |
| Sarika Jhunjnuwala | 4,250 | 0.08% | 4,250 | 0.08% | - |
| Prithavi Raj Jindal | - | 0.00% | 1,698 | 0.03% | -0.00 |
| Total | 2,856,490 | 55.61% | 2,856,470 | 55.61% | |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

18) Other Equity

| | Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------|--|-------------------------|-------------------------|
| A. | Reserves & Surplus | | |
| (i) | Securities Premium | | |
| | Opening balance | 3,004.20 | 3,004.20 |
| | Movement during the year | - | - |
| | Closing balance | 3,004.20 | 3,004.20 |
| (ii) | General reserve | | |
| | Opening balance | 2,262.77 | 2,262.77 |
| | Movement during the year | - | - |
| | Closing balance | 2,262.77 | 2,262.77 |
| (iii) | Statutory Reserve u/s Section 45-IC | | |
| | Opening balance | 5,975.27 | 4,848.05 |
| | Movement during the year | 1,618.93 | 1,127.22 |
| | Closing balance | 7,594.20 | 5,975.27 |
| (iv) | Capital reserve | | |
| | Opening balance | 17,276.90 | 17,276.90 |
| | Movement during the year | - | - |
| | Closing balance | 17,276.90 | 17,276.90 |
| (v) | Retained Earnings | | |
| | Opening balance | 21,846.47 | 17,337.59 |
| | Profit/(loss) for the year | 8,094.64 | 5,636.11 |
| | Less: transferred to Statutory reserves | (1,618.93) | (1,127.22) |
| | Closing balance | 28,322.17 | 21,846.47 |
| (vi) | Other Comprehensive Income | | |
| | Opening balance | 729,656.76 | 459,500.93 |
| | Other comprehensive Income/(loss) for the year | (7,990.18) | 270,155.83 |
| | Closing balance | 721,666.58 | 729,656.76 |
| | Total other equity | 780,126.82 | 780,022.38 |

Notes: -

- (i) Capital reserves:-** The Company has created capital reserve on account of scheme of amalgamation and demerger
- (ii) Securities premium:-** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- (iii) General reserve:-** General Reserves are free reserves of the Company which are kept aside out of Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax (PAT) to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (iv) Retained earnings:-** Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.
- (v) Reserve u/s 45 IC of the Reserve Bank of India Act, 1934:** The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.
- (vi) Equity instruments through Other Comprehensive Income:-** The Company has elected to recognise changes in the fair value of certain investments in financial instruments in other comprehensive income.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

19) Interest Income

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|---|------------------------------------|------------------------------------|
| Interest income on financial assets measured at amortised costs | | |
| - on loans | 1,268.78 | 852.69 |
| - on debt investments | 717.04 | 438.13 |
| - on fixed deposits | 85.67 | 75.91 |
| Total interest income | 2,071.49 | 1,366.72 |

20) Dividend Income

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|--|------------------------------------|------------------------------------|
| Dividend Income on quoted equity instruments | 8,923.58 | 3,988.31 |
| | | |
| Total dividend income | 8,923.58 | 3,988.31 |

21) Net gain on derecognition of financial instruments under amortised cost category

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|---|------------------------------------|------------------------------------|
| Net gain on derecognition of investment in debt instruments | - | 929.15 |
| Total dividend income | - | 929.15 |

22) Other income

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|--|------------------------------------|------------------------------------|
| Profit on sale of mutual funds | 159.50 | 14.18 |
| Interest on income tax refund | - | 412.56 |
| Profit on fair valuation of mutual funds | 52.55 | - |
| Total other income | 212.05 | 426.74 |

23) Net loss/(gain) on fair value changes

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|--|------------------------------------|------------------------------------|
| Loss on financial instruments measured at amortised cost | | |
| - Investment in non convertible preference shares | - | (530.77) |
| Total net loss/(gain) on fair value changes | - | (530.77) |

24) Impairment on financial instruments

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|--|------------------------------------|------------------------------------|
| Impairment on loans measured at amortised costs | 6.82 | 32.44 |
| Bad debts written off | 238.96 | - |
| Provision written back | (238.96) | - |
| Total impairment on financial instruments | 6.82 | 32.44 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

25) Employee benefit expenses

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|---|------------------------------------|------------------------------------|
| Salaries and wages | 126.68 | 125.24 |
| Contribution to provident and other funds | 1.71 | 1.52 |
| Total employee benefits expenses | 128.39 | 126.76 |

26) Finance costs

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|----------------------------|------------------------------------|------------------------------------|
| Interest on income tax | 87.76 | - |
| Total finance costs | 87.76 | - |

27) Other expenses

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|---|------------------------------------|------------------------------------|
| Bank charges | 0.01 | 0.02 |
| Rent | 10.88 | 5.99 |
| Legal and professional | 32.03 | 34.40 |
| Auditor's remuneration | 3.54 | 2.24 |
| Advertisement and publicity | 1.61 | 1.68 |
| Printing & Stationery expenses | 0.06 | 0.90 |
| Travelling and Conveyance | 0.08 | 0.04 |
| Rates & Taxes | 1.09 | 2.98 |
| Expenditure towards Corporate Social Responsibility | 17.00 | 12.00 |
| Director's Sitting fee | 2.00 | 2.00 |
| Miscellaneous expenses | 2.42 | 2.10 |
| Total other expenses | 70.72 | 64.35 |

*** Payment to auditors includes: -**

| Particulars | Year ended ended March 31, 2023 | Year ended ended March 31, 2022 |
|---------------------|------------------------------------|------------------------------------|
| Statutory audit fee | 3.54 | 2.24 |
| Total | 3.54 | 2.24 |

28) Earnings per share

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Profit/(Loss) attributable to equity shareholders (₹) (A) | 8,094.64 | 5,636.11 |
| Weighted average number of outstanding equity shares (B) | 5,136,163 | 5,136,163 |
| Nominal value per equity share (₹) | 10.00 | 10.00 |
| Basic EPS (A/B) (₹) | 157.60 | 109.73 |
| Diluted EPS (A/B) (₹) | 157.60 | 109.73 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

29) a) Income tax expense

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------------|------------------------------|------------------------------|
| Current tax | 2,521.72 | 1,300.83 |
| Deferred tax | 295.27 | 449.99 |
| Income tax earlier years | - | (370.59) |
| Total tax expenses | 2,816.99 | 1,380.23 |

b) Reconciliation of estimated income tax to income tax expense

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Accounting profit before tax (A) | 10,911.63 | 7,016.33 |
| Enacted tax rate in India (B) | 25.17% | 25.17% |
| Expected income tax expense at statutory tax rate (A*B) | 2,746.24 | 1,765.87 |
| Tax effect of the amount not deductible for computing taxable income | | |
| Expenses not deductible in determining taxable profits | 26.37 | 3.05 |
| Income not chargeable to tax | (13.23) | |
| Income tax earlier years | - | (370.59) |
| Other temporary difference | 57.60 | (18.10) |
| Tax expense reported | 2,816.99 | 1,380.23 |

c) Deferred Tax

The significant component of deferred tax assets / (liabilities) and movement during the year are as under:

| Particulars | Deferred tax liability/(asset) as at April 1, 2021 | Recognised/ (reversed) in Other Comprehensive Income | Recognised/ (reversed) in Statement of Profit & Loss | Deferred tax liability/(asset) as at March 31, 2022 |
|---------------------------------------|--|--|--|---|
| Gross deferred tax liabilities | | | | |
| Investments measured at fair value | 64,167.32 | 80,772.98 | 459.64 | 145,399.93 |
| | 64,167.32 | 80,772.98 | 459.64 | 145,399.93 |
| Gross deferred tax assets | | | | |
| Brought forward business loss | 16.44 | - | - | 16.44 |
| Provision for doubtful debts | 460.90 | - | 8.17 | 469.07 |
| Property, plant and equipment | 0.11 | - | 0.06 | 0.17 |
| Provisions for employee benefit | 3.45 | - | 1.42 | 4.87 |
| | 480.90 | - | 9.65 | 490.55 |
| Net Deferred Tax liabilities | 63,686.42 | 80,772.98 | 449.99 | 144,909.38 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | Deferred tax liability/(asset) as at April 1, 2022 | Recognised/ (reversed) in Other Comprehensive Income | Recognised/ (reversed) in Statement of Profit & Loss | Deferred tax liability/(asset) as at March 31, 2023 |
|---------------------------------------|--|--|--|---|
| Gross deferred tax liabilities | | | | |
| Investments measured at fair value | 145,399.93 | (3,641.98) | 238.22 | 141,996.18 |
| | 145,399.93 | (3,641.98) | 238.22 | 141,996.18 |
| Gross deferred tax assets | | | | |
| Brought forward business loss | 16.44 | - | | 16.44 |
| Provision for doubtful debts | 469.07 | - | (58.42) | 410.64 |
| Property, plant and equipment | 0.17 | - | 0.12 | 0.29 |
| Provisions for employee benefit | 4.87 | - | 1.25 | 6.12 |
| | 490.55 | - | (57.05) | 433.50 |
| | | | | |
| Net Deferred Tax liabilities | 144,909.38 | (3,641.98) | 295.27 | 141,562.68 |

30) Segment Reporting

Based on guiding principles given in Indian Accounting Standard (Ind AS) 108 on 'Operating Segment' notified under the Companies (Indian Accounting Standards) Rules, 2015, Company's primary business segment is Investing & Financing. These activities have similar risk & returns. As Company's business activities fall within a single primary business segment, the disclosure requirements of Ind AS 108 are not applicable.

31) Related Party Disclosures

The related party disclosures in accordance with the requirements of Ind AS - 24 "Related Party Disclosures" has been given below: -

| (a) | Name and nature of related party relationships | |
|-------|---|-----------------------------|
| (i) | Subsidiaries | |
| | Nalwa Trading Limited (Formerly known as Jindal Holdings Limited | |
| | Jindal Steel & Alloys Limited | |
| | Brahmputra Capital & Financial Services Ltd. | |
| (ii) | Associate | |
| | Jindal Equipment Leasing & Consultancy Services Limited | |
| (iii) | Key Managerial Personnel (KMP) | |
| | Mr. Rakesh Kumar Garg | Executive Director & C.E.O. |
| | Mr. Deepak Garg | Chief Financial Officer |
| | Mr. Ajay Mittal | Company Secretary |
| | Mr. Rajinder Prakash Jindal | Independent Director |
| | Mrs. Shruti Shrivastava | Independent Director |
| | Mr. Kanwaljit Singh Thind | Independent Director |
| | Mr. Nrender Garg | Independent Director |
| (iv) | Relatives of Key Managerial Personnel | |
| | Mrs. Sneha Garg | |
| | Mrs. Priya Garg | |
| | *Independent directors are included only for the purpose of compliance with definition of key management personnel given under IND AS 24. | |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| (b) | Transactions during the year | 2022-23 | | 2021-22 | |
|-----|--|--------------------------------|---------------------------------------|--------------------------------|---------------------------------------|
| | | Key Managerial Personnel (KMP) | Relatives of Key Managerial Personnel | Key Managerial Personnel (KMP) | Relatives of Key Managerial Personnel |
| | Remuneration paid: - | | | | |
| | Mr. Deepak Garg | 21.75 | - | 22.05 | - |
| | Mr. Rakesh Kumar Garg | 92.16 | - | 84.33 | - |
| | Mr. Ajay Mittal | 6.69 | - | 5.72 | - |
| | Lease rent paid: - | | | | |
| | Mrs. Sneha Garg | - | 6.84 | - | 5.28 |
| | Mrs. Priya Garg | - | 3.33 | - | - |
| | Sitting fee paid: - | | | | |
| | Mrs. Shruti Shrivastava | 1.00 | - | 1.00 | - |
| | Mr. Kanwaljit Singh Thind | 1.00 | - | 1.00 | - |
| (c) | Balances outstanding at the year end: - | | | | |
| | Particulars | As at March 31, 2023 | As at March 31, 2022 | | |
| | Investments in equity shares | | | | |
| | Nalwa Trading Limited | 6,100.66 | 6,100.66 | | |
| | Brahmputra Capital & Financial Services Ltd. | 2,168.79 | 2,168.79 | | |
| | Jindal Steel & Alloys Ltd. | 3,501.93 | 3,501.93 | | |
| | Jindal Equipment Leasing and Consultancy Services Ltd. | 892.27 | 892.27 | | |
| | Investments in preference shares | | | | |
| | Jindal Equipment Leasing And Consultancy Services Ltd | 2,184.24 | 2,003.89 | | |

32) Disclosure relating to Expenditure towards Corporate Social Responsibility

The details of expenditure on Corporate Social Responsibility (CSR) activities as per Section 135 of the Companies Act, 2013 read with schedule VII are as below: -

(₹ In Lakhs)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|---------------------------|---------------------------|
| Amount required to be spent as per Section 135 of the Act | 16.70 | 11.50 |
| Amount of expenditure incurred | 17.00 | 12.00 |
| Shortfall at the end of the year | - | - |
| Total of previous years shortfall | - | - |
| Reason for shortfall | NA | NA |

| S.N. | Category of the Companies Act | Project Activities | Amount Spent till 31-03-23 |
|------|--|---|----------------------------|
| 1 | Promoting health care including preventive health care | Health Supports | 3.68 |
| 2 | Promoting Education & Enhancing Training | Promoting Education in General public | 0.62 |
| 3 | Emergencies and Relief Works | Relief and Emergencies, Covid Vaccination | 12.70 |
| | Total | | 17.00 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

33) Employee benefits

| a) Defined contribution plans: - | | | |
|--|---|------------------------------|--------------------------------|
| (₹ In Lakhs) | | | |
| | Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Contribution to Provident Fund | 1.71 | 1.52 |
| b) Defined benefit plans: - | | | |
| Below tables sets forth the changes in the projected benefit obligation and amounts recognised in the balance sheet as at March 31, 2023 and March 31, 2022, being the respective measurement dates: - | | | |
| (i) Movement in present value of obligations | | | |
| (₹ in Lacs) | | | |
| | Particulars | Gratuity (unfunded) | Leave encashment (unfunded) |
| | Present value of obligation as at April 1, 2021 | 6.33 | 7.35 |
| | Current service cost | 1.69 | 2.39 |
| | Interest cost | 0.44 | 0.51 |
| | Benefits paid | - | (1.04) |
| | Remeasurement- Actuarial loss/(gain) on obligation | 0.22 | 1.46 |
| | Present value of obligation as at March 31, 2022 | 8.67 | 10.69 |
| | Current service cost | 1.93 | 2.24 |
| | Interest cost | 0.61 | 0.75 |
| | Benefits paid | - | (1.34) |
| | Remeasurement- Actuarial loss/(gain) on obligation | 0.57 | 0.21 |
| | Present value of obligation as at March 31, 2023 | 11.79 | 12.55 |
| (ii) Expenses recognised in the Statement of profit & loss | | | |
| (₹ in Lacs) | | | |
| | Particulars | Gratuity (unfunded) | Leave encashment (unfunded) |
| | Current service cost | 1.69 | 2.39 |
| | Interest cost | 0.44 | 0.51 |
| | Remeasurement - Actuarial loss/(gain) | - | 1.46 |
| | For the year ended March 31, 2022 | 2.13 | 4.37 |
| | Current service cost | 1.93 | 2.24 |
| | Interest cost | 0.61 | 0.75 |
| | Remeasurement - Actuarial loss/(gain) | - | 0.21 |
| | For the year ended March 31, 2023 | 2.54 | 3.20 |
| (iii) Expenses recognised in the Other Comprehensive Income | | | |
| (₹ in Lacs) | | | |
| | Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Remeasurement - actuarial loss/(gain) on gratuity | 0.57 | 0.22 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| (iv) The principal actuarial assumptions used are set out below: - | | | | |
|--|---|-------------------------|------------------------------|------------------------------|
| | Particulars | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Mortality rate | | IALM 2012-14 | IALM 2012-14 |
| | Discount rate | | 7.25 % p.a. | 7.00 % p.a. |
| | Expected rate of increase in compensation | | 5.25 % p.a. | 5.25 % p.a. |
| | Employee attrition rate | | 5.00% p.a. | 5.00% p.a. |
| (v) The Company' best estimate of contribution during the year: - | | | | |
| | (₹ in Lacs) | | | |
| | Particulars | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | For gratuity | | 1.99 | 1.77 |
| (vi) Sensitivity Analysis | | | | |
| | (₹ in Lacs) | | | |
| | Particulars | Change in assumption | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Discount Rate | + 1% | 11.48 | 8.44 |
| | | - 1% | 12.12 | 8.95 |
| | Salary growth rate | + 1% | 12.12 | 8.95 |
| | | - 1% | 11.47 | 8.43 |
| | Withdrawal rate | + 1% | 11.81 | 8.69 |
| | | - 1% | 11.74 | 8.66 |
| (vii) Estimate of expected benefit payments (in absolute terms i.e. undiscounted) | | | | |
| | (₹ in Lacs) | | | |
| | Particulars | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Year-1 | | 7.99 | 5.66 |
| | Year-2 | | 0.12 | 0.09 |
| | Year-3 | | 0.12 | 0.09 |
| | Year-4 | | 0.12 | 0.09 |
| | Year-5 | | 0.12 | 0.09 |
| | Year-5 onwards | | 3.31 | 2.65 |

34) Contingent liabilities not provided for

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| For Income Tax matters against which Company has preferred appeal* | 664.12 | 664.12 |

* Appeals in respect of certain assessments of Income-Tax are pending and additional tax liabilities/refunds, if any, is not determinable at this stage. Adjustments for the same will be made after the same is finally determined.

35) Provision on standard assets and doubtful debts

(a) Provision for standard assets has been made at a 0.40% of the outstanding standard assets as per internal estimates, based on past experience, realisation of security, and other relevant factors, which is higher than the minimum provisioning requirements specified by the Reserve Bank of India (RBI).

(b) The Company has made adequate provision for the Non-Performing Assets identified. Accordingly, provision for Sub-Standard and Doubtful assets is made with the guidelines issued by The Reserve Bank of India.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

36) Investments

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (1) Value of Investments | | |
| (i) Gross Value of investments | | |
| (a) In India | 904,127.80 | 907,725.52 |
| (a) Outside India | - | 0.05 |
| (ii) Provision for depreciation | | |
| (a) In India | (3,542.94) | (2,484.68) |
| (a) Outside India | - | - |
| (iii) Net Value of investments | | |
| (a) In India | 900,584.86 | 905,240.85 |
| (a) Outside India | | - |
| (2) Movement of provisions held towards depreciation on investments | | |
| (i) Opening balance | 2,484.68 | 1,796.58 |
| (ii) Add : Provisions made during the year | 1,058.27 | 688.10 |
| (iii) Less : Write-off/write-back of excess provisions during the year | | - |
| (iv) Closing balance | 3,542.94 | 2,484.68 |

37) Financial instruments

| (i) Categories of Financial Instruments | | | | | |
|--|-------------------------|-------------------|-------------------------|-------------------|--|
| (a) Financial assets | | | | | |
| (₹ in Lakhs) | | | | | |
| Particulars | As at March 31, 2023 | | As at March 31, 2022 | | |
| | Carrying value | Fair value | Carrying value | Fair value | |
| (i) Measured at deemed cost | | | | | |
| Investments | 12,663.66 | 12,663.66 | 12,663.66 | 12,663.66 | |
| Total financial assets at cost (A) | 12,663.66 | 12,663.66 | 12,663.66 | 12,663.66 | |
| (ii) Measured at amortised cost | | | | | |
| Trade and other receivables | 52.10 | 52.10 | 979.55 | 979.55 | |
| Loans | 19,783.87 | 19,783.87 | 18,084.64 | 18,084.64 | |
| Investments | 9,043.67 | 9,043.67 | 7,633.63 | 7,633.63 | |
| Other financial assets | 3.36 | 3.36 | 10.58 | 10.58 | |
| Cash and Bank Balances | 1,901.95 | 1,901.95 | 1,459.58 | 1,459.58 | |
| Total financial assets at amortised costs (A) | 30,784.95 | 30,784.95 | 28,167.98 | 28,167.98 | |
| (iii) Measured at fair value through other comprehensive income (OCI) | | | | | |
| Non-current Investments | 873,312.01 | 873,312.01 | 884,943.60 | 884,943.60 | |
| Total financial assets at FVTOCI (B) | 873,312.01 | 873,312.01 | 884,943.60 | 884,943.60 | |
| (iii) Measured at fair value through P&L | | | | | |
| Mutual Fund | 5,565.53 | 5,565.53 | - | - | |
| Total financial assets at FVTPL (C) | 5,565.53 | 5,565.53 | - | - | |
| Total financial assets | 922,326.14 | 49,014.14 | 925,775.24 | 925,775.24 | |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | | (₹ in Lakhs) | | | |
|-------------|------------------------------------|-------------------------|---------------|-------------------------|---------------|
| | | As at March 31, 2023 | | As at March 31, 2022 | |
| | | Carrying value | Fair value | Carrying value | Fair value |
| (b) | Financial liabilities | | | | |
| (i) | Measured at amortised cost | | | | |
| | Trade and other payables | 4.67 | 4.67 | 3.99 | 3.99 |
| | Other financial liabilities | 0.09 | 0.09 | 7.57 | 7.57 |
| | Total financial liabilities | 4.76 | 4.76 | 11.56 | 11.56 |

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties in an orderly market transaction, other than in a forced or liquidation sale.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

(ii) Level wise disclosure of fair valuation of financial instruments

| Particulars | | As at March 31, 2023 | | As at March 31, 2022 | | (₹ In Lakhs) | |
|---|---|-------------------------|------------|-------------------------|---|-------------------------------------|--|
| | | | | | | Valuation Techniques and Key Inputs | |
| Financial assets | | | | | | | |
| (i) Measure at FVTOCI | | | | | | | |
| - | Quoted Equity shares | 455,175.21 | 450,932.43 | Level 1 | Quoted bid prices in an active market | | |
| - | Unquoted equity shares (incl. compulsory/zero coupon convertible preference shares) | 418,136.80 | 434,011.18 | Level 2 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. | | |
| (ii) Measured at amortised costs | | | | | | | |
| - | Loans | 19,783.87 | 18,084.64 | Level 2 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. | | |
| - | Other financial assets | 3.36 | 10.58 | Level 2 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. | | |

The carrying amount of cash and cash equivalents, other financial assets, Trade & other receivable and trade payable are considered to be the same as their fair values due to their short term nature. The management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| (iii) Capital Management & Risk Management Strategy | | |
|--|---|---------------------------------|
| I. | Capital risk management | |
| | The Company's objective is to maintain a strong & healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum utilisation of its funds. The Company is having strong capital ratio and minimum capital risk. The Company's capital requirement is mainly to fund its strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations. The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments. The Company does not have any debt and also any sub-ordinated liabilities: | |
| | Particulars | As at March 31, 2023 |
| | | As at March 31, 2022 |
| | Long term borrowings | - |
| | Less: Cash and cash equivalent | (483.19) |
| | Net debt | 483.19 |
| | | 125.16 |
| | Total equity | 780,640.44 |
| | | 780,536.00 |
| | Gearing ratio | - |
| | | - |
| II. | Risk management framework | |
| | Board of Directors of the Company has developed and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company. | |
| III. | Financial risk management | |
| | The Company has formulated and implemented a Risk Management Policy for evaluating business risks. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company. The risk management policies aim to mitigate the following risks arising from the financial instruments: | |
| (a) | Credit risk Management | |
| | Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Pledge obligation risk is the risk that may occur in case of default on part of Pledgee company which may immediately amount to loss of assets of Company. The Company has adopted a policy of only dealing with creditworthy counterparties to mitigating the risk of financial loss from defaults. Company's credit risk arises principally from loans, Trade receivable and cash & cash equivalents. | |
| | Loans | |
| | The Company has adopted loan policy duly approved by the Company's Board. The objective of said policy is to manage the financial risks relating to the business, focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits approved by the board. The limits are set to minimise the risks and therefore mitigate the financial loss through counter party's potential failure to make payments. | |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| | | | | | |
|--|---|-------------------------------|---------------------|---------------------|---------------------|
| | Trade and other receivables | | | | |
| | The trade & other receivable of the Company generally spread over limited numbers of parties. The Company evaluates the credit worthiness of the parties on an ongoing basis. Further, and the history of trade receivable shows negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk account of non-performance from these parties. | | | | |
| | Cash and cash equivalents | | | | |
| | Credit risks from balances with banks are managed in accordance with the Company policy. The Company's maximum exposure to the credit risk for the components of balance sheet as March 31,2023 and March 31,2022 is the carrying amounts. Credit risk arises from balances with banks is limited and there is no collateral held against these. | | | | |
| (b) | Liquidity risk management | | | | |
| | Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term strategic investments. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. | | | | |
| | The following tables detail the Company's remaining contractual maturity for financial liabilities and financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities: | | | | |
| Liquidity Exposure as on March 31, 2023 | | | | | |
| | Particulars | Contractual cash flows | | | Total |
| | | Less than 1 year | 1 to 3 years | > 3 years | |
| | Financial assets | | | | |
| | Cash and cash equivalents | 483.19 | - | - | 483.19 |
| | Bank balances other than Cash and Cash Equivalents | 1,418.76 | - | - | 1,418.76 |
| | Other Receivables | 52.10 | - | - | 52.10 |
| | Loans | 19,783.87 | - | - | 19,783.87 |
| | Investments | 5,565.53 | - | 895,019.33 | 900,584.86 |
| | Other financial assets | 3.36 | - | - | 3.36 |
| | Total financial assets | 27,306.81 | - | 895,019.33 | 922,326.14 |
| | Trade payables | 4.67 | - | - | 4.67 |
| | Other financial liabilities | 0.09 | - | - | 0.09 |
| | Total financial liabilities | 4.76 | - | - | 4.76 |
| | Liquidity Exposure as on March 31, 2022 | | | | (₹ In Lakhs) |
| | Particulars | Contractual cash flows | | | Total |
| | | Less than 1 year | 1 to 3 years | > 3 years | |
| | Financial assets | | | | |
| | Cash and cash equivalents | 125.16 | - | - | 125.16 |
| | Bank balances other than Cash and Cash Equivalents | 1,334.42 | - | - | 1,334.42 |
| | Other Receivables | 979.55 | - | - | 979.55 |
| | Loans | 18,084.64 | - | - | 18,084.64 |
| | Investments | - | - | 905,240.89 | 905,240.89 |
| | Other financial assets | 10.58 | - | - | 10.58 |
| | Total financial assets | 20,534.35 | - | 905,240.89 | 925,775.25 |
| | Trade payables | 4.00 | - | - | 4.00 |
| | Other financial liabilities | 7.57 | - | - | 7.57 |
| | Total financial liabilities | 11.57 | - | - | 11.57 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| | | | |
|---|---|---------------------------------|---------------------------------|
| (c) Market risk | The Company's activities expose it primarily to the financial risks of changes equity price risk as explained below: | | |
| | Price Sensitivity analysis: Equity price risk is related to the change in market reference price of the instruments in quoted and unquoted securities. The fair value of some of the Company's investments exposes to company to equity price risks. In general, these securities are not held for trading purposes. The fair value of equity instruments other than investment in subsidiaries and associates (including convertible preference) as at March 31, 2023 and March 31, 2022 was Rs 9,78,877.54 Lakhs and Rs 8,84,943.60 Lakhs respectively. A 5% change in price of equity instruments held as at March 31, 2023 and March 31, 2022 would result in: | | |
| | % Change | As at March 31, 2023 | As at March 31, 2022 |
| | 5% increase in prices | 43,943.88 | 44,247.18 |
| | 5% decrease in prices | (43,943.88) | (44,247.18) |
| (d) Dividend Income risk management | Dividend income risk refers to the risk of changes in the Dividend income to dip in the performance of the investee companies. | | |
| (e) Foreign currency risk management | The Company's functional currency is Indian Rupees (INR). The Company does not have any foreign currency exposures. | | |

38) Maturity analysis of assets and liabilities

| Particulars | As at March 31, 2023 | | | As at March 31, 2022 | | |
|--|----------------------|-------------------|-------------------|----------------------|-------------------|-------------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Assets | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents | 483.19 | | 483.19 | 125.16 | | 125.16 |
| Bank balances other than Cash and Cash Equivalents | 1,418.76 | | 1,418.76 | 1,334.42 | | 1,334.42 |
| Other Receivables | 52.10 | | 52.10 | 979.55 | | 979.55 |
| Loans | 19,783.87 | | 19,783.87 | 18,084.64 | | 18,084.64 |
| Investments | | 900,584.86 | 900,584.86 | | 905,240.89 | 905,240.89 |
| Other financial assets | 3.36 | | 3.36 | 10.58 | | 10.58 |
| Non-Financial assets | | | | | | |
| Property, plant and equipment | | 6.16 | 6.16 | | 7.95 | 7.95 |
| Total Assets | 21,741.28 | 900,591.03 | 922,332.31 | 20,534.35 | 905,248.85 | 925,783.20 |
| Liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| Trade payables | 4.67 | | 4.67 | 3.99 | | 3.99 |
| Other financial liabilities | 0.09 | | 0.09 | 7.57 | | 7.57 |
| Non-Financial Liabilities | | | | | | |
| Provisions | 24.32 | | 24.32 | 19.36 | | 19.36 |
| Other non-financial liabilities | 3.53 | | 3.53 | 1.99 | | 1.99 |
| Deferred tax liabilities (net) | | 141,562.68 | 141,562.68 | | 144,909.39 | 144,909.39 |
| Current tax liabilities (net) | 96.57 | | 96.57 | 304.89 | | 304.89 |
| Total Liabilities | 129.18 | 141,562.68 | 141,691.86 | 337.80 | 144,909.39 | 145,247.19 |
| Net | 21,612.10 | 759,028.35 | 780,640.45 | 20,196.55 | 760,339.46 | 780,536.01 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

39) Disclosures of details as required by Revised Para 13 of Non-Banking Financial Company - Non Systemically Important Non Deposit taking Company (Reserve Bank) Directions, 2016

| Particulars | Amount outstanding | Amount Overdue | |
|--|---------------------------------|------------------|------------------|
| Liabilities side: | | | |
| (1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | - | - | |
| (a) Debentures: Secured | - | - | |
| : Unsecured | - | - | |
| (other than falling within the meaning of public deposits) | - | - | |
| (b) Deferred Credits | - | - | |
| (c) Term Loans | - | - | |
| (d) Inter-corporate loans and borrowing | - | - | |
| (e) Commercial Paper | - | - | |
| (f) Other Loans | - | - | |
| Total | - | - | |
| Assets side: | Amount outstanding | | |
| (2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] : | | | |
| (a) Secured | 21,415.47 | | |
| (b) Unsecured (gross) | | | |
| (3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities: | - | | |
| (4) Break-up of Investments (Net of Provisions) | | | |
| Current Investments: | | | |
| Long Term Investments: | | | |
| 1. Quoted | | | |
| (i) Shares: (a) Equity | 455,175.21 | | |
| (b) Preference | | | |
| (ii) Debentures and Bonds | | | |
| (iii) Units of Mutual Funds | 5,565.53 | | |
| (iv) Government Securities | | | |
| (v) Others | | | |
| 2. Unquoted | | | |
| (i) Shares: (a) Equity | 174,353.93 | | |
| (b) Preference | | | |
| (ii) Debentures and Bonds | | | |
| (iii) Units of Mutual Funds | | | |
| (iv) Government Securities | | | |
| (v) Cumulative Redeemable Preference Share | 256,446.52 | | |
| (vi) Non-Cumulative Redeemable Preference Shares | 9,043.67 | | |
| (5) Borrower group-wise classification of assets financed as in (2) and (3) above: | | | |
| | Amount net of provisions | | |
| | Secured | Unsecured | Total |
| 1. Related Parties | | | |
| (a) Subsidiaries | - | | - |
| (b) Companies in the same group | - | 19,783.87 | 19,783.87 |
| (c) Other related parties | | | - |
| 2. Other than related parties | | | - |
| Total | - | 19,783.87 | 19,783.87 |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| (6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : | | |
|--|--|---------------------------------------|
| | Market Value /Break up of fair value or NAV | Book Value (Net of Provisions) |
| 1. Related Parties | | |
| (a) Subsidiaries | 11,771.38 | 11,771.38 |
| (b) Companies in the same group | 900,583.32 | 900,583.32 |
| (c) Other related parties | - | - |
| 2. Other than related parties | 1.55 | 1.55 |
| Total | 912,356.25 | 912,356.25 |
| (7) Other Information | | Amount |
| (i) Gross Non-Performing Assets | | |
| (a) Related parties | | 1,552.15 |
| (b) Other than related parties | | - |
| (i) Net Non-Performing Assets | | |
| (a) Related parties | | - |
| (b) Other than related parties | | - |
| (iii) Assets acquired in satisfaction of debt | | - |

Note:-

(i) As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998 .

(ii) Provisioning norms shall be applicable as prescribed in Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

(iii) All 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 quoted investments and break up / fair value / NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.

40) Exposure to real estate sector, both direct and indirect;

The company has no exposure to real estate sector.

41) Exposure to capital market

| Particulars | (₹ In Lakhs) | |
|---|-----------------------------|-----------------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| (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; * | 891,541.19 | 897,607.26 |
| (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; | - | - |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | As at March 31, 2023 | As at March 31,2022 |
|--|-------------------------|------------------------|
| (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; | - | - |
| (vii) all exposures to Venture Capital Funds (both registered and unregistered) | - | - |
| Total exposure to capital market | 891,541.19 | 897,607.26 |
| <i>* includes compulsory/zero/optionally convertible preference shares shown at fair value.</i> | | |

42) Concentration of NPAs

| Particulars | As at March 31, 2023 | As at March 31,2022 |
|---|-------------------------|------------------------|
| Total exposure to top four NPA accounts | 1,552.15 | 1,791.11 |

43) Sector wise NPAs

| Sector | Percentage of NPAs to Total Advances in that sector | |
|-------------------------------------|---|------------------------|
| | As at March 31, 2023 | As at March 31,2022 |
| (i) Agriculture & allied activities | - | - |
| (ii) MSME | - | - |
| (iii) Corporate borrowers | 1,552.15 | 1,791.11 |
| (iv) Services | - | - |
| (v) Unsecured personal loans | - | - |
| (vi) Auto loans | - | - |
| (vii) Other personal loans | - | - |

44) Movement of NPAs

| Particulars | As at March 31, 2023 | As at March 31,2022 |
|----------------------------------|-------------------------|------------------------|
| (i) Net NPAs to net advances (%) | 7.81% | 9.86% |
| (ii) Movement of NPAs (Gross) | | |

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| (a) Opening balance | 1,791.11 | 1,791.11 |
| (b) Additions during the year | - | - |
| (c) reductions during the year | (238.96) | - |
| (d) Closing balance | 1,552.15 | 1,791.11 |
| (iii) Movement of Net NPAs | | |
| (a) Opening balance | 1,791.11 | 1,791.11 |
| (b) Additions during the year | - | - |
| (c) reductions during the year | (238.96) | - |
| (d) Closing balance | 1,552.15 | 1,791.11 |
| (iv) Movement of provisions for NPAs * | | |
| (a) Opening balance | 1,791.11 | 1,791.11 |
| (b) Additions during the year | - | - |
| (c) reductions during the year | (238.96) | - |
| (d) Closing balance | 1,552.15 | 1,791.11 |
| <i>*(excluding provisions on standard assets)</i> | | |

45) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The company does not have any joint venture or subsidiary abroad, hence not applicable.

46) Loans and advances

- (i) The Company being an non-banking finance company, as part of its normal business, grants loans and advances to its customers and other entities ensuring adherence to all regulatory requirements. Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) Loans and advances repayable on demand

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|---|--|---|--|
| | Amount of loan or advance in the nature of loan outstanding | % of total loans and advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | % of total loans and advances in the nature of loans |
| (i) Promoters (including promoter group) | 21,415.47 | 100.00% | 19,948.38 | 100.00% |
| (ii) Directors | - | - | - | - |
| (iii) KMPs | - | - | - | - |
| (iv) Related Parties | - | - | - | - |

- (iii) Loans and advances repayable on demand (other than those considered as non-performing assets) includes ₹ 11,656.00 lakhs (Previous year ₹ 11,011.79 lakhs) due from various Group companies which currently have accumulated losses in their books as per latest available audited balance sheet. However, these companies also

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

have investments in quoted securities and other marketable securities to cover their loan exposure. The Company has mechanism for review and monitoring of all such loans and is confident of recovering these amounts, which are considered good in nature, as and when called for payment. The Company would take necessary action for recovery of these amounts, if required.

Further, the Company has given loans to various companies, which are repayable on demand. During the year, interest on such loans has been serviced by converting into principal, and the same has also been acknowledged by the borrowers.

47) Financial Ratios

| | As at March 31, 2023 | | | As at March 31, 2022 | % Variance |
|--|----------------------|-------------|----------|-------------------------|---------------|
| | Numerator | Denominator | Ratio | Ratio | |
| (i) Capital to risk-weighted assets ratio (CRAR) * | 13,710.39 | 442.82 | 3096.12% | 706.27% | 338.38% |
| (ii) Tier I CRAR* | 13,710.39 | 442.82 | 3096.12% | 706.27% | 338.38% |
| (iii) Tier II CRAR | NA | NA | NA | NA | NA |
| (iv) Liquidity Coverage Ratio | NA | NA | NA | NA | NA |

Reason for variation

* Due to increase in operating income and other receivables.

“Tier i capital”, “Tier ii capital”, “Owned fund” and capital adequacy ratio are calculated as defined in Master direction - Non-Banking Financial Company - Systemically important non-deposit taking company and deposit taking company (Reserve Bank) directions, 2016 and Notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 “implementation of Indian accounting Standards” issued by RBI on March 13, 2020.

48) Other additional regulatory information required by Schedule III of Companies Act, 2013

The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered:

- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authorities.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- No registration and/or satisfaction of charges are pending to be filed with ROC.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company does not have any relationship with struck off companies.

Notes forming part of standalone financial statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

- 49) The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to current year's classification.

Significant accounting policies and notes to the financial statements 1 to 49

As per our report of even date

For BSD & Co.

Chartered Accountants

Firm's Reg. No. 000312S

Sujata Sharma

Partner

M. No. 087919

Place: Hisar

Dated: 30th May, 2023

For and on behalf of the Board of Directors

Nrender Garg

Director

DIN: 08486246

Deepak Garg

Chief Financial Officer

Rakesh Kumar Garg

Executive Director & CEO

DIN: 00038580

Ajay Mittal

Company Secretary

M.No. FCS-11573

Independent Auditor's Report

**To the Members of
Nalwa Sons Investments Limited**

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

We have audited the consolidated financial statements of Nalwa Sons Investments Limited (hereinafter referred "the Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the consolidated balance sheet as at March 31,2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial information of subsidiaries and associate referred to in the other matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31,2023, of its consolidated profit and total comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

| Key audit matters | How our audit addressed the key audit matter |
|--|--|
| Disputed Income Tax Demands (as described in note no. 39 to the consolidated financial statements) | |
| <p>The Holding Company has received income tax demand orders and notices relating to disallowances of certain deductions, expenses which are under litigation. The Holding Company is contesting these demands.</p> <p>The unexpected adverse outcomes of such litigations and tax demands could materially impact the Holding Company as the outcome of such legal actions is uncertain and the positions taken by the management</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the progress of all significant litigations, Tax demands and contingencies. Evaluated management's assessment of the likely outcome and considered the requirements for any provision. |

| | |
|---|--|
| <p>are based on the legal opinions obtained by the Holding Company.</p> <p>The amounts involved may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant management judgement.</p> <p>Accordingly, this matter has been determined to be a key matter in our audit of the financial statements.</p> | <ul style="list-style-type: none"> • Inquired with both legal and finance personnel in respect of ongoing litigations or tax demands proceedings, inspected relevant correspondence. Also, obtained legal confirmation letters on sample basis from external legal experts. • Assessed the related disclosure of litigations, tax demands and other contingencies as described in the financial statements. |
| Valuation of Investments in Un-Quoted Securities | |
| <p>The Holding company has investments in various unquoted equity and preference shares. These instruments are measured at fair value with the corresponding fair value change recognized in Statement of Profit and Loss or other comprehensive income depending upon the nature of financial instruments.</p> <p>The valuation is performed by the Holding company using a fair value hierarchy (Level 1, 2 and 3) as disclosed in note no.42 to the Consolidated financial statements.</p> <p>Given the inherent subjectivity in the valuation of level 2 investments, we determined this to be a significant matter for our audit. This was an area of focus for our audit and an area where significant audit effort was directed.</p> <p>Disclosures on the investments are included at Note 8 and Note 42 to the Consolidated Financial Statements</p> | <p>Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation techniques and inputs used by management to value investments.</p> <p>Further, we assessed the valuation of all individual investments to determine whether the valuations performed by the Holding company were within a predefined tolerable differences threshold.</p> <p>As part of these audit procedures, we assessed the accuracy of key inputs used in the valuation including observable and non-observable inputs.</p> <p>We also evaluated the Holding company's assessment whether objective evidence of impairment exists for individual investments.</p> <p>Based on these procedures we have not noted any material differences outside the predefined tolerable differences threshold.</p> |

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

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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's Responsibilities for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective management and Board of Directors of the entities included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors of the Holding Company
- Conclude on the appropriateness of management's and Board of Director's of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated 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 Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible

for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (i) We did not audit the financial statements of 3 subsidiaries, whose financial statement reflect total assets of ₹ 24,209.77 Lakhs as at March 31, 2023, total revenues of ₹ 2,143.24 Lakhs, total net profit after tax of ₹ 1,164.46 Lakhs and other comprehensive income of ₹ 2,097.50 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, and our report in term of subsection (3) of Section 143 of the Act, in so far relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (ii) We did not audit the financial statements of one associate in which the share of total net loss after tax of the Holding Company is ₹ 0.84 lakhs and total comprehensive income of ₹3,428.50 lakhs for the year ended March 31, 2023, which are considered in preparation of the consolidated financial statements. The financial statements of the associate have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable 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 our audit of the aforesaid consolidated financial statements.

- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate company, incorporated in India, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting of those Companies;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of section 197 of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on the report of the statutory auditors of the subsidiaries and associate, the remuneration paid during the year by the Holding Company, subsidiaries and associate to their respective directors is in accordance with the provisions of section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under subsection (16) of Section 197 which are required to be commented upon by us.

- h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group and its associate— Refer Note 39 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2023.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates during the year ended March 31, 2023.
 - iv. Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that:
 - A) The respective Management of the Group and its associate whose financial statements have been audited under the Act has represented to us and the other auditors that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in

other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B) The Management has also represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the 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 any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the associates whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (A) and (B) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the financial year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining the Books of Accounts using accounting software which has feature of recording Audit Trail (Edit Log) is applicable to the Company with effect from 1st April 2023 and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rule 2014 is not applicable for the financial year ended 31st March 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”) issued by the Central Government in terms of sub-section (11) of section 143 of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements.

For B S D & Co.

Chartered Accountants

Firm Registration No.000312S

Sujata Sharma

Partner

Membership No.087919

UDIN: 23087919BGWNMK5535

Date: 30th May 2023

Place: Hisar

Annexure B to the Independent Auditors' Report

(Referred to in paragraph B under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Nalwa Sons Investments Limited of even date)

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

In conjunction with our audit of the consolidated financial statements of Nalwa Sons Investments. Limited as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Nalwa Sons Investments Limited (hereinafter referred to as the "Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiaries, which are companies incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Holding Company's internal financial controls over financial reporting with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Holding Company's internal financial controls with reference to consolidated financial statements 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 Holding Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding Company are being made only in accordance with

authorisations of management and directors of the Holding Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Holding Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its subsidiaries, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of subsidiaries, which are company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India. Our opinion is not modified in respect of the above matter.

Our Opinion is not modified in respect of the above matter.

For **B S D & Co.**

Chartered Accountants

Firm Registration No.000312S

Sujata Sharma

Partner

Membership No.087919

UDIN: 23087919BGWNMK5535

Date: 30th May 2023

Place: Hisar

Consolidated Balance Sheet as at March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note No. | As at March 31, 2023 | As at March 31, 2022 |
|-------------|---|----------|-------------------------|-------------------------|
| I. | ASSETS | | | |
| 1) | Financial Assets | | | |
| | (a) Cash and cash equivalents | 3 | 498.32 | 136.90 |
| | (b) Bank balances other than Cash and Cash Equivalents | 4 | 1,418.76 | 1,334.42 |
| | (c) Receivables | | | |
| | (i) Other receivables | 5 | 52.10 | 979.55 |
| | (d) Stock of securities | 6 | 3,483.65 | 3,021.59 |
| | (c) Loans | 7 | 30,013.07 | 27,464.14 |
| | (d) Investments | 8 | 908,089.90 | 907,886.05 |
| | (e) Other financial assets | 9 | 609.86 | 822.97 |
| | Total financial assets | | 944,165.66 | 941,645.62 |
| 2) | Non-financial assets | | | |
| | (a) Current tax assets (net) | 10 | 13.00 | - |
| | (b) Property, plant and equipment | 11 | 6.16 | 7.96 |
| | Total non-financial assets | | 19.16 | 7.96 |
| | Total Assets | | 944,184.82 | 941,653.58 |
| II. | Liabilities and Equity | | | |
| 1) | Financial Liabilities | | | |
| | (a) Trade payables | 12 | | |
| | (i) Dues of micro enterprises and small enterprises | | - | 2.24 |
| | (ii) Dues of Other than micro enterprises and small enterprises | | 5.79 | 2.76 |
| | (b) Other financial liabilities | 13 | 1.23 | 8.58 |
| | | | 7.02 | 13.58 |
| 2) | Non-Financial Liabilities | | | |
| | (a) Provisions | 14 | 24.32 | 19.36 |
| | (b) Other non-financial liabilities | 15 | 3.73 | 2.23 |
| | (c) Deferred tax liabilities (net) | 16 | 141,233.43 | 144,446.69 |
| | (d) Current tax liabilities (net) | 17 | - | 130.39 |
| | Total Liabilities | | 141,261.48 | 144,598.67 |
| 3) | Equity | | | |
| | (a) Equity share capital | 18 | 513.62 | 513.62 |
| | (b) Other equity | 19 | 798,836.74 | 793,401.57 |
| | Total Equity | | 799,350.36 | 793,915.19 |
| | Non Controlling Interest | | 3,565.96 | 3,126.14 |
| | | | 944,184.82 | 941,653.58 |

Significant accounting policies and notes to the financial statements 1 to 47

As per our report of even date

For BSD & Co.Chartered Accountants
Firm's Reg. No. 000312S**Sujata Sharma**

Partner

M. No. 087919

Place: Hisar

Dated: 30th May, 2023**For and on behalf of the Board of Directors****Nrender Garg**

Director

DIN: 08486246

Deepak Garg

Chief Financial Officer

Rakesh Kumar Garg

Executive Director & CEO

DIN: 00038580

Ajay Mittal

Company Secretary

M.No. FCS-11573

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note No. | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--------------|--|----------|------------------------------|------------------------------|
| | Revenue from operations | | | |
| (i) | Interest Income | 20 | 3,209.23 | 2,542.64 |
| (ii) | Dividend Income | 21 | 8,923.65 | 3,988.38 |
| (iii) | Sale of goods | 22 | 1,005.43 | 1,067.41 |
| (iv) | Net gain on derecognition of financial instruments | 23 | - | 929.15 |
| (v) | Net gain/(loss) on fair value changes | 24 | - | 779.80 |
| I. | Total revenue from operations | | 13,138.31 | 9,307.38 |
| II. | Other income | 25 | 218.26 | 428.39 |
| III. | Total Income (I+II) | | 13,356.57 | 9,735.77 |
| IV. | Expenses : | | | |
| | Purchase of Stock In trade | 26 | 1,058.52 | 1,067.17 |
| | Changes in Inventories | 27 | (462.06) | 376.73 |
| | Impairment on financial instruments | 28 | 6.82 | 32.44 |
| | Employee benefits expenses | 29 | 129.59 | 127.93 |
| | Finance cost | 30 | 88.08 | 0.42 |
| | Depreciation and amortisation expense | 11 | 1.80 | 1.80 |
| | Other expenses | 31 | 98.63 | 93.53 |
| | Total expenses (IV) | | 921.38 | 1,700.02 |
| V. | Profit before share of profit/(loss) of associate and exceptional items | | 12,435.19 | 8,035.75 |
| VI. | Exceptional items | | - | - |
| VII. | Profit before share of profit/(loss) of associate | | 12,435.19 | 8,035.75 |
| VIII. | Share of profit/(loss) of associate | | (0.84) | (48.88) |
| IX. | Profit before tax (VII-VIII) | | 12,434.35 | 7,986.87 |
| X. | Tax Expense: | | | |
| | Income tax earlier years | | - | (371.56) |
| | Current tax | | 2,747.37 | 1,538.83 |
| | Deferred tax | | 428.72 | 233.24 |
| | Total tax expense (X) | | 3,176.09 | 1,400.50 |
| XI. | Profit for the year (IX-X) | | 9,258.26 | 6,586.37 |
| XII | Other Comprehensive Income | | | |
| | Items that will not be re-classified to profit or loss | | | |
| (i) | Re-measurement gain/(loss) on defined benefit plans | | (0.57) | (0.22) |
| (ii) | Equity instruments through other comprehensive income | | (10,453.18) | 352,373.53 |
| (iii) | Income tax relating to items that will not be reclassified to profit or loss | | 3,641.98 | (80,772.98) |
| (iv) | Share of profit/ (loss) of associate | | 3,428.50 | 5,471.43 |
| | Total Other comprehensive income (VIII) | | (3,383.27) | 277,071.77 |
| XIII | Total Comprehensive Income for the year (VII+VIII) | | 5,874.99 | 283,658.14 |
| | Profit/(loss) for the year attributable to | | | |
| | Owners of the parent | | 9,092.16 | 6,606.74 |
| | Non-controlling interest | | 166.09 | (20.37) |
| | Other comprehensive income for the year attributable to: | | | |
| | Owners of the parent | | (3,656.99) | 276,743.52 |
| | Non-controlling interest | | 273.72 | 328.25 |
| | Total comprehensive income for the year attributable to: | | | |
| | Owners of the parent | | 5,435.17 | 283,350.26 |
| | Non-controlling interest | | 439.82 | 307.88 |

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | | Note No. | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-------------|---|----------|------------------------------|------------------------------|
| XIV. | Earning per equity share (Face value ₹ 10 each): | | | |
| | Basic | | 180.26 | 128.24 |
| | Diluted | | 180.26 | 128.24 |

Significant accounting policies and notes to the financial statements 1 to 47

As per our report of even date

For BSD & Co.Chartered Accountants
Firm's Reg. No. 000312S**Sujata Sharma**

Partner

M. No. 087919

Place: Hisar**Dated:** 30th May, 2023**For and on behalf of the Board of Directors****Nrender Garg**

Director

DIN: 08486246

Deepak Garg

Chief Financial Officer

Rakesh Kumar Garg

Executive Director & CEO

DIN: 00038580

Ajay Mittal

Company Secretary

M.No. FCS-11573

Consolidated Statement of changes in equity for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

A. Equity Share Capital

| Balance as at April 1, 2021 | Movement during the year | Balance as at March 31, 2022 | Movement during the year | Balance as at March 31, 2023 |
|-----------------------------|--------------------------|------------------------------|--------------------------|------------------------------|
| 513.62 | - | 513.62 | - | 513.62 |

B. Other Equity

| Particulars | Reserve & Surplus | | | | | Other Comprehensive Income | | Total |
|--|--------------------|-------------------|-----------------|------------------|-------------------|--------------------------------|---|-------------------|
| | Securities Premium | Statutory Reserve | General Reserve | Capital Reserve | Retained Earnings | Equity Instruments through OCI | Remeasurements of defined benefit plans | |
| Balance as at 1st April, 2021 | 3,760.23 | 5,295.88 | 7,693.28 | 17,622.33 | 14,019.25 | 461,660.36 | 0.00 | 510,050.84 |
| Profit/(loss) for the year | - | - | - | - | 6,278.49 | - | - | 6,278.49 |
| Total comprehensive income for the year (net of tax) | - | - | - | - | - | 277,071.99 | (0.22) | 277,071.77 |
| Transferred from retained earnings | - | 1,127.17 | - | - | (1,127.17) | - | - | - |
| Balance as at March 31, 2022 | 3,760.23 | 6,423.05 | 7,693.28 | 17,622.33 | 19,170.56 | 738,732.35 | (0.22) | 793,401.57 |
| Profit/(loss) for the year | - | - | - | - | 8,818.44 | - | - | 8,818.44 |
| Total comprehensive income for the year (net of tax) | - | - | - | - | - | (3,382.70) | (0.57) | (3,383.27) |
| Transferred from retained earnings | - | 1,677.93 | - | - | (1,677.93) | - | - | - |
| Balance as at March 31, 2023 | 3,760.23 | 8,100.98 | 7,693.28 | 17,622.33 | 26,311.07 | 735,349.65 | (0.78) | 798,836.74 |

See accompanying notes to the financial statements

1 to 47

As per our report of even date

For BSD & Co.Chartered Accountants
Firm's Reg. No. 000312S**Sujata Sharma**Partner
M. No. 087919

Place: Hisar

Dated: 30th May, 2023**For and on behalf of the Board of Directors****Nrender Garg**Director
DIN: 08486246**Deepak Garg**

Chief Financial Officer

Rakesh Kumar GargExecutive Director & CEO
DIN: 00038580**Ajay Mittal**Company Secretary
M.No. FCS-11573

Consolidated Cash Flow Statement for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| A) Cash Flows from the operating activities | | |
| Net Profit/(loss) before tax | 12,434.35 | 7,986.87 |
| Adjustments: | | |
| Dividend Income | (8,923.65) | (3,988.38) |
| Interest Income | (3,209.23) | (2,542.64) |
| Depreciation | 1.79 | 1.80 |
| Net (Gain)/Loss on fair value changes in financial instrument | - | (403.08) |
| Provision for employee benefits | 4.96 | 5.68 |
| Provision for standard assets | 6.82 | 32.44 |
| Bad debts | 238.96 | - |
| Provision for credit loss written back | (238.96) | - |
| Interest expense | 88.08 | - |
| Net (Gain)/Loss on disposal of investment | - | (929.15) |
| Share of profit/(loss) of associate | 0.84 | 48.88 |
| Operating profit before working capital changes | 403.97 | 212.43 |
| Interest received | 113.52 | 1,923.80 |
| Dividend received | 9,851.10 | 3,060.92 |
| Adjustments for: | | |
| Increase/(decrease) in trade/ other payables | 0.79 | (0.85) |
| Increase/(decrease) in financial liabilities | (7.35) | 1.00 |
| Increase/(decrease) in non-financial liabilities | 1.50 | (1.54) |
| (Increase)/decrease in stock | (462.06) | - |
| (Increase)/decrease in other receivables | - | (38.29) |
| (Increase)/decrease in other financial assets | 205.89 | (1.17) |
| Cash generated from operations | 10,107.35 | 5,156.30 |
| Income tax refund/(paid) | (2,890.76) | (983.16) |
| Net cash from/used in operating activities | 7,216.59 | 4,173.14 |
| B) Cash inflow/(Outflow) from investment activities | | |
| Loans and advances received/(given) (net) | (420.65) | (5,499.27) |
| Sales/ (Purchase) of investment (net) | (6,262.10) | 1,443.93 |
| Decrease/(increase) in fixed deposits | (84.34) | (66.28) |
| Net Cash from/used in Investment activities | (6,767.09) | (4,121.62) |
| C) Cash flows from financing activities | | |
| Interest paid on income tax | (88.08) | - |
| Net Cash from/used in financing activities | (88.08) | - |
| Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C) | 361.42 | 51.53 |
| Cash and cash equivalents at the beginning of the period | 136.90 | 85.37 |
| Cash and cash equivalents at the end of the period | 498.32 | 136.90 |

Notes: -

(i) The above cash flow statement has been prepared by using the "indirect method" set out in IND AS -7- Statement of Cash Flows.

Consolidated Cash Flow Statement for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

As per our report of even date

For BSD & Co.

Chartered Accountants

Firm's Reg. No. 000312S

Sujata Sharma

Partner

M. No. 087919

Place: Hisar

Dated: 30th May, 2023

For and on behalf of the Board of Directors

Nrender Garg

Director

DIN: 08486246

Deepak Garg

Chief Financial Officer

Rakesh Kumar Garg

Executive Director & CEO

DIN: 00038580

Ajay Mittal

Company Secretary

M.No. FCS-11573

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

1. GENERAL INFORMATION

Nalwa Sons Investments Limited (the 'Group' or 'Holding Group') was incorporated on November 18, 1970 under the erstwhile Companies Act i.e. Companies Act, 1956 (now Companies Act, 2013) and is registered as Non-deposit taking Non-Banking Financial Group ('NBFC') under the provisions of Section 45-IA of the Reserve Bank of India Act, 1934.

The Group and its subsidiaries and associate (jointly referred to as the 'Group') considered in these consolidated financial statements are: -

| Name of the Group | Country of Incorporation | % Shareholding | |
|--|--------------------------|----------------------|----------------------|
| | | As at March 31, 2023 | As at March 31, 2022 |
| Jindal Stainless & Alloys Ltd (JSAL) | India | 99.99% | 99.99% |
| Nalwa Trading Limited | India | 86.95% | 86.95% |
| Brahmputra Capital & Financial Services Ltd (BCFL) | India | 50.10% | 50.10% |
| Jindal Equipment Leasing and Consultancy Services Ltd. (JELCO) – Associate | India | 25.52% | 25.52% |

2. SIGNIFICANT ACCOUNTING POLICIES**a) Statement of Compliance**

Consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, the Group has prepared the consolidated financial statements which comprise of Balance Sheet, Statement of Profit & Loss, the Statement of cash flows, the statement of changes in equity and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "Financial Statements").

b) Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with historical cost basis except for certain financial instruments measured at fair value at the end of each reporting year as explained in the accounting policies below:

c) Basis of consolidation

The financial statements of the associate companies used in the consolidation are drawn upto the same reporting date as of the Group i.e. year ended March 31, 2023 and are prepared based on the accounting policies consistent with those used by the Group. The financial statements of the group have been prepared in accordance with the Ind AS 110- Consolidated Financial Statement as per the Companies (Indian Accounting Standard) Rules, 2015 as amended and notified u/s 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

Investment made by the Group in associates companies is accounted under the equity method, in accordance with the Indian Accounting Standard 28 on "Investment in Associates and Joint Ventures"

d) Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenses for the periods presented. The Group has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

e) Revenue recognition**Interest Income**

Under Ind AS 109 interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost. The EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividend Income

Income from dividend on shares of corporate bodies is taken into account on accrual basis when such dividend has been declared by the corporate body in its annual general meeting and the Group's right to receive payment is established.

Sale of goods

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services.

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. Revenue is measured at fair value of the consideration received or receivable. The Group recognizes revenue from sale of products net of discounts, sales incentives, rebates granted, returns, GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when significant risks and rewards of ownership pass to the customer, Sale of product is presented gross of manufacturing taxes like excise duty, wherever applicable.

Income from services is accounted for at the time of completion of service and billing thereof.

f) Employee Benefits Expense**(i) Defined contribution plans**

Contributions to the Provident Fund based on the statutory provisions as per the Employee Provident Fund Scheme is recognised as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

(ii) Defined benefit plans**Gratuity**

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Leave encashment

The Group treats its liability for long-term compensated absences based on actuarial valuation as at the Balance Sheet date, determined by an independent actuary using the Projected Unit Credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur.

g) Property, Plant and Equipment**(i) Measurement**

Items of Property, plant and equipment, are measured at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as on 1 April 2018, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that it will increase the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing Property, plants and equipment, including day to day repair and maintenance and cost of replacing parts are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

(iv) Derecognition

An item of Property, plant and equipment is derecognized upon its disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the same (calculated as the difference between the net disposal proceeds and its carrying amount) is recognized in the Statement of Profit and Loss in the period the item is derecognized.

(v) Depreciation

Depreciation is calculated using Straight Line Method (SLM) over the useful lives of assets and is recognized in the Statement of profit and loss. Depreciation for assets purchased / sold during the period is proportionately charged. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

h) Impairment of Non-financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available.

If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognized in the Statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

i) Investment in Associate

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognised the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses.

j) Inventories

Equities and Preference shares of the company are measured at fair value value.

k) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and in the Statement of Cash flows comprise of cash in hand and balance with banks in current accounts.

l) Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

m) Provisions and Contingent Liabilities

Provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

n) Tax Expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Current tax and deferred tax is recognized in the Profit and Loss except when it relates to items that are recognized in Other Comprehensive Income.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Deferred tax

Deferred tax is recognized using the Balance Sheet approach. It represents temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill. The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a Deferred tax asset if there is convincing evidence that the Group will pay normal income tax in future years. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) Financial Instruments

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

(i) Financial Assets

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss).
- Those measured at amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Initial recognition and measurement

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

Business Model Test: The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

Cash flow characteristics test: The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category general applies to trade and other receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

Financial assets designated at fair value through Other Comprehensive Income (OCI)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - the Group has transferred substantially all the risks and rewards of the asset, or

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the right and obligations that the Group has retained.

Impairment of financial assets

In accordance with IND AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables without significant financial element;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 –Leases

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

(ii) Financial liabilities:**Initial recognition and measurement**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group financial liabilities include trade payables, liabilities towards services, and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Financial liabilities at Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at Amortized cost

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

p) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

q) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

Ind AS- 1- Presentation of Financials Statements-

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS-8 Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of "accounting estimates" and included amendments to Ind AS-8 to help entities distinguish changes in the accounting policies from change in accounting policies.

Ind AS- 12 Income taxes

This amendment has narrowed the scope of initial recognition exemption so that it does not apply to transaction that give rise to equal and offsetting temporary differences.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

3) Cash and cash equivalents

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Cash on hand | 0.42 | 0.51 |
| Balances with banks | | |
| - in current accounts | 497.90 | 136.39 |
| Total cash and cash equivalents | 498.32 | 136.90 |

4) Bank balances other than Cash and Cash Equivalents

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| In Deposit Accounts | | |
| - Original maturity more than 3 months | 1,418.76 | 1,334.42 |
| Total Bank balances other than Cash & Cash Equivalents | 1,418.76 | 1,334.42 |

5) Other receivables

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Dividend receivable | 0.01 | 927.46 |
| Other receivables | 52.09 | 52.09 |
| Total other financial assets | 52.10 | 979.55 |

6) Stock of Securities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| Stock of Securities | | |
| -Preference shares | 2,918.93 | 3,021.59 |
| -Equity shares | 564.72 | - |
| Total stock of securities | 3,483.65 | 3,021.59 |

7) Loans (measured at amortised costs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|
| Loans repayable on demand | | |
| - others | 31,644.67 | 29,327.88 |
| Less: Impairment loss allowance | (1,631.60) | (1,863.74) |
| Total loans | 30,013.07 | 27,464.14 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

8) Investments

| S.N. | Particulars | Par Value | As at March 31, 2023 | | As at March 31, 2022 | |
|------------|--|-----------|----------------------|-------------------|----------------------|-------------------|
| | | | Nos. | (₹ in Lacs) | Nos. | (₹ in Lacs) |
| I | Associates | | | | | |
| | (carried at cost) | | | | | |
| | Jindal Equipment Leasing and Consultancy Services Ltd. | 10 | 2,039,000 | 10,016.58 | 2,039,000 | 4,594.03 |
| | Share of post acquisition profit | | | 3,427.66 | | 5,422.55 |
| | Sub-total (I) | | | 13,444.24 | | 10,016.58 |
| II. | Equity Instruments | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | (i) Quoted equity shares of | | | | | |
| | Jindal Saw Ltd. | 2 | 53,550,000 | 77,942.03 | 53,550,000 | 48,221.78 |
| | Shalimar Paints Ltd. | 2 | 1,372,590 | 1,873.59 | 1,372,590 | 1,609.36 |
| | JSW Steel Ltd. | 1 | 45,486,370 | 312,968.97 | 45,486,370 | 333,233.15 |
| | JSW Holdings Ltd. | 10 | 1,137,145 | 43,626.57 | 1,137,145 | 46,587.69 |
| | JSW Energy Ltd. | 10 | 370 | 0.89 | 370 | 1.11 |
| | Hexa Tradex Limited | 2 | 10,710,000 | 15,749.06 | 10,710,000 | 17,484.08 |
| | Jindal Stainless (Hisar) Limited | 2 | - | - | 347,945 | 1,345.50 |
| | Jindal Stainless Limited | 2 | 1,026,438 | 2,972.56 | 347,945 | 705.11 |
| | JITF Infralogistics Limited | 2 | 4,304,662 | 3,584.49 | 4,304,662 | 4,229.33 |
| | | | | 458,718.15 | | 453,417.10 |
| | Less: provision for disputed shares | | | (3,542.94) | | (2,484.68) |
| | Sub-total (i) | | | 455,175.21 | | 450,932.43 |
| | (ii) Unquoted equity shares | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | Abhinandan Investments Limited | 10 | 39,900 | 1,351.86 | 39,900 | 924.64 |
| | Stainless Investments Ltd. | 100 | 2,065,000 | 3,715.08 | 2,065,000 | 2,529.76 |
| | Rohit Tower Building Ltd. | 10 | 2,400 | 2.04 | 2,400 | 2.04 |
| | Sahyog Holdings Pvt. Limited | 10 | 8,524 | 1,235.45 | 8,524 | 1,286.62 |
| | Siddeshwari Tradex Private Limited | 10 | 7,956 | 70,373.84 | 7,956 | 74,911.60 |
| | Indusglobe Multiventures Private Limited | 10 | 852 | 454.77 | 852 | 564.07 |
| | Strata Multiventures Private Limited | 10 | 852 | 22.69 | 852 | 24.10 |
| | Radius Multiventures Private Limited | 10 | 852 | 2.15 | 852 | 2.39 |
| | Divino Multiventures Private Limited | 10 | 852 | 6.32 | 852 | 4.06 |
| | Genova Multisolutions Private Limited | 10 | 852 | 9.15 | 852 | 7.25 |
| | Mansarover Investments Limited | 10 | 1,385,000 | 5,013.47 | 1,385,000 | 3,478.35 |
| | Goswamis Credits & Investment Limited | 10 | 2,100,000 | 3,448.45 | 2,100,000 | 2,838.68 |
| | Sun Investments Pvt. Ltd. | 10 | 17,000 | 27.10 | 17,000 | 16.56 |
| | Groovy Trading Private Limited | 10 | 10 | 0.70 | 10 | 0.70 |
| | Saraswat Co. Op. Bank | 10 | 1,000 | 1.55 | 1,000 | 1.55 |
| | Midland Steel Processors Ltd. | 10 | 200,000 | - | 200,000 | - |
| | PT Jindal Stainless Indonesia | US\$ 1 | 100 | - | 100 | 0.05 |
| | Sonabheel Tea Limited | 10 | 100 | 0.07 | 100 | 0.15 |
| | Virtuous Tradecorp Pvt. Ltd. | 10 | 8,524 | 76,330.77 | 8,524 | 76,807.87 |
| | OPJ Trading Pvt. Limited | 10 | 8,524 | 1,116.73 | 8,524 | 1,090.56 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| S.N. | Particulars | Par Value | As at March 31, 2023 | | As at March 31, 2022 | |
|-------------|---|-----------|----------------------|-------------------|----------------------|-------------------|
| | Renuka Financial Services Limited | 10 | 2,500,000 | 640.46 | 2,500,000 | 394.15 |
| | Manjula Finances Limited | 10 | 1,400,000 | 342.67 | 1,400,000 | 170.09 |
| | Everplus Securities & Finance Limited | 10 | 1,750,000 | 605.54 | 1,750,000 | 366.89 |
| | Vrindavan Services Pvt. Ltd. | 10 | 710,000 | 917.18 | 710,000 | 690.34 |
| | Musuko Trading Pvt. Ltd. | 100 | 453,468 | 284.99 | 453,468 | 285.42 |
| | Sub-total (ii) | | | 165,902.99 | | 166,397.89 |
| | (iii) Zero Coupon Compulsory Convertible Preference Shares | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | Indusglobe Multiventures Private Limited | 10 | 85,200 | 45,476.54 | 85,200 | 56,407.33 |
| | Strata Multiventures Private Limited | 10 | 85,200 | 2,269.48 | 85,200 | 2,410.18 |
| | Radius Multiventures Private Limited | 10 | 85,200 | 215.42 | 85,200 | 239.46 |
| | Divino Multiventures Private Limited | 10 | 85,200 | 631.92 | 85,200 | 405.84 |
| | Genova Multisolutions Private Limited | 10 | 85,200 | 914.74 | 85,200 | 725.28 |
| | Sub-total (iii) | | | 49,508.09 | | 60,188.09 |
| | (iv) Compulsory Convertible Preference Shares | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | Sahyog Holdings Pvt. Limited | 100 | 852,400 | 123,544.61 | 852,400 | 128,661.99 |
| | Mansarover Investments Limited | 100 | 400,000 | 446.15 | 400,000 | 309.45 |
| | Nalwa Investments Limited | 100 | 100,000 | 466.03 | 100,000 | 838.18 |
| | JITF Shipyards Limited | 100 | 2,400,000 | 4,310.34 | 2,400,000 | 4,310.34 |
| | Sub-total (iv) | | | 128,767.13 | | 134,119.96 |
| | (v) Optionally Convertible Preference Shares | | | | | |
| | (measured at Fair Value Through OCI) | | | | | |
| | OPJ Trading Private Limited | 10 | 596,680 | 78,171.30 | 596,680 | 76,339.54 |
| | Sub-total (v) | | | 78,171.30 | | 76,339.54 |
| III. | Debt Instruments | | | | | |
| | (measured at Fair Value Through Profit and Loss) | | | | | |
| | Everplus Securities & Finance Limited | 100 | 2,761,585 | 2,303.83 | 2,761,585 | 2,113.60 |
| | Abhinandan Investments Limited | 100 | 30,000 | 25.03 | 30,000 | 22.96 |
| | Mansarover Investments Limited | 100 | 360,000 | 269.52 | 360,000 | 247.27 |
| | Jindal Equipment Leasing and Consultancy Services Ltd. | 100 | 2,698,000 | 2,285.91 | 2,698,000 | 2,097.17 |
| | Jindal Realty Private Limited | 100 | 18,000 | 10.73 | 18,000 | 9.85 |
| | Jagran Developers Private Limited | 100 | 497,000 | 414.68 | 497,000 | 380.44 |
| | Goswami Credits & Investment Limited | 100 | 600,000 | 517.68 | 600,000 | 474.94 |
| | Renuka Financial Services Limited | 100 | 1,905,000 | 1,476.75 | 1,905,000 | 1,352.97 |
| | Jindal Petroleum Limited | 100 | 2,235,080 | 2,182.63 | 1,542,080 | 1,405.74 |
| | Mineral management Services Private Limited | 100 | 102,100 | 110.44 | 102,100 | 101.32 |
| | Siddeshwari Tradex Private Limited | 100 | 119,000 | 119.00 | 119,000 | 119.00 |
| | Stainless Investments Limited | 100 | 333,820 | 281.03 | 333,820 | 257.82 |
| | Manjula Finance Limited | 100 | 647,000 | 557.26 | 647,000 | 409.00 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| S.N. | Particulars | Par Value | As at March 31, 2023 | | As at March 31, 2022 | |
|------|---|-----------|----------------------|-------------------|----------------------|-------------------|
| | Vrindavan Services Pvt. Ltd. | 10 | 1,990,000 | 127.87 | 1,990,000 | 115.17 |
| | Musuko Trading Pvt. Ltd. | 100 | 330,000 | 212.04 | 330,000 | 190.98 |
| | JSW Investments Pvt. Ltd. | 10 | 13,500,000 | 650.98 | 13,500,000 | 586.34 |
| | Sub-total (III) | | | 11,545.39 | | 9,884.55 |
| IV | Investment in Mutual Funds | | | 5,575.55 | | 7.02 |
| | (measured at Fair value through profit & loss) | | | | | |
| | Sub-total - (IV) | | | 5,575.55 | | 7.02 |
| | Total (I to IV) | | | 908,089.90 | | 907,886.05 |
| (i) | Investments in India | | | 908,089.90 | | 907,886.00 |
| (ii) | Investments outside India | | | - | | 0.05 |
| | Total | | | 908,089.90 | | 907,886.05 |

Notes:

- (i) 3,47,945 (March 31, 2022: 3,47,945) shares of Jindal Stainless Limited have been pledged to the lenders of Jindal Stainless Limited to the extent of the liability of Nalwa Sons Investments Limited is restricted to the market value of shares.
- (ii) Pursuant to the implementation of the approved composite scheme of arrangement between various Companies of Jindal Stainless Group, the Company has received 6,78,493 number of shares of Jindal Stainless Limited, being the amalgamated Company, against 3,47,945 shares of Jindal Stainless (Hisar) Limited, the amalgamating Company, during the year ended March 31, 2023.

9) Other financial assets

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------|----------------------|----------------------|
| Unsecured, considered good | | |
| Interest accrued but not due | 3.36 | 10.58 |
| Goods and service tax receivable | 4.12 | 3.91 |
| Interest accrued on loans | 601.42 | 807.52 |
| Security deposit | 0.95 | 0.95 |
| Others | 0.01 | - |
| Total other financial assets | 609.86 | 822.97 |

10) Current tax assets (net)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| Advance tax including TDS Receivable (net of provision for income tax) | 13.00 | - |
| Total Current tax assets | 13.00 | - |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

11) Property, Plant and Equipment

| Particulars | Furniture & Fixtures | Computers | Vehicles | Other Assets | Total |
|---------------------------------|----------------------|-----------|----------|--------------|--------|
| Gross Block | | | | | |
| As at April 1, 2021 | 1.14 | 1.10 | 15.15 | 0.41 | 17.80 |
| Additions | - | - | - | - | - |
| Disposal/Adjustments | (1.14) | (1.10) | - | (0.41) | (2.65) |
| As at March 31, 2022 | - | - | 15.15 | - | 15.15 |
| Additions | - | - | - | - | - |
| Disposal/Adjustments | - | - | - | - | - |
| As at March 31, 2023 | - | - | 15.15 | - | 15.15 |
| Accumulated Depreciation | | | | | |
| As at April 1, 2021 | 1.08 | 1.05 | 5.40 | 0.39 | 7.92 |
| Depreciation for the year | - | - | 1.80 | - | 1.80 |
| Disposal/Adjustments | (1.08) | (1.05) | - | (0.39) | (2.52) |
| As at March 31, 2022 | - | - | 7.20 | - | 7.20 |
| Depreciation for the year | - | - | 1.80 | - | 1.80 |
| Disposal/Adjustments | - | - | - | - | - |
| As at March 31, 2023 | - | - | 9.00 | - | 9.00 |
| Net Block | | | | | |
| As at April 1, 2021 | 0.06 | 0.06 | 9.75 | 0.02 | 9.89 |
| As at March 31, 2022 | - | - | 7.95 | - | 7.95 |
| As at March 31, 2023 | - | - | 6.16 | - | 6.16 |

12) Trade payables

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| (i) Dues of micro enterprises and small enterprises | - | 2.24 |
| (ii) Dues of Other than micro enterprises and small enterprises | 5.79 | 2.76 |
| Total trade payables | 5.79 | 5.00 |

Trade payables ageing schedule as on 31.03.2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|--------------|--------------|-------------------|-------------|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 5.79 | - | - | - | 5.79 |
| (iii) Disputed dues MSME | - | - | - | - | - |
| (iv) Disputed dues others | - | - | - | - | - |
| Total trade payables | 5.79 | - | - | - | 5.79 |

Trade payables ageing schedule as on 31.03.2022

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-------------|--|--------------|--------------|-------------------|-------|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
| (i) MSME | 2.24 | - | - | - | 2.24 |
| (ii) Others | 2.76 | - | - | - | 2.76 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|--------------|--------------|-------------------|-------------|
| | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
| (iii) Disputed dues MSME | - | - | - | - | - |
| (iv) Disputed dues others | - | - | - | - | - |
| Total trade payables | 5.00 | - | - | - | 5.00 |

Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

| Particulars | As at March 31, 2023 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Principal amount due outstanding | - | 2.24 |
| Interest due on (1) above and unpaid | - | - |
| Interest paid to the supplier | - | - |
| Payments made to the supplier beyond the appointed day during the year. | - | - |
| Interest due and payable for the period of delay | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of further interest remaining due and payable in succeeding year | - | - |
| Total | - | 2.24 |

13) Other financial liabilities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------|----------------------|----------------------|
| Employees related payable | 0.09 | 7.57 |
| Others | 1.14 | 1.01 |
| Total Other payables | 1.23 | 8.58 |

14) Provisions

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Provisions for employee benefits (refer note no.38) | | |
| Gratuity | 11.78 | 8.68 |
| Leave encashment | 12.54 | 10.68 |
| Total provisions | 24.32 | 19.36 |

15) Other non-financial liabilities

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|
| Statutory dues payable | 3.73 | 2.23 |
| Total other non-financial liabilities | 3.73 | 2.23 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

16) Deferred tax liabilities (net)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Deferred tax liabilities (a) | 141,562.68 | 144,937.28 |
| Deferred tax assets (b) | (329.25) | (490.59) |
| Net deferred tax liabilities (a-b) | 141,233.43 | 144,446.69 |
| * refer note no.33 for significant components of deferred tax liabilities/(assets) | | |

17) Current tax liabilities (net)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Provision for income tax (net of advance tax and TDS receivable) | - | 130.39 |
| Current tax liabilities (net) | - | 130.39 |

18) Equity share capital

| Particulars | As at March 31, 2023 | | As at March 31,2022 | |
|---|----------------------|--------------------|---------------------|--------------------|
| | No. of shares | (₹ in Lacs) | No. of shares | (₹ in Lacs) |
| Authorised | | | | |
| Equity shares of ₹ 10 /- each | 15,000,000 | 150,000,000 | 15,000,000 | 150,000,000 |
| Total | 15,000,000 | 150,000,000 | 15,000,000 | 150,000,000 |
| Issued, subscribed and fully paid up | | | | |
| Equity shares of ₹10/- each | 5,136,163 | 51,361,630 | 5,136,163 | 51,361,630 |
| Total | 5,136,163 | 51,361,630 | 5,136,163 | 51,361,630 |

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

| Particulars | As at March 31, 2023 | As at March 31,2022 |
|--|----------------------|---------------------|
| | Number of shares | Number of shares |
| Shares at the beginning of the year | 5,136,163 | 5,136,163 |
| Movement during the year | - | - |
| Shares outstanding at the end of the year | 5,136,163 | 5,136,163 |

(b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of ₹ 10/- each. Each equity shareholder is entitled to one vote per share.

(c) Detail of shareholders holding more than 5% shares in the Company

| Particulars | As at March 31, 2023 | | As at March 31,2022 | |
|--|----------------------|-----------|---------------------|-----------|
| | Number | % holding | Number | % holding |
| Equity shares of ₹ 10 each fully paid | | | | |
| Vistra Itcl (India)Limited | 799,711 | 15.57% | 831,213 | 16.18% |
| OPJ Trading Private Limited | 571,386 | 11.12% | 571,386 | 11.12% |
| Virtuous Tradecrop Private Limited | 571,385 | 11.12% | 571,385 | 11.12% |
| Genova Multisolutions Private Limited | 571,286 | 11.12% | 571,286 | 11.12% |
| Siddeshwari Tradex Private Limited | 693,692 | 13.51% | 693,692 | 13.51% |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| (d) Detail of shareholding of promoter and promoter group | | | | | |
|--|----------------------|---------------|----------------------|---------------|----------|
| Particulars | As at March 31, 2023 | | As at March 31, 2022 | | % change |
| | Number | % holding | Number | % holding | |
| Equity shares of ₹ 10 each fully paid | | | | | |
| Saroj Bhartia | 2 | 0.00% | 2 | 0.00% | - |
| Urmila Bhuwalka | 48 | 0.00% | 48 | 0.00% | - |
| Seema Jajodia | 49 | 0.00% | 49 | 0.00% | - |
| Urvi Jindal | 631 | 0.01% | 631 | 0.01% | - |
| Tarini Jindal Handa | 100 | 0.00% | 100 | 0.00% | - |
| Tanvi Shete | 100 | 0.00% | 100 | 0.00% | - |
| Tripti Jindal | 662 | 0.01% | 662 | 0.01% | - |
| Naveen Jindal | 712 | 0.01% | 692 | 0.01% | - |
| R K Jindal & Sons Huf . | 756 | 0.01% | 756 | 0.01% | - |
| Arti Jindal | 2,479 | 0.05% | 781 | 0.02% | 0.00 |
| Parth Jindal | 100 | 0.00% | 100 | 0.00% | - |
| S K Jindal And Sons Huf . | 1,809 | 0.04% | 1,809 | 0.04% | - |
| Sminu Jindal | 2,382 | 0.05% | 2,382 | 0.05% | - |
| Sangita Jindal | 100 | 0.00% | 100 | 0.00% | - |
| Sajjan Jindal | 160 | 0.00% | 160 | 0.00% | - |
| P R Jindal Huf . | 3,163 | 0.06% | 3,163 | 0.06% | - |
| Deepika Jindal | 3,760 | 0.07% | 3,760 | 0.07% | - |
| Savitri Devi Jindal | 4,815 | 0.09% | 4,815 | 0.09% | - |
| Naveen Jindal Huf | 5,854 | 0.11% | 5,854 | 0.11% | - |
| Abhyuday Jindal | 5,230 | 0.10% | 5,230 | 0.02% | - |
| Goswamis Credits & Investments Ltd | 12,721 | 0.25% | 12,721 | 0.25% | - |
| Jsw Holdings Limited | 25,014 | 0.49% | 25,014 | 0.49% | - |
| Jsl Limited | 120,615 | 2.35% | 120,615 | 2.35% | - |
| Vinamra Consultancy Pvt Ltd | 100 | 0.00% | 100 | 0.00% | - |
| Siddeshwari Tradex Private Limited | 693,692 | 13.51% | 693,692 | 13.51% | - |
| Worldone Private Limited | 124,446 | 2.42% | 124,446 | 2.42% | - |
| Virtuous Tradecorp Private Limited | 571,385 | 11.12% | 571,385 | 11.12% | - |
| Opj Trading Private Limited | 571,386 | 11.12% | 571,386 | 11.12% | - |
| Sahyog Holdings Private Limited | 100 | 0.00% | 100 | 0.00% | - |
| Jsw Organics Pvt Ltd | 128,583 | 2.50% | 128,583 | 2.50% | - |
| Genova Multisolutions Private Limited | 571,286 | 11.12% | 571,286 | 11.12% | - |
| Sarika Jhunjhuwala | 4,250 | 0.08% | 4,250 | 0.08% | - |
| Prithavi Raj Jindal | - | 0.00% | 1,698 | 0.03% | -0.00 |
| Total | 2,856,490 | 55.61% | 2,856,470 | 55.61% | |

19) Other Equity

| Particulars | | As at March 31, 2023 | As at March 31, 2022 |
|-------------|-------------------------------|-------------------------|-------------------------|
| A. | Reserves & Surplus | | |
| (i) | Securities Premium | | |
| | Opening balance | 3,760.23 | 3,760.23 |
| | Movement during the year | | - |
| | Closing balance | 3,760.23 | 3,760.23 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | | As at March 31, 2023 | As at March 31, 2022 |
|--------------|--|-------------------------|-------------------------|
| (ii) | General reserve | | |
| | Opening balance | 7,693.28 | 7,693.28 |
| | Movement during the year | | - |
| | Closing balance | 7,693.28 | 7,693.28 |
| (iii) | Statutory Reserve u/s Section 45-IC | | |
| | Opening balance | 6,423.05 | 5,295.88 |
| | Movement during the year | 1,677.93 | 1,127.17 |
| | Closing balance | 8,100.98 | 6,423.05 |
| (iv) | Capital reserve | | |
| | Opening balance | 17,622.33 | 17,622.33 |
| | Movement during the year | | - |
| | Closing balance | 17,622.33 | 17,622.33 |
| (v) | Retained Earnings | | |
| | Opening balance | 19,170.56 | 14,019.25 |
| | Profit/(loss) for the year | 9,258.26 | 6,586.37 |
| | Less : Minority Interest in statement of profit and loss | (439.82) | (307.88) |
| | Less: transferred to Statutory reserves | (1,677.93) | (1,127.17) |
| | Closing balance | 26,311.07 | 19,170.56 |
| (vi) | Other Comprehensive Income | | |
| | Opening balance | 738,732.13 | 461,660.36 |
| | Other comprehensive Income/(loss) for the year | (3,383.27) | 277,071.77 |
| | Closing balance | 735,348.86 | 738,732.13 |
| | Total other equity | 798,836.74 | 793,401.57 |

Notes:

- (i) Capital reserves:- The Company has created capital reserve on account of scheme of amalgamation and demerger.
- (ii) Securities premium:- Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- (iii) General reserve:- General Reserves are free reserves of the Company which are kept aside out of Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax (PAT) to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (iv) Retained earnings:- Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.
- (v) Reserve u/s 45 IC of the Reserve Bank of India Act, 1934: The Company created a reserve pursuant to section 45 IC of the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

20) Interest Income

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Interest income on financial assets measured at amortised costs | | |
| - on loans | 2,135.11 | 1,805.09 |
| - on debt investments | 967.83 | 661.64 |
| - on fixed deposits | 106.29 | 75.91 |
| Total interest income | 3,209.23 | 2,542.64 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

21) Dividend Income

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Dividend Income from non-current investments designated as FVTOCI | 8,923.65 | 3,988.38 |
| Total dividend income | 8,923.65 | 3,988.38 |

22) Sale of goods

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Sales | | |
| Domestic Turnover- Sale of traded goods | 1,005.43 | 1,067.41 |
| Total Sale of goods | 1,005.43 | 1,067.41 |

23) Net gain on derecognition of financial instruments under amortised cost category

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Net gain on derecognition of investment in debt instruments | - | 929.15 |
| Total Net gain on derecognition of financial instruments | - | 929.15 |

24) Net loss/(gain) on fair value changes

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Loss on financial instruments measured at amortised cost | | |
| - Investment in non-convertible preference shares | - | 779.80 |
| Total Net loss/(gain) on fair value changes | - | 779.80 |

25) Other income

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Profit on sale of mutual funds | 161.22 | 14.22 |
| Gain on fair valuation of Mutual Funds | 52.83 | 0.05 |
| Interest on income tax refund | 4.19 | 414.12 |
| Total other income | 218.26 | 428.39 |

26) Purchase of Stock in Trade

| Particular | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Purchase of Stock in trade | 998.52 | 1,067.17 |
| Purchase of stock of preference shares - Equity Component | 60.00 | - |
| Total Purchases of stock-in-trade | 1,058.52 | 1,067.17 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

27) Changes In Inventory

| Particular | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-----------------------------|------------------------------|------------------------------|
| Equity | - | - |
| Preference | 3,021.59 | 3,398.32 |
| Opening Stock | 3,021.59 | 3,398.32 |
| Equity | - | - |
| Preference | 3,483.65 | 3,021.59 |
| Closing Stock | 3,483.65 | 3,021.59 |
| Changes In Inventory | (462.06) | 376.73 |

28) Impairment on financial instruments

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|--|------------------------------|------------------------------|
| Impairment on loans measured at amortised costs | 6.82 | 32.44 |
| Total impairment on financial instruments | 6.82 | 32.44 |

29) Employee benefit expenses

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Salaries and wages | 127.85 | 126.41 |
| Contribution to provident and other funds | 1.71 | 1.52 |
| Staff Welfare expenses | 0.03 | - |
| Total employee benefits expenses | 129.59 | 127.93 |

30) Finance Cost

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------------|------------------------------|------------------------------|
| Other interest expenses | 87.76 | - |
| Bank charges | 0.32 | 0.42 |
| Total Finance Cost | 88.08 | 0.42 |

31) Other expenses

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Rent | 11.16 | 6.52 |
| Legal and professional | 34.03 | 43.31 |
| Auditor's remuneration | 5.76 | 4.25 |
| Advertisement and publicity | 1.61 | 1.68 |
| Postage & Courier expenses | 0.00 | 0.00 |
| Printing & Stationery expenses | 0.06 | 0.92 |
| Net loss on trading of commodities | 2.99 | - |
| Brokerage, Commission, storage and selling expenses | 1.12 | - |
| Travelling and Conveyance | 0.38 | 0.92 |
| Rates & Taxes | 1.19 | 2.98 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Expenditure towards Corporate Social Responsibility | 35.00 | 28.50 |
| Director's Sitting fee | 2.00 | 2.00 |
| Miscellaneous expenses | 3.33 | 2.46 |
| Total other expenses | 98.63 | 93.53 |
| * Payment to auditors includes: - | | |
| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Statutory audit fee | 5.76 | 4.25 |
| Total | 5.76 | 4.25 |

32) Earnings per share

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Profit/(Loss) attributable to equity shareholders (₹) (A) | 9,258.26 | 6,586.37 |
| Weighted average number of outstanding equity shares (B) | 5,136,163 | 5,136,163 |
| Nominal value per equity share (₹) | 10.00 | 10.00 |
| Basic EPS (A/B) (₹) | 180.26 | 128.24 |
| Diluted EPS (A/B) (₹) | 180.26 | 128.24 |

33) a) Income tax expense

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------------|------------------------------|------------------------------|
| Income tax earlier years | - | (371.56) |
| Current tax | 2,747.37 | 1,538.83 |
| Deferred tax | 428.72 | 233.24 |
| Total tax expenses | 3,176.09 | 1,400.50 |

b) Reconciliation of estimated income tax to income tax expense

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|
| Accounting profit before tax (A) | 12,435.19 | 8,035.75 |
| Enacted tax rate in India (B) | 25.17% | 25.17% |
| Expected income tax expense at statutory tax rate (A*B) | 3,129.69 | 2,022.44 |
| Tax effect of the amount not deductible for computing taxable income | | |
| Expenses not deductible in determining taxable profits | 30.90 | 7.20 |
| Income tax earlier years | (28.08) | (96.80) |
| Income not chargeable to tax | (15.46) | (372.61) |
| Deferred tax of earlier years | 59.03 | (159.72) |
| Tax expense reported | 3,176.09 | 1,400.50 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

c) Deferred Tax

The significant component of deferred tax assets / (liabilities) and movement during the year are as under:

| Particulars | Deferred tax liability/(asset) as at April 1, 2022 | Recognised/ (reversed) in Other Comprehensive Income | Recognised/ (reversed) in Statement of Profit & Loss | Deferred tax liability/(asset) as at March 31, 2023 |
|--|--|--|--|---|
| Gross deferred tax liabilities | | | | |
| Gain on fair value of mutual fund | | | 0.07 | 0.07 |
| Investments measured at fair value | 144,937.28 | (3,641.98) | 372.01 | 141,667.32 |
| | 144,937.28 | (3,641.98) | 372.08 | 141,667.39 |
| Gross deferred tax assets | | | | |
| Brought forward capital loss/business loss | 16.48 | - | 0.42 | 16.90 |
| Provision for doubtful debts | 469.07 | - | (58.42) | 410.64 |
| Property, plant and equipment | 0.17 | - | 0.12 | 0.29 |
| Provisions for employee benefit | 4.87 | - | 1.25 | 6.12 |
| | 490.59 | - | (56.63) | 433.96 |
| Net Deferred Tax liabilities | 144,446.69 | (3,641.98) | 428.72 | 141,233.43 |

| Particulars | Deferred tax liability/(asset) as at April 1, 2021 | Recognised/ (reversed) in Other Comprehensive Income | Recognised/ (reversed) in Statement of Profit & Loss | Deferred tax liability/(asset) as at March 31, 2022 |
|---------------------------------------|--|--|--|---|
| Gross deferred tax liabilities | | | | |
| Investments measured at fair value | 63,921.37 | 80,772.98 | 242.94 | 144,937.28 |
| | 63,921.37 | 80,772.98 | 242.94 | 144,937.28 |
| Gross deferred tax assets | | | | |
| Brought forward capital loss | 16.44 | - | 0.04 | 16.48 |
| Provision for doubtful debts | 460.90 | - | 8.17 | 469.07 |
| Property, plant and equipment | 0.11 | - | 0.06 | 0.17 |
| Provisions for employee benefit | 3.44 | - | 1.43 | 4.87 |
| | 480.89 | - | 9.70 | 490.59 |
| Net Deferred Tax liabilities | 63,440.48 | 80,772.98 | 233.24 | 144,446.69 |

34) Segment Reporting

The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108). The identification of operating segments is consistent with performance assessment and resource allocation by the management.

| S.N. | Particulars | Year ended 31.03.2023 | Year ended 31.03.2022 |
|----------|------------------------------|-----------------------|-----------------------|
| 1 | Segment revenue | | |
| | Investment & Finance | 12,132.89 | 8,239.97 |
| | Trading of goods | 1,005.43 | 1,067.41 |
| | Total segment revenue | 13,138.31 | 9,307.38 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| S.N. | Particulars | Year ended 31.03.2023 | Year ended 31.03.2022 |
|----------|---|--------------------------|--------------------------|
| | Less: Inter-segment revenue | - | - |
| | Revenue as per the Statement Profit and Loss | 13,138.31 | 9,307.38 |
| 2 | Segment results (Profit/ (loss) before tax) | | |
| | Investment & Finance | 12,437.34 | 7,986.63 |
| | Trading of goods | (2.99) | 0.24 |
| | Profit/(loss) before tax | 12,434.35 | 7,986.87 |
| 3 | Segment assets | | |
| | Investment & Finance | 944,180.70 | 941,649.67 |
| | Trading of goods | 4.12 | 3.91 |
| | Unallocated | - | - |
| | Total assets | 944,184.82 | 941,653.58 |
| 4 | Segment liabilities | | |
| | Investment & Finance | 35.07 | 35.17 |
| | Trading of goods | - | - |
| | Unallocated | 141,233.43 | 144,577.08 |
| | Total liabilities | 141,268.51 | 144,612.25 |

35) Related Party Disclosures

The related party disclosures in accordance with the requirements of Ind AS - 24 "Related Party Disclosures" has been given below: -

(a) Name and nature of related party relationships**(i) Associate**

Jindal Equipment Leasing & Consultancy Services Limited

(ii) Key Managerial Personnel (KMP)

| | |
|---|--|
| Sh. Rakesh Kumar Garg | Executive Director & CEO (Nalwa Sons Investments Limited) |
| Sh. Deepak Garg | Chief Financial Officer (Nalwa Sons Investments Limited) |
| Sh. Ajay Mittal | Company Secretary (Nalwa Sons Investments Limited) |
| Sh. Nrender Garg | Independent Director (Nalwa Sons Investments Limited) |
| Sh. Kanwaljit Singh Thind | Independent Director (Nalwa Sons Investments Limited) |
| Smt. Shruti Shrivastava | Independent Director (Nalwa Sons Investments Limited) |
| Sh. Rajinder Prakash Jindal | Independent Director (Nalwa Sons Investments Limited, Jindal Steel & Alloys Limited and Nalwa Trading Limited) |
| Sh Madan Lal Gupta | Managing Director (Nalwa Trading Limited) |
| Sh Mahender Kumar Satrodia | Whole Time Director and Chief Financial Officer (Nalwa Trading Limited) |
| Sh Mahesh Jain | Independent Director (Nalwa Trading Limited) |
| Sh Girish Aggarwal | Independent Director (Nalwa Trading Limited) |
| Smt. Vaishali Deshmukh | Independent Director (Brahmputra Capital and Financial Services Limited) |
| Sh Ajay Kumar | Independent Director (Brahmputra Capital and Financial Services Limited) |
| Ms Khushboo Khandelwal | Company Secretary (Brahmputra Capital and Financial Services Limited) upto 31.12.2021 |
| Ms. Meenakshi Sethi | Company Secretary (Brahmputra Capital and Financial Services Limited) upto 01.07.2022 |
| *Independent directors are included only for the purpose of compliance with definition of key management personnel given under IND AS 24. | |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| | | | | | |
|-------------|--|---------------------------------------|--|---------------------------------------|--|
| (iv) | Relatives of Key Managerial Personnel | | | | |
| | Mrs. Sneha Garg | | | | |
| | Mrs. Priya Garg | | | | |
| (b) | Transactions during the year | | | | |
| | Particulars | 2022-23 | | 2021-22 | |
| | | Key Managerial Personnel (KMP) | Relatives of Key Managerial Personnel | Key Managerial Personnel (KMP) | Relatives of Key Managerial Personnel |
| | Remuneration paid: - | | | | |
| | Mr. Deepak Garg | 21.75 | - | 22.05 | - |
| | Mr. Rakesh Kumar Garg | 92.16 | - | 84.33 | - |
| | Mr. Ajay Mittal | 6.69 | - | 5.72 | - |
| | Ms Khushboo Khandelwal | - | - | 1.17 | - |
| | Ms. Meenakshi Sethi | 0.91 | - | - | - |
| | Lease rent paid: - | | | | |
| | Mrs. Sneha Garg | - | 6.84 | - | 5.28 |
| | Mrs. Priya Garg | - | 3.33 | - | - |
| | Sitting fee paid: - | | | | |
| | Mrs. Shruti Shrivastava | 1.00 | - | 1.00 | - |
| | Mr. Kanwaljit Singh Thind | 1.00 | - | 1.00 | - |
| (c) | Balances outstanding at the year end: - | | | | |
| | Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
| | Investments in equity shares | | | | |
| | Jindal Equipment Leasing and Consultancy Services Ltd. | 13,444.24 | | 10,016.58 | |
| | Investments in preference shares | | | | |
| | Jindal Equipment Leasing And Consultancy Services Ltd | 2,285.91 | | 2,097.17 | |

36) Disclosure relating to Expenditure towards Corporate Social Responsibility

The details of expenditure on Corporate Social Responsibility (CSR) activities as per Section 135 of the Companies Act, 2013 read with schedule VII are as below: -

| Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|----------------------------------|----------------------------------|
| Amount required to be spent as per Section 135 of the Act | 34.29 | 27.83 |
| Amount of expenditure incurred | 35.00 | 28.50 |
| Shortfall at the end of the year | - | - |
| Total of previous years shortfall | - | - |
| Reason for shortfall | NA | NA |

| S.N. | Category of the Companies Act | Project Activities | Amount Spent till 31-03-23 |
|-------------|--|---|-----------------------------------|
| 1 | Promoting health care including preventive health care | Health Supports | 21.68 |
| 2 | Promoting Education & Enhancing Training | Promoting Education in General public | 0.62 |
| 3 | Emergencies and Relief Works | Relief and Emergencies, Covid Vaccination | 12.70 |
| | Total | | 35.00 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

37) Employee benefits

| a) Defined contribution plans: - | | | |
|--|---|--------------------------------------|--|
| | Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Contribution to Provident Fund | 1.71 | 1.52 |
| b) Defined benefit plans: - | | | |
| Below tables sets forth the changes in the projected benefit obligation and amounts recognised in the balance sheet as at March 31, 2023 and March 31, 2022, being the respective measurement dates: - | | | |
| (i) Movement in present value of obligations | | | |
| | Particulars | Gratuity (unfunded) | Leave encashment (unfunded) |
| | Present value of obligation as at April 1, 2021 | 6.33 | 7.35 |
| | Current service cost | 1.69 | 2.39 |
| | Interest cost | 0.44 | 0.51 |
| | Benefits paid | - | (1.04) |
| | Remeasurement- Actuarial loss/(gain) on obligation | 0.22 | 1.46 |
| | Present value of obligation as at March 31, 2022 | 8.68 | 10.69 |
| | Current service cost | 1.93 | 2.24 |
| | Interest cost | 0.61 | 0.75 |
| | Benefits paid | - | (1.34) |
| | Remeasurement- Actuarial loss/(gain) on obligation | 0.57 | 0.21 |
| | Present value of obligation as at March 31, 2022 | 11.79 | 12.55 |
| (ii) Expenses recognised in the Statement of profit & loss | | | |
| | Particulars | Gratuity (unfunded) | Leave encashment (unfunded) |
| | Current service cost | 1.69 | 2.39 |
| | Interest cost | 0.44 | 0.51 |
| | Remeasurement - Actuarial loss/(gain) | - | 1.46 |
| | For the year ended March 31, 2022 | 2.13 | 4.36 |
| | Current service cost | 1.93 | 2.24 |
| | Interest cost | 0.61 | 0.75 |
| | Remeasurement - Actuarial loss/(gain) | - | 0.21 |
| | For the year ended March 31, 2023 | 2.54 | 3.20 |
| (iii) Expenses recognised in the Other Comprehensive Income | | | |
| | Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Remeasurement - actuarial loss/(gain) on gratuity | 0.57 | 0.22 |
| (iv) The principal actuarial assumptions used are set out below: - | | | |
| | Particulars | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Mortality rate | IALM 2012-14 | IALM 2012-14 |
| | Discount rate | 7.25 % p.a. | 7.00 % p.a. |
| | Expected rate of increase in compensation | 5.25 % p.a. | 5.25 % p.a. |
| | Employee attrition rate | 5.00% p.a. | 5.00% p.a. |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| (v) The Company' best estimate of contribution during the year: - | | | | |
|--|--------------------|---------------------------------|--------------------------------------|--------------------------------------|
| | Particulars | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | For gratuity | | 1.99 | 1.77 |
| (vi) Sensitivity Analysis | | | | |
| | Particulars | Change in assumption | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Discount Rate | + 1% | 11.48 | 8.44 |
| | | - 1% | 12.12 | 8.95 |
| | Salary growth rate | + 1% | 12.12 | 8.95 |
| | | - 1% | 11.47 | 8.43 |
| | Withdrawal rate | + 1% | 11.81 | 8.69 |
| (vii) Estimate of expected benefit payments (in absolute terms i.e. undiscounted) | | | | |
| | Particulars | | Year ended March 31, 2023 | Year ended March 31, 2022 |
| | Year-1 | | 7.99 | 5.66 |
| | Year-2 | | 0.12 | 0.09 |
| | Year-3 | | 0.12 | 0.09 |
| | Year-4 | | 0.12 | 0.09 |
| | Year-5 | | 0.12 | 0.09 |
| | Year-5 onwards | | 3.31 | 2.65 |

38) Contingent liabilities not provided for

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|---------------------------------|---------------------------------|
| For Income Tax matters against which Company has preferred appeal* | 1,727.77 | 1,727.77 |

* Appeals in respect of certain assessments of Income-Tax are pending and additional tax liabilities/refunds, if any, is not determinable at this stage. Adjustments for the same will be made after the same is finally determined.

39) Provision on standard assets and doubtful debts

- (a) Provision for standard assets has been made at a 0.40% of the outstanding standard assets as per internal estimates, based on past experience, realisation of security, and other relevant factors, which is higher than the minimum provisioning requirements specified by the Reserve Bank of India (RBI).
- (b) The Company has made adequate provision for the Non-Performing Assets identified. Accordingly, provision for Sub-Standard and Doubtful assets is made with the guidelines issued by The Reserve Bank of India."

40) Investments

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|---------------------------------|---------------------------------|
| (1) Value of Investments | | |
| (i) Gross Value of investments | | |
| (a) In India | 908,089.90 | 907,886.00 |
| (a) Outside India | - | 0.05 |
| (ii) Provision for depreciation | | |
| (a) In India | (3,542.94) | (2,484.68) |
| (a) Outside India | - | - |
| (iii) Net Value of investments | | |
| (a) In India | 904,546.96 | 905,401.37 |
| (a) Outside India | - | - |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (2) Movement of provisions held towards depreciation on investments | | |
| (i) Opening balance | 2,484.68 | 1,796.58 |
| (ii) Add : Provisions made during the year | 1058.27 | 688.10 |
| (iii) Less : Write-off/write-back of excess provisions during the year | - | - |
| (iv) Closing balance | 3,542.95 | 2,484.68 |

41) Financial instruments**(i) Categories of Financial Instruments****(a) Financial assets**

| Particulars | | As at March 31, 2023 | | As at March 31, 2022 | |
|--------------|--|-------------------------|-------------------|-------------------------|-------------------|
| | | Carrying value | Fair value | Carrying value | Fair value |
| (i) | Measured at deemed cost | | | | |
| | Investments | 13,444.24 | 13,444.24 | 10,016.58 | 10,016.58 |
| | Total financial assets at cost (A) | 13,444.24 | 13,444.24 | 10,016.58 | 10,016.58 |
| (ii) | Measured at amortised cost | | | | |
| | Trade and other receivables | 52.10 | 52.10 | 979.55 | 979.55 |
| | Loans | 30,013.07 | 30,013.07 | 27,464.14 | 27,464.14 |
| | Stock of securities | 3,483.65 | 3,483.65 | 3,021.59 | 3,021.59 |
| | Investments | 11,545.39 | 11,545.39 | 9,884.55 | 9,884.55 |
| | Other financial assets | 609.86 | 609.86 | 822.97 | 822.97 |
| | Cash and Bank Balances | 1,917.07 | 1,917.07 | 1,471.33 | 1,471.33 |
| | Total financial assets at amortised costs (B) | 47,621.14 | 47,621.14 | 43,644.12 | 43,644.12 |
| (iii) | Measured at fair value through P&L | | | | |
| | Mutual Fund | 5,575.55 | 5,575.55 | 7.02 | 7.02 |
| | Total financial assets at FVTPL (C) | 5,575.55 | 5,575.55 | 7.02 | 7.02 |
| (iv) | Measured at fair value through other comprehensive income (OCI) | | | | |
| | Non-current Investments | 877,524.72 | 877,524.72 | 887,977.90 | 887,977.90 |
| | Total financial assets at FVTOCI (D) | 877,524.72 | 877,524.72 | 887,977.90 | 887,977.90 |
| | Total financial assets | 944,165.66 | 944,165.66 | 941,645.62 | 941,645.62 |

| (b) | Financial liabilities | | | | |
|-------------|------------------------------------|-------------------------|-------------|-------------------------|--------------|
| Particulars | | As at March 31, 2023 | | As at March 31, 2022 | |
| | | Carrying value | Fair value | Carrying value | Fair value |
| (i) | Measured at amortised cost | | | | |
| | Trade and other payables | 5.79 | 5.79 | 5.00 | 5.00 |
| | Other financial liabilities | 1.23 | 1.23 | 8.58 | 8.58 |
| | Total financial liabilities | 7.02 | 7.02 | 13.58 | 13.58 |

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties in an orderly market transaction, other than in a forced or liquidation sale.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Fair value hierarchy**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)**(ii) Level wise disclosure of fair valuation of financial instruments**

| Particulars | As at March 31, 2023 | As at March 31, 2022 | Valuation Techniques and Key Inputs | |
|---|-------------------------|-------------------------|-------------------------------------|---|
| Financial assets | | | | |
| (i) Measure at FVTOCI | | | | |
| - Quoted Equity shares | 455,175.21 | 450,932.43 | Level 1 | Quoted bid prices in an active market |
| - Unquoted equity shares (incl. compulsory/zero coupon convertible preference shares) | 422,349.51 | 437,045.47 | Level 2 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. |
| (ii) Measured at amortised costs | | | | |
| - Loans | 30,013.07 | 27,464.14 | Level 2 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. |
| - Other financial assets | 609.86 | 822.97 | Level 2 | Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. |

The carrying amount of cash and cash equivalents, other financial assets, Trade & other receivable and trade payable are considered to be the same as their fair values due to their short term nature. The management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

(iii) Capital Management & Risk Management Strategy**I. Capital risk management**

The Company's objective is to maintain a strong & healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum utilisation of its funds. The Company is having strong capital ratio and minimum capital risk. The Company's capital requirement is mainly to fund its strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations. The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents and current investments. The Company does not have any debt and also any sub-ordinated liabilities:

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------|-------------------------|-------------------------|
| Long term borrowings | - | - |
| Less: Cash and cash equivalent | 498.32 | 136.90 |
| Net debt | (498.32) | (136.90) |
| Total equity | 798,836.74 | 793,401.57 |
| Gearing ratio | - | - |

II. Risk management framework

Board of Directors of the Company has developed and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

III. Financial risk management

The Company has formulated and implemented a Risk Management Policy for evaluating business risks. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company. The risk management policies aim to mitigate the following risks arising from the financial instruments:

(a) Credit risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Pledge obligation risk is the risk that may occur in case of default on part of Pledgee company which may immediately amount to loss of assets of Company. The Company has adopted a policy of only dealing with creditworthy counterparties to mitigating the risk of financial loss from defaults. Company's credit risk arises principally from loans, Trade receivable and cash & cash equivalents.

Loans

The Company has adopted loan policy duly approved by the Company's Board. The objective of said policy is to manage the financial risks relating to the business, focusses on capital protection, liquidity and yield maximisation. Investments of surplus funds are made only in approved counterparties within credit limits approved by the board. The limits are set to minimise the risks and therefore mitigate the financial loss through counter party's potential failure to make payments.

Trade and other receivables

The trade & other receivable of the Company generally spread over limited numbers of parties. The Company evaluates the credit worthiness of the parties on an ongoing basis. Further, and the history of trade receivable shows negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk account of non-performance from these parties.

Cash and cash equivalents

Credit risks from balances with banks are managed in accordance with the Company policy. The Company's maximum exposure to the credit risk for the components of balance sheet as March 31,2023 and March 31,2022 is the carrying amounts. Credit risk arises from balances with banks is limited and there is no collateral held against these.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

(b) Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term strategic investments. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for financial liabilities and financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets and liabilities:

| Liquidity Exposure as on March 31, 2023 | | | | |
|--|-------------------------------|---------------------|---------------------|-------------------|
| Particulars | Contractual cash flows | | | Total |
| | Less than 1 year | 1 to 3 years | > 3 years | |
| Financial assets | | | | |
| Cash and cash equivalents | 498.32 | - | - | 498.32 |
| Bank balances other than Cash and Cash Equivalents | 1,418.76 | - | - | 1,418.76 |
| Other Receivables | 52.10 | - | - | 52.10 |
| Stock of securities | 3,483.65 | - | - | 3,483.65 |
| Loans | 30,013.07 | - | - | 30,013.07 |
| Investments | 5,575.55 | - | 902,514.35 | 908,089.90 |
| Other financial assets | 609.86 | - | - | 609.86 |
| Total financial assets | 41,651.31 | - | 902,514.35 | 944,165.66 |
| Trade payables | 5.79 | - | - | 5.79 |
| Other financial liabilities | 1.23 | - | - | 1.23 |
| Total financial liabilities | 7.02 | - | - | 7.02 |

| Liquidity Exposure as on March 31, 2022 | | | | |
|--|-------------------------------|---------------------|---------------------|-------------------|
| Particulars | Contractual cash flows | | | Total |
| | Less than 1 year | 1 to 3 years | > 3 years | |
| Financial assets | | | | |
| Cash and cash equivalents | 136.90 | - | - | 136.90 |
| Bank balances other than Cash and Cash Equivalents | 1,334.42 | - | - | 1,334.42 |
| Other Receivables | 979.55 | - | - | 979.55 |
| Stock of securities | 3,021.59 | - | - | 3,021.59 |
| Loans | 19,527.14 | 7,937.00 | - | 27,464.14 |
| Investments | - | - | 907,886.05 | 907,886.05 |
| Other financial assets | 822.97 | - | - | 822.97 |
| Total financial assets | 25,822.57 | 7,937.00 | 907,886.05 | 941,645.62 |
| Trade payables | 5.00 | - | - | 5.00 |
| Other financial liabilities | 8.58 | - | - | 8.58 |
| Total financial liabilities | 13.58 | - | - | 13.58 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

(c) Market risk

The Company's activities expose it primarily to the financial risks of changes equity price risk as explained below:

Price Sensitivity analysis: Equity price risk is related to the change in market reference price of the instruments in quoted and unquoted securities. The fair value of some of the Company's investments exposes to company to equity price risks. In general, these securities are not held for trading purposes. The fair value of equity instruments other than investment in associates (including convertible preference) as at March 31, 2023 and March 31, 2022 was Rs 8,77,524.72 Lakhs and Rs 8,87,977.90 Lakhs respectively. A 5% change in price of equity instruments held as at March 31, 2023 and March 31, 2022 would result in:

| % Change | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------|-------------------------|-------------------------|
| 5% increase in prices | 43,876.24 | 44,398.90 |
| 5% decrease in prices | (43,876.24) | (44,398.90) |

(d) Dividend Income risk management

Dividend income risk refers to the risk of changes in the Dividend income to dip in the performance of the investee companies.

(e) Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company does not have any foreign currency exposures.

42) Maturity analysis of assets and liabilities

| Particulars | As at March 31, 2023 | | | As at March 31, 2022 | | |
|--|----------------------|--------------------|-------------------|----------------------|--------------------|-------------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Assets | | | | | | |
| Financial assets | | | | | | |
| Cash and cash equivalents | 498.32 | - | 498.32 | 136.90 | - | 136.90 |
| Bank balances other than Cash and Cash Equivalents | 1,418.76 | - | 1,418.76 | 1,334.42 | - | 1,334.42 |
| Other Receivables | 52.10 | - | 52.10 | 979.55 | - | 979.55 |
| Stock of securities | 3,483.65 | - | 3,483.65 | 3,021.59 | - | 3,021.59 |
| Loans | 30,013.07 | - | 30,013.07 | 19,527.14 | 7,937.00 | 27,464.14 |
| Investments | 5,575.55 | 902,514.35 | 908,089.90 | - | 907,886.05 | 907,886.05 |
| Other financial assets | 609.86 | - | 609.86 | 822.97 | - | 822.97 |
| Non-Financial assets | | | | | | |
| Current tax assets (net) | 13.00 | - | 13.00 | - | - | - |
| Property, plant and equipment | - | 6.16 | 6.16 | - | 7.96 | 7.96 |
| Total Assets | 41,664.31 | 902,520.51 | 944,184.82 | 25,822.57 | 915,831.01 | 941,653.59 |
| Liabilities | | | | | | |
| Financial Liabilities | | | | | | |
| Trade payables | 5.79 | - | 5.79 | 5.00 | - | 5.00 |
| Other financial liabilities | 1.23 | - | 1.23 | 8.58 | - | 8.58 |
| Non-Financial Liabilities | | | | | | |
| Provisions | 24.32 | - | 24.32 | 19.36 | - | 19.36 |
| Other non-financial liabilities | 3.73 | - | 3.73 | 2.23 | - | 2.23 |
| Deferred tax liabilities (net) | - | 141,233.43 | 141,233.43 | - | 144,446.69 | 144,446.69 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

| Particulars | As at March 31, 2023 | | | As at March 31, 2022 | | |
|-------------------------------|----------------------|-------------------|-------------------|----------------------|-------------------|-------------------|
| | Within 12 Months | After 12 Months | Total | Within 12 Months | After 12 Months | Total |
| Current tax liabilities (net) | - | - | - | 130.39 | - | 130.39 |
| Total Liabilities | 35.07 | 141,233.43 | 141,268.51 | 165.57 | 144,446.69 | 144,612.25 |
| Net | 41,629.24 | 761,287.08 | 802,916.32 | 25,657.01 | 771,384.33 | 797,041.33 |

43) Financial information pursuant to Schedule III of Companies Act, 2013

| Name of the Enterprise | Net Assets (Total assets minus total liabilities) | | Share in profit or loss | |
|---|--|-------------------|--------------------------------------|-----------------|
| | March 31, 2023 | | Year ended March 31, 2023 | |
| | As % of consolidated net assets | (₹ in Lakhs) | As % of consolidated profit / (loss) | (₹ in Lakhs) |
| Parent | | | | |
| Nalwa Sons Investments Limited | 114.87 | 922,332.30 | 87.43 | 8,094.63 |
| Subsidiaries | | | | |
| Indian | | | | |
| Jindal Holdings Limited | 1.11 | 8,880.28 | 1.62 | 150.09 |
| Jindal Steel & Alloys Limited | 1.47 | 11,832.89 | 7.79 | 720.79 |
| Brahmputra Capital & Financial Services Ltd. | 0.44 | 3,496.60 | 3.17 | 293.57 |
| Minority Interests in all Subsidiaries | | | | |
| Consolidation Adjustments/ Eliminations | (17.89) | (143,625.76) | (0.01) | (0.83) |
| Total | 100.00 | 802,916.32 | 100.00 | 9,258.26 |

44) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The company does not have any joint venture or subsidiary abroad, hence not applicable.

45) Loans and advances

(i) "The Company being a non-banking finance company, as part of its normal business, grants loans and advances to its customers and other entities ensuring adherence to all regulatory requirements. Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

(ii) "Loans and advances repayable on demand (other than those considered as non-performing assets) includes ₹ 21,885.20 lakhs (Previous year ₹ 20,391.29 lakhs) due from various Group companies which currently have accumulated losses in their books as per latest available audited balance sheet. However, these companies also have investments in quoted securities and other marketable securities to cover their loan exposure. The Group has mechanism for review and monitoring of all such loans and is confident of recovering these amounts, which are considered good in nature, as and when called for payment. The Group would take necessary action for recovery of these amounts, if required.

Notes to the Consolidated Financial Statements for the year ended March 31, 2023

(amounts are in Rupees in Lakhs, unless otherwise stated)

Further, the Company has given loans to various companies, which are repayable on demand. During the year, interest on such loans has been serviced by converting into principal, and the same has also been acknowledged by the borrowers."

46) Other additional regulatory information required by Schedule III of Companies Act, 2013

The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered:

- a) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- b) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- c) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authorities.
- d) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- e) No registration and/or satisfaction of charges are pending to be filed with ROC.
- f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- g) The Company does not have any relationship with struck off companies.

47) The figures for the previous year have been regrouped/ rearranged wherever necessary to conform to current year's classification.

As per our report of even date

For BSD & Co.Chartered Accountants
Firm's Reg. No. 000312S**Sujata Sharma**

Partner

M. No. 087919

Place: Hisar**Dated:** 30th May, 2023**For and on behalf of the Board of Directors****Nrender Garg**

Director

DIN: 08486246

Deepak Garg

Chief Financial Officer

Rakesh Kumar Garg

Executive Director & CEO

DIN: 00038580

Ajay Mittal

Company Secretary

M.No. FCS-11573

Statement containing salient features of the financial statement of Subsidiaries/Joint Ventures Associates pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Form AOC - I
Part "A": Subsidiaries

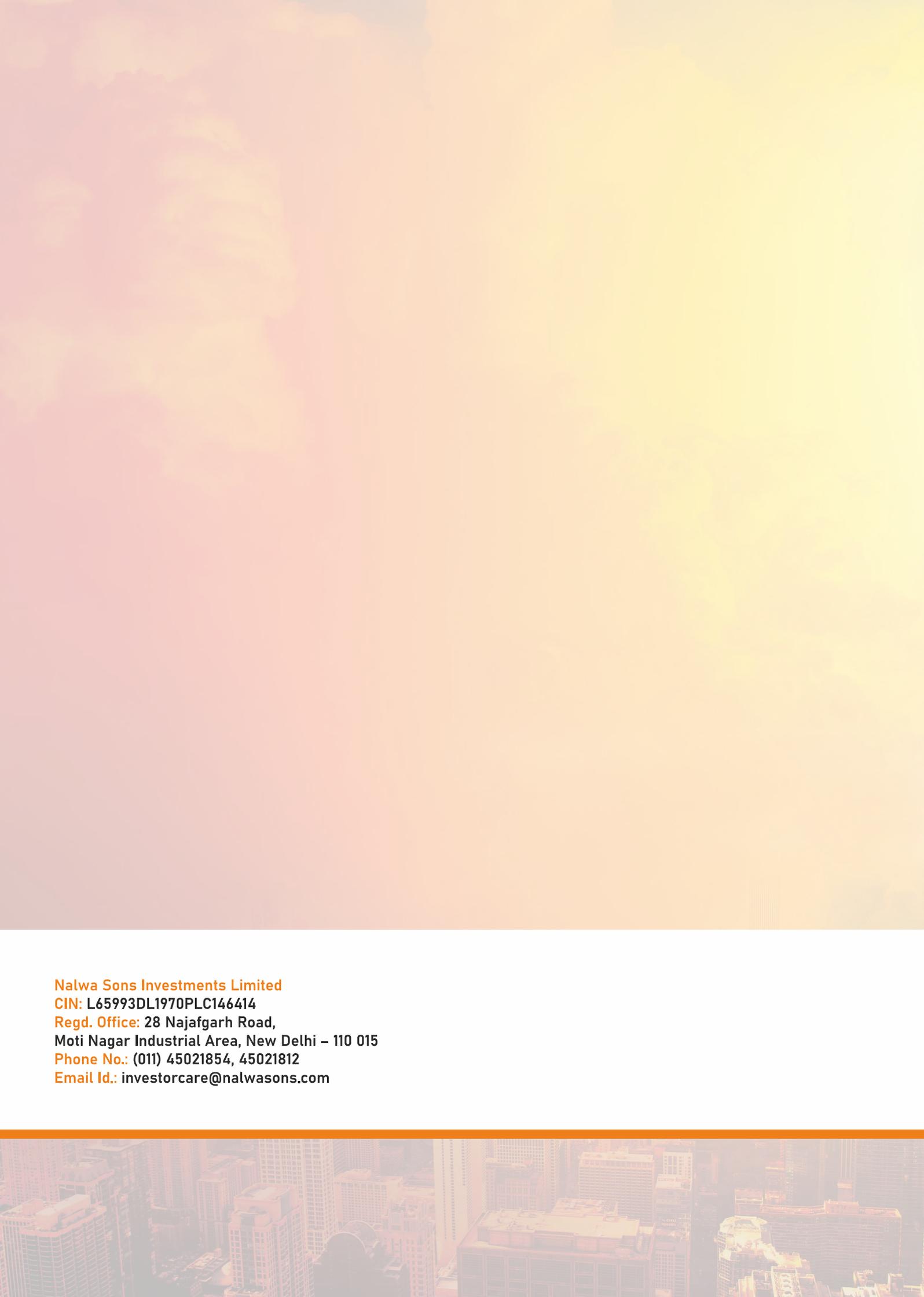
Rs. in Lacs

| Sr. No. | Particulars | Subsidiary Companies | | |
|---------|-------------------------------|---|-----------------------|-------------------------------|
| | | Bharmputra Capital & Financial Services Limited | Nalwa Trading Limited | Jindal Steel & Alloys Limited |
| 1 | Capital | 4,259.00 | 1,849.98 | 702.00 |
| 2 | Reserves | (637.72) | 5,403.09 | 11,443.09 |
| 3 | Total Assets | 3,622.65 | 8,880.28 | 12,146.35 |
| 4 | Total Liabilities (Outside) | 1.37 | 1,627.21 | 1.26 |
| 5 | Investments | 10.02 | 8,874.39 | 990.89 |
| 6 | Turnover/Total Income | 6.26 | 152.40 | 1,990.78 |
| 7 | Profit/(Loss) before Taxation | 405.26 | 150.09 | 968.21 |
| 8 | Provision for Taxation | 111.69 | - | 247.41 |
| 9 | Profit/(Loss) after Taxation | 293.57 | 150.09 | 720.79 |
| 10 | Proposed Dividend | - | - | - |

Part "B": Associate

Rs. in Lacs

| Sr. No. | Name of Associate | Jindal Equipment Leasing and Consultancy Services Limited |
|---------|--|---|
| 1 | Latest Audited Balance Sheet Date | 3/31/2023 |
| 2 | Shares of Associate held by the Company on the year end | |
| | No. of Shares | 2,039,000 |
| | Amount of Investment in Associate (Rs. in Lakhs) | 1,156.15 |
| | Extent of Holding % | 25.52% |
| 3 | Description of how there is significant influence | Holding more than 20% shares |
| 4 | Reason why the associate/joint venture is not consolidated | NA |
| 5 | Networth attributable to Shareholding as per latest audited Balance Sheet (In lakhs) | 11,847.63 |
| 6 | Profit / (Loss) for the year | |
| | i. Considered in Consolidation | 3,427.66 |
| | ii. Not Considered in Consolidation | - |



Nalwa Sons Investments Limited

CIN: L65993DL1970PLC146414

**Regd. Office: 28 Najafgarh Road,
Moti Nagar Industrial Area, New Delhi – 110 015**

Phone No.: (011) 45021854, 45021812

Email Id.: investorcare@nalwasons.com



BUSINESS
RESPONSIBILITY AND
SUSTAINABILITY
REPORT²²⁻²³

Nalwa Sons Investments Limited

Section A: General Disclosure

I) Details of the listed entity:

| | | |
|-----|--|--|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L65993DL1970PLC146414 |
| 2. | Name of the Listed Entity | Nalwa Sons Investments Limited (“NSIL/the Company”) |
| 3. | Year of incorporation | 18-11-1970 |
| 4. | Registered office address | 28 Najafgarh Road, Moti Nagar Industrial Area, New Delhi – 110 015 |
| 5. | Corporate address | Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066 |
| 6. | E-mail | investorcare@nalwasons.com |
| 7. | Telephone | Phone: (01662) 222471-83; |
| 8. | Website | www.nalwasons.com |
| 9. | Financial year for which reporting is being done | 2022-23 |
| 10. | Name of the Stock Exchange(s) where shares are listed | (1) BSE Limited (2) National Stock Exchange of India Limited |
| 11. | Paid-up Capital | Rs. 5,13,61,630 |
| 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. Rakesh Kumar Garg, Executive* Director & C.E.O. Phone: 011-41462128 Email: rakeshgarg@jindalstainless.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 in this report are prepared on a standalone basis. |

* Mr. Rakesh Kumar Garg, Whole Time Director(Designated as Executive Director & C.E.O.) of the Company ceased to be director of the Company with effect from close of business hours on 31st August, 2023, due to his resignation on account of personal reasons. Consequently upon his resignation, you are requested to contact the following official of the Company for any information/ queries on the BRSR report:

Mr. Mahender Kumar Goel, Director
Phone No: (01662)- 222471-83
Email: investorcare@nalwasons.com

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. | Systemically Important Non-Deposit taking-Non Banking Financial Company | Investing in shares of Group Companies and granting loans | 100 |

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 | Interest and dividend | 642 | 100 |

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 | 0 | 3 | 3 |
| International | 0 | 0 | 0 |

17. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 2 |
| International (No. of Countries) | 0 |

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

c. **A brief on types of customers:** The Company is a Systemically Important Non-Deposit taking-Non Banking Financial Company in term of Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Company invests in securities of Group Companies and grant loans / provide security only to Group Companies.

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) |
| <u>EMPLOYEES</u> | | | | | | |
| 1. | Permanent (D) | 4 | 4 | 100 | 0 | 0 |
| 2. | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3. | Total employees (D + E) | 4 | 4 | 100 | 0 | 0 |
| <u>WORKERS</u> | | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0 | 0 | 0 |
| 5. | Other than Permanent (G) | 0 | 0 | 0 | 0 | 0 |
| 6. | Total workers (F + G) | 0 | 0 | 0 | 0 | 0 |

b. Differently abled Employees and workers:

| S. No | Particulars | Total (A) | Male | | Female | |
|---|--|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <u>DIFFERENTLY ABLED EMPLOYEES</u> | | | | | | |
| 1. | Permanent (D) | 0 | 0 | 0 | 0 | 0 |
| 2. | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3. | Total differently abled employees (D + E) | 0 | 0 | 0 | 0 | 0 |
| <u>DIFFERENTLY ABLED WORKERS</u> | | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0 | 0 | 0 |
| 5. | Other than permanent (G) | 0 | 0 | 0 | 0 | 0 |
| 6. | Total differently abled workers (F + G) | 0 | 0 | 0 | 0 | 0 |

19. Participation/Inclusion/Representation of women:

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 6 | 1 | 16.67 |
| Key Management Personnel | 3 | 0 | 0 |

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

| | FY 2022-23 (Turnover rate in current FY) | | | FY 2021-22 (Turnover rate in previous FY) | | | FY 2020-21 (Turnover rate in the year prior to the previous FY) | | |
|----------------------------|---|--------|-------|--|--------|-------|--|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 0 | 0 | 0 | 0 | 0 | 0 | 33.33 | 0 | 33.33 |
| Permanent Workers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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) |
|--------|--|--|-----------------------------------|--|
| 1. | Nalwa Trading Limited | Subsidiary | 86.95 | No |

| | | | | |
|----|---|------------|--------|----|
| 2. | Brahmaputra Capital & Financial Services Ltd | Subsidiary | 50.10 | No |
| 3. | Jindal Steel & Alloys Ltd | Subsidiary | 99.99 | No |
| 4. | Jindal Equipment Leasing and Consultancy Services Ltd | Associate | 25.52* | No |

* Represent voting power

VI) CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No): Yes**
(ii) Turnover (in Rs.): 7,24,168,613
(iii) Net worth (in Rs.): 336,02,32,589

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:

| 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 22-23 Current Financial Year | | | FY 21-22 Previous Financial Year | | |
|---|--|--|--|---------|--|--|---------|
| | | 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 |
| Communities | No | 0 | 0 | - | 0 | 0 | - |
| Investors (other than shareholders) | No | 0 | 0 | - | 0 | 0 | - |
| Shareholders | Yes | 12 | 1 | - | 12 | 0 | - |
| Employees and workers | www.nalwas.com | 0 | 0 | - | 0 | 0 | - |
| Customers | | 0 | 0 | - | 0 | 0 | - |
| Value Chain | | 0 | 0 | - | 0 | 0 | - |
| Other (please specify) | No | 0 | 0 | - | 0 | 0 | - |

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

| S. No. | Material issue identified | 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) |
|--------|---------------------------|--|---|--|---|
| 1 | Customer Lending | Risk | Lending to customers of NSIL for sustainable business practices | Ethics, transparency and accountability are deeply practiced in the company while dealing with customers. We ensure that our investment goes into sustainable business practices | Negative: Loss of reputation can result in loss of valuable customer thereby adversely impacting the Company |

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 |
|--|-------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | No | Yes | Yes | Yes | No | No | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No) | Yes | No | Yes | Yes | Yes | No | No | Yes | Yes |
| c. Web Link of the Policies, if available | www.nalwasons.com | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | No | Yes | Yes | Yes | No | No | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | No | Yes | Yes | Yes | No | No | Yes | Yes |

| | |
|--|--|
| 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. | - |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | Company is committed to lending the funds for sustainable business activities. |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | We are a lending company and we strive to abide by laws and regulations of the country. |
| Governance, leadership and oversight | |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>): | NSIL being a systemically important Non-Banking Finance Company has limited applicability of NGRBC principles. However, the company strives to follow applicable directions/ guidelines provided by the Government of India. Further, efforts are being made on the ESG front to contribute to the community through CSR activities. |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | The Risk Management Committee of the Board is responsible for implementation and oversight of the BR policies. |
| 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 The Risk Management Committee is responsible for overview and ensuring implementation of business sustainability policy (BRSR) and Mr. Rakesh Kumar Garg, Executive Director & C.E.O.* is the director responsible for decision making. |

* Mr. Rakesh Kumar Garg, Whole Time Director (Designated as Executive Director & C.E.O.) of the Company ceased to be director of the Company with effect from close of business hours on 31st August, 2023, due to his resignation on account of personal reasons. Consequently upon his resignation, Mr. Mahender Kumar Goel, Director of the Company is responsible for decision making on sustainability related issues w.e.f. 31st August, 2023.

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)” | | | | | | | | |
|---|--|----|----|----|----|----|----|----|----|---|----|----|----|----|----|----|----|----|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | The Risk Management Committee of the Board discuss & reviews the progress against sustainability parameters of the company and review the polices. | | | | | | | | | Annually | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, | No non-compliance was reported and any operational issues are being addressed on an ‘ongoing basis’ as and when identified | | | | | | | | | The Company is in compliance with the extant regulations to the extent applicable | | | | | | | | |

| | | |
|--------------------------------------|--|--|
| rectification of any non-compliances | | |
|--------------------------------------|--|--|

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. | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| | No |

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the Principles material to its business (Yes/No) | - | Yes | - | - | - | Yes | Yes | - | - |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | - | Yes | - | - | - | Yes | Yes | - | - |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | - | No | - | - | - | No | No | - | - |
| It is planned to be done in the next financial year (Yes/No) | - | No | - | - | - | No | 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 | % of persons in respective category covered by the awareness programmes |
|--------------------|--|---|---|
| Board of Directors | 1 | The Company regularly conducts familiarization programs | 100% |

| | | | |
|-----------------------------------|---|--|------|
| Key Managerial Personnel | 1 | for its directors to comply with SEBI Listing Regulations. Additionally, it keeps the Directors and KMPs updated on various industry-related matters such as risk management, governing regulations, ESG, information technology, business models, and their roles, rights and responsibilities. The Company also informs them about major developments and updates regarding the Company. Topics pertaining to integrity and ethics, core values, code of conduct and sustainability covered enabling KMPs to drive company's values, purpose and strategy in the business. | 100% |
| Employees other than BoD and KMPs | 0 | - | 0 |
| Workers | 0 | - | 0 |

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 INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine | -----NIL----- | | | | |
| Settlement | | | | | |
| Compounding fee | | | | | |

| Non-Monetary | | | | |
|--------------|-----------------|---|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | 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 |
|--------------|--|
| | NA |

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, if available

The Company considers ethics, transparency and accountability as its core values and strives to practice its business with high standards of integrity, which are upheld across the organization and are ingrained into its daily operations. All employees/stakeholders of NSIL are subjected to work within the boundaries of this policy. The Company follows the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('UPSI') and has established a Whistle Blower Policy which describes the process to report any unethical behaviour or violation of the Code of Conduct without the fear of victimisation. Sufficient measures have been put in place to safeguard employees against victimisation.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| | F.Y. 2022-23 Current Financial Year | F.Y. 2021-22 Previous Financial Year |
|-----------|-------------------------------------|--------------------------------------|
| Directors | 0 | 0 |
| KMPs | 0 | 0 |
| Employees | 0 | 0 |
| Workers | 0 | 0 |

6. Details of complaints with regard to conflict of interest:

| | F.Y. 2022-23 Current Financial Year | | F.Y. 2021-22 Previous Financial Year | |
|--|-------------------------------------|---------|--------------------------------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0 | - | 0 | - |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | 0 | - | 0 | - |

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 programmes conducted for value chain partners on any of the principles during the financial year

| Total number of awareness programmes held | Topics / principles covered under the training | Topics / principles covered under the training |
|---|--|--|
| -----NA----- | | |

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

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.

For identifying and tracking conflicts of interest involving the Directors/KMPs of the Company, the Secretarial team maintains a database of the Directors and the entities in which they are interested.

This list is shared with the Finance &Accounts department for monitoring and tracking transaction(s) entered by the Company with such parties. Additionally, the Senior Management also affirms annually that they have not entered into a material, financial and commercial transactions, which may have a potential conflict with the interest of the Company at large.

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.

| | Current F.Y. (2022-23) | Previous F.Y. (2021-22) | Detail of improvements in environmental and social impacts |
|-------|---------------------------|----------------------------|--|
| R &D | 0.00% | 0.00% | NA |
| Capex | 0.00% | 0.00% | NA |

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

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

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. – Not Applicable

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 | | | | | |

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.

| Name of Product / Service | Description of the risk / concern | Action Taken |
|--|-----------------------------------|--------------|
| Not applicable considering the Company's business operations | | |

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 | |
|--|--|--|
| | F.Y. 2022-23 Current Financial Year | F.Y. 2021-22 Current Financial Year |
| Not applicable considering the Company's business operations | | |

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:

| | F.Y. 2022-23 Current Financial Year | | | F.Y. 2021-22 Current Financial Year | | |
|--------------------------------|--|----------|-----------------|--|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | Not applicable considering the Company's business operations | | | | | |
| E-waste | | | | | | |
| Hazardous Waste | | | | | | |
| Other waste | | | | | | |

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

| Benefits | FY <u>2022-23</u> | | | FY <u>2021-22</u> | | |
|-------------------------|--|--|--|--|--|--|
| | 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.) |
| PF | 100 | 0 | Yes | 100 | 0 | Yes |
| Gratuity | 100 | 0 | Yes | 100 | 0 | Yes |
| ESI | NA | 0 | NA | NA | 0 | NA |
| Others – please specify | Nil | Nil | Nil | Nil | Nil | Nil |

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.:

Yes – All premises/ offices are accessible to differently abled employees, if any.

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.

We are in the process getting the board approval for this policy and will be hosting on website post approval

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 | No such instances reported. | | NA | |
| Female | | | | |
| Other | | | | |
| Total | | | | |

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 <i>(If Yes, then give details of the mechanism in brief)</i> |
|------------------------------|--|
| Permanent Workers | The Company does not have any Workers under employment. |
| Other than Permanent Workers | |

| | |
|--------------------------------|---|
| Permanent Employees | The Company follow an “open-door” approach. 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 recognised by the listed entity:

| Category | FY 22-23 | | | FY 21-22 | | |
|----------------------------------|--|---|-----------|--|---|-----------|
| | 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 | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| - Male | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| - Female | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| Total Permanent Workers | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| - Male | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| - Female | 0 | 0 | 0.00% | 0 | 0 | 0.00% |

8. Details of training given to employees and workers

| Category | Current FY (22-23) | | | | | Previous FY (21-22) | | | | |
|------------------|--------------------|----------------------|-----------|----------------------|-----------|---------------------|-------------------------------|-----------|----------------------|-----------|
| | Total (A) | On Health and safety | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| Employees | | | | | | | | | | |
| Male | 1 | 1 | 100% | 1 | 100% | 1 | 1 | 100% | 1 | 100% |
| Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1 | 1 | 100% | 1 | 100% | 1 | 1 | 100% | 1 | 100% |
| Workers | | | | | | | | | | |

| | | | | | | | | | | |
|--------------|---|---|---|---|---|---|---|---|---|---|
| Male | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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

| Category | Current FY (22-23) | | | Previous FY (21-22) | | |
|------------------|--------------------|---------|-----------|---------------------|---------|-----------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| Employees | | | | | | |
| Male | 1 | 1 | 100% | 1 | 1 | 100% |
| Female | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 1 | 1 | 100% | 1 | 1 | 100% |
| Workers | | | | | | |
| Male | 0 | 0 | 0 | 0 | 0 | 0 |
| Female | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 | 0 |

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?**

Yes, the company has a occupational health & safety management system in place for all the eligible employees

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Given our nature of our business, this is not directly applicable however, hazard risk identification is a continuous process.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes

- 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 | Current FY (22-23) | Previous FY (21-22) |
|---|-----------|--------------------|---------------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person | Employees | 0 | 0 |

| | | | |
|---|-----------|---|---|
| hours worked) | Workers | 0 | 0 |
| Total injuries recordable work-related | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

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

The company is committed to provide a safe and healthy workplace by minimizing injuries, exposure to health risks, accidents and complies with all applicable laws and regulations with respect to safety at workplace.

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

| | Current FY (22-23) | | | Previous FY (21-22) | | |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | 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 | 0 | 0 | - | 0 | 0 | - |
| Health & Safety | 0 | 0 | - | 0 | 0 | - |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 0.00% |
| Working Conditions | 0.00% |

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.

No corrective actions have been identified as necessitated for the year.

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).: Yes**
- 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 is compliant to statutory dues of employees towards income tax, provident fund etc. as applicable from time to time. Periodic audits are also conducted to ensure compliance.

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 in suitable employment or whose family members have been placed in suitable employment:

| | 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 (22-23) | PY (21-22) | FY (22-23) | PY (21-22) |
| Employees | 0 | 0 | 0 | 0 |
| Workers | 0 | 0 | 0 | 0 |

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 | 0.00% |
| Working Conditions | 0.00% |

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.

No corrective action plan has been necessitated on the above-mentioned parameters

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

Any individual or group of individuals or institution that adds value to the business chain of the company is identified as a core stakeholder. The Company have mapped its internal as well as external stakeholders and maintains a dynamic and strategic stakeholder engagement process and carries out engagements with investors, employees, clients and business partners, etc.

There is a defined set of processes for interacting and engaging with various stakeholders at various levels and specialised teams ensure communication with various stakeholders internally and externally which helps the Company in understanding their concerns and respond to them appropriately. The Company also have a dedicated Committee of the Board to engage and monitor the grievances of its investors and shareholders. In addition, the Company practices affirmative action and ensures there is no discrimination of any type against disadvantaged sections at the work place, be it social, economic or otherwise.

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 |
|--|--|--|--|--|
| Investors/ Shareholders | No | Annual General Meeting, Advertisements, website | Quarterly | To update on business performances and developments in the Company and what its plans to do in near term future |
| Employees | No | Newsletters, Emails and meetings, Training programs like Employee engagement initiatives, Performance appraisal, Grievance redressal mechanisms, Notice boards | As and when required | To keep employees abreast of key developments happening in the company and also addressing their grievances and transparent feedback |
| Government Authorities | No | Advertisements, website, Phone calls, emails and Meetings, Regulatory audits/ inspections | As and when required | Discussions with regard to various regulations, amendments, inspections, approvals and assessments. |
| Communities & Civil Society/ NGOs | No | Meetings and briefings, Training and workshops, Impact assessment Surveys. | As and when required | Support CSR projects |

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's business activities include a constant process of engagement with its stakeholders. According to the requirements, the top management also participates in discussions with stakeholders, driven by the responsible business functions. Any material feedback received from the stakeholders is communicated to the Board on an ongoing basis and the Board offers its advice and comments on such matters.

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 Company engages with various stakeholders in helping to ensure that every group's expectations are heard. Constant interaction with stakeholders helps to improve the Company's ability to better serve its stakeholders and hence, the Company is open to enact upon and incorporate any relevant suggestions. Social development activities are carried out through Jindal foundation which works towards eradicating poverty and hunger, tackling malnutrition, promoting social development, addressing social inequalities by empowering vulnerable sections of the society, addressing environmental issues etc. Through continuous and purposeful engagement with the local communities, we work towards creating a value-based and empowered society.

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

The Company is committed to building constructive relationships with all its stakeholders. Engagements with stakeholders are done on diverse issues. The Company aims to involve itself in projects and programmes, with due consideration to the environment and existing conditions.

Proactive engagement with stakeholders provides the Company with insights that help us to gain information on material issues, shape business strategy & operations and minimise the risk of reputation.

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:

Majority of our employees are provided with human rights awareness. For all new employees who are onboarded, Human Rights awareness is part of the induction session. For worker category, face to face/ classroom session on the code of conduct is done which includes aspects of Human Rights.

| Category | FY 22-23 | | | PY 21-22 | | |
|------------------|-----------|---------------------------------------|-----------|-----------|---------------------------------------|-----------|
| | Total (A) | No. of Employees/ workers covered (B) | % (B / A) | Total (C) | No. of employees/ workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 4 | 4 | 100% | 4 | 4 | 100% |

| | | | | | | |
|------------------------|---|---|------|---|---|------|
| Other permanent than | - | - | - | - | - | - |
| Total Employees | 4 | 4 | 100% | 4 | 4 | 100% |
| Workers | | | | | | |
| Permanent | - | - | - | - | - | - |
| Other than permanent | - | - | - | - | - | - |
| Total Workers | - | - | - | - | - | - |

2. Details of minimum wages paid to employees and workers

| Category | FY 22-23 | | | | | PY 21-22 | | | | |
|-----------------------------|-----------|--------------------|---------|------------------------|--------|-----------|-----------------------|--------|------------------------|--------|
| | Total (A) | Equal Minimum Wage | | More than Minimum Wage | | Total (D) | Equal Minimum Wage to | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | %(C/A) | | No. (E) | %(E/D) | No. (F) | %(F/D) |
| Employees | | | | | | | | | | |
| Permanent | 4 | 0 | 0% | 4 | 100% | 4 | 0 | 0% | 4 | 100% |
| Male | 4 | 0 | 0% | 4 | 100% | 4 | 0 | 0% | 4 | 100% |
| Female | 0 | 0 | % | 0 | 0 | 0 | 0 | % | 0 | 0 |
| Other | - | - | - | - | - | - | - | - | - | - |
| Other than Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Workers | | | | | | | | | | |
| Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |
| Other than Permanent | - | - | - | - | - | - | - | - | - | - |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - |

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

| | Male | | Female | | Other | |
|--|--------|---|--------|--|--------|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration / salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| | | | | | | |

| | | | | | | |
|----------------------------------|---|---|---|---|---|---|
| Board of Directors (BoD) | 4 | * | 1 | * | 0 | 0 |
| Key Managerial Personnel | 3 | * | 0 | * | 0 | 0 |
| Employees other than BoD and KMP | 1 | * | 0 | * | 0 | 0 |
| Workers | 0 | 0 | 0 | 0 | 0 | 0 |

* Please refer Annexure C of the Directors Report

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):

Yes. Human Rights is a sensitive issue and NSIL has zero tolerance to Human Rights violations. Human Rights is one of the key focus areas for the company. Customers should be treated fairly and transparently, according to the Company. The Company's Code of Conduct applies to all of the Company's employees' interactions with one another, as well as with customers, regulators, investors, and other government agencies.

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

Human Rights is one of the core values of the Company. The Company is committed to maintaining a safe and harmonious business environment and workplace for everyone, irrespective of ethnicity, region, sexual orientation, race, caste, gender, religion, disability, work, designation, and such other parameters.

We believe that every human being has the right to equality and non-discrimination. We respect human rights and are committed to ensuring that they are protected, guided by our human rights policy.

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

| | FY 22-23 | | | PY 21-22 | | |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | 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 | 0 | 0 | - | 0 | 0 | - |
| Discrimination at workplace | 0 | 0 | - | 0 | 0 | - |
| Child Labour | 0 | 0 | - | 0 | 0 | - |
| Forced Labour/ Involuntary Labour | 0 | 0 | - | 0 | 0 | - |
| Wages | 0 | 0 | - | 0 | 0 | - |

| | | | | | | | |
|---------------------------|----------------|---|---|---|---|---|---|
| Other human rights issues | rights related | 0 | 0 | - | 0 | 0 | - |
|---------------------------|----------------|---|---|---|---|---|---|

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

The Company is dedicated to providing equal opportunities to all individuals and is intolerant of discrimination and harassment based on race, sex, nationality, ethnicity, origin, religion, age, disability, sexual orientation, gender identification and language as protected by applicable laws.

NSIL endeavors to ensure a safe, secure and congenial work environment, so that employees can deliver their best without inhibition. The Company has put in place a Grievance Redressal process for investigation of employee concerns and has instituted a Code of Conduct & Employee Service Rules that clearly delineates employee responsibilities and acceptable employee conduct. Together, these constitute the foundation for promoting a diverse and inclusive culture at the workplace. Also Company is in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

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

The Company expects all its business partners to adhere to all applicable regulations including human rights.

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 | 0.00% |
| Sexual harassment | 0.00% |
| Discrimination at workplace | 0.00% |
| Wages | 0.00% |
| Others – please specify | 0.00% |

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

No complaints related to child labour, forced labour, involuntary labour, or discriminatory employment were received during the reporting year and none are pending at the end of the reporting year.

Leadership Indicators

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

As there were no complaints in the F.Y. 2022-23, no business process was modified/introduced due to this.

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

We propose to carry out the assessment in the near future.

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, the office is accessible to differently abled persons.

4. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|--|
| Sexual Harassment | 0.00% |
| Discrimination at workplace | 0.00% |
| Child Labour | 0.00% |
| Forced Labour/Involuntary Labour | 0.00% |
| Wages | 0.00% |
| Others – please specify | 0.00% |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.: Not Applicable

PRINCIPLE 6 - Businesses should respect and make efforts to protect and restore the environment

The company respects environment and believes in conducting business sustainably for themselves as well as for its value chain partners. The company is into the business of lending & making investments in group companies and hence, parameters related to Principle 6 are not material to the company and hence not reported.

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. : Nil
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) 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) |
|--------|---|---|
| None | | |

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

| Sr. No. | Name of authority | Brief of the case | Corrective action taken |
|---|-------------------|-------------------|-------------------------|
| No adverse orders received from regulatory authorities for anti-competitive conduct | | | |

Leadership Indicators

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

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others– please specify) | Web Link, if available |
|--------|-------------------------|-----------------------------------|--|--|------------------------|
| NA | | | | | |

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 project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|----------------------|----------------------|---|--|-------------------|
| Not Applicable, as there were no projects that require SIA as per law in the current year | | | | | |

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

| S. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|----------------|--|-------|----------|---|--------------------------|---|
| Not Applicable | | | | | | |

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

All grievances could be submitted at investorcare@nalwasons.com. This is provided in the Annual Report which is made available on the Company's website. The grievances are then shared to the respective team who will handle the same

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

| | FY 22-23 | PY 21-22 |
|--|----------|----------|
| Directly sourced from MSMEs/ small producers | 0.00 | 0.00 |
| Sourced directly from within the district and neighbouring districts | 0.00 | 0.00 |

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):

| Sr. No. | Details of negative social impact identified | Corrective action taken |
|---|--|-------------------------|
| Not Applicable, as there were no projects that require SIA as per law in the current year | | |

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

| S. No. | State | Aspirational District | Amount spent (In |
|--------|---------|-----------------------|------------------|
| 1. | Haryana | Hisar | 7,99,390 |
| 2. | Haryana | Gurugram | 80,000 |
| 3. | Delhi | New Delhi | 6,59,966 |
| 4. | Odisha | Jajpur | 1,20,644 |
| 5. | Gujarat | Vadodra | 40,000 |

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

(b) From which marginalised /vulnerable groups do you procure – NA

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

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

| Sr. No. | Name of authority | Brief of the Case | Corrective action |
|----------------|-------------------|-------------------|-------------------|
| Not Applicable | | | |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|---------------------------------|---|--|
| 1 | Health supporting activities | 19 | - |
| 2 | Education supporting activities | 12 | - |

| | | | |
|---|---|-----|---|
| 3 | Education and financial assistance, vaccination support to covid effected persons | 238 | - |
|---|---|-----|---|

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

We are adopting a policy for addressing grievances which will be available on our website post board approval.

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

| | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 0.00 |
| Safe and responsible usage | 0.00 |
| Recycling and/or safe disposal | 0.00 |

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

| | FY 22-23 | | Remarks | PY 21-22 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | 0 | 0 | - | 0 | 0 | - |
| Advertising | 0 | 0 | - | 0 | 0 | - |
| Cyber-security | 0 | 0 | - | 0 | 0 | - |
| Delivery of essential services | 0 | 0 | - | 0 | 0 | - |
| Restrictive Trade Practices | 0 | 0 | - | 0 | 0 | - |
| Unfair Trade Practices | 0 | 0 | - | 0 | 0 | - |
| Other | 0 | 0 | - | 0 | 0 | - |

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

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0 | 0 |
| Forced recalls | 0 | 0 |

- 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.**

We are adopting a policy for cybersecurity which will be available on our website post board approval.

- 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 Indicator

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

All information regarding the Company's business can be accessed through the Company's website www.nalwasons.com and in its periodic disclosures such as the annual report.

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

The company ensure that the borrowers use the funds in sustainable business practices

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

The process is fairly established and robust between company and the customers in case of nay disruptions related to lending.

- 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. The financial transactions are governed as per the laws and regulations of the country.

- 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 customer – Nil**