

**NAGA DHUNSERI GROUP LIMITED**

CIN No. L01132WB1918PLC003029
REGISTERED OFFICE : DHUNSERI HOUSE
4A WOODBURN PARK, KOLKATA - 700 020
Phone : 2280 1950 (5 Lines) Fax : 91 33 2287 8995

Ref. No. NDGL/7/2021/

24.08.2021

To,
National Stock Exchange of India Limited
(Symbol: NDGL)
Exchange Plaza,
Plot No: C/I, G Block,
Bandra - Kurla Complex, Bandra (E)
Mumbai - 400 051

Sub: Annual Report for the Financial Year ended 31st March, 2021

Dear Sir / Ma'am,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed the Annual Report of the Company for the Financial Year ended 31st March, 2021 along with the Notice of the 103rd Annual General Meeting of the Company to be held on Friday, 17th September, 2021 at 03:00 P.M. (IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM").

The same is available on our website:

<https://www.nagadhunserigroup.com/downloads/Annual-Report-2021-NAGA.pdf>

This is for your information and record.

Thanking You.

Yours faithfully,
For Naga Dhunseri Group Limited

Chitra Thakwani
Chitra Thakwani
Company Secretary & Compliance Officer



Encl: As above.

Email: mail@nagadhunserigroup.com Website : www.nagadhunserigroup.com



Naga Dhunseri Group Limited

Annual Report 2020 - 2021

NAGA DHUNSERI GROUP LIMITED

CIN : L01132WB1918PLC003029

BOARD OF DIRECTORS :

Mr. Chandra Kumar Dhanuka, Chairman
Mrs. Aruna Dhanuka, Vice Chairman
Mr. Mrigank Dhanuka
Mrs. Bharati Dhanuka
Mr. Indra Kishore Kejriwal
Mr. Gobind Ram Goenka
Mr. Rajeev Rungta
Mrs. Rusha Mitra

CHIEF EXECUTIVE OFFICER

Mr. Hari Prasad Bhuwania

CHIEF FINANCIAL OFFICER

Mr. Ayush Beriwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Chitra Thakwani

INTERNAL AUDITORS

M/s Damle Dhandhanian & Associates
Chartered Accountants

STATUTORY AUDITORS

M/s Dhandhanian & Associates
Chartered Accountants

SECRETARIAL AUDITORS

Sushil Tiwari & Associates
Practicing Company Secretary

BANKERS

State Bank of India
HDFC Bank Ltd.

ASSOCIATE COMPANY

M/s Dhunseri Investments Ltd.
CIN: L15491WB1997PLC082808

REGISTERED OFFICE

"Dhunseri House"
4A, Woodburn Park
Kolkata – 700020
CIN: L01132WB1918PLC003029
Phone : (033) 2280-1950 (5 Lines)
Fax : (033) 2287 8995
Email : mail@nagadhunserigroup.com
Website : www.nagadhunserigroup.com

REGISTRAR & SHARE TRANSFER AGENTS

M/s Maheshwari Datamatics Pvt. Ltd.
23, R.N. Mukherjee Road, 5th Floor,
Kolkata – 700001
Phone : (033) 2243-5029/2248-2248
Fax : (033) 2248 4787
Email : mdpldc@yahoo.com

103RD ANNUAL GENERAL MEETING

Friday, 17th September, 2021 at 03.00 P.M.

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NAGA DHUNSERI GROUP LIMITED

CIN: L01132WB1918PLC003029

Regd. Office: Dhunseri House, 4A, Woodburn Park, Kolkata-700020

Phone: 2280-1950(5 Lines); Fax: 91-33-2287 8350 / 9274

Website: www.nagadhunserigroup.com; E-mail: mail@nagadhunserigroup.com

NOTICE

NOTICE is hereby given that the 103rd Annual General Meeting (AGM) of the Members of NAGA DHUNSERI GROUP LIMITED will be held on Friday, 17th September, 2021, at 03:00 P.M. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following businesses:-

ORDINARY BUSINESS:

1. Adoption of the Financial Statements

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year 2020-21 and the Reports of the Board of Directors and Auditors thereon.

2. Declaration of Dividend

To declare Dividend on the Equity Shares of the Company @ of ₹ 2.50 per Equity Share for the Financial Year ended 31st March, 2021.

3. Appointment of Director

To appoint a Director in place of Mr. Chandra Kumar Dhanuka (DIN:00005684), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Mrs. Bharati Dhanuka(DIN: 02397650) as a Non-Executive Non-Independent Director:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT based on the recommendation of the Nomination and Remuneration Committee, Mrs. Bharati Dhanuka (DIN: 02397650), wife of Mr. Mrigank Dhanuka residing at 11, Ardmore Park, #19-04, Ardmore Park, Singapore – 259957 who was appointed as an Additional Director with effect from 12th February, 2021, by the Board of Directors and who hold office upto the date of this AGM of the Company under Section 161(1) of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with relevant rules made thereunder and also in accordance with the provisions of the Articles of Association of the Company, who is eligible for appointment, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company with effect from 12th February, 2021. Mrs. Bharati Dhanuka will be liable to retire by rotation.

5. Appointment of Mrs. Rusha Mitra (DIN: 08402204) as a Non-Executive Independent Director:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Rusha Mitra holding DIN:08402204, who based on the recommendation of the Nomination and Remuneration Committee

NOTICE (Contd.)

was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 26th May, 2021 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the conclusion of this Annual General Meeting (AGM), be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years, not liable to retire by rotation w.e.f. the date of this AGM.”

6. Adoption of the new set of Articles of Association:

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder and including any statutory modification or re-enactment thereof for the time being in force, the existing Articles of Association of the Company be and is hereby replaced with the new set of Articles of Association of the Company drawn up in accordance with the provisions of the Companies Act, 2013 and Rules framed thereunder and that the new set of Articles of Association of the Company is in place of and exclusion of the existing Articles of Association of the Company.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all necessary steps for adoption of the new set of Articles of Association of the Company in lieu of the existing one.”

By Order of the Board
For **Naga Dhunseri Group Limited**

Chitra Thakwani

Company Secretary & Compliance Officer

Place : Kolkata

Date : 29th June, 2021

ACS 54009

NOTES:

1. In view of the second wave of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Accordingly, in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM on Friday, 17th September, 2021 through VC / OAVM. The deemed venue for the AGM will be the Registered Office of the Company.
2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in relation to the Special Business set out under item no. 4, 5 and 6 of the accompanying Notice, is annexed hereto.
3. Details as required in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards- 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director(s) seeking appointment / re-appointment at the Annual General Meeting (AGM), forms an integral part of the Notice. The Directors have furnished the requisite declaration for their appointment / re-appointment.

NOTICE (Contd.)

4. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM / AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC / OAVM and participate there at and cast their votes through e-voting.
5. AGM will be convened through VC / OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 11th September, 2021 to Friday, 17th September, 2021(both days inclusive).
7. Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer, Mr. Atul Kumar Labh (FCS-4848; CP-3238), Practicing Company Secretary, by e-mail to aklabhcs@gmail.com with a copy marked to evoting@nsdl.co.in.
8. Subject to provisions of Section 126 of the Companies Act, 2013, Dividend for the Financial Year ended 31st March, 2021, as recommended by the Board if approved at the AGM will be on or after, Thursday, 23rd September, 2021.
 - a) To those Members whose names appear in the Register of Members of the Company as on 17th September, 2021.
 - b) In respect of Shares held in Electronic Form, to those "Deemed Members" whose names appear on the Statements of Beneficial Ownership furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services(India) Ltd. (CDSL), at the end of the business hours on 10th September, 2021.
9. Members holding shares in Electronic Form are hereby informed that Bank particulars registered against their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of Bank particulars or Bank mandates. Such changes are to be intimated only through the respective Depository Participants. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
10. Pursuant to the Income Tax Act, 1961 ('IT Act') read with the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from April 1, 2020 and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing information and detailed instructions with respect to tax on dividend for the Financial Year ended 31st March, 2021 is being sent separately by the Company to the Members.
11. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrants to such Members.
12. Members holding shares in Physical Form are requested to intimate any change of address and/ or bank mandate to the Company at the Registered Office or Company's Registrar & Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited, at 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001.

NOTICE (Contd.)

13. The details of Director seeking appointment / re-appointment under Item no. 3, 4 and 5 of this Notice is annexed hereto.
14. In compliance with MCA Circulars, Notice of the AGM along with the Annual Report for FY 2020-21 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or NSDL/ CDSL ("Depositories").
15. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited at mdpldc@yahoo.com. Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back) and self-attested copy of PAN card for updation of email address. Members holding shares in dematerialised mode are requested to register / update their email addresses with their Depository Participants.
16. Members with physical holding may also directly register their email id/update their PAN by visiting the link of the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd. as given below:

Link for email registration - <http://mdpl.in/form/email-update>

Link for PAN Updation - <http://mdpl.in/form/pan-update>

Members with demat holding may Register/Update their e-mail id through respective Depository Participants (DPs) (Any such updation effected by the DPs will automatically reflect in the Company's subsequent records).
17. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, Members may note that the Notice and Annual Report for FY 2020-21 has been uploaded on the Company's website www.nagadhunserigroup.com. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL i.e. www.evoting.nsdl.com.

PROCEDURE FOR ATTENDING THE AGM THROUGH VC / OAVM:

18. The Members can join the AGM in the VC / OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for members on first come first served basis. The large Shareholders (i.e., Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. can attend the AGM without any restriction on account of first come first served basis.
19. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
20. The Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General Meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.

NOTICE (Contd.)

21. The Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
22. The Members are requested to join the Meeting through Laptops for better experience and will be required to allow Camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
23. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. PallaviMhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS DURING AGM

24. The Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request mentioning their name, DP Id and Client Id /folio number, PAN, mobile number at mail@nagadhunserigroup.com on or before 10th September, 2021. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.
25. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
26. The Chairman of the Meeting reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

PROCEDURE FOR REMOTE E-VOTING

27. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL. The Company is pleased to provide its Members with a facility to exercise their right to vote by electronic means for the business to be transacted at the AGM.
28. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, the 10th September, 2021 i.e. the cut-off date, are entitled to attend and vote at the AGM.
29. The remote e-voting period will commence at 09.00 A.M. on Tuesday, 14th September, 2021 and will end at 5.00 P.M. on Thursday, 16th September, 2021. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 10th day of September, 2021 may cast their vote by remote e-voting. Once the

NOTICE (Contd.)

vote on a resolution is cast by Member, it shall not be allowed to be changed subsequently. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 10th September, 2021.

In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

The Company has appointed Mr. Atul Kumar Labh (FCS-4848; CP-3238), Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

30. How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system





A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to 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 in order to access e-Voting facility.

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

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.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 |

NOTICE (Contd.)

| | |
|--|---|
| | <p>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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="text-align: center;">  App Store  Google Play </div> <div style="text-align: center;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users 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. Click on NSDL 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 i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

NOTICE (Contd.)

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders 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 Shareholders 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 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

NOTICE (Contd.)

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.

NOTICE (Contd.)

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

PROCEDURE FOR E-VOTING DURING THE DAY OF AGM

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to mail@nagadhunserigroup.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e.Login_method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

General Guidelines for Shareholders

31. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 10th September, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 10th September, 2021, may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-voting system" (Above).

NOTICE (Contd.)

32. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
33. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager and /or Ms. Pallavi Mhatre, Manager evoting@nsdl.co.in.
34. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
35. The details of the voting result along with the Scrutinizer's Report shall be submitted to the Stock Exchange i.e. National Stock Exchange of India Limited where the Shares of the Company are listed within forty eight hours of conclusion of the AGM and shall also be placed on the Company's website at www.nagadhunserigroup.com and on NSDL's website at www.evoting.nsdl.com simultaneously.

OTHER INSTRUCTIONS:

36. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements, if any, in which Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection during the meeting on the NSDL e-voting system after login.
37. Members who have not encashed their dividend warrants, if any, for the financial years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 are requested to contact at the Registered Office of the Company or Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited at 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001.
38. Members are requested to note that the unclaimed or unpaid dividend amounts lying with the Company as on the date of 31st March, 2021, for the last 7 years from Financial Year 2013-14 to 2019-20, has been uploaded on the website of the Company.
39. Members are requested to note that under Section 124(5) of the Companies Act, 2013, dividends not encashed / claimed within seven consecutive years in respect of the financial year 2012-13 have been transferred to IEPF under Section 125(1) of the Companies Act, 2013. The relevant shares in respect of which dividend have not been claimed for seven consecutive years or more have also been transferred to IEPF under Section 124(6) of the Companies Act, 2013. The claimant of any shares and dividend transferred to as aforesaid shall be entitled to claim the shares and dividend from IEPF in accordance with such procedure and submission of such documents as prescribed in IEPF Rules, 2016.
40. Members are requested to note that unclaimed dividend for the Financial Year 2013-14 and the corresponding Equity shares of the Company in respect of which dividend entitlements have remained unclaimed / unpaid for seven consecutive years will be due for transfer to the IEPF of the Central Government on 11th October, 2021 and the reminder letter has also been sent to the shareholders for claiming the same by 10th September, 2021. Notice of the same has also been published in the newspapers.

NOTICE (Contd.)

41. Members may communicate with the Company Secretary or with the Company's Registrar and Share Transfer Agent for redressal of their queries, if any.
42. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. Members holding shares in demat form are, requested to submit PAN and Bank Account details to the Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN and Bank Account details either to the Company Secretary at the Registered Office or to the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited.
43. The Company's Shares are available in demat mode. The Shares of the Company can be dematerialised under ISIN: INE 756C01015. In terms of SEBI Circular, physical shares cannot be transferred w.e.f. 1st April, 2019. Members are requested to dematerialise their physical shares for operational convenience.
44. Members desiring any information relating to the accounts are requested to write to the Company atleast 10 days in advance so as to enable the management to keep the information ready.

ANNEXURE TO THE NOTICE:
EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")
Item No. 4
Appointment of Mrs. Bharati Dhanuka (DIN : 02397650) as a Non-Executive Non-Independent Director :

The Board of Directors at its meeting held on 12th February, 2021, on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Bharati Dhanuka holding DIN 02397650 as an Additional Director in the Company in the category of Non-Executive Non-Independent Director w.e.f. 12th February, 2021. Mrs. Bharati Dhanuka has submitted form DIR-8 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. Mrs. Bharati Dhanuka, being eligible seeks appointment, as a Non-Executive Non-Independent Director w.e.f. this Annual General Meeting (AGM).

A brief profile of Mrs. Bharati Dhanuka is included as an annexure to this Notice as per requirements of Regulations 36(3) of SEBI (LODR) Regulations, 2015.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

Mr. Mrigank Dhanuka, Mrs. Aruna Dhanuka and Mr. Chandra Kumar Dhanuka are related to Mrs. Bharati Dhanuka.

Item No. 5
Appointment of Mrs. Rusha Mitra (DIN : 08402204) as a Non-Executive Independent Director :

The Board of Directors at their meeting held on 26th May, 2021, on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Rusha Mitra holding (DIN 08402204) as an Additional Director in the Company w.e.f. 26th May, 2021. At the first Board Meeting of the Company considering her appointment, Mrs. Rusha Mitra submitted a declaration under Section 149(7) of the Companies Act, 2013, to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 as well as form DIR-8 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. Mrs. Rusha Mitra, being eligible seeks appointment, as an Independent Director for a term of five years w.e.f. this Annual General Meeting (AGM).

The Company and Mrs. Rusha Mitra shall abide by the provisions specified in Schedule IV of the Companies Act, 2013 and shall be governed and guided by the guidelines of professional conduct, role and functions, duties, manner of appointment, reappointment, resignation or removal, separate meetings and evaluation mechanism as provided therein, her appointment once made at the meeting shall be formalized through a letter of appointment.

NOTICE (Contd.)

The Board, based on the recommendation of Nomination and Remuneration Committee, considers that given her skills, integrity, expertise and experience (including the proficiency), the association of Mrs. Rusha Mitra would be beneficial to the Company and it is desirable to avail her services as an Independent Director.

The resolution seeks the approval of members for the appointment of Mrs. Rusha Mitra as an Independent Director of the Company for a period of five years from 26th May, 2021 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

In the opinion of the Board of Directors, Mrs. Rusha Mitra, the Independent Director proposed to be appointed, fulfils the condition specified in the Companies Act, 2013 and the Rules made thereunder and she is Independent of the Management.

The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

None of the Directors, Key managerial personnel and relatives of such persons except Mrs. Rusha Mitra, to whom the resolution relates, is, in any way, concerned or interested, financial or otherwise, in the resolution.

Item No. 6**Adoption of the New set of Articles of Association**

The existing Articles of Association of the Company needs to be changed to comply with the requirements of the various provisions of the Companies Act, 2013 and Rules framed thereunder. Accordingly a new set of Articles of Association has been prepared which will replace the existing Articles of Association of the Company and the shareholder's consent is hereby sought for adoption of the new Articles of Association in lieu of the existing Articles of Association of the Company.

None of the Directors, Key Managerial Personnel of the Company and / or their relatives financially or otherwise, are in any way concerned or interested in the resolution.

The Board recommends the Special Resolution as set forth in Item no. 6 for approval of the Members.

Details of Director seeking appointment/re-appointment in the forthcoming Annual General Meeting[Information pursuant to Regulations 36(3) & 26(4) of SEBI (LODR) Regulations, 2015]

| | | | |
|--|---|--|--|
| Name of the Director | Mr. Chandra Kumar Dhanuka | Mrs. Bharati Dhanuka | Mrs. Rusha Mitra |
| Date of Birth | 19.01.1954 | 12.03.1980 | 20.03.1985 |
| Date of Appointment | 27.11.2009 | 11.02.2021 | 26.05.2021 |
| Relationship with Directors and Key Managerial Personnel | Related with Mrs. Aruna Dhanuka, Mr. Mrigank Dhanuka and Mrs. Bharati Dhanuka | Related with Mr. Mrigank Dhanuka, Mrs. Aruna Dhanuka and Mr. Chandra Kumar Dhanuka | Not Related |
| Expertise in specific functional areas | Mr. C. K. Dhanuka is a graduate in Commerce, an industrialist by occupation. He has over 43 years of experience in the industry. He has an expertise in the production of Tea as well as its testing, grading and | Having experience in Textile & Investment Business | Rusha Mitra, a law graduate from The W. B. National University of Juridical Sciences, Kolkata, have spent over a decade at Messrs. Khaitan & Co, Advocates specialising in corporate restructuring, mergers, acquisitions, |

NOTICE (Contd.)

| Name of the Director | Mr. Chandra Kumar Dhanuka | Mrs. Bharati Dhanuka | Mrs. Rusha Mitra |
|---|---|--|--|
| | blending and has also successfully setup a Petrochemical unit under Foreign Collaboration. Providing industry wide leadership and management strategy may be deemed as his areas of expertise. He is the Ex-Chairman of FICCI (Eastern Regional Council), Indian Tea Association & Tea Association of India and is also an Ex-Vice chairman of Tea Board. | | demergers, reconstructions and reorganisation and advises companies on wide range of corporate law matters and Insolvency & Bankruptcy related matters. She also has experience in various aspects of law, including commercial and civil litigation and has appeared before High Courts, National Company Appellate Law Tribunal, National Company Law Tribunals and other authorities in various jurisdictions including Kolkata, Chennai, Bhubaneswar, Jaipur, Gauhati and Shillong |
| Qualifications | B.Com (Hons.) | B.B.A. | B.A. LL.B (Hons.) |
| Directorship held in other Companies as on 31st March, 2021 | <ol style="list-style-type: none"> 1. Dhunseri Ventures Ltd.- Executive Chairman 2. Dhunseri Investments Ltd.- Chairman 3. Mint Investments Ltd.- Chairman 4. Trimplex Investments Ltd.- Chairman 5. Dhunseri Polyfilms Private Limited- Director 6. ABC Tea Workers Welfare Services- Director 7. Madhuting Tea Pvt. Ltd.- Chairman 8. IVL Dhunseri Polyester Company SAE (Foreign Co.)(Formerly known as Egyptian Indian Polyester Co. SAE)- Chairman | <ol style="list-style-type: none"> 1. Dhunseri Investments Ltd.- Director 2. Mint Investments Limited- Director 3. Trimplex Investments Limited- Director 4. Twelve Cupcakes Pte Ltd.- Director 5. Dhunseri Petrochem & Tea Pte. Ltd.- Business Development Director 6. TPT Ventures LLP- Designated Partner | <ol style="list-style-type: none"> 1. Lux Industries Limited – Director 2. GMMCO Limited – Director 3. GKW Limited – Director 4. Harrisons Malayalam Limited–Additional Director 5. Texmaco Rail & Engineering Limited–Additional Director 6. Philips Carbon Black Limited – Additional Director 7. Rainbow Investments Limited – Additional Director |

NOTICE (Contd.)

| Name of the Director | Mr. Chandra Kumar Dhanuka | Mrs. Bharati Dhanuka | Mrs. Rusha Mitra |
|---|---|----------------------|------------------|
| | 9. CESC Ltd.- Independent Director 10. Makandi Tea & Coffee Estates Ltd. - Chairman 11. Kawalazi Estate Co. Ltd. (Foreign Co.)- Chairman 12. Dhunseri Tea & Industries Ltd.- Managing Director 13. Dhunseri Infrastructure Limited- Chairman 14. IVL Dhunseri Petrochem Industries Private Limited- Chairman 15. Emami Limited- Independent Director 16. Dhunseri Overseas Private Limited- Director | | |
| Membership / Chairmanship of Committees of other Public Limited Companies as on 31st March, 2021 | Dhunseri Ventures Ltd. Share Transfer Committee- Chairman Investment Committee- Chairman Corporate Social Responsibility Committee- Chairman Audit Committee- Member Stakeholder's Relationship Committee- Member Nomination and Remuneration Committee- Member Dhunseri Tea & Industries Ltd. Committee of Directors- Chairman Risk Management Committee- Chairman | | |

NOTICE (Contd.)

| Name of the Director | Mr. Chandra Kumar Dhanuka | Mrs. Bharati Dhanuka | Mrs. Rusha Mitra |
|---------------------------------|--|----------------------|------------------|
| | Share Transfer Committee- Chairman Investment Committee- Chairman Audit Committee- Member Stakeholder's Relationship Committee- Member Nomination and Remuneration Committee- Member Corporate Social Responsibility Committee- Member Naga Dhunseri Group Ltd. Share Transfer Committee- Chairman Audit Committee- Member Corporate Social Responsibility Committee- Member Mint Investments Ltd. Audit Committee- Member CESC Ltd. Audit Committee- Chairman Nomination and Remuneration Committee- Chairman Corporate Social Responsibility Committee- Member Emami Ltd. Stakeholder's Relationship Committee- Chairman Audit Committee- Member Nomination and Remuneration Committee- Member | | |
| Shareholdings in the Company | 48400 (4.84%) | — | — |

By Order of the Board
For Naga Dhunseri Group Limited

Chitra Thakwani
Company Secretary & Compliance Officer
ACS 54009

Place : Kolkata
Date : 29th June, 2021

BOARD'S REPORT

We have pleasure in presenting the 103rd Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021.

1. Financial Results

(₹ in Lakhs)

| Particulars | Standalone | | Consolidated | |
|--|--------------------|-----------------|--------------------|-----------------|
| | For the Year Ended | | For the Year Ended | |
| | 31.03.2021 | 31.03.2020 | 31.03.2021 | 31.03.2020 |
| Profit before Depreciation & Taxation | 526.22 | (92.09) | 506.47 | 111.83 |
| Less: Depreciation | 52.02 | 47.67 | 52.02 | 47.67 |
| Provision for taxation (Net) | 119.45 | (103.73) | 119.45 | (103.73) |
| Profit After Taxation | 354.75 | (36.03) | 335.00 | (55.77) |
| Add: Share of Profit/(Loss) of associates | — | — | 5,379.51 | (488.22) |
| Net profit for the year | 354.75 | (36.03) | 5,714.51 | (543.99) |
| Add: Balance brought forward | 1,912.86 | 1,979.03 | 2,296.20 | 2,870.33 |
| Add: Transfer within equity (Net of Taxes)-gain on of equity shares designated at FVoCI-transfer to retaearnings | 424.62 | — | 424.62 | — |
| Less: Dividend Paid during the Year | 12.50 | 25.00 | 12.50 | 25.00 |
| Less: Dividend Distribution Tax Paid during the Year | — | 5.14 | — | 5.14 |
| Amount available for appropriation | 2,679.73 | 1,912.86 | 8,422.83 | 2,296.20 |
| The Directors recommend this amount to be Appropriated as under: | | | | |
| Transfer to NBFC Reserve Fund | 155.88 | — | 155.88 | — |
| Transfer to General Reserve | 2,000.00 | — | 2,000.00 | — |
| Balance carried forward | 523.85 | 1,912.86 | 6,266.95 | 2,296.20 |
| | 2,679.73 | 1,912.86 | 8,422.83 | 2,296.20 |

2. Operations

The Income of the Company during the year under review mainly comprised of Profit on Sale of Investment in Shares & Securities, Dividend and Lease Rental Income. During the year under review, the Company's Standalone Net Profit of ₹ 354.75 Lakhs compared to Net Loss is ₹ 36.03 Lakhs during the previous year.

3. Dividend

The Directors are pleased to recommend a dividend @of ₹ 2.50 per equity share (25.00%) of ₹ 10/- each for the Financial Year ended 31st March, 2021, subject to approval of the Shareholders at the ensuing Annual General Meeting to be held on 17th September, 2021. The total outflow on account of dividend for 2020-21 is ₹ 12.50 Lakhs.

4. Transfer to Statutory Reserve Fund

A sum of ₹ 155.88 Lakhs was transferred to NBFC Reserve Fund for the Financial Year 2020-21.

BOARD'S REPORT (Contd.)**5. Transfer to General Reserve**

A sum of ₹ 2000.00 Lakhs was transferred to General Reserve for the Financial Year 2020-21 out of the accumulated earnings.

6. Associate and Subsidiary Company

Pursuant to Section 2(6) of the Companies Act, 2013, the Company has an Associate Company as on 31st March, 2021, i.e. Dhunseri Investments Limited. The Company does not have any Subsidiary or Joint Venture as on 31st March, 2021.

Pursuant to Provisions of Section 129(3) of the Companies Act, 2013, a statement in Form AOC- 1, containing the salient features of the Financial Statements of the Company's Associate is attached to the Financial Statements of the Company.

7. NBFC Public Deposits Directions

With reference to RBI's NBFC Public Deposit Directions, the Board of Directors of the Company has confirmed by passing a Resolution by Circulation that the Company has neither invited nor accepted any Deposits from the Public during the Financial Year 2020-21. The Company does not intend to invite or accept any Public Deposits during the Financial Year 2021-22. No amount on account of principal or interest on Deposit from Public was outstanding as on the date of the Balance Sheet.

8. Directors' Responsibility Statement

Based on the framework of Internal Controls and Compliance Systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the Management and the Audit Committee of the Board, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2020-21. Accordingly, pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm :-

- (a) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- (b) That they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for that period;
- (c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That they have prepared the annual accounts on a going concern basis;
- (e) That they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. Directors & Key Managerial Personnel

Mr. Chandra Kumar Dhanuka (DIN: 00005684) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment as a Director of the Company. The proposal for his re-appointment is included in the Notice of AGM which forms a part of this Annual Report.

BOARD'S REPORT (Contd.)

Mrs. Bharati Dhanuka (DIN: 02397650), wife of Mr. Mrigank Dhanuka who was appointed as an Additional Director with effect from 12th February, 2021 by the Board of Directors and who holds office upto the date of this AGM would be appointed as a Non-Executive Non-Independent Director of the Company with effect from 12th February, 2021 subject to approval of the Members at the ensuing Annual General Meeting.

Mrs. Rusha Mitra (DIN: 08402204), wife Mr. Shounak Mitra who was appointed as Additional Non-Executive Independent Director of the Company w.e.f. 26th May, 2021 by the Board of Directors and who holds the office upto the date of this AGM would be appointed as a Non-Executive Independent Director of the Company with effect from 26th May, 2021 subject to approval of Members at the ensuing Annual General Meeting.

Section 149(13) states that the provisions of Sub-section (6) and (7) of Section 152 of the Companies Act, 2013, relating to Retirement of Directors by rotation shall not be applicable to the Independent Directors.

Mr. H. P. Bhuwania, Chief Executive Officer whose term of appointment ended on 28th February 2021, was re-appointed as Chief Executive Officer of the Company from 1st March, 2021 to 28th February, 2022.

There are no other changes in the Directors and Key Managerial Personnel of the Company during the year.

10. Number of Meetings of the Board

The Board met four times during the Financial Year 2020-21. The details have been provided in the Corporate Governance Report in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed to this Report.

11. Annual Performance Evaluation

The Independent Directors at a separate meeting held on 29th December, 2020, in absence of the Non-Independent Directors and Management, considered / evaluated the performance of the Board as a whole, performance of the Chairman and other Non-Independent Directors.

On the basis of parameters formulated by the Nomination and Remuneration Committee of the Board, a self-assessment questionnaire forms were sent for evaluation of the Board, the Committees, Director and the Chairman.

The Board at its Meeting held on 12th February, 2021, evaluated the performance of the Board, the Committees and each of the Directors including Independent Directors excluding the Directors being evaluated. The Board also reviewed the performance of the Chairman. The Board was unanimous that the performance of the Board as a whole, its Committees and the Chairman was satisfactory.

12. Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013, Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have registered themselves in the databank of Independent Directorship as per Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Companies Act, 2013.

13. Policy on Directors' Appointment and Remuneration and other details

The Company's policy on Directors' appointment and remuneration and other matters as required under Section 178(3) of the Companies Act, 2013, has been disclosed in the Corporate Governance Report, which forms part of this report.

BOARD'S REPORT (Contd.)**14. Committees**

The Board has constituted various Committees in accordance with the requirement of the Companies Act, 2013. The Company has the following Committees:

- A) Audit Committee
- B) Nomination and Remuneration Committee
- C) Stakeholders' Relationship Committee
- D) Share Transfer Committee
- E) Corporate Social Responsibility Committee
- F) Internal Complaint Committee

Details of all the above Committees along with the Composition and Meetings held during the year under review are provided in the Report on Corporate Governance forming part of this Report.

15. Auditors

Pursuant to provision of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s Dhandhanja & Associates, Chartered Accountants (FRN: 316052E) were appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from conclusion of the 99th Annual General Meeting of the Company (AGM) held on 8th August, 2017, till the conclusion of 104th AGM of the Company.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013, by the Companies (Amendment) Act, 2017, effective from 7th May, 2018, the requirement of seeking ratification each year from the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute.

16. Auditors' Report and Secretarial Auditors' Report

The Auditors' Report and Secretarial Auditors' Report are self-explanatory and does not contain any qualifications, reservations or adverse remarks or disclaimer and have been annexed to the Report.

17. Risk Management

The Company being a Non-Banking Financial Company is primarily engaged in the business of making Investments in Shares and Securities. The Management constantly monitors the capital market risks and systematically addresses them through mitigating actions on a continuous basis. The Audit Committee has additional oversight in the area of Financial Risks and Internal Controls.

The development and implementation of Risk Management Policy has been covered in the Management Discussion and Analysis which forms part of this Report.

18. Particulars of Loans, Guarantees and Investments

The particulars of Loans, Guarantees and Investments have been disclosed in the Financial Statements.

19. Transactions with Related Parties

All Contracts / Arrangements / Transactions entered by the Company during the Financial Year with Related Parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any Contract / Arrangement / Transaction with Related Parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions.

Your Directors draw attention of the Members to (Note 27) to the Financial Statements which sets out related party disclosures.

BOARD'S REPORT (Contd.)
20. Annual Return

Under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Annual Return is available on the website of the Company at: <https://www.nagadhunserigroup.com/investors.html>.

21. Corporate Social Responsibility (CSR)

The Company has in place a CSR Committee in line with the provisions of Section 135 of the Companies Act, 2013, as stated in the Corporate Governance Report. The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and CSR activities undertaken by the Company during the year are set out in **Annexure- I** of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is also available on the Company's website: www.nagadhunserigroup.com.

22. Particulars of Employees

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended are given below:

a. Ratio of Remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year 2020-2021.

| Sl. No. | Name of the Director | Remuneration (₹) | Ratio |
|---------|----------------------|------------------|--------|
| 1. | Mrs. Aruna Dhanuka | 29,353/- | 0.10:1 |
| 2. | Mr. C. K. Dhanuka | 35,353/- | 0.12:1 |
| 3. | Mr. Mrigank Dhanuka | 20,353/- | 0.07:1 |
| 4. | Mrs. Bharati Dhanuka | 1,879/- | 0.01:1 |
| 5. | Mr. Rajeev Rungta | 42,854/- | 0.15:1 |
| 6. | Mr. I. K. Kejriwal | 36,854/- | 0.13:1 |
| 7. | Mr. G. R. Goenka | 39,854/- | 0.14:1 |

i. The median remuneration of employees of the Company during the FY 2020-21 is ₹ 2.93 Lakhs

b. Percentage Increase of Remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year:

| Sl. No. | Name and Designation | % of Increase |
|---------|---|---------------|
| 1. | Mr. C. K. Dhanuka – Non-Executive Chairman | NA (Note-1) |
| 2. | Mr. Mrigank Dhanuka – Non-Executive Director | NA (Note-1) |
| 3. | Mrs. Aruna Dhanuka – Non-Executive Director | NA (Note-1) |
| 4. | Mrs. Bharati Dhanuka – Non-Executive Director | NA (Note-1) |
| 5. | Mr. Rajeev Rungta – Non-Executive Independent Director | NA (Note-1) |
| 6. | Mr. I. K. Kejriwal – Non-Executive Independent Director | NA (Note-1) |
| 7. | Mr. G. R. Goenka – Non-Executive Independent Director | NA (Note-1) |
| 8. | Mr. Ayush Beriwal – Chief Financial Officer | NA (Note-1) |
| 9. | Mr. H. P. Bhuvania – Chief Executive Officer | No Change |
| 10. | Ms. Chitra Thakwani – Company Secretary | 36.84% |

BOARD'S REPORT (Contd.)

Note-1: There is no increase in sitting fees payable to the Non-Executive Directors. The sitting fee is paid based on the number of meetings attended by the Directors during the Financial Year 2020-21.

c. **The percentage decrease in the median remuneration of the employees in the Financial Year 2020-21:17.23%**

d. **The number of permanent employees on the rolls of Company as on 31st March, 2021:9(Nine)**

e. Average percentile increase made in the salaries of employees other than the Managerial Personnel in the Financial Year 2020-21 was NIL and in the case of Managerial Remuneration the increase was NIL.

Increase in Managerial Remuneration for the year: NIL

f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that remuneration is as per remuneration policy of the Company.

g. **The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended for the Financial Year ended 31st March, 2021:**

i. **Details of top ten employees in terms of remuneration drawn:**

| Sl. No. | Name of Employee | Age | Qualification | Designation | Date of Joining | Experience (in years) | Remuneration (in ₹) | Last Employment |
|---------|---------------------------|-----|----------------|--------------------|-----------------|-----------------------|---------------------|-------------------------------|
| 1. | Mr. Ayush Beriwalla | 39 | Graduate, CA | CFO | 03.11.2016 | 14 | 30,60,326 | Dhunseri Investments Ltd. |
| 2. | Mr. Hari Prasad Bhuwania | 82 | Graduate | CEO | 10.02.2020 | 54 | 6,00,000 | First Employment |
| 3. | Mr. Arabinda Banerjee | 59 | Graduate, CA | Manager-Accounts | 04.01.2021 | 33 | 2,39,019 | Torrent Pharmaceuticals Ltd. |
| 4. | Mr. Sumanjit Das | 51 | Graduate | Accounts Executive | 18.04.1994 | 27 | 3,59,823 | Eastern Data Product Pvt Ltd. |
| 5. | Mr. Deepak Verma | 32 | Graduate | Accounts Executive | 27.07.2015 | 9 | 3,78,627 | Deepa Agarwal & Co. |
| 6. | Mr. K. Venugopal Nair* | 59 | Graduate | Accounts Executive | 01.04.2007 | 35 | 1,05,059 | Mayfair India Ltd. |
| 7. | Ms. Chitra Thakwani | 29 | Graduate, CS | Company Secretary | 09.08.2018 | 4 | 3,46,265 | Mint Investments Ltd. |
| 8. | Mr. Maheshwar Mukhi | 46 | Graduate | Office Assistant | 01.10.2014 | 7 | 1,77,728 | First Employment |
| 9. | Mr. Shashi Bhushan Parida | 37 | Under Graduate | Office Assistant | 01.07.2015 | 13 | 1,41,185 | Dhunseri Investments Ltd. |
| 10. | Mr. Vinod Singh | 32 | Graduate | Office Assistant | 01.10.2014 | 7 | 1,78,984 | First Employment |

BOARD'S REPORT (Contd.)

* Mr. K. Venugopal Nair has resigned w.e.f 31.07.2020

- ii. **Employed throughout the Financial Year 2020-21 and drawing a remuneration in aggregate not Less Than One Crore Two Lakh Rupees per annum: NIL**
- iii. **Employed for a part of the Financial Year 2020-21 and drawing a remuneration in aggregate not Less Than Eight Lakh Fifty Thousand Rupees per month: NIL**
- iii. **Employee holding two percent of the equity shares of the Company by himself / herself or along with his / her spouse and dependent children employed throughout the FY 2020-21 or part thereof, with remuneration in excess of that drawn by the Managing Director or Whole-Time Director of the Company: NIL**

Notes:

- 1. Nature of employment is permanent other than that of Mr. H. P. Bhuwania, Chief Executive Officer, whose nature of employment is contractual.
- 2. No other employees holds equity shares of the Company.
- 3. The Promoter Directors are related to each other. Mrs. Aruna Dhanuka is spouse of Mr. C. K. Dhanuka. Mr. Mrigank Dhanuka is son of Mr. C.K. Dhanuka. Mrs. Bharati Dhanuka is spouse of Mr. Mrigank Dhanuka. The Independent Directors are not related among themselves. None of the other employees mentioned above are related to any Directors of the Company.

23. Disclosure Requirements

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandate the formulation of certain policies for all Listed Companies. All Policies are available on the Company's website www.nagadhunserigroup.com. The Corporate Governance Report with a Certificate of Practicing Company Secretary and Management Discussion and Analysis Report are attached, which form part of this Report.

- (a) During the year under review, to the best of the available information, the Company has not made any application nor has any application been filed against the Company under the Insolvency and Bankruptcy Code, 2016.
- (b) There was no instance of any one-time settlement with any bank during the period under review.

The key policies that have been adopted by the Company are as follows:

The Company has formulated Nomination & Remuneration Policy and the same is available in the website of the Company.

(<https://www.nagadhunserigroup.com/downloads/Nomination-and-Remuneration-Policy.pdf>)

The Company has formulated a Policy related to Disclosure of Material Events affecting the Company i.e. Policy for Determination of Materiality of an Event / Information and the same is available on the website of the Company.

(<https://www.nagadhunserigroup.com/downloads/Policy-for-determination-of-materiality-of-an-event-or-information.pdf>)

The Company has formulated the Corporate Social Responsibility Policy and the same is available on the website of the Company.

(<https://www.nagadhunserigroup.com/downloads/NAGA-CSR-POLICY.pdf>)

BOARD'S REPORT (Contd.)

Policy on dealing with Related Party Transactions is available on the website of the Company.
(<https://www.nagadhunserigroup.com/downloads/Related-Party-Transaction-Policy.pdf>)

Policy on Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons is available on the website of the Company.
(<https://www.nagadhunserigroup.com/downloads/Code-of-Conduct-to-Regulate-Monitor-and-Report-Trading-by-Designated-Persons.pdf>)

The Company has formulated the Policy on Preservation of Documents and the same is available in the website of the Company.
(<https://www.nagadhunserigroup.com/downloads/Policy-on-preservation-of-documents.pdf>)

Policy for Determining Material Subsidiaries of the Company is available on the website of the Company.
(<https://www.nagadhunserigroup.com/downloads/Policy-for-determining-Material-Subsidiaries.pdf>)

The Company has formulated a Policy and Procedure for Inquiry in case of Leakage of Unpublished Price Sensitive Information.
(<https://www.nagadhunserigroup.com/downloads/Policy-and-Procedure-for-Inquiry-in-case-of-Leakage-of-Unpublished-Price-Sensitive-Information.pdf>)

The Company has formulated Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information and the same is available in the website of the Company.
(<https://www.nagadhunserigroup.com/downloads/Code-for-Fair-disclosure-of-UPSI.pdf>)

The Policy which deals with the Retention and Archival of Corporate Records of the Company is also available on the website of the Company.
(<https://www.nagadhunserigroup.com/downloads/archival-policy-2019.pdf>)

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including Directors of the Company to report genuine concerns. The said Policy is available on the website of the Company.
(<https://www.nagadhunserigroup.com/downloads/Whistle-Blower-Policy.pdf>)

Details of the Familiarization Programme of the Independent Directors are available on the website of the Company.
(<http://www.nagadhunserigroup.com/downloads/programme-independent-directors.pdf>)

24. State of Company's Affairs

The Company's is primarily engaged in the business of making Investments in Shares and Securities. The Company is a Non-Banking Financial Company in terms of the provisions of Section 45IA of the Reserve Bank of India Act, 1934. The Management regularly monitors the changing market conditions and trends. Further, any slowdown of the economic growth or volatility in global financial market could adversely affect the Company's business.

25. Material Changes and Commitments, if any, affecting the Financial Position of the Company

There are no such material changes and commitments which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

BOARD'S REPORT (Contd.)**26. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.**

No significant and material orders were passed by any Regulator or Court or Tribunals impacting the going concern status and affecting the company's operations in future.

27. Particulars regarding Conservation of Energy and Technology Absorption

The particulars in respect of Conservation of Energy and Technology Absorption are not applicable to the Company as it is NBFC Company, not dealing with any manufacturing activities.

28. Foreign Exchange Earnings and outgo

During the year under review there were no foreign exchange earnings and outgo.

29. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has set up Internal Complaint Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, along with its relevant Rules.

The Committee met once during the Financial Year 2020-21 on 29th January, 2021.

No complaints have been received by the Company during the Financial Year 2020-21.

30. Internal Financial Control Systems and their Adequacy:

The Company has an effective system of Internal Financial Control that commensurate with the size of the Company and ensures operational efficiency, accuracy in Financial Reporting and compliance of applicable Laws and Regulations.

The system is also reviewed from time to time for effectiveness.

31. Management Discussion and Analysis Report

The Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Corporate Governance Report.

32. Fraud

There were no cases of any fraud reported during the Financial Year under review.

33. Green Initiatives

As part of our green initiative, the electronic copies of this Annual Report including the Notice of the 103rd AGM are sent to all Members whose email addresses are registered with the Company / Registrar / Depository Participant(s).

As per SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 the requirement of sending physical copies of annual report to those shareholders who have not registered their email addresses was dispensed with for Listed Entities who would be conducting their AGM's during the calendar year 2020. The same has been implemented for Listed Entities who would be conducting their AGM's during the calendar year 2021 vide SEBI Circular dated 15th January, 2021. In this respect the physical copies are not being provided to

BOARD'S REPORT (Contd.)

the shareholders. The copy of the same would be available on the website: www.nagadhunserigroup.com. The initiatives were taken for asking the shareholders to register or update their email addresses.

The Company is providing e-voting facility to all its Members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in annexed to the Notice.

34. Acknowledgement

The Board of Directors take this opportunity to express their grateful appreciation for the excellent assistance and cooperation received from the banks and other authorities. The Board of Directors also gratefully acknowledge with thanks the cooperation and support received from the Shareholders of the Company. The Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff even during the tough times.

For and on behalf of the Board of Directors

Place : Kolkata
Date : 29th June, 2021

C. K. Dhanuka
Chairman
(DIN: 00005684)

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

FOR THE FINANCIAL YEAR 2020-21

ANNEXURE I

1. **A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

The Company carries out CSR activities through Dhanuka Dhunseri Foundation (DDF).

The main objects and purposes of Dhanuka Dhunseri Foundation as per the Trust deed are in line with Schedule VII of the Companies Act, 2013 read with its Rules.

DDF was established in 1972 and focuses on following major philanthropic areas:

- Promoting education by building schools and colleges and providing assistance for their maintenance.
- Empowering the girl child through education and other initiatives.
- Improving healthcare (including preventive healthcare) by distributing free medicines and setting up dispensaries, health centres and maintenance thereof and providing assistance to charitable hospitals.
- Promoting sports.
- Focusing on community development through donations.

The CSR amount of ₹ 7.00 Lakhs has been disbursed to DDF by the Company during the Financial Year 2020-2021 which is engaged in various philanthropic activities as aforesaid.

2. **The composition of the 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. Rajeev Rungta | Chairman | 2 | 2 |
| 2. | Mr. G. R. Goenka | Member | 2 | 2 |
| 3. | Mr. C. K. Dhanuka | Member | 2 | 2 |

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.**

Composition of the CSR committee shared above and is available on the Company's website on-
https://www.nagadhunserigroup.com/corporate_governance.html

CSR policy-<https://www.nagadhunserigroup.com/downloads/NAGA-CSR-POLICY.pdf>

CSR projects: <https://www.nagadhunserigroup.com/downloads/DDF-CSR-PROJECT-Naga.pdf>

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.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (Contd.)

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(in ₹) | Amount required to be set-off for the financial year, if any(in ₹) |
|----------------|----------------|---|--|
| Not Applicable | | | |

6. Average net profit of the company as per section 135(5)- ₹ 3.48 Crore
7. (a) Two percent of average net profit of the company as per section 135(5)- **₹6.97 Lakhs rounded to ₹7.00 Lakhs**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.- Nil
- (c) Amount required to be set off for the financial year, if any- Nil
- (d) Total CSR obligation for the financial year (7a+7b- 7c). - **₹ 7.00 Lakhs**
8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (₹ in Lakhs) | Amount Unspent (₹ in Lakhs) | | | | |
|--|---|------------------|---|---------------------|------------------|
| | 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 (₹ in Lakhs) | Date of transfer | Name of the Fund | Amount (₹ in Lakhs) | Date of transfer |
| 7.00 | Nil | Nil | Nil | Nil | Nil |

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

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---------|---|---|----------------------|-------------------------|--|-----------------------------|---|---|--|---|---|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Project duration (in years) | Amount allocated for the project (₹ in Lakhs) | Amount spent in the current financial year (₹ in Lakhs) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs) | Mode of Implementation- Direct (Yes/No) | Mode of Implementation- Through Implementing Agency | |
| | | | | State | District | | | | | | Name | CSR Registration number |
| (1) | Running and Maintenance of SLD Girls Hostel | Empowering Girl Child through education and other initiatives | Yes | West Bengal | 11, D. H. Road, Silpara, (Near Behala Chowrasta) Kolkata- 700063 | — | 5.00 | 5.00 | Nil | No | Dhanuka Dhunseri Foundation | CSR00002921 |
| (2) | Running and maintenance of Rama Homoeo Clinic | Health Care including Preventive Health care | Yes | West Bengal | 204, C. R. Avenue, Kolkata - 700007 | — | 2.00 | 2.00 | Nil | No | Dhanuka Dhunseri Foundation | CSR00002921 |
| | | | | | | | 7.00 | 7.00 | | | | |

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (Contd.)

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

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

(d) Amount spent in Administrative Overheads - **Nil**

(e) Amount spent on Impact Assessment, if applicable - **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - **₹ 7.00 lakhs**

(g) Excess amount for set off, if any- **Nil**

| Sl.No. | Particular | Amount (₹ in Lakhs) |
|--------|---|------------------------|
| (i) | Two percent of average net profit of the company as per section135(5) | 7.00 |
| (ii) | Total amount spent for the Financial Year | 7.00 |
| (iii) | Excess amount spent for the financial year[(ii)-(i)] | Nil |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | Nil |

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

| Sl. No | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135(6) (₹ in Lakhs) | Amount spent in the reporting Financial Year (₹ in Lakhs) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any | | | Amount remaining to be spent in succeeding financial years (₹ in Lakhs) |
|--------|--------------------------|---|---|---|---------------------|------------------|---|
| | | | | Name of the Fund | Amount (₹ in Lakhs) | Date of transfer | |
| Nil | | | | | | | |

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (Contd.)

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**).

(a) Date of creation or acquisition of the capital asset(s)- **Nil**

(b) Amount of CSR spent for creation or acquisition of capital asset. - **Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **Nil**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - **Nil**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- **Not Applicable**

H. P. Bhuwania
Chief Executive Officer

Rajeev Rungta
Chairman – CSR Committee
(DIN: 00012326)

C. K. Dhanuka
Chairman
(DIN: 00005684)

REPORT ON CORPORATE GOVERNANCE

In accordance with Chapter IV of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended ("SEBI (LODR) Regulations, 2015").

1. Company's philosophy on code of Corporate Governance

The Company believes in adhering to good Corporate Governance practices to protect interest of all the Stakeholders and ensure healthy growth of the Company. The Company emphasizes on transparency, accountability and integrity in all its dealings without compromising on any of its obligations. It seeks to focus on regulatory compliances, fair play, justice and aims at enhancement of long-term stakeholder's value.

The Company endeavours to improve on these aspects on an ongoing basis.

2. Board of Directors (Board)

The Board is the apex body of the Company constituted by the shareholders for overseeing the Company's overall functions.

2.1 Composition

As on 31st March, 2021, the Board of Directors comprises of seven Directors out of which three are Non-Executive Independent Directors, viz, Mr. Indra Kishore Kejriwal, Mr. Gobind Ram Goenka and Mr. Rajeev Rungta; three are Non-Executive Non-Independent Directors, Mrs. Aruna Dhanuka, Mr. Mrigank Dhanuka and Mrs. Bharati Dhanuka related to the Promoter and one Promoter Director i.e. Mr. Chandra Kumar Dhanuka who is the Non-Executive Chairman of the Board.

Mrs. Rusha Mitra has been appointed as Non-Executive and Independent Director w.e.f. 26th May, 2021. Therefore, the composition of the Board is in conformity with SEBI (LODR) Regulations, 2015. Half of the Board comprises of Non-Executive Independent Directors.

None of the Directors are members in more than 10 Committees or act as Chairperson of more than 5 Committees across all listed companies in which they are directors. All Directors have made disclosures about committee positions they occupy in other listed companies.

2.2 Board Meetings

The Meetings of the Board are conveyed by giving advance notice after seeking approval of the Chairman of the Board. In case of exigencies or urgency resolutions are also passed by way of circulation. In terms of the SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 and MCA Notification dated 24th March, 2020 regarding relaxation for holding of Board and Audit Committee Meeting, the Company held the 1st Board Meeting beyond the maximum gap of 120 days, but within the extended time of 180days. The gap between the other Board Meetings held during the year were within one hundred and twenty days.

In terms of Regulation 17(7) and Part-A of Schedule-II of SEBI (LODR) Regulations, 2015, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the affairs of the Company as trustees of all the Stakeholders. The Board has complete access to all the information as prescribed in the Regulation. The date of Board Meetings, Attendance of Directors at Board Meetings & at the last Annual General Meeting and also number of other Directorship and Committee Membership / Chairmanship are given below:

| | |
|--|--|
| No. of Board Meetings held during the year | 4 |
| Dates on which Meetings were held | 30th July, 2020; 15th September, 2020; 13th November, 2020; and 12th February, 2021 |

REPORT ON CORPORATE GOVERNANCE (Contd.)

| Sl. No. | Name of Director | DIN | Category of Directorship | No. of Board Meetings Attended | Last AGM Attended | No. of other Directorship in Public Companies (Note 1) | No of Committee positions held in other Public Companies (Note 2)* | |
|---------|------------------------|----------|---|--------------------------------|-------------------|--|--|--------|
| | | | | | | | Chairman | Member |
| 1. | Mr. C. K. Dhanuka | 00005684 | Non-Executive Non-Independent Chairman, Promoter Director | 4 | Yes | 8 | 2 | 9 |
| 2. | Mrs. Aruna Dhanuka | 00005677 | Non-Executive Non-Independent Director, Promoter Relative | 4 | Yes | 4 | — | 3 |
| 3. | Mr. Mrigank Dhanuka | 00005666 | Non-Executive Non-Independent Director, Promoter Relative | 1 | No | 6 | — | 3 |
| 4. | Mrs. Bharati** Dhnauka | 02397650 | Non-Executive Non-Independent Director, Promoter Relative | NA | NA | 3 | — | — |
| 5 | Mr. I. K. Kejriwal | 00012320 | Non-Executive Independent Director | 4 | No | 6 | — | — |
| 6 | Mr. Rajeev Rungta | 00122221 | Non-Executive Independent Director | 4 | Yes | 4 | — | — |
| 7 | Mr. G. R. Goenka | 00133700 | Non-Executive Independent Director | 4 | Yes | 1 | — | 2 |

Note 1 : Other directorship does not include directorship of Private Limited Company, Foreign Company, Section 8 Company and Alternate Directorship.

Note 2 : Only Audit Committee and Stakeholder Relationship Committee have been considered.

* No. of Memberships in Audit / Stakeholder Relationship Committee also includes the Chairmanship.

** Mrs. Bharati Dhanuka has been appointed w.e.f 12th February, 2021.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually that they meet the criteria of independence as provided under law. The Board reviews the same and is of the opinion, that the Independent Directors fulfil the conditions specified in the Act and the Listing Regulations and are independent of the Management.

As required under the SEBI (LODR) Regulations, 2015, as amended w.e.f. 1st April, 2019, names of the Listed Entities in which the Director of the Company is a Director as on 31st March, 2021, is provided hereunder along with Category of Directorship:

REPORT ON CORPORATE GOVERNANCE (Contd.)

| Name of the Person | Names of the Listed entities in which the person holds Directorship | Category of Directorship |
|----------------------|---|---|
| Mr. C. K. Dhanuka | 1. Dhunseri Ventures Ltd. 2. Dhunseri Tea & Industries Ltd. 3. Dhunseri Investments Ltd. 4. Mint Investments Ltd 5. Naga Dhunseri Group Ltd. 6. CESC Ltd. 7. Emami Ltd. | Executive Chairman Managing Director Non-Executive Chairman Non-Executive Chairman Non-Executive Chairman Independent Director Independent Director |
| Mrs. Aruna Dhanuka | 1. Dhunseri Investments Ltd. 2. Dhunseri Ventures Ltd. 3. Mint Investments Ltd. 4. Naga Dhunseri Group Ltd. | Managing Director & CEO Managing Director Vice Chairman Vice Chairman |
| Mr. Mrigank Dhanuka | 1. Dhunseri Ventures Ltd. 2. Dhunseri Investments Ltd. 3. Mint Investments Ltd. 4. Naga Dhunseri Group Ltd. 5. Dhunseri Tea & Industries Ltd. | Vice Chairman Non-Independent Director Non-Independent Director Non-Independent Director Non-Independent Director |
| Mrs. Bharati Dhanuka | 1. Mint Investments Ltd. 2. Dhunseri Investments Ltd. 3. Naga Dhunseri Group Ltd. | Non-Independent Director Additional Director Additional Director |
| Mr. I. K. Kejriwal | 1. Naga Dhunseri Group Ltd. | Independent Director |
| Mr. Rajeev Rungta | 1. Aaekay Investment Centre Ltd 2. Naga Dhunseri Group Ltd. | Non-Independent Director Independent Director |
| Mr. G. R. Goenka | 1. Naga Dhunseri Group Ltd. | Independent Director |

Mrs. Bharati Dhanuka, Director, is related to Mr. Mrigank Dhanuka, as per section 2(77) of the Companies Act, 2013. Mrs. Bharati Dhanuka is the spouse of Mr. Mrigank Dhanuka.

Mr. Mrigank Dhanuka, Director is related to Mr. C. K. Dhanuka, Chairman and Mrs. Aruna Dhanuka, Vice- Chairman of the Company as per Section 2(77) of the Companies Act, 2013. Mr. Mrigank Dhanuka is son of Mr. C. K. Dhanuka and Mrs. Aruna Dhanuka.

Further Mrs. Aruna Dhanuka is the wife of Mr. C. K. Dhanuka.

None of the Independent Directors are related to each other.

Core Skills / Expertise / Competencies available with the Board

The board comprises of highly qualified members who possess required skills, expertise and competence that allows them to make effective contributions to the Board and its Committees.

The core skills / expertise / competencies required in the Board in the context of the Company's Businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below:

REPORT ON CORPORATE GOVERNANCE (Contd.)

| Core skills / competencies / expertise | Mr. C. K. Dhanuka | Mrs. Aruna Dhanuka | Mr. Mrigank Dhanuka | Mrs. Bharati Dhanuka | Mr. Rajeev Rungta | Mr. I. K. Kejriwal | Mr. G. R. Goenka |
|---|-------------------|--------------------|---------------------|----------------------|-------------------|--------------------|------------------|
| Leadership / Operational experience | ● | ● | ● | ● | ● | ● | ● |
| Strategic Planning | ● | ● | ● | ● | ● | ● | ● |
| Industry Knowledge & Experience | ● | ● | ● | ● | ● | ● | ● |
| Financial, Regulatory / Legal & Risk Management | ● | ● | ● | ● | ● | ● | ● |
| Corporate Governance | ● | ● | ● | ● | ● | ● | ● |

2.3 Remuneration of Directors, Sitting Fees, Salary, Perquisites and Commission:

As per terms of appointment, the remuneration paid to the Managing Director comprises salary, perquisites etc. as fixed component and commission @ 1% of net profits of the Company as variable component. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors and Committees thereof. The total remuneration paid to the Directors during the period is within the threshold as prescribed under Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended.

The remuneration to the Non-Executive Directors including Independent Directors comprises sitting fees for attending Board and Committee Meetings and payment of Commission @ 1% of the net profits subject to a ceiling of ₹ 1,00,000/- per annum in aggregate to all the Non-Executive Directors including Independent Directors taken together. The details of remuneration paid / payable to the Directors during the year are as under:

| Sl. No. | Name | Board Meeting ₹ | Committee Meeting ₹ | Commission on Sitting Fees ₹ | Total Sitting Fees ₹ |
|---------|----------------------|--------------------|------------------------|------------------------------------|----------------------------|
| 1. | Mr. C. K. Dhanuka | 10,000 | 9,000 | 16,353 | 35,353 |
| 2. | Mr. Mrigank Dhanuka | 2,500 | 1,500 | 16,353 | 20,353 |
| 3. | Mrs. Aruna Dhanuka | 10,000 | 3,000 | 16,353 | 29,353 |
| 4. | Mrs. Bharati Dhanuka | — | — | 1,879 | 1,879 |
| 5. | Mr. Rajeev Rungta | 10,000 | 16,500 | 16,354 | 42854 |
| 6. | Mr. I. K. Kejriwal | 10,000 | 10,500 | 16,354 | 36854 |
| 7. | Mr. G.R. Goenka | 10,000 | 13,500 | 16,354 | 39854 |
| | Total | 52,500 | 54,000 | 1,00,000 | 2,06,500 |

No Non-Executive Director has been paid in excess of fifty percent of the total amount paid to all the Non-Executive Directors of the Company.

Total remuneration paid to the Directors during the period is within the threshold as prescribed under Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended.

REPORT ON CORPORATE GOVERNANCE (Contd.)**2.4 Shares / Convertible Instruments held by the Directors as on 31st March, 2021.**

| Name of the Director | No of Equity Shares of the Company | Convertible Instruments |
|----------------------|------------------------------------|-------------------------|
| Mr. C. K. Dhanuka | 48,400 | Nil |
| Mrs. Aruna Dhanuka | 78,700 | Nil |
| Mr. Mrigank Dhanuka | 1286 | Nil |
| Mrs. Bharati Dhanuka | Nil | Nil |
| Mr. I. K. Kejriwal | 644 | Nil |
| Mr. Rajeev Rungta | Nil | Nil |
| Mr. G. R. Goenka | 690 | Nil |

2.5. Code of Conduct for Directors and Senior Management

The Board has laid down Code of Conduct for the Board Members and Senior Management Personnel of the Company. The Code of Conduct is posted on the website of the Company www.nagadhunserigroup.com.

All the Board Members and the Senior Management Personnel have affirmed their compliance with the Code of Conduct and the Chief Executive Officer of the Company has confirmed the same.

A declaration to this effect has been annexed with the report

3. Prevention of Insider Trading Code:

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to Unpublished Price Sensitive Information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is available on the Company's website viz. www.nagadhunserigroup.com. The Company has also formulated "Policy on Inquiry" in case of leakage of UPSI.

4. Committees**A. Audit Committee**

Audit Committee is entrusted with the responsibility to supervise the Company's Financial Reporting Process and Internal Controls. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

Mr. Rajeev Rungta is the Chairman of the Audit Committee and has vast experience in Finance, Taxation & Corporate Matters. The Company Secretary acts as Secretary to the Committee. The Statutory Auditors and Internal Auditors are invited to attend the meetings of the Audit Committee. The Chairman was also present in the previous Annual General Meeting.

REPORT ON CORPORATE GOVERNANCE (Contd.)**Composition and Attendance**

The Committee met four times during the Financial Year 2020-21. In terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 and MCA Notification dated 24th March, 2020 regarding relaxation for holding of Board and Audit Committee Meeting, the Company held the 1st Board and Audit Committee Meeting beyond the maximum gap of 120 days but within the extended period of 180 days. The maximum time gap between other meetings was were within 120 days. Details of Committee Meetings held during the Financial Year 2020-2021 are as follows:

| Name of the Member | Designation | Date of the Meeting | | | |
|---|-------------|---------------------|----------------------|---------------------|---------------------|
| | | 30th July, 2020 | 15th September, 2020 | 13th November, 2020 | 12th February, 2021 |
| Mr. Rajeev Rungta Non-Executive & Independent Director | Chairman | Yes | Yes | Yes | Yes |
| Mr. I. K. Kejriwal Non-Executive & Independent Director | Member | Yes | Yes | Yes | Yes |
| Mr. G. R. Goenka Non-Executive & Independent Director | Member | Yes | Yes | Yes | Yes |
| Mr C. K. Dhanuka Non-Executive & Non-Independent Director | Member | Yes | Yes | Yes | Yes |

The terms of reference of the Audit Committee *inter-alia* includes:

The Audit Committee bridges the gap between the Statutory Auditors, the Internal Auditors, the Management and the Board of Directors of the Company. The role of the Audit Committee is in line with the SEBI (LODR) Regulations, 2015, as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report;

REPORT ON CORPORATE GOVERNANCE (Contd.)

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the Listed Entity and its shareholders.

Review of Information by Audit Committee

The Audit Committee mandatorily reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant Related-Party Transactions (as defined by the Audit Committee), submitted by Management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses,
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee, and

REPORT ON CORPORATE GOVERNANCE (Contd.)

6. Statement of deviations:

- (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

B. Nomination & Remuneration Committee

The Company has in place a Nomination & Remuneration Committee in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination & Remuneration Committee comprises of three Independent Directors viz Mr. I. K. Kejriwal, Mr. Rajeev Rungta and Mr. G. R. Goenka.

Mr. I. K. Kejriwal is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee. The Chairman was not present in the previous Annual General Meeting.

The Committee met twice during the Financial Year 2020-21.

Composition and Attendance

| Name of the Member | Designation | Date of the Meeting | |
|--|-------------|---------------------|---------------------|
| | | 30th July, 2020 | 12th February, 2021 |
| Mr. I. K. Kejriwal Non-Executive & Independent Director | Chairman | Yes | Yes |
| Mr. Rajeev Rungta Non-Executive & Independent Director | Member | Yes | Yes |
| Mr. G. R. Goenka Non-Executive & Independent Director | Member | Yes | Yes |

The terms of reference of the Nomination & Remuneration Committee are in accordance with Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013, which inter-alia include the following:

1. It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. It shall formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
3. Devising a policy on Board diversity

While formulating the above policy the Committee shall inter-alia ensure the following:-

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between a fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The role of Nomination and Remuneration Committee inter-alia includes the following:

- i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- ii) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iii) Devising a policy on diversity of Board of Directors;
- iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi) Recommend to the board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Policy is available on the Company's website at www.nagadhunserigroup.com.

Evaluation Policy:

The Nomination and Remuneration Committee (NRC) approved an evaluation policy which provides for the evaluation of the Board, the Committees of the Board, Independent Directors as well as Non-Independent Directors and the Chairman of the Board. The Policy provides for the evaluation to be carried out on an annual basis. The evaluation process is to focus on the functioning of the Board and its Committees and their composition. The evaluation criteria broadly based on experience and competency, ability to function as a team, attendance and active participation in the meetings, understanding of the core activity of the Company and other related issues with a view to initiate such action plan to improve their overall performance.

Remuneration Policy:

The Remuneration Policy provides market competitive compensation / reward to attract, which drives performance culture and increase in salaries are based on performance rating, business affordability and market competitiveness. The remuneration generally comprises of fixed element including bonus payouts and is subject to review at regular intervals.

(i) Managing Director's Remuneration

The Remuneration to the Managing Director comprises of Salary, Perquisites etc. as fixed component and Commission as variable component, which depends on the profit of the Company. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors and Committees thereof.

(ii) Non-Executive Directors' Remuneration

During the Financial Year 2020-21, the Non-Executive Directors are paid ₹ 2,500/- each as sitting fee for attending Board Meetings and ₹ 1,500/- each as sitting fees for attending the Audit Committee Meetings, Stakeholders Relationship Committee Meetings, Nomination & Remuneration Committee Meetings, Independent Directors Meetings and Corporate Social Responsibility Committee Meetings.

A Commission @1% of the profit subject to a ceiling of ₹ 1.00 Lakh for all Non-Executive Directors including Independent Directors taken together.

No sitting fee is paid to Directors for attending any other Committee Meetings of the Company.

Remuneration policy also covers payment of GST by the Company on sitting fees to the Non-Executive Directors.

The details of remuneration paid to the Directors of the Company are detailed under Para 2.3 above.

(iii) KMP and Senior Management Staff's Remuneration

Remuneration to other Key Managerial Personnel and Senior Staff Members comprises fixed element including bonus payout subject to review at regular intervals.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Performance Evaluation:

The Nomination and Remuneration Committee has specified the criteria for Performance Evaluation of the Independent as well as Non-Independent Directors, the Board and its Committees and the Chairman. The evaluation process is to focus on the functioning of the Board and its Committees and their composition. The evaluation criteria is broadly based on experience and competency, ability to function as a team, attendance and active participation in the Meetings, understanding of the core activity of the company and other related issues with a view to initiate such action plan to improve their overall performance.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and in accordance with the Guidance note on Board Evaluation issued by SEBI on 5th January, 2017, the Board has carried out the annual evaluation of its own performance, its Committees and Independent as well as Non-Independent Directors individually.

Declaration of Independence:

In terms of Regulation 25 (8) of SEBI Listing Regulations, the Company has received declarations on the criteria of Independence as prescribed in Section 149(6) of the Companies Act, 2013, Regulation 16 (1) (b) and Regulation 25(8) of SEBI (LODR) Regulations, 2015, from all the Independent Directors of the Company as on 31st March, 2021. They have also registered themselves in the databank with the Institute of Corporate Affairs of India as an Independent Director as per Rule 6(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Based on the declarations received from the Independent Directors, the Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Companies Act, 2013 and as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are Independent of the Management.

Familiarization Program for Independent Directors:

The Chief Executive Officer, the Chief Financial Officer and the Company Secretary are jointly authorized for ensuring appropriate induction and training program for the Directors including Independent Directors of the Company as and when required by them for understanding any specific project, activity or process of the Company. The Management provides such information and training either at the Meeting of the Board of Directors or otherwise. The relevant statutory changes / updates are discussed with the Directors from time to time so that it helps them to make better and informed decisions. Independent Directors are regularly informed and updated on the business activities of the Company.

The terms and conditions of appointment of Independent Directors and details of familiarization programmes imparted to Independent Directors of the Company are available on the Company's website:

<http://www.nagadhunserigroup.com/downloads/programme-independent-directors.pdf>

Separate Meeting of Independent Directors:

The Independent Directors of the Company have held a separate meeting on 29th December, 2020, without presence of Non-Independent Directors and the Management. The Meeting was attended by all the Independent Directors. The following matters were, inter alia, reviewed and discussed in the Meeting:

- Performance review of the Non-Independent Directors and the Board as a whole.
- Performance of the Chairperson of the Company taking into account the views of Executive and Non-Executive Directors.
- Assessing 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.

REPORT ON CORPORATE GOVERNANCE (Contd.)**C. Stakeholders Relationship Committee**

Pursuant to the provisions of Section 178 (5) of the Companies Act, 2013, read with Regulation 20 of the SEBI (LODR) Regulations, 2015, Stakeholders Relationship Committee has been constituted.

Mr. Rajeev Rungta is the Chairman of the Committee and Ms. Chitra Thakwani, Company Secretary & Compliance Officer acts as Secretary to the Committee. The Chairman was also present in the previous Annual General Meeting.

The Committee met twice during the Financial Year 2020-21. The attendance of the said Meeting was as follows:

Composition and Attendance

| Name of the Members | Designation | 15th September, 2020 | 12th February, 2021 |
|---|-------------|----------------------|---------------------|
| Mr. Rajeev Rungta Non- Executive & Independent Director | Chairman | Yes | Yes |
| Mr. Mrigank Dhanuka Non-Executive & Non-Independent Director | Member | No | Yes |
| Mrs. Aruna Dhanuka Non-Executive & Non-Independent Director | Member | Yes | Yes |

The terms of reference of the Stakeholders Relationship Committee *inter-alia* include the following:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. 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.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

The role of the Committee is to consider and resolve the grievances of the security holders of the company including complaints related to non-receipt of annual report and non-receipt of declared dividends.

During the year, no complaint was received by the Company and no complaint was pending at the end of the year. All valid requests for share transfers etc. received during the year were acted upon by the Company and no transfers etc. were pending.

D. Share Transfer Committee

The Share Transfer Committee comprises of four directors viz. Mr. C. K. Dhanuka, Mr. Rajeev Rungta, Mr. Mrigank Dhanuka and Mrs. Aruna Dhanuka. The Company Secretary acts as Secretary to the Committee.

The Committee met four times during the Financial Year 2020-21.

Composition and Attendance

| Name of the Members | 12th October, 2020 | 6th November, 2020 | 1st February, 2020-21 | 17th March, 2021 |
|---------------------|--------------------|--------------------|-----------------------|------------------|
| Mr. C. K. Dhanuka | Yes | Yes | Yes | Yes |
| Mr. Rajeev Rungta | Yes | Yes | Yes | Yes |
| Mr. M. Dhanuka | No | No | Yes | Yes |
| Mrs. A. Dhanuka | Yes | Yes | Yes | Yes |

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Committee is authorized to deal with and accord approval and / or ratify the following matters:-

- i. Share Transfers
- ii. De-materialization / Re-materialization of shares(s).
- iii. Sub-division / Consolidation / Transmission of share(s).
- iv. Deletion of name of member(s) on demise.
- v. Issue of Duplicate Share Certificate(s)
- vi. Other related matters.

The scrutiny, verification and other formalities relating to share transfer etc. are undertaken by the Registrar & Share Transfer Agent of the Company viz., M/s. Maheshwari Datamatics Private Limited.

E. Corporate Social Responsibility Committee (CSR):

The Corporate Social Responsibility Committee comprises of the three Directors, Mr. Rajeev Rungta, Mr. G. R. Goenka and Mr. C. K. Dhanuka. The Company Secretary acts as Secretary to the Committee.

The Committee met twice during the Financial Year 2020-21

Composition and Attendance

| Name of the Members | Designation | 30th July, 2020 | 13th November, 2020 |
|---|-------------|-----------------|---------------------|
| Mr. Rajeev Rungta Non- Executive & Independent Director | Chairman | Yes | Yes |
| Mr. G. R. Goenka Non- Executive & Independent Director | Member | Yes | Yes |
| Mr. C. K. Dhanuka Non- Executive & Non- Independent Director | Member | Yes | Yes |

Terms of Reference

- i. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- ii. Recommend the amount of expenditure to be incurred on the activities referred to in clause (i); and
- iii. Monitor the Corporate Social Responsibility Policy of the Company and review from time to time.

F. Internal Complaint Committee:

The Company has in place an Internal Complaint Committee in accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, along with its relevant Rules, which aims at protecting women's right to gender equality, life and liberty at workplace to encourage women's participation in work.

The Committee comprised of the following Members.

- Mrs. Aruna Dhanuka : Presiding Officer
 Ms. Chitra Thakwani : Member
 Mr. Ayush Beriwal : Member
 Ms. Neelu Kejriwal : Representative of NGO

The Committee met once during the Financial Year 2020-21 on 29th January, 2021.

No Complaint was received by the Company during the year under review.

REPORT ON CORPORATE GOVERNANCE (Contd.)

5. Disclosures

- a) All transactions entered into, during the Financial Year, with related parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 were in the ordinary course of business and on arm's length basis. There were no materially significant Related Party Transactions made by the Company with its Promoters, Directors or their relatives, or the management etc. that may have potential conflict with the interests of the Company at large.

As per disclosures received from Senior Management Personnel they have not entered into any material, financial or commercial transactions which may have potential conflict with interests of the Company at large.

Transactions with related parties are disclosed in Note 30 under 'Notes annexed to and forming part of the financial statements' in the Annual Report.

The policy on related party transactions has been uploaded in the Company's website:
(<http://www.nagadhunserigroup.com/downloads/Related-Party-Transaction-Policy.pdf>)

- b) During the last three years, there were no strictures or penalties imposed by either SEBI or the Stock Exchange or any Statutory Authority for Non-Compliance of any matter related to the Capital Markets.
- c) The Company has adopted a Vigil Mechanism / Whistle Blower Policy and no personnel are being denied access to the Audit Committee. The policy has been uploaded on the Company's website:
(<http://www.nagadhunserigroup.com/downloads/Whistle-Blower-Policy.pdf>)
- d) The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015 and examining the implementation of some of the non-mandatory requirements. The status of the non-mandatory requirements is as follows:
- i. Unmodified opinion(s) in audit report: The Company endeavors to present un-qualified financial statements. There are no audit qualifications in the financial statements of the Company for the year under review.
 - ii. The Internal Auditors of the Company are Independent and have direct access to the Audit Committee
- e) There are no pecuniary relationships or transactions with Non-Executive Independent Directors other than those disclosed in this report.
- f) The company has formulated a Policy for Determining 'Material' Subsidiaries and such Policy has been disclosed on the Company's website: (<http://www.nagadhunserigroup.com/downloads/Policy-for-determining-Material-Subsidiaries.pdf>)
- g) The Company has not raised fund through Preferential Allotment or Qualified Institutional Placement.
- h) No Credit Rating has been obtained by the Company as no fund has been mobilized through debt instruments or any fixed deposits.
- i) There was no instance where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, during the relevant Financial Year.
- j) Total fees for all services paid by the Listed Entity and its associate, on a consolidated basis, to the Statutory Auditor and all entities in the network firm / network entity of which the Statutory Auditor is a part is disclosed.

Details relating to fees paid to the Statutory Auditors are given in Note 25 to the Standalone Financial Statements and Note 25 to the Consolidated Financial Statements.

REPORT ON CORPORATE GOVERNANCE (Contd.)

6. CEO and CFO Certification

As per Part B of Schedule II of SEBI (LODR) Regulations, 2015, the CEO and the CFO of the Company certifies to the Board regarding the review of the Financial Statements, Compliance with the Accounting Standard, Maintenance of the Internal Control Systems for Financial Reporting and Accounting Policies etc.

7. Means of Communication

The Quarterly / Annual Financial Results / Notices and other important announcements are published in Business Standard as well as in Arthik Lipi. These results are also posted on the Company's website www.nagadhunserigroup.com after its submission to the Stock Exchange. The Annual Audited Financial Statements along with Board's Report and Auditors Report thereon and Notice etc. are sent to individual shareholders as well as uploaded on Company's website www.nagadhunserigroup.com.

8. Management Discussion and Analysis Report

Global economic:

The COVID-19 viral pandemic continues to be a highly personal, individual experience that is also an unprecedented globally-shared phenomenon with wide-ranging repercussions. The pandemic has disrupted lives across all countries and communities and negatively affected global economic growth in 2020 beyond anything experienced in nearly a century. Estimates indicate the virus reduced global economic growth in 2020 to an annualized rate of -3.4% to -7.6%, with a recovery of 4.2% to 5.6% projected for 2021. Global trade is estimated to have fallen by 5.3% in 2020, but is projected to grow by 8.0% in 2021. According to a consensus of forecasts, the economic downturn in 2020 was not as negative as initially estimated, due in part to the fiscal and monetary policies governments adopted in 2020. Generally, economic growth forecasts captured the decline and subsequent rebound in economic growth over the second and third quarters of 2020, but have been challenged since by the prolonged nature of the health crisis and its continuing impact on the global economy.

Indian economic:

In line with the global economy, India witnessed major economic disruptions in Financial Year 2020-21, as the outbreak of COVID-19 perversely impacted human health and safety of the country's inhabitants. This prompted the government to undertake one of the world's tightest lockdowns, bringing manufacturing and trade activities to a screeching halt. Prolonged lowdown exacerbated existing vulnerabilities of the country including the weakened financial sector, private investments, liquidity constraints and consumption demand. Mobility restrictions and social distancing led to unparalleled supply-chain disruptions and consumer demand fallout. This forced the Indian GDP to contract by 8.0% in FY 2020-21 as against a growth of 4.0% in FY 2019-20, marking a recession since 1980.

The domestic retail inflation continued to be moderate despite increase in global commodity prices. The Country is having normal monsoon as well which should help in keeping the food prices under control. A good monsoon will also boost the rural economy which in turn will enhance demand of various commodities. The Companies engaged in the financial sector will benefit from the lower rate of interest. The Company's core business is investment in shares and securities. During the year under review, capital market conditions were not conducive which have been reflected in the profitability of the Company. The extent to which COVID-19 pandemic will impact the Company's financial health is dependent on the growth of Capital Markets which itself dependent on future developments, including among many other things, any new information concerning the severity of the pandemic and any action to contain its spread or mitigate its impact.

REPORT ON CORPORATE GOVERNANCE (Contd.)**Industry Overview**

The year 2020-21 has been a roller coaster for the Indian equity markets. From the lows seen during the end of 2019-20 on account of the Covid-19 induced lockdown, the markets recovered to reach new highs in the last quarter after vaccines against Covid-19 were approved and rolled out. BSE Sensex, the benchmark equity index of BSE, fell to 25,981.24 in March, 2020 its lowest value since December, 2016, but then rose to 52,516.76 in February, 2021 its highest ever value. Nifty50 making a low of 7,511 in the month of March, to reaching an all-time high of 14,024 by the year-end. The market witnessed a sharp fall in the month of March when Nifty50 went from 11,380 levels to 7,500 levels, mainly due to the coronavirus panic.

Way forward

It is expected that in the year 2021, the Indian economy would return to normalcy. In the first few months of 2021, certain events like the COVID vaccination, the Union Budget, and the US government's new policies will be key driving factors.

This New Year it is also expected that the stock market and economy align with each other. Also, there are many IPOs that will greatly benefit the overall Indian economy, and will also provide capital to the companies which will drive the overall Indian economic growth.

Opportunities and Threats

The Company being a Non-Banking Financial Company is primarily engaged in the business of making investments in shares and securities. On account of Government of India's efforts to improve economic growth in the Country by providing opportunities for start-up and infrastructure development is giving hopes to entrepreneurs for exploring new opportunities. The Company is looking forward to use the opportunity at the right moment.

In a volatile stock market, the Company is exposed to the risk of fluctuation in share prices. This however is not likely to affect the working of the Company as a major part of the investments are held on long term basis and temporary fluctuations of those shares in the stock market do not have much financial implication to the Company.

However, the company gives continuous effort to frequently examine the ups and downs of the market particularly taking into consideration that the Company being a small size NBFC and there are plenty of hindrances which may hamper its growth.

Segment Wise Performance

The Company being a Non-Banking Financial Company operates mainly under a single segment viz Investments in Shares and Securities.

Risk and Concern

The very nature of the Company's business makes it susceptible to various kinds of risks. The Company encounters market risk, credit risk and operational risks in its daily business operations. The Company has framed a comprehensive Risk Management Policy which *inter-alia* lays down detailed process and policies in the various facets of the risk management function. The risk management review framework provides complete oversight to various risk management practices and process. The framework and assessment remains dynamic and aligns with the continuing requirements and demands of the market.

Outlook

The Indian economy is getting insulated to world and creating a mark on global level. The Management has to regularly monitor the changing market conditions and the trends. Further, any slowdown of the economic growth or volatility in the financial market could adversely affect the company's performance. However, the nature of capital market in which the Company operates is not predictable with certainty.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Internal Control System & their adequacy

The company maintains a system of internal controls design to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with applicable laws and regulations.

The Company has put in place an adequate system of Internal Controls that commensurate with its size, requirements and the nature of operations. It ensures operational efficiency, accuracy in Financial Reporting and Compliance of applicable Laws and Regulations. The Company has in place Policies and Procedures required to properly and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records and prepare financial reports in a timely and reliable manner. The system is also reviewed from time to time. During the year such controls were tested by the Internal and Statutory Auditors with reference to financial statements and no reportable material weakness on the designs or operations were observed. A seamless system has been put in place to ensure that any major discrepancies or lapse in controls are reported to the Audit Committee and Board of Directors of the Company and action is taken to control any breach.

Discussion on Financial Performance with respect to Operational Performance

This section is covered in the Board's Report under the section of Financial Results and Operations.

Material Developments in Human Resources / Industrial Relations front including number of people employed

There is no Material Development in Human Resources front. The Company maintains harmonious relationship with its employees. The Company is having 9 persons employed currently.

Cautionary Statement

Statements in this Management Discussion and Analysis Report describing the Company's projections, estimates and expectations have been made in good faith and may be forward looking statements' within the meaning of applicable laws and regulations. Many unforeseen factors may come into play and affect the actual results, which may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry-global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations etc.

Details of Key Financial Ratios and Significant Changes:

| Sl. No. | Particulars | F.Y. 2020-21 | F.Y. 2019-20 | Variance (%) | Reason |
|---------|--------------------------------|--------------|--------------|--------------|---------------------------------------|
| a. | Current Ratio | 118.33 | 35.62 | 232.19 | Due to increase in Current investment |
| b. | Operating Profit Margin (in %) | 64.62% | (58.96)% | (209.60)% | Due to increase in Profit |
| c. | Net Profit Margin (in %) | 48.22% | (15.20)% | (417.25)% | Due to increase in Profit |

Change in return on Net Worth

The return on Net Worth for the Financial Year 2020-21 is 2.52% and for Financial Year 2019-20 is (0.36)% resulting in Increase in the return on Net Worth by 801.38% due to Increase in the profit of the Company in absolute terms in Financial Year 2020-21 as compared to Financial Year 2019-20.

REPORT ON CORPORATE GOVERNANCE (Contd.)**9. General Body Meetings**

The last three Annual General Meetings of the Company were held as under :

| AGM | Year | Venue | Date & Time | Special Resolution |
|-------------------|-----------|---|---------------------------------------|---|
| 102nd | 2019-2020 | "Dhunseri House", 4A, Woodburn Park, Kolkata - 700020 | 29th September, 2020 at 11:30 A.M. | None |
| 101st | 2018-2019 | "Dhunseri House", 4A, Woodburn Park, Kolkata - 700020 | 29th August, 2019 at 11:30 A.M | <ol style="list-style-type: none"> 1. Payment of Commission to Non-Executive Directors. 2. Re-appointment of Mr. I. K. Kejriwal (DIN: 00012320) as a Non-Executive Independent Director. 3. Re-appointment of Mr. G. R. Goenka (DIN: 00133700) as a Non-Executive Independent Director. 4. Re-appointment of Mr. Rajeev Rungta (DIN: 00122221) as a Non-Executive Independent Director. |
| 100 th | 2017-2018 | "Dhunseri House", 4A, Woodburn Park, Kolkata - 700020 | 9th August, 2018 at 03:30 P.M | None |

9.1 Postal Ballot and Postal Ballot Process:

No special resolution was passed through Postal Ballot during the year under review. Further there are no special resolutions proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

Notes:

Other than the above, there were no other General Meetings during the last three years.

9.2 Information about Directors seeking appointment / re-appointment, etc.

The details of the Directors of the Company seeking appointment / re-appointment are given in the Annexure to the Notice, under the head 'Information pursuant to Regulations 36(3) of SEBI (LODR) Regulations, 2015.

10. Shareholders' information**a) Annual General Meeting for the Financial Year 2020-21**

| | |
|--------------------------------|---|
| Day & Time | Friday, 17th September, 2021 at 03:00 P.M. |
| Book Closure Date for Dividend | Saturday, 11th September, 2021 till Friday, 17th September, 2021 (both days inclusive) |

b) E-voting

The e-voting period commences on Tuesday, 14th September, 2021 (9:00 A.M. IST) and ends on, Thursday 16th September, 2021 (5:00 P.M. IST). During this period, Members of the Company holding shares as on the cut-off date i.e. Friday, 10th September, 2021, either in physical form or in dematerialized form, may cast their vote electronically.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The e-voting module shall be disabled by NSDL for voting thereafter. Once the e-voting on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The facility for e-voting shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting earlier shall be eligible to vote at the AGM.

c) Dividend payment

The final dividend @ ₹ 2.50/- per equity share as recommended by the Board at its meeting held on 29th June, 2021, for the Financial Year ended 31st March, 2021, if approved by the shareholders at the ensuing Annual General Meeting to be held on 17th September, 2021, will be paid on or after 23rd September, 2021.

- d) Registered office :** "Dhunseri House", 4A, Woodburn Park,
Kolkata – 700020
CIN: L01132WB1918PLC003029
Ph. No.: 033 2280-1950 (five lines)
Fax No. 91 33 2287-8995/8350
Email: mail@nagadhunserigroup.com
Website: www.nagadhunserigroup.com

e) Listing on Stock Exchange:

The Company's shares are listed with the National Stock Exchange (NSE). The Company has paid the Annual Listing Fees to the National Stock Exchange for the Financial Year 2021-22.

- f) i) **Exchange Scrip Code** : NSE- Symbol: NDGL
ii) **Demat ISIN number for NSDL and CDSL** : INE 756C01015

g) Stock market price data for the Financial Year 2020-21:

| Period: 2020-2021 | NSE | | Nifty | |
|----------------------|--------|--------|----------|----------|
| | High | Low | High | Low |
| April | 502.50 | 411.00 | 9889.05 | 80558.00 |
| May | 504.60 | 400.00 | 9598.85 | 8806.75 |
| June | 588.00 | 392.00 | 10553.15 | 9544.35 |
| July | 725.00 | 450.00 | 11341.40 | 10299.60 |
| August | 724.45 | 551.00 | 11794.25 | 10882.25 |
| September | 694.00 | 552.25 | 11618.10 | 11181.00 |
| October | 715.00 | 560.00 | 12025.45 | 11347.05 |
| November | 749.00 | 560.00 | 13145.85 | 11557.40 |
| December | 749.00 | 615.95 | 14024.85 | 12962.80 |
| January | 967.30 | 661.30 | 14753.55 | 13596.75 |
| February | 910.00 | 651.35 | 15431.75 | 13661.75 |
| March | 837.40 | 707.60 | 15336.30 | 14264.40 |

REPORT ON CORPORATE GOVERNANCE (Contd.)

- h) **Registrar and Share Transfer Agent** : Maheshwari Datamatics Private Limited
23 R. N. Mukherjee Road, 5th Floor,
Kolkata-700 001
Phone: 2243-5029, 2243-5809, 2248-2248
Fax: 91 33 2248-4787
Email: mdpldc@yahoo.com

i) **Share Transfer System**

The Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Private Limited process the share transfer / transmission etc. After scrutiny and completion of all required formalities, share certificates are returned in the normal course within 15 days of its receipt, if the documents are found valid and complete in all respects. Further, the request for dematerialisation of shares are also processed and confirmation is given by M/s. Maheshwari Datamatics Private Limited, being the Company's Demat Registrars, to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days if documents found complete in all respects.

j) **Shareholding pattern and distribution of Shares as on 31st March, 2021.**

| Category | No. of Shares | % of holding |
|---|----------------|---------------|
| Promoter & Promoter Group | | |
| Individual/ HUF | 396848 | 39.68 |
| Body Corporates | 337692 | 33.77 |
| Individual (NRI) | 1286 | 0.13 |
| Public Shareholding | 358 | 0.04 |
| Financial Institutions/ Banks | | |
| Central Government / State Government(s) / President of India | — | — |
| Non- Institutions | | |
| Individual | 169328 | 16.94 |
| NBFC Registered with RBI | 4014 | 0.40 |
| IEPF | 64226 | 6.42 |
| Bodies Corporate | 16131 | 1.61 |
| Clearing Members | 430 | 0.04 |
| Non Residential Individual | 8173 | 0.82 |
| Domestic Corporate Unclaimed Shares Account | 1318 | 0.13 |
| Custodian of Enemy Property | 196 | 0.12 |
| Total | 1000000 | 100.00 |

Distribution of Shares as on 31st March, 2021

| Range | Shareholders | | Shares | |
|-----------------|--------------|-------------------|----------------|-------------|
| | Number | % of Shareholders | Number | % of Shares |
| 1 to 500 | 1391 | 95.0137 | 75633 | 7.5633 |
| 501 to 1000 | 36 | 2.459 | 25903 | 2.5903 |
| 1001 to 2000 | 12 | 0.8196 | 15602 | 1.5602 |
| 2001 to 3000 | 3 | 0.2049 | 7008 | 0.7008 |
| 3001 to 4000 | 7 | 0.4781 | 24254 | 2.4254 |
| 4001 to 5000 | 2 | 0.1366 | 8046 | 0.8046 |
| 5001 to 10000 | 4 | 0.2732 | 28012 | 2.8012 |
| 10001 and above | 9 | 0.6148 | 815542 | 81.5542 |
| Total | 1464 | 100 | 1000000 | 100 |

REPORT ON CORPORATE GOVERNANCE (Contd.)**k) Dematerialisation of Shares and Liquidity:**

As on 31st March, 2021, 95.85 % of the Company's Share Capital representing 958549 Shares were in dematerialised form and the balance 4.15% of the Company's Share Capital representing 41451 Shares were in physical form. It needs to be said that the entire Promoters shareholding of 73.58% is in dematerialised form.

l) Unclaimed Demat Suspense Account:

The Company has opened Unclaimed Suspense Account in the name of Naga Dhunseri Group Limited- Unclaimed Suspense Account with HDFC Bank Limited to dematerialise shares issued in physical form which remains unclaimed.

| Particulars | No. of Shareholders | No. of Shares |
|--|---------------------|---------------|
| Aggregate number of Shareholders and the outstanding Shares in the Unclaimed Suspense Account as on 1 st April, 2020 | 14 | 1761 |
| Number of Shareholders and aggregate number of Shares transferred to the Unclaimed Suspense Account during the year | NIL | NIL |
| Number of Shareholder and aggregate number of Shares transferred to IEPF during the year since the dividend has not been claimed for 7 consecutive years | NIL | NIL |
| Number of Shareholders who approached the Company for transfer of Shares and Shares transferred from Suspense Account during the year | 1 | 443 |
| Aggregate number of Shareholders and the outstanding shares in the Unclaimed Suspense Account as on 31st March, 2021 | 13 | 1318 |

The voting rights on the Shares in the Unclaimed Suspense Account as on 31st March, 2021, shall remain frozen till the rightful owners of such Shares claim them.

m) Unclaimed Dividend

Unclaimed Dividend for the Financial Year 2012-13 amounting ₹ 1,47,076 was transferred to Investor Education & Protection Fund on 15th October, 2020, in compliance with Section 124 of the Companies Act, 2013.

The particulars of unpaid dividend for the previous seven years were uploaded on the Company's website and filed with the Ministry of Corporate Affairs.

n) Transfer of unclaimed dividend/shares to Investor Education & Protection Fund (IEPF):

The Shareholders who have not claimed dividend for seven consecutive years i.e. for the Financial Year 2012-13, their respective shares have also been transferred to IEPF.

The Unclaimed Dividend for the Financial Year 2013-14 and the corresponding Equity Shares in respect of which dividend entitlement remained unclaimed / unpaid for seven consecutive years from the Financial Year 2013-14 is due for transfer to the IEPF of the Central Government on 11th October, 2021 and the Company has issued individual reminder letters through registered post to all the Shareholders and a public notice in this respect has been published in English and vernacular newspaper for claiming the same by 10th September, 2021. The details of such Shareholders have been uploaded in the Company's website.

REPORT ON CORPORATE GOVERNANCE (Contd.)**o) Insider Trading Regulation**

The Company has adopted a code of internal procedure for prevention of any unauthorised trading in the shares of the Company by Insiders, as required under SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary is the Compliance Officer for this purpose.

p) Address for Investor Correspondence

Shareholders can correspond at the Registered Office of the Company and / or at the Company's Registrar and Share Transfer Agent. Shareholders holding shares in electronic mode should address all correspondence to their respective depository participants.

q) Financial Calendar 2021-22 (Tentative)**Board Meetings**

| Adoption of Quarterly / Annual Report | Adoption on or before |
|---|------------------------------|
| Unaudited Results for 1st quarter ending 30th June, 2021 | 14th August, 2021 |
| Unaudited Results for 2nd quarter ending 30th September, 2021 | 14th November, 2021 |
| Unaudited Results for 3rd quarter ending 31st December, 2021 | 14th February, 2022 |
| Audited Results for the Year ending 31st March, 2022 | 30th May, 2022 |
| Annual General Meeting for the year ending 31st March, 2022 | August / September, 2022 |

r) Grievance Redressal Division / Compliance Officer:

Chitra Thakwani

Company Secretary and Compliance Officer

Naga Dhunseri Group Limited

"Dhunseri House", 4A, Woodburn Park, Kolkata - 700 020

Phone : (033) 2280-1950 (5 lines)

Fax : (033) 2287-8995/8350

E-mail : mail@nagadhunserigroup.com

s) Secretarial Audit:

Pursuant to Regulation 24A of SEBI (LODR) Regulations, 2015, the Company's Board of Directors appointed Mr. Sushil Tiwari, Practising Company Secretary (ACS – 6199 / CP - 1903) of M/s Sushil Tiwari and Associates, as Secretarial Auditor to conduct secretarial audit of its records and documents for the Financial Year 2020-21.

t) Corporate Governance Compliance Certificate

As required by Schedule V of SEBI (LODR) Regulations, 2015, a Compliance Certificate from CS Atul Kumar Labh, of M/s A. K. Labh & Co., Company Secretaries confirming compliance with the conditions of Corporate Governance, is attached to this Report forming part of the Annual Report.

u) Certificate of Non-Disqualification of Directors

As required by Schedule V of SEBI (LODR) Regulations, 2015, a Certificate of Non-Disqualification of Directors from CS Atul Kumar Labh, of M/s A. K. Labh & Co., Company Secretaries confirming that none of the Directors are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such Statutory Authority has been obtained.

For and on behalf of the Board of Directors

C.K. Dhanuka

Chairman

(DIN: 00005684)

Place: Kolkata

Date: 29th June, 2021

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I confirm that the Company has in respect of the Financial Year ended 31st March, 2021, received from the Members of the Board and the Senior Management Personnel, a declaration of compliance with the Company's Code of Conduct.

For and behalf of Board of Directors

Place : Kolkata,

H. P. Bhuwania

Dated : 29th June, 2021

Chief Executive Officer

CERTIFICATE ON CORPORATE GOVERNANCE

TO

THE MEMBERS OF

NAGA DHUNSERI GROUP LIMITED

We have examined the compliance of conditions of Corporate Governance by **Naga Dhunseri Group Limited** ("the Company") in terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") for the year ended 31.03.2021.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

(CS A. K. LABH)

Practising Company Secretary

FCS : 4848 / CP No: 3238

UIN : S1999WB026800

PRCN : 108/2020

UDIN : F004848C000534751

Place: Kolkata

Date: 29th June, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Naga Dhunseri Group Limited
"Dhunseri House"
4A, Woodburn Park
Kolkata - 700 020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Naga Dhunseri Group Limited** having CIN: L01132WB1918PLC003029 and having registered office at "Dhunseri House", 4A, Woodburn Park, Kolkata – 700 020, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|------------------------|----------|--------------------------------|
| 1. | Chandra Kumar Dhanuka | 00005684 | 31.08.1974 |
| 2. | Aruna Dhanuka | 00005677 | 31.10.2005 |
| 3. | Mrigank Dhanuka | 00005666 | 31.03.2003 |
| 4. | Bharati Dhanuka | 02397650 | 12.02.2021 |
| 5. | Indra Kishore Kejriwal | 00012320 | 23.05.1977 |
| 6. | Rajeev Rungta | 00122221 | 31.01.2006 |
| 7. | Gobind Ram Goenka | 00133700 | 28.01.2009 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters, if any, which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

| | | |
|------------------------|----------------|----------------------|
| | Name | : CS Atul Kumar Labh |
| | Membership No. | : FCS 4848 |
| | CP No. | : 3238 |
| | PRCN | : 1038/2020 |
| Place : Kolkata | UIN | : S1999WB026800 |
| Date : 29th June, 2021 | UDIN | : F004848C000534740 |

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

For the Financial Year Ended : 31st March, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

Naga Dhunseri Group Ltd.

Dhunseri House

4A, Woodburn Park

Kolkata – 700 020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Naga Dhunseri Group Ltd. having **CIN: L01132WB1918PLC003029** (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, minutes 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, 2021 ('Audit period') 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, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, according to the provisions of the following (as amended and to the extent they are applicable to the Company) :-

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

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

- (2) The Listing Agreements entered into by the Company with the Stock Exchange and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (3) Reserve Bank of India Act, 1934 (pertaining to NBFC matters)

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

During the audit period under review provisions of the following Act/Regulations were not applicable to the Company:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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 the 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.

Majority decision is carried through unanimously and recorded as part of the minutes. There were no dissenting views by any members of the Board of Directors during the audit period.

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.

For SUSHIL TIWARI & ASSOCIATES

Company Secretaries

[SUSHIL TIWARI]

Proprietor

ACS 6199

CP 1903

31A, S. P. Mukherjee Road,
Kolkata - 700 025
The 29th day of June, 2021
UDIN : A006199C000536850

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,
Naga Dhunseri Group Ltd.
Dhunseri House
4A, Woodburn Park
Kolkata – 700 020

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Compliance of provisions of all laws, rules, regulations, standards applicable to **Naga Dhunseri Group Ltd.**, maintenance of secretarial and other records 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 and other records. The verification was done on test check basis to ensure that correct facts as reflected in Secretarial records provided to us. We believe that the processes and practices, we followed provide a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and major 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 check 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 SUSHIL TIWARI & ASSOCIATES

Company Secretaries

[SUSHIL TIWARI]

Proprietor

ACS 6199

CP 1903

31A, S. P. Mukherjee Road,
Kolkata - 700 025
The 29th day of June, 2021

INDEPENDENT AUDITORS' REPORT

To The Members of

NAGA DHUNSERI GROUP LIMITED

Report on Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **NAGA DHUNSERI GROUP LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('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 31 March 2021, its loss including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS 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 Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investments in Shares

The Company's investments (other than investments in Subsidiary and associates) are measured at fair value at each reporting date and these fair value measurements significantly impact the company's results, within the company's investments portfolio. The valuation of certain assets such as unquoted equity shares requires significant judgement as a result of quoted prices being unavailable and limited liquidity in these markets.

Considering the degree of subjectivity involved, we have treated it as key audit matter for the current year audit.

Audit procedure

We have assessed the company's process to compute the fair value of various instruments. For quoted investments we have independently obtained market quotations and recalculated the fair valuations. For the unquoted instruments, we have obtained an understanding of the various valuations methods used by management and analyzed the reasonableness of the principal assumptions made for estimating the fair values and various other data used while arriving at fair value measurement.

INDEPENDENT AUDITORS' REPORT (Contd.)

Other information

The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information.

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

Management's Responsibility 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS 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 Ind AS financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

As a 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 standalone Ind AS 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.

INDEPENDENT AUDITORS' REPORT (Contd.)

- 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 Companies Act 2013, 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone Ind AS financial statements for the financial year ended 31 March 2021 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143 (3) of the Act, we report that:
 - i. 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;
 - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - iii. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

INDEPENDENT AUDITORS' REPORT (Contd.)

- iv. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- v. On the basis of the written representations received from the directors of the Company as on 31st March, 2021 taken on record by the Board of Directors of the Company none of the Directors are disqualified as on 31st March, 2021 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- vi. 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"; and
- vii. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations as on balance sheet date which would impact its financial position.
 - b. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Company's Education and Protection Fund by the Investor Company and associate companies incorporated in India;
- 3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act. The ministry of corporate affairs has not prescribed other details under section 197(16) which as required to be commented upon by us.

PRABHAT KUMAR DHANDHANIA, FCA, PARTNER

(Membership No. 052613)

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

UDIN: 21052613AAAAAU3670

Place : Kolkata

Date : The 29th day of June, 2021

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) (a) The Company is maintaining proper records showing full particulars, including quantitative details & situation of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the management during the year and discrepancy noticed on such verification has been duly provided in the books of accounts.
 - (c) The title deeds of immovable properties are held in the name of the company.
- ii) According to the records of the Company examined by us and the information and explanations given to us, the Company is an non banking financial company primarily dealing in shares and securities, which is being verified with demat statement does not hold inventory of goods. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii) The Company has given loan secured to a relative of a Key Managerial Personnel (KMP) covered in the register maintained under Section 189 of the Act. We further report that:
 - a) The terms and conditions of grant of the loan is not prejudicial to the interest of the Company;
 - b) The schedule of repayment of principal and interest has been stipulated and there is no amount due as per the schedule mentioned for repayment of principal and interest during the year; and
 - c) There is no amount overdue as at the end of the financial year.
- iv) The Company has not entered into loans, investments, guarantees, and security transactions falling within provisions of section 185 and 186 of the Companies Act, 2013.
- v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly paragraph 3(vi) of the Order is not applicable to it.
- vii) (a) In our opinion, and according to the information and explanations given to us the company is depositing undisputed statutory dues, including provident fund, employee state Insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax , goods and services tax, cess and any other statutory dues with appropriate authority.
 - (b) According to the information and explanations given to us, there are no dues of provident fund, employees state insurance, income tax, sales tax , service tax , goods and services tax , cess and any other statutory dues outstanding on account of any dispute.
- viii) According to the records of the Company examined by us and the information and explanations given to us, there are no dues payable to any financial institutions or banks or debenture holders as at the balance sheet date.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT (Contd.)

- x) According to the records of the Company examined by us and information and explanation given to us, any fraud by the company or any fraud on the Company by its officers or employees has not been noticed or reported during the year.
- xi) The Company has not paid any managerial remuneration during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us, the company has not made preferential allotment of shares during the year under review; therefore, requirements of section 42 of the Companies Act, 2013 are not applicable.
- xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company has obtained registration as required under section 45-IA of the Reserve Bank of India Act, 1934.

PRABHAT KUMAR DHANDHANIA, FCA, PARTNER

(Membership No. 052613)

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

UDIN: 21052613AAAAAU3670

Place : Kolkata

Date : The 29th day of June, 2021

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NAGA DHUNSERI GROUP LIMITED

Report on the Internal Financial Controls 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 **NAGA DHUNSERI GROUP LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS 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') and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS 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 standalone Ind AS 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT (Contd.)**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these standalone Ind AS 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 company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS 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, the Company has, in all material respects, an adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

PRABHAT KUMAR DHANDHANIA, FCA, PARTNER

(Membership No. 052613)

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

UDIN: 21052613AAAAAU3670

Place : Kolkata

Date : The 29th day of June, 2021

**STANDALONE BALANCE SHEET
as at 31st March 2021**

| Particulars | Note No. | (₹ in Lakhs) | |
|--|-------------|------------------------|------------------------|
| | | As at 31 March 2021 | As at 31 March 2020 |
| Assets | | | |
| I. Financial assets | | | |
| Cash and cash equivalents | 3 | 57.34 | 892.61 |
| Bank balances other than cash and cash equivalents | 4 | 9.71 | 10.83 |
| Investments | 5 | 12,261.40 | 7,640.73 |
| Other financial assets | 6 | 657.02 | 133.64 |
| II. Non-financial assets | | | |
| Deferred tax assets (net) | 7 | - | 146.75 |
| Investment property | 8 | 660.55 | 694.37 |
| Property, plant and equipment | 9 | 97.69 | 105.20 |
| Right of Use Assets | 9 | 414.11 | 411.84 |
| Other non-financial assets | 10 | 504.91 | 500.13 |
| Total assets | | 14,662.73 | 10,536.10 |
| Liabilities and equity | | | |
| Liabilities | | | |
| I. Financial liabilities | | | |
| Other financial liabilities | 11 | 453.66 | 443.61 |
| II. Non-financial liabilities | | | |
| Deferred tax liabilities (net) | 7 | 100.54 | - |
| Current tax liabilities (Net) | 12 | 12.77 | 48.87 |
| Provisions | 13 | 2.62 | 2.48 |
| Other non- financial liabilities | 14 | 0.05 | 1.84 |
| Total liabilities | | 569.64 | 496.80 |
| Equity | | | |
| Equity share capital | 15 | 100.00 | 100.00 |
| Other equity | 16 | 13,993.09 | 9,939.30 |
| Total equity | | 14,093.09 | 10,039.30 |
| Total liabilities and equity | | 14,662.73 | 10,536.10 |

Summary of significant accounting policies 2
The accompanying notes are an integral part of the Standalone Financial Statements
As per our report of even date attached

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029

Prabhat Kumar Dhandhanian, FCA, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanian & Associates
Chartered Accountants
Firm Registration No. 316052E
Place : Kolkata
Dated : June 29, 2021

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
*Company Secretary &
Compliance Officer*
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwal
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2021

| | | (₹ in Lakhs) | |
|--|----------|----------------------------------|----------------------------------|
| Particulars | Note No. | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
| Income | | | |
| I. Revenue from operations | | | |
| Dividend income | 17 | 79.24 | 204.46 |
| Rental income | 18 | 32.04 | 31.26 |
| Net gain on fair value changes | 19 | | |
| – Realised | | 323.35 | 15.81 |
| – Unrealised | | 299.25 | - |
| Total revenue from operations | | 733.88 | 251.53 |
| II. Other income | 20 | 1.82 | 1.33 |
| III. Total income (I+II) | | 735.70 | 252.86 |
| IV. Expenses | | | |
| Finance costs | 21 | 44.25 | 41.22 |
| Net loss on fair value changes | 19 | | |
| – Unrealised | | - | 147.67 |
| Employee benefits expenses | 22 | 57.58 | 76.46 |
| Depreciation | 23 | 52.02 | 47.67 |
| Other expenses | 24 | 107.65 | 79.60 |
| Total expenses (IV) | | 261.50 | 392.62 |
| V. Profit (loss) before exceptional items and tax (III-IV) | | 474.20 | (139.76) |
| VI. Exceptional items | | - | - |
| VII. Profit/ (loss) before tax (V-VI) | | 474.20 | (139.76) |
| VIII. Tax expense | 25 | | |
| Current Tax | | 62.00 | 56.16 |
| Deferred Tax Expense | | 57.45 | (159.02) |
| Earlier year Tax adjustments | | - | (0.87) |
| Tax expense (VIII) | | 119.45 | (103.73) |
| IX. Profit/ (loss) for the year(VII-VIII) | | 354.75 | (36.03) |
| X. Other comprehensive income/ (loss) | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| Equity instruments designated through other comprehensive income - net change in fair value | | 3,901.38 | (2,605.24) |
| Income tax relating to items that will not be reclassified to profit or loss | | (189.84) | 109.56 |
| Net other comprehensive income/(loss) not to be reclassified subsequently to profit or loss (X) | | 3,711.54 | (2,495.68) |
| XI Total comprehensive income/(loss) for the year (IX+X) | | 4,066.29 | (2,531.71) |
| XII Earnings per share | | | |
| Nominal value of share ₹. 10 (31 March 2020: ₹. 10) | | | |
| Basic earning/(loss) per share (₹.) | 26 | 35.48 | (3.60) |
| Diluted earning/(loss) per share (₹.) | 26 | 35.48 | (3.60) |
| Summary of significant accounting policies | 2 | | |

The accompanying notes are an integral part of the Standalone Financial Statements
As per our report of even date attached

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029

Prabhat Kumar Dhandhanania, FCA, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanania & Associates
Chartered Accountants
Firm Registration No. 316052E
Place : Kolkata
Dated : June 29, 2021

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
*Company Secretary &
Compliance Officer*
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwalla
Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOWS
For the year ended 31 March 2021

| Particulars | (₹ in Lakhs) | |
|---|---|---|
| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
| Cash flows from operating activities | | |
| Profit/ (loss) before tax | 474.20 | (139.76) |
| Adjustments for: | | |
| Depreciation, amortisation and impairment | 52.02 | 47.67 |
| Fair value changes | (622.60) | 131.86 |
| Security Transaction Tax on OCI Shares | (7.16) | — |
| Profit on sale of property, plant and equipment | — | (0.75) |
| Operating profit before working capital changes | (103.54) | 39.02 |
| Movement in working capital | | |
| Increase in other financial assets | (523.38) | (128.16) |
| (Increase)/decrease in other non-financial assets | (4.78) | 276.90 |
| Increase in other financial liabilities | 10.05 | 424.93 |
| (Decrease)/increase in other non-financial liabilities | (1.79) | 1.30 |
| Increase in long term provisions | 0.14 | (0.13) |
| Cash generated from operations | (623.30) | 613.86 |
| Direct taxes paid (net of refunds) | (98.10) | (3.06) |
| Net cash generated from operating activities | (721.40) | 610.80 |
| Cash flow from investing activities | | |
| Acquisition of investment property | — | (280.42) |
| Acquisition of property, plant and equipment | (1.02) | (0.80) |
| Acquisition of Right of Use Assets | (11.94) | (417.48) |
| Proceeds from sale of assets | — | 1.15 |
| Purchase of Investment | (7,177.37) | (8,881.51) |
| Sale of Investment | 7,096.63 | 9,859.50 |
| Share Difference Loss | (8.79) | (9.42) |
| Net cash used in investing activities | (102.49) | 271.02 |
| Cash flow from financing activities | | |
| Dividend paid | (12.50) | (25.00) |
| Dividend tax | — | (5.14) |
| Net cash used in financing activities | (12.50) | (30.14) |
| Net increase/ (decrease) in cash and cash equivalents | (836.39) | 851.68 |
| Cash and cash equivalents at the beginning of the year | 903.44 | 51.76 |
| Cash and cash equivalents at the end of the year | 67.05 | 903.44 |
| Components of cash and cash equivalents | | |
| Cash on hand | 5.06 | 5.13 |
| Balance with bank | 52.28 | 887.48 |
| - On current accounts | 9.71 | 10.83 |
| Total cash and cash equivalents | 67.05 | 903.44 |

Note : The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

As per our report of even date attached

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029

Prabhat Kumar Dhandhanania, FCA, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanania & Associates
Chartered Accountants
Firm Registration No. 316052E
Place : Kolkata
Dated : June 29, 2021

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
*Company Secretary &
Compliance Officer*
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwal
Chief Financial Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2021

(₹ in Lakhs)

| | <u>Number</u> | <u>Amount</u> |
|--|---------------|---------------|
| A. Equity Share Capital | | |
| Balance as at 31 March 2019 | 10,00,000.00 | 100.00 |
| Add: Changes in equity share capital during the year | — | — |
| Balance as at 31 March 2020 | 10,00,000.00 | 100.00 |
| Add: Changes in equity share capital during the year | — | — |
| Balance as at 31 March 2021 | 10,00,000.00 | 100.00 |

B. Other Equity

| Particulars | Capital Reserve | Reserve and Surplus | | | Items of Other comprehensive income | | Total attributable to owners of the Company |
|--|-----------------|---------------------|-------------------|--------------------|---|---|---|
| | | General Reserve | Retained earnings | Statutory reserves | Equity instruments through other comprehensive income | Remeasurement of defined benefit asset/ (liability) | |
| Balance as at 31 March 2019 | 14.61 | 6,100.00 | 1,979.03 | 1,802.20 | 2,605.37 | (0.06) | 12,501.15 |
| Total comprehensive income for the year ended 31 March 2020 | | | | | | | |
| Profit for the year | — | — | (36.03) | — | — | — | (36.03) |
| Dividend | — | — | (25.00) | — | — | — | (25.00) |
| Dividend Distribution Tax Paid during the Year | — | — | (5.14) | — | — | — | (5.14) |
| Other comprehensive income | — | — | — | — | (2,605.24) | — | (2,605.24) |
| Tax impact | — | — | — | — | 109.56 | — | 109.56 |
| Balance as at 31 March 2020 | 14.61 | 6,100.00 | 1,912.86 | 1,802.20 | 109.69 | (0.06) | 9,939.30 |
| Total comprehensive income for the year ended 31 March 2021 | | | | | | | |
| Profit for the year | — | — | 354.75 | — | — | — | 354.75 |
| Other comprehensive income | — | — | — | — | 3,901.38 | — | 3,901.38 |
| Dividend - | — | — | (12.50) | — | — | — | (12.50) |
| Accumulated gain (net of tax) on sale of equity shares designated as FVOCI- transferred to retained earnings | — | — | 424.62 | — | (424.62) | — | — |
| Transfer to General Reserve | — | 2,000.00 | (2,000.00) | — | — | — | — |
| Transfer to statutory reserve | — | — | (155.88) | 155.88 | — | — | — |
| Tax impact | — | — | — | — | (189.84) | — | (189.84) |
| Balance as at 31 March 2021 | 14.61 | 8,100.00 | 523.85 | 1,958.08 | 3,396.61 | (0.06) | 13,993.09 |

Summary of significant accounting policies

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029

Prabhat Kumar Dhandhanian, FCA, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanian & Associates
Chartered Accountants
Firm Registration No. 316052E
Place : Kolkata
Dated : June 29, 2021

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
Company Secretary &
Compliance Officer
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)
Rajeev Rungta
Director
(DIN:00122221)
Ayush Beriwal
Chief Financial Officer

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021****1 Reporting Entity**

Naga Dhunseri Group Limited (the “Company”) is a public limited company domiciled in India and incorporated under provisions of Companies Act 1956 (the Act) in West Bengal.

The Company operates as an investment company and is registered as a Non Banking Finance Company with the Reserve Bank of India vide registration no. 05.01813 dated 13th April, 1998.

The Company’s registered office situated at “Dhunseri House” 4A, Woodburn Park, Kolkata-700020, West Bengal, India. Its equity shares are listed on National Stock Exchange and Bombay Stock Exchange.

The Board of Directors adopted the audited financial statements for the financial year 2020-21 in their meeting held on 29th June 2021.

2 Significant accounting policies**2.1 Basis of preparation of Financial Statements****2.1.1 Compliance with Ind-AS**

The financial statements of the Company comply with all material aspects with Indian Accounting Standards (‘Ind-AS’) notified under section 133 of the Companies Act, 2013 (‘the Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. Any directions issued by the RBI or other regulators are implemented as and when they become applicable. The Indian Accounting Standards (‘Ind-AS’) is applicable for the Company from financial year 2019-20 and the date of transition was 1st April, 2018.

2.1.2 Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Companies Act, 2013, as amended from time to time, for Non Banking Financial Companies (‘NBFC’s) that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows.

2.1.3 Basis of preparation

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below:

Financial instruments at fair value through profit and loss (FVTPL) that is measured at fair value.

Net defined benefit (asset)/ liability - fair value of plan assets less present value of defined benefit obligation.

2.1.4 Functional and Presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company’s functional and presentation currency. All amounts have been denominated in lacs and rounded off to the nearest two decimal, except when otherwise indicated.

2.1.5 Use of estimates and judgements

The preparation of financial statements in conformity with Ind-AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognized in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised and for future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are discussed below:

(i) Fair value of financial instruments

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements under Ind-AS are categorised into Level 1,2,or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note - 29

(ii) Business model assessment

Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how group of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated, Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

(iii) Expected credit loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost of effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward looking information.

(iv) Effective interest rate

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioural life of the financial asset to the gross carrying amount of the financial asset.

This estimation by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, the effect of potentially different interest rates at various stages

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

(v) Useful life and expected residual value of assets

Depreciation and amortization is derived after determining an estimate of an asset's expected useful life and expected residual value at the end of the life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically including at each financial year end, The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(vi) Deferred Tax

Deferred Tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(vii) Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the near future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(viii) Leases

The determination of the incremental borrowing rate used to measure lease liabilities

(ix) Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event and, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When the likelihood of outflow of resources is remote, no provision or disclosure is made.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

2.2 Investments and financial instruments / assets

2.2.1 Date of recognition

Financial assets and financial liabilities are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

2.2.2 Initial recognition and measurement

Recognised financial instruments are initially measured at transaction price, which equates fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized immediately in the statement of profit & loss.

2.2.3 Classification and Subsequent measurement

(i) Financial Assets

The Company based on the business model, the contractual characteristics of the financial assets and specific election where appropriate, classifies and measures financial assets in the following three categories:

(a) Financial assets at amortised cost

A financial asset is measured at amortised cost if both following conditions are met :

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

The Company records loans at amortised cost.

(b) Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met :

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Gains and losses on these equity instruments are never recycled to Statement of profit & loss but transferred in retained earnings. Dividends on such equity instruments are recognised in Statement of Profit & Loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

recovery of part of the cost of the instrument, in which case such gains are recorded in OCI.

Equity Instruments at FVOCI are not subject to an impairment assessment.

(c) Financial assets at fair value through profit or loss

A financial asset which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in the Statement of Profit & Loss.

The Company records investments in equity instruments, other than those classified at amortized cost and at FVOCI and investment in mutual funds at FVTPL.

(ii) Financial Liabilities and equity instrument

Equity instruments or debt issued by the Company are classified as either as equity or as financial liabilities in accordance with the substance of the contractual arrangements and the definitions of an equity instrument or of a financial liability.

(a) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. An equity instrument issued by the Company is recognized at the proceeds received, net of directly attributable transactions costs.

(b) Financial liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in Statement of Profit and Loss.

Any gain or loss on de-recognition of financial liabilities is also recognised in Statement of Profit and Loss.

Undrawn loan commitments are not recorded in the balance sheet. However, these financial instruments are in the scope of expected credit loss (ECL) calculation.

2.2.4 De-recognition of financial assets

A financial asset is de-recognised when :

- (i) The contractual rights to receive cash flows from the financial asset have expired, or
- (ii) The Company has transferred its contractual 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
 - (a) The Company has transferred substantially all the risks and rewards of the asset or
 - (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition of financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in Statement of Profit & Loss.

2.2.5 Reclassification

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

changes its business model. Financial liabilities are never reclassified. However, such reclassifications, if any are done prospectively.

2.2.6 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit & Loss.

ECL impairment loss allowance (or reversal) is recognised during the period only if material and is recognised as income / expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit & Loss.

Financial assets measured at amortised cost: ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the assets meet writeoff criteria, the Company does not reduce impairment allowance from the carrying amount.

2.2.7 Investments in Subsidiary and Associates

Interest in subsidiaries, associates and a joint venture are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

3 Fair value measurement

The Company measures financial instruments, such as, investment in mutual funds and investments in equity shares except investment in subsidiaries, associates and joint venture, 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 orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell or transfer the liability takes place either:

- (i) In the principal market for the 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.

The fair value of the asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value, maximising 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 categorised 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:

- (i) Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (ii) Level 2- Valuation techniques for which the lowest level input is significant to the fair value measurement is directly or indirectly observable;

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

- (iii) Level 3- valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company has set policies and procedures for both recurring and non recurring fair value measurement of financial assets, which includes valuation techniques and inputs to use for each case.

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.

4 Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Depreciation on investment property is provided on a prorata basis on straight line method over the estimated useful lives. Useful life of assets, as assessed by the Management,

The fair values of investment property is disclosed in the notes. Fair values is determined by the company based on the management on the basis of prevailing rates in the area in which the property is situated considering other factors like age of building etc and once in every three years, fair value is being ascertained by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property.

5 Property, plant & equipments and depreciation / amortisation

(i) Property, plant & equipment

Property plant & equipment, capital work in progress except freehold land are carried at cost of acquisition or cost of construction as the case may be, less accumulated depreciation and amortisation. Freehold land is carried at cost.

Cost comprises of the purchase price including import duties and non refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in a manner intended by the management. Changes in the expected useful life, if any, are accounted for by changing the amorisation period and treated as changes in accounting estimates. All other repair and maintenance costs are recognised in the Statement of profit & Loss.

An item of property, plant & equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss, when the asset is derecognised.

(ii) Depreciation

Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets at the rates and in the manner prescribed under Schedule II to the Companies Act, 2013. Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

Amount paid for leasehold land is amortised over a period of lease on straight line method.

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

(iii) Impairment of property, plant & equipment

An assessment is done at each balance sheet date as to whether there are any indications that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit (CGU) is made. Where the carrying amount of the asset/CGU exceeds the recoverable amount, the carrying value is written down to the recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the revised recoverable amount, subject to maximum of their depreciated historical cost.

6 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

7 Dividend on equity shares

The final dividend on equity shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognised directly in equity.

8 Revenue recognition

- (i) Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.
- (ii) The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.
- (iii) The Company recognises other income (including rent etc) on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed.

9 Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

reductions in future contributions to the plan ("the asset ceiling"). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

(iv) Other long term employee benefit obligations

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

10 Provisions and contingences

The Company recognises a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In cases where the available information indicates that the loss on the contingency is reasonable possible but the amount of loss can not be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

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 non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that may arise from past events but probably will not require an outflow of resources to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

11 Leases

The Company has adopted In-AS 116 -Leases.

At the inception of the contract, the Company assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For the purpose of identifying if a contract contains a lease, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except in case of low value leases and short term leases (a term of less than twelve months) wherein the lease payments are recognized as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The right-of-use assets are initially recognized at cost. Cost includes the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the useful life of the underlying asset or the lease term whichever is shorter. Right of use assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

12 Taxes on Income

(i) Current Tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 in respect of taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years.

(ii) Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)**

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

Where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Profit & Loss is recognised outside Profit & Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or other equity.

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 tax authority.

13 Earnings per share

The Company reports basic and diluted earnings per equity share. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity shares holders after giving impact of dilutive potential equity shares for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Managing Director of the Company has been identified as the CODM as defined by Ind-AS 108 Operating Segments, who assesses the financial performance and position of the Company and makes strategic decisions.

The Company is dealing primarily in investment of shares and hence it is single segment company and segment reporting is not applicable on the Company.

15 Cash Flow Statement

Cash flows are reported using the indirect method, prescribed in IND AS -7 whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, financing and investing activities of the company are segregated based on the available information.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

| Particulars | (₹ in Lakhs) | |
|---|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| 3 Cash and cash equivalents | | |
| Cash on hand | 5.06 | 5.13 |
| Balance with bank | | |
| - in current accounts | 52.28 | 887.48 |
| | <u>57.34</u> | <u>892.61</u> |
| 4 Bank balances other than cash and cash equivalents | | |
| - in dividend accounts | 9.71 | 10.83 |
| | <u>9.71</u> | <u>10.83</u> |

| Particulars | At Cost | At Fair Value | | Total |
|-------------------------------|---------------|--|--------------------------|------------------|
| | | Through other comprehensive income | Through profit & loss | |
| 5. Investments | | | | |
| As at 31 March 2021 | | | | |
| Equity Instruments (quoted) | — | 7,968.85 | 1,516.45 | 9,485.30 |
| Equity Instruments (unquoted) | — | 1,360.15 | 967.19 | 2,327.34 |
| Associates (quoted) | 448.76 | — | — | 448.76 |
| Total | <u>448.76</u> | <u>9,329.00</u> | <u>2,483.64</u> | <u>12,261.40</u> |
| As at 31 March 2020 | | | | |
| Mutual funds (quoted) | — | — | 480.38 | 480.38 |
| Equity Instruments (quoted) | — | 3,498.02 | 1,450.64 | 4,948.66 |
| Equity Instruments (unquoted) | — | 1,277.62 | 485.31 | 1,762.93 |
| Associates (quoted) | 448.76 | — | — | 448.76 |
| Total | <u>448.76</u> | <u>4,775.64</u> | <u>2,416.33</u> | <u>7,640.73</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | As at 31 March 2021 | | | As at 31 March 2020 | |
|--|------------------------|-------------|----------|------------------------|--------|
| | Face Value | Number | Amount | Number | Amount |
| 5 Investments (Contd) | | | | | |
| A. Investments in mutual funds (quoted) | | | | | |
| Mutual funds at fair value through profit or loss | | | | | |
| SBI Liquid Fund Regular Growth | — | — | — | 15,528.13 | 480.38 |
| Total (A) | | — | — | — | 480.38 |
| B. Investments in equity shares (quoted) | | | | | |
| Equity shares at fair value through profit or loss | | | | | |
| B1 For Investments | | | | | |
| Aarti Industries Ltd | 5 | 10.00 | 0.13 | 10.00 | 0.08 |
| Aarti Surfactants Ltd | 10 | 8.00 | 0.08 | 8.00 | — |
| Abbott India Limited | 10 | 10.00 | 1.50 | — | — |
| Asian Paints Ltd | 1 | 30.00 | 0.76 | — | — |
| Bajaj Finserv Ltd | 5 | — | — | 2,700.00 | 123.96 |
| Balrampur Chini Mills Limited | 1 | 16,250.00 | 34.86 | — | — |
| Bandhan Bank Limited | 10 | 39.00 | 0.13 | 2,414.00 | 4.92 |
| Bhagiradha Chemicals & Industries Ltd | 10 | — | — | 15,391.00 | 38.65 |
| Biocon Ltd | 5 | — | — | 475.00 | 1.29 |
| CSB Bank Ltd | 10 | — | — | 37,750.00 | 44.56 |
| Divi's Laboratories Ltd | 2 | 3,138.00 | 113.68 | 1,038.00 | 20.65 |
| Easun Reyrolle Ltd. | 2 | 1,94,989.00 | 5.26 | 1,94,989.00 | 3.31 |
| Escorts Limited | 10 | 21,350.00 | 274.95 | — | — |
| Gujarat State Fertilizers & Chemicals Ltd | 2 | 1.00 | — | 1.00 | — |
| HDFC Life Insurance Company Ltd | 10 | 14,750.00 | 102.69 | 27,137.00 | 119.77 |
| ICICI Bank Ltd | 2 | 2,450.00 | 14.26 | — | — |
| ICICI Lombard General Insurance Co Ltd | 10 | 40.00 | 0.57 | — | — |
| IFB Industries Ltd | 10 | 8,593.00 | 95.52 | — | — |
| Indo Count Industries Ltd | 2 | 493.00 | 0.65 | — | — |
| Kotak Mahindra Bank Ltd | 5 | — | — | 837.00 | 10.85 |
| Maruti Suzuki India Ltd | 5 | 8.00 | 0.55 | — | — |
| Meghmani Organics Ltd. | 1 | 39,000.00 | 45.47 | — | — |
| MSTC Ltd | 10 | 15,000.00 | 44.77 | — | — |
| Natco Pharma Ltd | 2 | 6,825.00 | 56.34 | — | — |
| Orient Cement Ltd | 1 | 30,256.00 | 29.59 | — | — |
| Orient Electric Ltd | 1 | — | — | 20,745.00 | 40.74 |
| Pfizer Limited | 10 | 11.00 | 0.50 | — | — |
| Pidilite Industries Limited | 1 | 35.00 | 0.63 | — | — |
| Radico Khaitan Limited | 2 | — | — | 363.00 | 0.97 |
| Sbi Life Insurance Company Ltd | 10 | 5,562.00 | 48.99 | 4,312.00 | 27.64 |
| Steel Authority of India Limited | 10 | 81,000.00 | 63.83 | — | — |
| Strides Pharma Science Ltd | 10 | 6,725.00 | 56.81 | — | — |
| Sumitomo Chemical Co Ltd | 10 | — | — | 6,375.00 | 11.77 |
| Titan Company Ltd | 1 | — | — | 1,056.00 | 9.86 |
| Torrent Power Ltd | 10 | 3,750.00 | 15.89 | — | — |
| Trent Ltd | 1 | 338.00 | 2.54 | 338.00 | 1.64 |
| UltraTech Cement Ltd | 10 | 11.00 | 0.74 | — | — |
| Varun Beverages Ltd | 10 | 10,813.00 | 108.45 | — | — |
| Total (B1) | | | 1,120.14 | | 460.66 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | | As at 31 March 2021 | | | As at 31 March 2020 | |
|-----------|--|------------------------|-----------|-----------------|------------------------|-----------------|
| | | Face Value | Number | Amount | Number | Amount |
| 5 | Investments (Contd) | | | | | |
| B2 | For Trading | | | | | |
| | 3M India Ltd | 10 | 1.00 | 0.30 | 1.00 | 0.19 |
| | ABB India Ltd | 2 | 13.00 | 0.18 | 13.00 | 0.12 |
| | ABB Power Products and Systems India Ltd | 2 | 2.00 | 0.03 | 2.00 | 0.02 |
| | Abbott India Limited | 10 | 2.00 | 0.30 | 2.00 | 0.31 |
| | Astec Life Sciences Limited | 10 | 5.00 | 0.05 | 5.00 | 0.02 |
| | Bosch Ltd | 10 | 1.00 | 0.14 | 1.00 | 0.09 |
| | Britannia Industries Ltd | 1 | 10.00 | 0.36 | 10.00 | 0.27 |
| | Britannia Industries Ltd & NCD | — | 10.00 | — | 10.00 | — |
| | Godrej Agrovet Ltd | 10 | 5.00 | 0.03 | 5.00 | 0.02 |
| | Hindustan Unilever Ltd | 1 | — | — | 10.00 | 0.23 |
| | Mahindra & Mahindra Limited | 5 | 5.00 | 0.04 | 5.00 | 0.01 |
| | Mahindra Logistics Ltd | 10 | — | — | 5.00 | 0.01 |
| | Natco Pharma Ltd | 2 | — | — | 51,700.00 | 261.37 |
| | Nestle India Limited | 10 | — | — | 475.00 | 77.43 |
| | Nippon Life India Asset Management Ltd. | 10 | — | — | 1,05,500.00 | 262.91 |
| | Page Industries Limited | 10 | 5.00 | 1.52 | 5.00 | 0.85 |
| | The Ramco Cements Ltd | 1 | — | — | 34,800.00 | 178.47 |
| | Siemens Ltd | 2 | 11.00 | 0.20 | 11.00 | 0.12 |
| | Varun Beverages Ltd | 10 | 39,200.00 | 393.16 | 39,200.00 | 207.54 |
| | Total (B2) | | | <u>396.31</u> | | <u>989.98</u> |
| | Total (B)=(B1+B2) | | | <u>1,516.45</u> | | <u>1,450.64</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | Face Value | As at 31 March 2021 | | As at 31 March 2020 | |
|--|------------|------------------------|------------------|------------------------|-----------------|
| | | Number | Amount | Number | Amount |
| C Investments in equity shares (quoted) | | | | | |
| Equity shares at fair value through other comprehensive income | | | | | |
| Aarti Industries Ltd | 5 | 30.00 | 0.40 | 30.00 | 0.23 |
| Aarti Surfactants Ltd | 10 | 24.00 | 0.22 | 24.00 | — |
| Bajaj Finserv Ltd | 10 | — | — | 8,100.00 | 371.89 |
| Balrampur Chini Mills Ltd | 1 | 48,750.00 | 104.57 | — | — |
| Bandhan Bank Ltd | 10 | 117.00 | 0.40 | 7,242.00 | 14.76 |
| Bhagiradha Chemicals & Industries Ltd | 10 | — | — | 46,176.00 | 115.95 |
| Biocon Ltd | 5 | — | — | 1,425.00 | 3.86 |
| CSB Bank Ltd | 10 | — | — | 1,13,250 | 133.69 |
| Divi's Laboratories Ltd | 2 | 9,412.00 | 340.98 | 3,112 | 61.90 |
| Easun Reyrolle Ltd. | 2 | 5,84,968.00 | 15.79 | 5,84,968 | 9.94 |
| Escorts Limited | 10 | 64,050.00 | 824.84 | — | — |
| Gujarat State Fertilizers&Chemicals Ltd | 2 | 4.00 | — | 4.00 | — |
| HDFC Life Insurance Company Ltd | 10 | 44,250.00 | 308.07 | 81,413.00 | 359.32 |
| ICICI Bank Ltd | 2 | 7,350.00 | 42.78 | — | — |
| IFB Industries Ltd | 10 | 25,778.00 | 286.53 | — | — |
| Indo Count Industries Ltd | 2 | 1,476.00 | 1.94 | — | — |
| Kotak Mahindra Bank Ltd | 5 | — | — | 2,513.00 | 32.56 |
| Meghmani Organics Ltd. | 1 | 1,17,000.00 | 136.42 | — | — |
| MSTC Ltd | 10 | 45,000.00 | 134.30 | — | — |
| Natco Pharma Ltd | 2 | 20,475.00 | 169.03 | — | — |
| Orient Cement Ltd | 1 | 90,769.00 | 88.77 | — | — |
| Orient Electric Ltd | 1 | — | — | 62,236.00 | 122.23 |
| Radico Khaitan Limited | 2 | — | — | 1,087.00 | 2.92 |
| Sbi Life Insurance Company Ltd | 10 | 16,688.00 | 147.00 | 12,938.00 | 82.93 |
| Steel Authority of India Limited | 10 | 2,43,000.00 | 191.48 | — | — |
| Strides Pharma Science Ltd | 10 | 20,175.00 | 170.42 | — | — |
| Sumitomo Chemical Co Ltd | 10 | — | — | 19,125.00 | 35.32 |
| Titan Company Ltd | 1 | — | — | 3,169.00 | 29.59 |
| Torrent Power Ltd | 10 | 11,250.00 | 47.68 | — | — |
| Trent Ltd | 1 | 1,012.00 | 7.60 | 1,012.00 | 4.90 |
| Varun Beverages Ltd | 10 | 32,437.00 | 325.33 | — | — |
| Dhunseri Tea & Industries Ltd | 10 | 6,15,751.00 | 1,588.64 | 6,15,751.00 | 689.03 |
| Dhunseri Ventures Ltd. | 10 | 30,78,759.00 | 3,035.66 | 30,78,759.00 | 1,427.00 |
| Total (C) | | | 7,968.85 | | 3,498.02 |
| D. Investments in equity shares (unquoted) | | | | | |
| Equity shares at fair value through other comprehensive income | | | | | |
| Dhunseri Overseas Pvt. Ltd. | 10 | 1,19,96,000.00 | 1,221.19 | 1,19,96,000.00 | 1,199.60 |
| Madhuting Tea Pvt. Ltd. | 10 | 1,30,000.00 | 138.96 | 1,30,000.00 | 78.02 |
| Equity shares at fair value through profit or loss | | | | | |
| Forge Point Ltd. | 10 | 4,00,000.00 | — | 4,00,000.00 | 120.00 |
| Jatayu Estate Private Limited | 10 | 13,36,000.00 | 72.68 | — | — |
| Mira Estate Pvt. Ltd. | 10 | 11,00,000.00 | 114.51 | 11,00,000.00 | 110.00 |
| National Stock Exchange Ltd | 1 | 75.00 | 780.00 | 25,000.00 | 255.31 |
| Total (D) | | | 2,327.34 | | 1,762.93 |
| E. Investments in equity shares of associate companies (quoted) | | | | | |
| Equity shares at Amortised Cost | | | | | |
| Dhunseri Investments Ltd | 10 | 13,16,476.00 | 448.76 | 13,16,476.00 | 448.76 |
| Total (E) | | | 448.76 | | 448.76 |
| Total investments (net) (A+B+C+D+E) | | | 12,261.40 | | 7,640.73 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | As at 31 March 2021 | As at 31 March 2020 |
|--|---|---|
| 6 Other Financial Assets | | |
| Security deposits | 3.48 | 3.58 |
| Advance to Employees | 1.57 | 1.01 |
| Advance others | 0.05 | 0.28 |
| Other Receivables | 80.48 | 0.02 |
| Advance Paid Against Shares | 520.00 | 128.75 |
| Loan | 50.00 | — |
| Interest Accrued but Not Due | 1.44 | — |
| | <u>657.02</u> | <u>133.64</u> |
| 7 Deferred tax assets/ (Deferred tax liability) | | |
| Fair valuation on investments carried as fair value through P&L | (46.29) | 11.18 |
| Fair valuation on investments carried as fair value through OCI | (55.12) | 134.72 |
| Difference between written down value of property , plant & equipment as per books of accounts and Income tax Act, 1961 | 0.21 | 0.20 |
| Provision for Employee benefits | 0.66 | 0.65 |
| Net Deferred tax assets/ (Deferred tax liability) | <u>(100.54)</u> | <u>146.75</u> |
| Movement in deferred tax assets/liabilities | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
| Balance at the beginning of the year | 146.75 | (121.83) |
| (Charged) /credited | | |
| Deferred Tax Assets on Provision for Earned Leave | 0.01 | (0.03) |
| Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961 | 0.01 | (0.76) |
| Fair Valuation of Investment through P&L | (57.47) | 159.81 |
| Fair Valuation of Investment through OCI | (189.84) | 109.56 |
| Balance at the end of the year | <u>(100.54)</u> | <u>146.75</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

8 Investment property

(A) Reconciliation of carrying amount

| | Building |
|------------------------------------|---------------|
| Cost as at 31 March 2019 | 467.77 |
| Additions | 280.42 |
| Cost as at 31 March 2020 | 748.19 |
| Additions | — |
| Cost as at 31 March 2021 | 748.19 |
| Amortisation | |
| Balance as at 31 March 2019 | 19.41 |
| Charge for the year | 34.41 |
| Balance as at 31 March 2020 | 53.82 |
| Charge for the year | 33.82 |
| Balance as at 31 March 2021 | 87.64 |
| Carrying value (net) | |
| Balance as at 31 March 2020 | 694.37 |
| Balance as at 31 March 2021 | 660.55 |

B) Measurement of Fair Values

(i) Fair value hierarchy

The fair value measurement for all the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

(ii) Valuation Technique

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in the area.

| <u>Particulars</u> | <u>Year Ended</u> <u>31 March 2021</u> | <u>Year Ended</u> <u>31 March 2020</u> |
|---|---|---|
| (C) Amounts recognised in profit or loss for investment properties | | |
| Rental Income | — | — |
| Direct operating expenses from property that generated rental income | — | — |
| Profit from investment properties before depreciation | — | — |
| Depreciation | 33.82 | 34.41 |
| Profit/(Loss) from investment properties | (33.82) | (34.41) |
| (D) Fair Value | | |
| As at 31 March 2021 | | 660.55 |
| As at 31 March 2020 | | 694.37 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

9 Property, Plant and Equipment

| | Right of use Assets | Sub Total of ROU (A) | Leasehold Land | Leasehold Buildings | Vehicles | Furniture and fixtures | Computers | Office Equipment | Sub Total of PPE (B) | Total (A+B) |
|---------------------------------|---------------------------|----------------------------|-------------------|------------------------|-------------|------------------------------|-------------|---------------------|----------------------------|----------------|
| Cost as at 31 March 2019 | — | — | 18.10 | 101.72 | 1.28 | 0.21 | 1.03 | — | 122.34 | 122.34 |
| Additions | 417.48 | 417.48 | — | — | — | — | 0.08 | 0.72 | 0.80 | 418.28 |
| Disposals | — | — | — | — | 1.28 | — | — | — | 1.28 | 1.28 |
| Cost as at 31 March 2020 | 417.48 | 417.48 | 18.10 | 101.72 | — | 0.21 | 1.11 | 0.72 | 121.86 | 539.34 |
| Additions | 11.94 | 11.94 | — | — | — | — | 1.02 | — | 1.02 | 12.96 |
| Disposals | — | — | — | — | — | — | — | — | — | — |
| Cost as at 31 March 2021 | 429.42 | 429.42 | 18.10 | 101.72 | — | 0.21 | 2.13 | 0.72 | 122.88 | 552.30 |

Accumulated depreciation

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Balance as at 31 March 2019 | — | — | 0.24 | 7.93 | 0.81 | 0.11 | 0.83 | — | 9.92 | 9.92 |
| Charge for the year | 5.64 | 5.64 | 0.22 | 7.13 | 0.07 | 0.02 | 0.15 | 0.03 | 7.62 | 13.26 |
| Disposals during the year | — | — | — | — | 0.88 | — | — | — | 0.88 | 0.88 |
| Balance as at 31 March 2020 | 5.64 | 5.64 | 0.46 | 15.06 | — | 0.13 | 0.98 | 0.03 | 16.66 | 22.30 |
| Charge for the year | 9.67 | 9.67 | 0.23 | 7.52 | — | 0.02 | 0.32 | 0.44 | 8.53 | 18.20 |
| Disposals during the year | — | — | — | — | — | — | — | — | — | — |
| Balance as at 31 March 2021 | 15.31 | 15.31 | 0.69 | 22.58 | — | 0.15 | 1.30 | 0.47 | 25.19 | 40.50 |

Carrying amounts (net)

| | | | | | | | | | | |
|------------------------------------|--------|--------|-------|-------|---|------|------|------|--------|--------|
| Balance as at 31 March 2020 | 411.84 | 411.84 | 17.64 | 86.66 | — | 0.08 | 0.13 | 0.69 | 105.20 | 517.04 |
| Balance as at 31 March 2021 | 414.11 | 414.11 | 17.41 | 79.14 | — | 0.06 | 0.83 | 0.25 | 97.69 | 511.80 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|---|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| 10 Other Non-Financial assets | | |
| Prepaid Expenses | 12.94 | 13.06 |
| Goods and Services Tax Receivable | 10.58 | 5.68 |
| Capital Advances | 481.39 | 481.39 |
| | <u>504.91</u> | <u>500.13</u> |
| 11 Other Financial Liabilities | | |
| Unpaid dividend | 9.71 | 10.83 |
| Other Payables | 4.32 | 8.91 |
| Lease Liability | 439.63 | 423.87 |
| | <u>453.66</u> | <u>443.61</u> |
| 12 Current Tax Liabilities (Net) | | |
| Provision for tax | 130.16 | 68.16 |
| Less: Advance Tax | 117.39 | 19.29 |
| | <u>12.77</u> | <u>48.87</u> |
| 13 Provisions | | |
| Provision for compensated absences | 2.62 | 2.48 |
| | <u>2.62</u> | <u>2.48</u> |
| 14 Other Non-Financial Liabilities | | |
| Statutory dues ^ | 0.05 | 1.84 |
| | <u>0.05</u> | <u>1.84</u> |

^Statutory dues include Tax Deducted at Source, Goods and Service Tax and Provident Fund payable

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

| Particulars | As at 31 March 2021 | | As at 31 March 2020 | |
|--|----------------------------|------------------|----------------------------|------------------|
| | Number | Amount | Number | Amount |
| 15. Equity Share Capital | | | | |
| Authorised share capital | | | | |
| Equity shares of ₹ 10 each | 25,00,000 | 250.00 | 25,00,000 | 250.00 |
| Issued, subscribed and fully paid up | | | | |
| Equity shares of ₹ 10 each | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| a. Reconciliation of shares outstanding at the beginning and at the end of the year | | | | |
| Equity shares | | | | |
| Balance at the beginning of the year | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| Balance at the end of the year | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| b. Terms/Rights Attached to Equity Shares | | | | |
| The Company has one class of equity share having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in ensuing General Meeting except in case of interim dividend. | | | | |
| In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders. | | | | |
| Particulars | As at 31 March 2021 | | As at 31 March 2020 | |
| | Number | % Holding | Number | % Holding |
| c. Details of shareholders holding more than 5% shares in the Company | | | | |
| Equity shares | | | | |
| M/s Mint Investments Limited | 3,32,210 | 33.22% | 3,32,210 | 33.22% |
| Sri Chandra Kr Dhanuka (Karta Of HUF) | | | | |
| as a Partner of a Firm | 1,61,130 | 16.11% | 1,61,130 | 16.11% |
| Smt. Aruna Dhanuka | 78,700 | 7.87% | 78,700 | 7.87% |
| d. Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: | | | | |
| (i) No bonus shares have been issued during the period of 5 years immediately preceding the reporting date. | | | | |
| (ii) No shares have been allotted as fully paid paid-up pursuant to a contract without payment being received in cash. | | | | |
| (iii) No shares have been bought back during the period of 5 years immediately preceding the reporting date. | | | | |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|--|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| 16 Other equity | | |
| Capital Reserve | 14.61 | 14.61 |
| Statutory reserves | 1,958.08 | 1,802.20 |
| General Reserve | 8,100.00 | 6,100.00 |
| Retained earnings | 523.85 | 1,912.86 |
| Other Comprehensive Income | 3,396.55 | 109.63 |
| | <u>13,993.09</u> | <u>9,939.30</u> |
| Capital Reserve | | |
| Balance as at the beginning of the year | 14.61 | 14.61 |
| Changes during the year | — | — |
| At the end of the year | <u>14.61</u> | <u>14.61</u> |
| Statutory Reserves | | |
| Balance as at the beginning of the year | 1,802.20 | 1,802.20 |
| Changes during the year | 155.88 | — |
| At the end of the year | <u>1,958.08</u> | <u>1,802.20</u> |
| General Reserve | | |
| Balance as at the beginning of the year | 6,100.00 | 6,100.00 |
| Changes during the year | 2,000.00 | — |
| At the end of the year | <u>8,100.00</u> | <u>6,100.00</u> |
| Retained Earnings | | |
| Balance as at the beginning of the year | 1,912.86 | 1,979.03 |
| Add: Profit for the year | 354.75 | (36.03) |
| Add: Accumulated Gain (net at taxes) on sale of Equity of Shares designated as FVOCI-Transferred to Retained Earnings | 424.62 | — |
| Less: Transfer to Statutory Reserve | 155.88 | — |
| Less: Transfer to General Reserve | 2,000.00 | — |
| Less: Dividend Paid during The Year | 12.50 | 25.00 |
| Less: Dividend Distribution Tax paid During The Year | — | 5.14 |
| At the end of the year | <u>523.85</u> | <u>1,912.86</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

| | As at 31 March 2021 | (₹ in Lakhs) As at 31 March 2020 |
|---|------------------------|--|
| Other Comprehensive Income | | |
| Equity instruments through other comprehensive income | | |
| Balance as at the beginning of the year | 109.69 | 2,605.37 |
| Net change in fair value | 3,901.38 | (2,605.24) |
| Income tax impact | (189.84) | 109.56 |
| Less: Accumulated Gain (net at taxes) on sale of Equity of Shares designated as FVOCI-Transferred to Retained Earnings | 424.62 | — |
| At the end of the year | 3,396.61 | 109.69 |
| Remeasurement of defined benefit liability | | |
| Balance as at the beginning of the year | (0.06) | (0.06) |
| At the end of the year | (0.06) | (0.06) |

(a) **Description of nature and purpose of each reserve:**

General reserve

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

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Statutory reserve

As per Section 45-IC(1) of the Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

FVTOCI Equity investment reserve

The Company has elected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|---|-------------------------------------|-------------------------------------|
| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
| 17 Dividend Income | | |
| On financial assets measured at fair value through profit or loss | | |
| Dividend from investments | 79.24 | 204.46 |
| | <u>79.24</u> | <u>204.46</u> |
| 18 Rental Income | | |
| Rental Income from lease | 32.04 | 31.26 |
| | <u>32.04</u> | <u>31.26</u> |
| 19 Net Gain on Fair Value Changes | | |
| Net gain /(loss) on financial instruments at FVTPL | | |
| On trading portfolio | 393.52 | (128.66) |
| On financial instruments designated at FVTPL | | |
| Investment in equity shares | 229.08 | (3.20) |
| | <u>622.60</u> | <u>(131.86)</u> |
| Fair value changes | | |
| Realised | 323.35 | 15.81 |
| Unrealised | 299.25 | (147.67) |
| | <u>622.60</u> | <u>(131.86)</u> |
| 20 Other Income | | |
| Profit on sale of property, plant and equipment | — | 0.75 |
| Interest on Loan | 1.44 | — |
| Miscellaneous income | 0.38 | 0.58 |
| | <u>1.82</u> | <u>1.33</u> |
| 21 Finance Costs | | |
| On financial liabilities measured at amortised cost | | |
| Interest on | | |
| - Finance lease obligation | 44.22 | 41.11 |
| - Other Interest expense | 0.03 | 0.11 |
| | <u>44.25</u> | <u>41.22</u> |
| 22 Employee Benefits Expenses | | |
| Salaries and wages | 51.32 | 67.68 |
| Contribution to provident and other funds | 3.15 | 4.61 |
| Staff welfare expenses | 3.11 | 4.17 |
| | <u>57.58</u> | <u>76.46</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|-------------------------------------|-------------------------------------|
| 23 Depreciation | | |
| Depreciation on Property, Plant and Equipment (Refer Note 9) | 8.53 | 7.62 |
| Amortisation of ROU (Refer Note 9) | 9.67 | 5.64 |
| Depreciation on Investment Property (Refer Note 8) | 33.82 | 34.41 |
| | <u>52.02</u> | <u>47.67</u> |
| 24 Other Expenses | | |
| Rent, Taxes and Energy Costs | 9.34 | 18.57 |
| Legal and Professional Fees | 19.82 | 15.28 |
| Listing and Custodian Fees | 4.68 | 4.13 |
| Filing Fees | 0.07 | 0.10 |
| Auditor's Fees and Expenses # | 1.15 | 1.00 |
| Travelling and Conveyance Expenses | 4.41 | 7.01 |
| Director's Fees, Allowances, and Expenses | 2.07 | 1.10 |
| Repair and Maintenance Others | 2.34 | 4.53 |
| Communication Expenses | 0.12 | 0.23 |
| Corporate Social Responsibility Expenditure | 7.00 | 16.65 |
| Donation and Charity | 50.00 | — |
| Insurance Expenses | — | 0.10 |
| Printing and Stationery | 0.68 | 0.66 |
| Miscellaneous Expenses | 5.97 | 10.24 |
| | <u>107.65</u> | <u>79.60</u> |
| #Payment to Auditors | | |
| As auditor | | |
| - Statutory Audit | 0.63 | 0.70 |
| - Other Services | 0.52 | 0.30 |
| | <u>1.15</u> | <u>1.00</u> |
| 25 Income tax | | |
| A. Major components of income tax (expenses)/income are: | | |
| Recognised in profit and loss | | |
| Tax expense | 62.00 | 56.16 |
| Tax expense for earlier years | — | (0.87) |
| Deferred tax expense | 57.45 | (159.02) |
| Total | <u>119.45</u> | <u>(103.73)</u> |
| Recognised in other comprehensive income | | |
| Tax impact on | | |
| Items that will not be reclassified to profit or loss | (189.84) | 109.56 |
| Total | <u>(70.39)</u> | <u>5.83</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| 25 Income tax (Contd.) | | |
| B. Reconciliation of effective tax rate | | |
| Accounting profit before income tax | 474.20 | (139.76) |
| Tax at statutory Income Tax rate of 25.17% (Previous Year 27.82%) | 119.36 | (38.88) |
| Non Deductible Expense | 28.56 | 41.19 |
| Inadmissible Income/loss | (90.03) | 31.96 |
| Income Exempt for Tax Purpose | — | (56.88) |
| ICDS Effect | 7.79 | 55.93 |
| Income Taxable at Different Rate | (26.70) | 28.36 |
| Others | — | (5.52) |
| Earlier Year Tax Adjustment | 23.02 | (0.87) |
| Deferred tax Assets on others items | 57.45 | (159.02) |
| Total Tax expenses at effective tax rate (a+b) | 119.45 | (103.73) |
| Income tax expense reported in the statement of profit and loss | 119.45 | (103.73) |
| 26 Earnings per share (EPS) | | |
| Net profit/ (loss) attributable to equity shareholders | 354.74 | (36.03) |
| Weighted average number of equity shares outstanding during the year used as denominator in basic and diluted earnings per share | 1,000,000 | 1,000,000 |
| Basic earnings/ (loss) per share (₹.) | 35.48 | (3.60) |
| Diluted earnings/ (loss) per share (₹.) | 35.48 | (3.60) |
| Face value of share (₹) | 10.00 | 10.00 |

27 Related Party Transactions**(1) Relationship:**

| Particulars | Country of Incorporation | Ownership Interest | |
|------------------------------|-----------------------------|--------------------|-----------------|
| | | 31st March 2021 | 31st March 2020 |
| I. Associate Company | | | |
| Dhunseri Investments Limited | India | 21.59% | 21.59% |

II. Key management personnel (KMP)

| Name | Designation |
|----------------------------|--|
| Mr. C.K.Dhanuka | Chairman |
| Mrs. Aruna Dhanuka | Non Independent and Non Executive Director |
| Mrs. Bharati Dhanuka | Non Independent and Non Executive (w.e.f 12.02.2021) |
| Mr. Mrigank Dhanuka | Non Independent and Non Executive Director |
| Mr. Indra Kishore Kejriwal | Independent and Non Executive Director |
| Mr. Gobind Ram Goenka | Independent and Non Executive Director |
| Mr. Rajeev Rungta | Independent and Non Executive Director |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| Name | Designation |
|--------------------------|---|
| Mr. Hari Prasad Bhuwania | Chief Executive Officer (w.e.f. 10.02.2020) |
| Mr. Ayush Beriwal | Chief Financial Officer |
| Ms. Chitra Thakwani | Company Secretary |
| Mrs. Tyrisha Beriwal | Relative of Key Manegment Person |

III. Enterprise over which KMP(s) are able to exercise significant influence and with whom transactions have taken place.

Dhunseri Ventures Ltd. (formerly known as Dhunseri Petrochem Ltd.)

Dhunseri Tea & Industries Ltd.

Dhunseri Overseas Ltd.

Trimplex Investments Ltd.

Mint Investment Limited

Madhuting Tea Pvt. Ltd.

(2) Details of Related Party Transactions / Balances

| Nature of Transactions / Balances | 31st March 2021 | 31st March 2020 |
|--|-----------------|-----------------|
| (a) Entities over which KMP(s) are able to exercise significant influence | | |
| Dhunseri Tea & Industries Ltd. | | |
| Rent (Received) | 32.04 | 31.26 |
| Reimbursement of Electric Charges | 0.31 | — |
| Reimbursement of AMC | 1.47 | 1.40 |
| Dhunseri Overseas Ltd. | | |
| Purchase of 89,97,000 Shares by DOPL | — | 899.70 |
| Trimplex Investments Ltd. | | |
| Electricity Charges Reimbursement | 0.66 | 0.79 |
| Licence Fees (Paid) | 4.80 | 2.30 |
| Hire Charges (Paid) | — | 0.44 |
| (b) Relative of Key Manegrial Personnel | | |
| Tyrisha Beriwal | | |
| Loan Given | 50.00 | |
| Accrued Interest but not due | 1.44 | |

Note: Transactions relating to dividend paid or received were on the same terms and conditions that applied to other shareholders. Hence, dividend paid or received to and from subsidiary, associates and entities on which KMP(s) have significant control are not shown as related party transactions.

(3) Compensation of Key Managerial Personnel

| Particulars | 31st March 2021 | 31st March 2020 |
|----------------------|-----------------|-----------------|
| Employee benefits | 40.06 | 55.11 |
| Commission on profit | 1.00 | — |
| Sitting fees | 1.07 | 1.12 |
| Total Compensation | 42.13 | 56.23 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)
27 Related Party Transactions (Contd.)
(4) Analysis of remuneration to Key Managerial Personnel

(₹ in Lakhs)

| Name | 31st March 2021 | | | 31st March 2020 | | |
|----------------------------|-------------------|------------|--------------|-------------------|------------|--------------|
| | Employee Benefits | Commission | Sitting fees | Employee Benefits | Commission | Sitting fees |
| Mr. C.K.Dhanuka | — | 0.16 | 0.19 | — | — | 0.20 |
| Mrs. Aruna Dhanuka | — | 0.16 | 0.13 | — | — | 0.16 |
| Mr. Rajeev Rungta | — | 0.16 | 0.27 | — | — | 0.21 |
| Mr. Indra Kishore Kejriwal | — | 0.17 | 0.20 | — | — | 0.23 |
| Mr. Mrigank Dhanuka | — | 0.16 | 0.04 | 12.72 | — | 0.07 |
| Mrs. Bharati Dhanuka | — | 0.02 | — | — | — | — |
| Mr. Govind Ram Goenka | — | 0.17 | 0.24 | — | — | 0.25 |
| Mr. Ayush Beriwal | 30.60 | — | — | 33.25 | — | — |
| Mr. Hari Prasad Bhuwania | 6.00 | — | — | 6.00 | — | — |
| Ms. Chitra Thakwani | 3.46 | — | — | 3.14 | — | — |

(5) Amount payable to Key Managerial Personnel at the end of the year

| Name | 31st March 2021 | 31st March 2020 |
|----------------------------|-----------------|-----------------|
| Mr. C.K.Dhanuka | 0.16 | — |
| Mrs. Aruna Dhanuka | 0.16 | — |
| Mr. Rajeev Rungta | 0.16 | — |
| Mr. Indra kishore Kejriwal | 0.17 | — |
| Mr. Mrigank Dhanuka | 0.16 | — |
| Mrs. Bharati Dhanuka | 0.02 | — |
| Mr. Govind Ram Goenka | 0.17 | — |
| Mr. Hari Prasad Bhuwania | — | 0.50 |
| Mr. Ayush Beriwal | — | 1.72 |
| Ms. Chitra Thakwani | — | 0.65 |

(6) Terms and Conditions

Transactions related to sale of assets are based on independent valuation report. Transactions related to acquisition of investments are based on par value of shares. Transactions relating to rental and leave & licence fees are as per related agreements. All other transactions are made on normal commercial terms and conditions.

All related party transactions are reviewed by the Audit Committee of the Company.

All outstanding balances are unsecured and are receivable / repayable in cash.

(7) Disclosure as per clause 34(3), clause 53 (f) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

| a. Loans to Subsidiaries/Associates | | | | |
|--|--------------------|-----------------|--------------------|-----------------|
| Name of the Company | 31 March 2021 | | 31 March 2020 | |
| | Amount Outstanding | Maximum balance | Amount Outstanding | Maximum balance |
| Associates | — | — | — | — |
| b. Loans to firms / companies in which directors are interested | | | | |
| Name of the Company | 31 March 2021 | | 31 March 2020 | |
| | Amount Outstanding | Maximum balance | Amount Outstanding | Maximum balance |
| | — | — | — | — |
| c. Loans to Relative of Key Managerial Person | | | | |
| Name | 31 March 2021 | | 31 March 2020 | |
| | Amount Outstanding | Maximum balance | Amount Outstanding | Maximum balance |
| Tyrisha Beriwal (including interest accrued but not due) | 51.44 | 51.44 | — | — |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

28 Employee benefits expense

a. Defined contribution plans:

The Company makes contributions, determined as a specified percentage of the employee salaries in respect of qualifying employees towards provident fund, which is a defined contribution plan. The amount recognised as an expense towards contribution to provident fund for the year aggregated to ₹ 3.15 lakhs (31 March 2020: 4.61 lakhs)

b. Compensated absences:

The principal assumptions used in determining the compensated absences benefit obligation are as given below:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|-------------------------------|------------------------|------------------------|
| Discounting rate (p.a.) | 6.70% | 6.70% |
| Future salary increase (p.a.) | 5.00% | 5.00% |

The discount rate is based on the prevailing market yield of Indian government securities as at the balance sheet date for the estimated terms of the obligation.

An amount of ₹. 0.14 lakhs (previous year ₹ 0.68 lakhs) pertaining to compensated absences is recognised as an expense and included in Employee benefits expense in Note 22.

c) Defined benefit plan: Gratuity

Gratuity scheme - This is an defined benefit plan and it entitles an employee, who has rendered atleast 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

(i) Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components

| Particulars | 31 March 2021 | As at 31 March 2020 |
|---|---------------|------------------------|
| Balance at the beginning of the year | 6.74 | 8.91 |
| Acquisition adjustment | - | - |
| Benefits paid | (1.11) | (4.53) |
| Current service cost | 0.94 | 1.25 |
| Interest cost | 0.41 | 0.49 |
| Actuarial (gains) losses recognised in other comprehensive income | (0.31) | 0.62 |
| Balance at the end of the year | 6.67 | 6.74 |
| ii) Movement in Plan Assets | | |
| Opening Fair value of plan assets | 9.48 | 13.58 |
| Interest on plan assets | 0.60 | 0.84 |
| Actual return on plan assets less interest on plan assets | - | (0.41) |
| Benefit paid | (1.11) | (4.53) |
| Closing Fair value of plan assets | 8.97 | 9.48 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

| <u>Particulars</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|--|--|
| iii) Expense recognised in profit or loss | | |
| Current service cost | — | — |
| Interest cost | — | — |
| | — | — |
| iv) Remeasurements recognised in other comprehensive income | | |
| Actuarial (gain) loss on defined benefit obligation | — | — |
| v) Actuarial assumptions | | |
| Principal actuarial assumptions at the reporting date (expressed as weighted averages): | | |
| Financial assumptions | | |
| Discount rate | 6.70% | 6.70% |
| Future salary growth | 5.00% | 5.00% |
| Demographic assumptions | | |
| Mortality rate | Indian Assured Lives Mortality (2006-08) Ult | Indian Assured Lives Mortality (2006-08) Ult |
| Retirement age | 58 years | 58 years |
| Withdrawal rate (%) | 1.00% | 1.00% |
| As at 31st March 2020, the weighted average duration of the defined benefit obligation was 10 years. | | |
| vi) Sensitivity analysis | | |
| Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. | | |
| <u>Particulars</u> | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
| | <u>Increase</u> <u>Decrease</u> | <u>Increase</u> <u>Decrease</u> |
| Discount rate (1%) | 0.92 0.78 | 0.78 0.65 |
| Future salary growth (1%) | 0.93 0.80 | 0.78 0.67 |
| Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown. | | |
| vii) Maturity profile | | |
| The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date: | | |
| <u>Particulars</u> | As at 31 March 2021 | As at 31 March 2020 |
| 1 Year | 0.11 | 1.17 |
| 2 to 5 Years | 0.68 | 0.60 |
| 5 Years Onwards | 6.09 | 5.81 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

viii) Risk analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

- (a) Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- (b) Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
- (c) Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.
- (d) The fair Value of Gratuity Planned Asset is in excess of Provision required as per Gratuity Valuation report and the company has not recognised, the asset in the books.

29 Financial instruments – Fair values and risk management

i. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

ii. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| Particulars | 31 March 2021 | | | | | |
|---|-----------------|----------------------|----------------|------------|---------|----------|
| | Carrying amount | | | Fair value | | |
| | FVTPL | Designated at FVTOCI | Amortised Cost | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investment in mutual funds | — | — | — | — | — | — |
| Investment in equity shares | 1,516.45 | 7,968.85 | — | 9,485.30 | — | — |
| Equity Instruments (unquoted) | 967.19 | 1,360.15 | — | — | — | 2,327.34 |
| Financial assets not measured at fair value # | | | | | | |
| Investments (At Cost) | — | — | 448.76 | — | — | — |
| Cash and cash equivalents | — | — | 57.34 | — | — | — |
| Bank balances other than cash and cash equivalents | — | — | 9.71 | — | — | — |
| Other financial assets | — | — | 657.02 | — | — | — |
| | 2,483.64 | 9,329.00 | 1,172.83 | 9,485.30 | — | 2,327.34 |
| Financial liabilities * | | | | | | |
| Financial liabilities not measured at fair value | | | | | | |
| Other financial liabilities | — | — | 14.03 | — | — | — |
| Lease Liability | — | — | 439.63 | — | — | — |
| Payable to employees | — | — | — | — | — | — |
| | — | — | 453.66 | — | — | — |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

| Particulars | 31 March 2020 | | | | | |
|---|-----------------|-------------------------|-------------------|------------|---------|----------|
| | Carrying amount | | | Fair value | | |
| | FVTPL | Designated at FVTOCI | Amortised Cost | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investment in mutual funds | 480.38 | — | — | 480.38 | — | — |
| Investment in equity shares | 1,450.64 | 3,498.02 | — | 4,948.66 | — | — |
| Equity Instruments (unquoted) | 485.31 | 1,277.62 | — | — | — | 1,762.93 |
| Financial assets not measured at fair value # | | | | | | |
| Investments (At Cost) | — | — | 448.76 | — | — | — |
| Cash and cash equivalents | — | — | 892.61 | — | — | — |
| Bank balances other than cash and cash equivalents | — | — | 10.83 | — | — | — |
| Other financial assets | — | — | 133.64 | — | — | — |
| | 2,416.33 | 4,775.64 | 1,485.84 | 5,429.04 | — | 1,762.93 |
| Financial liabilities * | | | | | | |
| Financial liabilities not measured at fair value | | | | | | |
| Other financial liabilities | — | — | 19.74 | — | — | — |
| Lease Liability - | — | — | 423.87 | — | — | — |
| | — | — | 443.61 | — | — | — |

#The Company has not disclosed fair value financial instruments carried at amortised cost such as investments, cash and cash equivalents, other bank balances and other financial assets because their carrying amounts are a reasonable approximation of fair value.

*The Company has not disclosed fair value financial instruments carried at amortised cost such as trade payables, borrowings and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

ii) Measurement of fair values

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 inputs.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

| Particulars | Fair value hierarchy | Valuation technique | Significant unobservable inputs | Inter-relationship between unobservable inputs and fair value measurement |
|---|----------------------|---|--------------------------------------|---|
| Financial assets measured at FVTPL Investment in mutual funds | Level 1 | 'Market valuation technique: Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house, quoted price of equity shares in the stock exchange etc. | Not applicable | Not applicable |
| Investment in equity shares | Level 1 | 'Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE | Not applicable | Not applicable |
| Investment in equity shares Unquoted | Level 3 | 'Investment in unquoted equity are valued by discounting the aggregate future cash flow (both principal & interest cash flows) with risk-adjusted discounting rate | Price not available in active market | Discounting the aggregate future cash flow |
| Financial assets measured at FVTOCI Financial assets measured at FVTOCI | Level 1 | 'Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE. | Not applicable | Not applicable |

30 Financial risk management
Introduction and Risk Profile

The Company is a Non Banking Financial Company registered with Reserve Bank of India.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(i) Credit risk

(₹ in lakhs)

"Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises partially from the investments.

Credit risk is being managed using a set of credit norms and policies. The Company has defined roles and responsibilities for originators and approvers. All credit exposure limits are approved by Board of Directors. The Company follows a process of time-to-time revisiting the credit policy and processes, on the basis of experience and feedback.

The carrying amount of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting was:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|------------------------|------------------------|
| Cash and cash equivalents (including bank balances) | 57.34 | 892.61 |
| Investments | 12,261.40 | 7,640.73 |
| Other financial assets | 657.02 | 133.64 |
| Total | 12,975.76 | 8,666.98 |

Credit risk relating to cash and cash equivalent and bank deposits is managed by only accepting banks and financial institution counterparties after evaluating parameters like capital adequacy, non-performing assets, profitability and liquidity ratios and net worth and by diversifying bank deposits in different banks across the country.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions in a timely manner, without incurring unacceptable losses or risking damage to the Company's reputation.

"The Company's primary sources of liquidity include cash and bank balances, deposits, investment in mutual funds and cash flow from operating activities. As at 31 March 2021, the Company had a working capital of ₹ 3150.32 lakhs (31 March 2020: ₹ 2439.09 lakhs) including cash and cash equivalent of ₹ 57.34 lakhs (31 March 2020: ₹ 892.61 lakhs).

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. "

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

| As at 31 March 2021 | Contractual cash flows | | | | | |
|----------------------|------------------------|----------|-----------|-----------|-----------|-------------------|
| | Carrying amount | Total | 0-1 years | 1-2 years | 2-5 years | More than 5 years |
| Term loan | — | — | — | — | — | — |
| Payable to employees | — | — | — | — | — | — |
| Trades payables | — | — | — | — | — | — |
| Lease Liability | 439.63 | 4,898.88 | 41.26 | 41.26 | 113.95 | 4,702.41 |
| Other payables | 4.32 | 4.32 | 4.32 | — | — | — |

| As at 31 March 2020 | Contractual cash flows | | | | | |
|----------------------|------------------------|----------|-----------|-----------|-----------|-------------------|
| | Carrying amount | Total | 0-1 years | 1-2 years | 2-5 years | More than 5 years |
| Term loan | — | — | — | — | — | — |
| Payable to employees | — | — | — | — | — | — |
| Trades payables | — | — | — | — | — | — |
| Lease Liability | 423.87 | 4,924.89 | 35.60 | 36.46 | 112.13 | 4,740.70 |
| Other payables | 8.91 | 8.91 | 8.91 | — | — | — |

iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a.) Foreign currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to foreign currency risk as the Company does not have receivables or payables in foreign currency.

b.) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk from the external borrowings that are used to finance their operations.

c.) Market price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds and quoted equity shares. The price risk arises due to uncertainties about the future market values of these investments. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds and equity shares.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| <u>Particulars</u> | Carrying Value as at | |
|---|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| Investments valued using quoted Prices in active market | 9,485.30 | 5,429.04 |
| | <u>9,485.30</u> | <u>5,429.04</u> |

| <u>Particulars</u> | sensitivity analysis on total comprehensive income upon fluctuation of interest rates | |
|---|---|----------------|
| | Increase by 1% | Decrease by 1% |
| Impact on total Comprehensive income for the year ended 31st March 2021 | 94.85 | (94.85) |
| Impact on total Comprehensive income for the year ended 31st March 2020 | 54.29 | (54.29) |

iv) **Legal and operational risk**a) **Legal Risk**

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements. There is currently no legal risk on the company.

b) **Operational risk**

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks in the underlying processes. The framework, at its core, has the following elements:

1. Well defined Governance Structure.
2. Regular workshops and training for enhancing awareness and risk culture.
3. Documented Operational Policy.

31 **Capital management**

For the purpose of Company's capital management, capital includes issued equity share capital, other equity reserve. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital and to maximize shareholder's values

Following table summarizes the capital structure of the company

| <u>Particulars</u> | As at 31 March 2021 | As at 31 March 2020 |
|--------------------|------------------------|------------------------|
| | | |
| Share Capital | 100.00 | 100.00 |
| Other Equity | 13,993.09 | 9,939.30 |
| Total Equity | <u>14,093.09</u> | <u>10,039.30</u> |

32 **Dividends**

| <u>Particulars</u> | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|--------------------|-------------------------------------|-------------------------------------|
|--------------------|-------------------------------------|-------------------------------------|

Dividend on equity shares paid during the year

Final dividend for the FY 2019-20 [₹ 1.25

(Previous year - ₹ 2.50) per equity share]

Dividend distribution tax on final dividend

The Board of Directors recommended a Dividend @ 25% i.e. ₹2.50/- per Equity share for the financial year 2020-21 in the board meeting dated 29-06-2021

| | |
|-------|-------|
| 12.50 | 25.00 |
| — | 5.14 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

33 Commitments and contingencies

The Company has no contingent liability as at March 31, 2021 and March 31, 2020

The Company has no commitments as at March 31, 2021 and March 31, 2020

The board of Directors of the Company take decision in respect of allocation of resources and assesses the performance basis the reports/information provided by functional heads and is thus considered to be chief operating decision maker

34 Operating segment

The Board of Directors of the Company takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be chief operating decision maker.

The Company is engaged in the business of holding investments in various entities within the group and investing funds into other relevant securities with the objective to earn reasonable return. Considering the nature of company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

35 Corporate social responsibility expenditure

Disclosure in respect of CSR expenditure under section 135 of the Companies Act, 2013 and rules thereon

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|-------------------------------------|-------------------------------------|
| Gross amount required to be spent by the Company during the year | 6.97 | 16.61 |
| Amount spent by the Company during the year (Contribution to Dhanuka Dhunseri Foundation)" | 7.00 | 16.65 |

36 Expenditure in foreign currency

The Company has not incurred any expenditure in foreign currency for the year ended March 31, 2021 and March 31, 2020

37 Leases

As lessor

Right of Use and Lease liability recognised in the Financial statement represents the office Premises.

The Lease is for period ranging from 03 years to 99 years.

The Following table letout a maturity analysis of Lease payment, showing undiscounted lease payments to be made after the reporting date.

| Particulars | As At 31st March, 2021 | As At 31st March, 2021 |
|--|------------------------|------------------------|
| Less than 1 Year | 41.26 | 35.60 |
| Later then 1 Year and not later then 3 Years | 78.64 | 72.93 |
| Later then 3 Years | 4,778.98 | 4,816.36 |
| | 4,898.88 | 4,924.89 |

As Lessor : The investor has sub leased the premise to Dhunseri Tea and Industries Ltd. under the terms constituting an operating lease. The investor has recognised the lease rentals of ₹ 32.04 Lacs as income in its books.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

38 Maturity analysis of assets and liabilities

The table summarises the analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

| Particulars | 31 March 2021 | | | 31 March 2020 | | |
|--|-------------------|-----------------|-----------|-------------------|-----------------|-----------|
| | With in 12 months | After 12 months | Total | With in 12 months | After 12 months | Total |
| Financial assets | | | | | | |
| Cash and cash equivalents | 57.34 | — | 57.34 | 892.61 | — | 892.61 |
| Bank balances other than cash and cash equivalents | 9.71 | — | 9.71 | 10.83 | — | 10.83 |
| Investments | 2,483.64 | 9,777.76 | 12,261.40 | 1,470.36 | 6,170.37 | 7,640.73 |
| Other financial assets | 613.54 | 43.48 | 657.02 | 130.06 | 3.58 | 133.64 |
| Non-financial assets | | | | | | |
| Deferred tax assets (net) | — | — | — | — | 146.75 | 146.75 |
| Investment property | — | 660.55 | 660.55 | — | 694.37 | 694.37 |
| Property, plant and equipment | — | 97.69 | 97.69 | — | 105.20 | 105.20 |
| Right of Use Assets | — | 414.11 | 414.11 | — | 411.84 | 411.84 |
| Other non-financial assets | 12.94 | 491.97 | 504.91 | 5.68 | 494.45 | 500.13 |
| Total assets | 3,177.17 | 11,485.56 | 14,662.73 | 2,509.54 | 8,026.56 | 10,536.10 |
| Liabilities and equity | | | | | | |
| Liabilities | | | | | | |
| Financial liabilities | | | | | | |
| Payables | | | | | | |
| Other financial liabilities | 14.03 | 439.63 | 453.66 | 19.74 | 423.87 | 443.61 |
| Non-financial liabilities | | | | | | |
| Current tax liabilities (Net) | 12.77 | — | 12.77 | 48.87 | — | 48.87 |
| Provisions | — | 2.62 | 2.62 | — | 2.48 | 2.48 |
| Deferred tax liabilities (net) | — | 100.54 | 100.54 | — | — | — |
| Other non- financial liabilities | 0.05 | — | 0.05 | 1.84 | — | 1.84 |
| Total liabilities | 26.85 | 542.79 | 569.64 | 70.45 | 426.35 | 496.80 |
| Equity | | | | | | |
| Equity share capital | — | 100.00 | 100.00 | — | 100.00 | 100.00 |
| Other equity | — | 13,993.09 | 13,993.09 | — | 9,939.30 | 9,939.30 |
| Total Equity | — | 14,093.09 | 14,093.09 | — | 10,039.30 | 10,039.30 |
| Liabilities and equity | 26.85 | 14,635.88 | 14,662.73 | 70.45 | 10,465.65 | 10,536.10 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

39 Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007.

Liabilities Side

| Amount Outstanding | Amount Overdue |
|-----------------------|-------------------|
|-----------------------|-------------------|

1. Loans and advances availed by the NBFC 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, Borrowings and Advances
 - e) Commercial Paper
 - f) Other Loans

| | |
|-----|-----|
| NIL | NIL |
| NIL | NIL |
| NIL | NIL |
| NIL | NIL |
| NIL | NIL |
| NIL | NIL |

Assets Side

| Outstanding |
|-------------|
|-------------|

2. Break-up of Loans & Advances including bills receivables [other than those included in (4) below] :
 - (a) Secured
 - (b) Unsecured
3. Break up of Leased Assets and Stock on hire and other assets counting towards Assets Finance Companies Activities
 - (i) Lease assets including lease rentals under sundry debtors :
 - (a) Financial lease
 - (b) Operating lease
 - (ii) Stock on hire including hire charges under sundry debtors :
 - (a) Assets on hire
 - (b) Repossessed Assets
 - (iii) Other loans counting towards AFC activities
 - (a) Loans where assets have been repossessed
 - (b) Loans other than (a) above

| |
|--------|
| NIL |
| 531.39 |

| |
|-----|
| NIL |
| NIL |
| NIL |
| NIL |
| NIL |
| NIL |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | | |
|----|--|----------|
| 4 | Break-up of Investments : | (Amount) |
| | Current Investments : | |
| 1. | Quoted : | |
| | (i) Shares : (a) Equity | 1,516.45 |
| | (b) Preference | NIL |
| | (ii) Debentures and Bonds | NIL |
| | (iii) Units of Mutual Funds | — |
| | (iv) Government Securities | NIL |
| | (v) Others (please specify) | NIL |
| 2. | Unquoted : | |
| | (i) Shares : (a) Equity | 967.19 |
| | (b) Preference | NIL |
| | (ii) Debentures and Bonds | NIL |
| | (iii) Units of Mutual Funds | NIL |
| | (iv) Government Securities | NIL |
| | (v) Others (please specify) | NIL |
| | Long Term Investments : | |
| 1. | Quoted | |
| | (i) Shares : (a) Equity | 8417.61 |
| | (b) Preference | NIL |
| | (ii) Debentures and Bonds | NIL |
| | (iii) Units of mutual funds | NIL |
| | (iv) Government Securities | NIL |
| | (v) Others | NIL |
| 2. | Unquoted | |
| | (i) Shares : (a) Equity | 1,360.15 |
| | (b) Preference | NIL |
| | (ii) Debentures and Bonds | NIL |
| | (iii) Units of mutual funds | NIL |
| | (iv) Government Securities | NIL |
| | (v) Others - Warrants | NIL |
| 5. | Borrower group-wise classification of assets financed as in (2) and (3) above | |

| | Secured | Unsecured | Total |
|--------------------------------|---------|-----------|-------|
| 1. Related party | | | |
| a) Subsidiaries | Nil | Nil | Nil |
| b) Companies in the same group | Nil | Nil | Nil |
| c) Other related parties | Nil | Nil | Nil |
| 2. Other than related parties | Nil | Nil | Nil |
| Total | Nil | Nil | Nil |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

6. Investor Group-wise classification of all Investments (current and long term) in shares and securities (both quoted and unquoted)

| Particulars | Market value/ Breakup or Fair Value or N A V. | Book value (Net of Provisions) |
|--------------------------------------|---|--------------------------------------|
| 1. Related Parties | | |
| a) Subsidiaries | Nil | Nil |
| b) Companies in the same group | 9,937.01 | 6433.21 |
| c) Other related parties | Nil | Nil |
| 2. Other than related parties | | |
| a) Quoted : Shares and securities | 4,861.00 | 4,861.00 |
| b) Un-quoted : Shares and securities | 967.19 | 967.19 |
| Total | 15,765.20 | 12,261.40 |

7. Other Information :

| Sl. No. | Particulars | Amount |
|---------|---|--------|
| I | Gross Non-Performing Assets | |
| a) | Related Parties | NIL |
| 1) | Other than related parties | NIL |
| II. | Net Non-Performing Assets | |
| a) | Related Parties | NIL |
| 1) | Other than related parties | NIL |
| III. | Assets acquired in satisfaction of debt | NIL |
| | Total | NIL |

Signatories to Notes 1 to 39

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd

Prabhat Kumar Dhandhan, FCA, *Partner*
Membership No: 052613
For and on behalf of
Dhandhan & Associates
Chartered Accountants
Firm Registration No. 316052E

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
Company Secretary & Compliance Officer
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwal
Chief Financial Officer

Place : Kolkata
Dated : June 29, 2021

INDEPENDENT AUDITORS' REPORT

To the Members of

NAGA DHUNSERI GROUP LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **NAGA DHUNSERI GROUP LIMITED** (hereinafter referred to as "the Investor Company"), and its associate, comprising of the consolidated Balance sheet as at 31 March 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ('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 consolidated state of affairs of the Investor as at 31 March 2021, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS 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 Consolidated Ind AS Financial Statements' section of our report. We are independent of the Investor in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investments in Shares

The Company's investments (other than investments in Subsidiary and associates) are measured at fair value at each reporting date and these fair value measurements significantly impact the company's results, within the company's investments portfolio. The valuation of certain assets such as unquoted equity shares requires significant judgement as a result of quoted prices being unavailable and limited liquidity in these markets.

Considering the degree of subjectivity involved, we have treated it as key audit matter for the current year audit.

Audit procedure

We have assessed the company's process to compute the fair value of various instruments. For quoted investments we have independently obtained market quotations and recalculated the fair valuations. For the unquoted instruments, we have obtained an understanding of the various valuations methods used by management and analyzed the

INDEPENDENT AUDITORS' REPORT (Contd.)

reasonableness of the principal assumptions made for estimating the fair values and various other data used while arriving at fair value measurement.

Other information

The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Holding Company's Board of Directors is responsible for the other information.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Investor in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Investor are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Investor 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Investor are responsible for assessing the ability of the Investor 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 Investor or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Investor are also responsible for overseeing the financial reporting process of the Investor.

Auditors' Responsibility for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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

INDEPENDENT AUDITORS' REPORT (Contd.)

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 Ind AS 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 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 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 Company 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 Investor of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS 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 Ind AS financial statements for the financial year ended 31 March 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes

INDEPENDENT AUDITORS' REPORT (Contd.)

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

- (a) We did not audit the consolidated financial statements of one associate, whose financial statements reflect total assets of Rs 2,38,764.62 lacs as at 31 March 2021, total revenues of Rs. 24,658.92 lacs and net cash inflow amounting to Rs 689.46 lacs for the year ended on that date, as considered in the consolidated financial statement.
- (b) The consolidated financial statement includes the Investor's share of net loss after tax of Rs. 5,379.51 lacs and total comprehensive income of Rs. 3,181.35 lacs, as considered in the consolidated financial statement, in respect of one associate, whose financial statements have been audited by their respective independent auditor. The independent auditors' reports on the financial statements of these entities have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of the such other auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated financial statements, 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 reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, 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 Ind AS 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 and the report of the other auditor.
 - (c) The consolidated Ind AS balance sheet, the consolidated Ind AS statement of profit and loss, and the consolidated Ind AS cash flow statement dealt with by this report are in agreement with the relevant 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Investor Company as on 31st March, 2021 taken on record by the Board of Directors of the Investor Company and the report of the statutory auditors of its associate company, incorporated in India, none of the Directors of the other companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Investor and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

INDEPENDENT AUDITORS' REPORT (Contd.)

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 Investor and its associate does not have any pending litigations as on the balance sheet date which would impact its financial position.
 - ii) the Investor and its associate did not have any material foreseeable losses on long term contracts including derivatives;
 - iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate company incorporated in India.
- (h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Investor and its associate to their directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of limit laid down under section 197 of the Act. The ministry of corporate affairs has not prescribed other details under section 197(16) which as required to be commented upon by us.

PRABHAT KUMAR DHANDHANIA, FCA, PARTNER

(Membership No. 071678)

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

UDIN: 21052613AAAAV3824

Place : Kolkata

Date : The 29th day of June, 2021

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls 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 the Company as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting of **NAGA DHUNSERI GROUP LIMITED** ("the Investor Company"), its associate company which are company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Investor Company and its Associate Company, 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 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that,

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT (Contd.)

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Investor Company and its Associate company, which are Companies incorporated in India, have, 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, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India"

PRABHAT KUMAR DHANDHANIA, FCA, PARTNER

(Membership No. 071678)

For and on behalf of

DHANDHANIA & ASSOCIATES

Chartered Accountants

Firm Registration No. 316052E

UDIN: 21052613AAAAAV3824

Place : Kolkata

Date : The 29th day of June, 2021

CONSOLIDATED BALANCE SHEET
as at 31st March 2021

| Particulars | Note No. | (₹ in Lakhs) | |
|--|----------|---------------------|---------------------|
| | | As at 31 March 2021 | As at 31 March 2020 |
| Assets | | | |
| I Financial assets | | | |
| Cash and cash equivalents | 3 | 57.34 | 892.61 |
| Bank balances other than cash and cash equivalents | 4 | 9.71 | 10.83 |
| Investments | 5 | 47,290.92 | 34,129.14 |
| Other financial assets | 6 | 657.02 | 133.64 |
| II Non-financial assets | | | |
| Deferred tax assets (net) | 7 | — | 146.75 |
| Investment property | 8 | 660.55 | 694.37 |
| Property, plant and equipment | 9 | 97.69 | 105.20 |
| Right of Use Assets | 9 | 414.11 | 411.84 |
| Other non-financial assets | 10 | 504.91 | 500.13 |
| Total assets | | 49,692.25 | 37,024.51 |
| Liabilities and equity | | | |
| Liabilities | | | |
| I Financial liabilities | | | |
| Other financial liabilities | 11 | 453.66 | 443.61 |
| II Non-financial liabilities | | | |
| Deferred tax liabilities (net) | 7 | 100.54 | — |
| Current tax liabilities (Net) | 12 | 12.77 | 48.87 |
| Provisions | 13 | 2.62 | 2.48 |
| Other non- financial liabilities | 14 | 0.05 | 1.84 |
| Total liabilities | | 569.64 | 496.80 |
| Equity | | | |
| Equity share capital | 15 | 100.00 | 100.00 |
| Other equity | 16 | 49,022.61 | 36,427.71 |
| Total equity | | 49,122.61 | 36,527.71 |
| Total liabilities and equity | | 49,692.25 | 37,024.51 |

Summary of significant accounting policies

2

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029

Prabhat Kumar Dhandhanian, FCA, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanian & Associates
Chartered Accountants
Firm Registration No. 316052E
Place : Kolkata
Dated : June 29, 2021

H.P.Bhuwani
Chief Executive Officer

Chitra Thakwani
*Company Secretary &
Compliance Officer*
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwal
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS**For the year ended 31 March 2021**

| Particulars | Note No. | For the year ended 31 March 2021 | (₹ in Lakhs) For the year ended 31 March 2020 |
|--|----------|-------------------------------------|---|
| Income | | | |
| I Revenue from operations | | | |
| Dividend income | 17 | 59.49 | 184.72 |
| Rental income | 18 | 32.04 | 31.26 |
| Net gain on fair value changes | 19 | | |
| Realised | | 323.35 | 15.81 |
| Unrealised | | 299.25 | — |
| Total revenue from operations | | 714.13 | 231.79 |
| II Other income | 20 | 1.82 | 1.33 |
| III Total income (I+II) | | 715.95 | 233.12 |
| IV Expenses | | | |
| Finance costs | 21 | 44.25 | 41.22 |
| Net loss on fair value changes | 19 | | |
| – Unrealised | | — | 147.67 |
| Employee benefits expenses | 22 | 57.58 | 76.46 |
| Depreciation | 23 | 52.02 | 47.67 |
| Other expenses | 24 | 107.65 | 79.60 |
| Total expenses (IV) | | 261.50 | 392.62 |
| V Profit (loss) before exceptional items and tax (III-IV) | | 454.45 | (159.50) |
| VI Exceptional items | | — | — |
| VII Profit before share of net profits/loss from equity accounted investees(V-VI) | | 454.45 | (159.50) |
| VIII Share of Profit of Equity accounted investees | | 5,379.51 | (488.22) |
| IX Profit/(loss) before Tax (VII+VIII) | | 5,833.96 | (647.72) |
| X Tax expense | 25 | | |
| Current Tax | | 62.00 | 56.16 |
| Deferred Tax Expense | | 57.45 | (159.02) |
| Earlier year Tax adjustments | | — | (0.87) |
| Tax expense (X) | | 119.45 | (103.73) |
| XI Profit/ (loss) for the year(IX-X) | | 5,714.51 | (543.99) |
| XII Other comprehensive income/ (loss) | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| Equity instruments designated through other comprehensive income - net change in fair value | | 3,901.38 | (2,605.24) |
| Income tax relating to items that will not be reclassified to profit or loss | | (189.84) | 109.56 |
| Net other comprehensive income/(loss) not to be reclassified subsequently to profit or loss (XII) | | 3,711.54 | (2,495.68) |
| XIII Other Comprehensive Income of Associates | | 3,181.35 | (1,359.10) |
| XIV Total Other comprehensive income/(loss) for the year (XII+XIII) | | 6,892.89 | (3,854.78) |
| XV Total comprehensive income/(loss) for the year (XI+XIV) | | 12,607.40 | (4,398.77) |
| XIV Earnings per share | | | |
| Nominal value of share ₹. 10 (31 March 2020 : ₹. 10) | | | |
| Basic earning/(loss) per share (₹.) | 26 | 571.45 | (54.40) |
| Diluted earning/(loss) per share (₹.) | 26 | 571.45 | (54.40) |
| Summary of significant accounting policies | 2 | | |
| The accompanying notes are an integral part of the Consolidated Financial Statements | | | |
| As per our report of even date attached | | | |

Prabhat Kumar Dhandhanania, FCA, Partner

Membership No: 052613

For and on behalf of

Dhandhanania & Associates

Chartered Accountants

Firm Registration No. 316052E

Place : Kolkata

Dated : June 29, 2021

H.P.Bhuwania
Chief Executive OfficerChitra Thakwani
Company Secretary &
Compliance Officer
(ACS 54009)For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029C.K.Dhanuka
Chairman
(DIN:00005684)
Rajeev Rungta
Director
(DIN:00122221)
Ayush Beriwal
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

| Particulars | For the year ended 31 March 2021 | (₹ in Lakhs) For the year ended 31 March 2021 |
|---|-------------------------------------|---|
| Cash flows from operating activities | | |
| Profit/ (loss) before tax | 5,833.96 | (647.72) |
| Adjustments for: | | |
| Depreciation, amortisation and impairment | 52.02 | 47.67 |
| Fair value changes | (622.60) | 131.86 |
| Share of Profit of Equity accounted investees | (5,379.51) | 488.22 |
| Security Transaction Tax on OCI Shares | (7.16) | — |
| Profit on sale of property, plant and equipment | — | (0.75) |
| Operating profit before working capital changes | (123.29) | 19.28 |
| Movement in working capital | | |
| Increase in other financial assets | (523.38) | (128.16) |
| (Increase)/decrease in other non-financial assets | (4.78) | 276.90 |
| Increase in other financial liabilities | 10.05 | 424.93 |
| (Decrease)/increase in other non-financial liabilities | (1.79) | 1.30 |
| 1.30 Increase in long term provisions | 0.14 | (0.13) |
| Cash used in operations | (643.05) | 594.12 |
| Direct taxes paid (net of refunds) | (98.10) | (3.06) |
| Net cash generated from operating activities | (741.15) | 591.06 |
| Cash flow from investing activities | | |
| Acquisition of investment property - | — | (280.42) |
| Acquisition of property, plant and equipment | (1.02) | (0.80) |
| Acquisition of Right of Use Assets | (11.94) | (417.48) |
| Proceeds from sale of assets | — | 1.15 |
| Purchase of Investment | (7,177.37) | (8,881.51) |
| Sale of Investment | 7,096.63 | 9,859.50 |
| Share Difference Loss | (8.79) | (9.42) |
| Dividend from Associate | 19.75 | 19.74 |
| Net cash used in investing activities | (82.74) | 290.76 |
| Cash flow from financing activities | | |
| Dividend paid | (12.50) | (25.00) |
| Dividend tax | — | (5.14) |
| Net cash used in financing activities | (12.50) | (30.14) |
| Net increase/ (decrease) in cash and cash equivalents | (836.39) | 851.68 |
| Cash and cash equivalents at the beginning of the year | 903.44 | 51.76 |
| Cash and cash equivalents at the end of the year | 67.05 | 903.44 |
| Components of cash and cash equivalents | | |
| Cash on hand | 5.06 | 5.13 |
| Balance with bank | 52.28 | 887.48 |
| - On current accounts | 9.71 | 10.83 |
| Total cash and cash equivalents | 67.05 | 903.44 |

Note: The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

As per our report of even date attached

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029

Prabhat Kumar Dhandhanania, FCA, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanania & Associates
Chartered Accountants
Firm Registration No. 316052E
Place : Kolkata
Dated : June 29, 2021

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
*Company Secretary &
Compliance Officer*
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwalla
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2021

| | Number | Amount |
|--|---------------|---------------|
| A. Equity Share Capital | | |
| Balance as at 31 March 2019 | 10,00,000.00 | 100.00 |
| Add: Changes in equity share capital during the year | — | — |
| Balance as at 31 March 2020 | 10,00,000.00 | 100.00 |
| Add: Changes in equity share capital during the year | — | — |
| Balance as at 31 March 2021 | 10,00,000.00 | 100.00 |

B. Other Equity

| Particulars | Capital Reserve | Reserve and Surplus | | | Items of Other comprehensive income | | Total attributable to owners of the Company |
|---|-----------------|---------------------|-------------------|--------------------|---|--|---|
| | | General Reserve | Retained earnings | Statutory reserves | Equity instruments through other comprehensive income | Remeasurement of defined benefit asset/(liability) | |
| Balance as at 31 March 2019 | 27,181.65 | 6,100.00 | 2,870.33 | 1,802.20 | 2,902.50 | (0.06) | 40,856.62 |
| Total comprehensive income for the year ended 31 March 2020 | | | | | | | |
| Profit for the year | — | — | (543.99) | — | — | — | (543.99) |
| Dividend | — | — | (25.00) | — | — | — | (25.00) |
| Dividend Distribution Tax Paid during the Year | — | — | (5.14) | — | — | — | (5.14) |
| Other comprehensive income of Associate | — | — | — | — | (1,359.10) | — | (1,359.10) |
| Other comprehensive income | — | — | — | — | (2,605.24) | — | (2,605.24) |
| Tax impact | — | — | — | — | 109.56 | — | 109.56 |
| Balance as at 31 March 2020 | 27,181.65 | 6,100.00 | 2,296.20 | 1,802.20 | (952.28) | (0.06) | 36,427.71 |
| Total comprehensive income for the year ended 31 March 2021 | | | | | | | |
| Profit for the year | — | — | 5,714.51 | — | — | — | 5,714.51 |
| Other comprehensive income of Associate | — | — | — | — | 3,181.35 | — | 3,181.35 |
| Other comprehensive income | — | — | — | — | 3,901.38 | — | 3,901.38 |
| Dividend | — | — | (12.50) | — | — | — | (12.50) |
| Accumulated gain (net of tax) on sale of equity shares designated as FVOCI-transferred to retained earnings | — | — | 424.62 | — | (424.62) | — | — |
| Transfer to statutory reserve | — | — | (155.88) | 155.88 | — | — | — |
| Transfer to general reserve | — | 2000.00 | (2000.00) | — | — | — | — |
| Tax impact | — | — | — | — | (189.84) | — | (189.84) |
| Balance as at 31 March 2021 | 27,181.65 | 8,100.00 | 6,266.95 | 1,958.08 | 5,515.99 | (0.06) | 49,022.61 |

Summary of significant accounting policies

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date attached

Prabhat Kumar Dhandhanania, FCA, *Partner*

Membership No: 052613

For and on behalf of

Dhandhanania & Associates

Chartered Accountants

Firm Registration No. 316052E

Place : Kolkata

Dated : June 29, 2021

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
Company Secretary & Compliance Officer
(ACS 54009)

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd
CIN - L01132WB1918PLC003029

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwal
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2021

COMPANY OVERVIEW

INVESTMENT IN ASSOCIATES AND SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

1. INVESTMENT IN ASSOCIATE

The Consolidated Financial Statements of the Company pertain to Naga Dhunseri Group Ltd.(The Investor) and its Associates. The Associate wise Investment is shown below :

| Name of the Companies | Category | Country of Incorporation | Proportion of Ownership Interest |
|---------------------------|-----------|--------------------------|----------------------------------|
| Dhunseri Investments Ltd. | Associate | India | 21.59% |

2. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation of Financial Statements

The financial statements for the year ended March 31, 2021 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. For periods up to and including the year ended March 31, 2019, the Company presented its financial statements under the historical cost convention and accrual basis of accounting complying with the provisions of the Companies Act 2013, and are in accordance with generally accepted accounting principles in India ('Indian GAAP' or 'previous GAAP'). The financial statements for the year ended March 31, 2021 are the first financial statements of the Company prepared under Ind AS. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company is provided in note 37. The Company consistently applies the following accounting policies to all periods presented in these financial statements, unless otherwise stated.

b) Functional and Presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in lacs and rounded off to the nearest two decimal, except when otherwise indicated.

c) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following material items:

- 1) Financial assets at Fair value through other comprehensive income (FVTOCI) that is measured at fair value.
- 2) Financial instruments at Fair value through profit and loss (FVTPL) that is measured at fair value.
- 3) Net defined benefit (asset)/ liability - fair value of plan assets less present value of defined benefit obligation.

d) Significant accounting judgements, estimates and assumptions

The preparation of the Company's separate financial statements requires management to make judgements,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgements or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgements, estimates and assumptions is mentioned below. judgements, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1) Defined Benefit Plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2) Fair value measurement of unquoted financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet can not be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

e) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- 1) Financial assets at amortised cost
- 2) Financial assets at fair value through other comprehensive income (FVTOCI)
- 3) Financial assets at fair value through profit or loss (FVTPL)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2021

Financial assets at amortised cost

A financial asset is measured at amortised cost if both following conditions are met :

- i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss..

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met :1) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to classify a financial asset, which otherwise meets amortised cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

De-recognition of financial assets

A financial asset is de-recognised when :

- 1) The contractual rights to receive cash flows from the financial asset have expired, or
- 2) The Company has transferred its contractual 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
 - (a) The Company has transferred substantially all the risks and rewards of the asset or
 - (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

f) Financial Liabilities

i) Initial recognition and measurement

Loans and borrowings are measured at net of directly attributable costs. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2021

Financial liabilities are subsequently measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these instruments. Loans and borrowings are measured at net of directly attributable costs. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these investments.

g) Investment in associates

Investment in associates are stated at cost less impairment loss, if any. Investments are tested for impairment wherever event or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

h) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts

i) Property, Plant & Equipments

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'. Depreciation on Property Plant and Equipments has been provided on Written Down Value Method as per the useful life and rate prescribed in Schedule II to the Companies Act, 2013 except for the Leasehold Land and Building which is amortised over effective period of agreement. Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be. The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Transition to Ind AS On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

j) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Depreciation has been provided on Written Down Value Method. The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valour who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2021

k) Leases:

The Company as lessee

At the inception of the contract, the Company assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For the purpose of identifying if a contract contains a lease, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except in case of low value leases and short term leases (a term of less than twelve months) wherein the lease payments are recognized as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The right-of-use assets are initially recognized at cost. Cost includes the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the useful life of the underlying asset or the lease term whichever is shorter. Right of use assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

l) Impairment of Assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

m) Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2021

requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

n) Dividends

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders.

o) Taxes on Income

- i) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax relating to items recognised outside profit or loss is recognised in correlation to the underlying transaction either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- ii) Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any, are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity. 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.
- iii) Tax credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of section 115JAA of the Income Tax Act, 1961 based on the convincing evidence that the company will pay normal Income tax within statutory time frame and is reviewed at each Balance Sheet date.

p) Revenue Recognition

- i) Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2021

- ii) Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVTOCI.
- iii) Rental Income is recognised on accrual basis.
- iv) The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

q) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ("the asset ceiling"). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021**

recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iv) Other long term employee benefit obligations

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

r) Cash Flow Statement

Cash flows are reported using the indirect method, prescribed in IND AS -7 whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, financing and investing activities of the company are segregated based on the available information.

(iv) Other long term employee benefit obligations

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

Cash flows are reported using the indirect method, prescribed in IND AS -7 whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, financing and investing activities of the company are segregated based on the available information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|---|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| 3 Cash and cash equivalents | | |
| Cash on hand | 5.06 | 5.13 |
| Balance with bank | | |
| - in current accounts | 52.28 | 887.48 |
| | <u>57.34</u> | <u>892.61</u> |
| 4 Bank balances other than cash and cash equivalents | | |
| - in dividend accounts | 9.71 | 10.83 |
| | <u>9.71</u> | <u>10.83</u> |

| <u>Particulars</u> | At Cost | At Fair Value | | Total |
|-------------------------------|------------------|--|--------------------------|------------------|
| | | Through other comprehensive income | Through profit & loss | |
| 5 Investments | | | | |
| As at 31 March 2021 | | | | |
| Equity Instruments (quoted) | — | 7,968.85 | 1,516.45 | 9,485.30 |
| Equity Instruments (unquoted) | — | 1,360.15 | 967.19 | 2,327.34 |
| Associates (quoted) | 35,478.28 | — | — | 35,478.28 |
| Total | <u>35,478.28</u> | <u>9,329.00</u> | <u>2,483.64</u> | <u>47,290.92</u> |
| As at 31 March 2020 | | | | |
| Mutual funds (quoted) | — | — | 480.38 | 480.38 |
| Equity Instruments (quoted) | — | 3,498.02 | 1,450.64 | 4,948.66 |
| Equity Instruments (unquoted) | — | 1,277.62 | 485.31 | 1,762.93 |
| Associates (quoted) | 26,937.17 | — | — | 26,937.17 |
| Total | <u>26,937.17</u> | <u>4,775.64</u> | <u>2,416.33</u> | <u>34,129.14</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | | As at 31 March 2021 | | | As at 31 March 2020 | |
|-----------|---|------------------------|-------------|----------|------------------------|--------|
| | | Face Value | Number | Amount | Number | Amount |
| 5 | Investments (Contd) | | | | | |
| A. | Investments in mutual funds (quoted) | | | | | |
| | Mutual funds at fair value through profit or loss | | | | | |
| | SBI Liquid Fund Regular Growth | — | — | — | 15,528.13 | 480.38 |
| | Total (A) | | | — | | 480.38 |
| B | Investments in equity shares (quoted) | | | | | |
| | Equity shares at fair value through profit or loss | | | | | |
| B1 | For Investments | | | | | |
| | Aarti Industries Ltd | 5 | 10.00 | 0.13 | 10.00 | 0.08 |
| | Aarti Surfactants Ltd | 10 | 8.00 | 0.08 | 8.00 | — |
| | Abbott India Limited | 10 | 10.00 | 1.50 | — | — |
| | Asian Paints Ltd | 1 | 30.00 | 0.76 | — | — |
| | Bajaj Finserv Ltd | 5 | — | — | 2,700.00 | 123.96 |
| | Balrampur Chini Mills Limited | 1 | 16,250.00 | 34.86 | — | — |
| | Bandhan Bank Limited | 10 | 39.00 | 0.13 | 2,414.00 | 4.92 |
| | Bhagiradha Chemicals & Industries Ltd | 10 | — | — | 15,391.00 | 38.65 |
| | Biocon Ltd | 5 | — | — | 475.00 | 1.29 |
| | CSB Bank Ltd | 10 | — | — | 37,750.00 | 44.56 |
| | Divi's Laboratories Ltd | 2 | 3,138.00 | 113.68 | 1,038.00 | 20.65 |
| | Easun Reyrolle Ltd. | 2 | 1,94,989.00 | 5.26 | 1,94,989.00 | 3.31 |
| | Escorts Limited | 10 | 21,350.00 | 274.95 | — | — |
| | Gujarat State Fertilizers&Chemicals Ltd | 2 | 1.00 | — | 1.00 | — |
| | HDFC Life Insurance Company Ltd | 10 | 14,750.00 | 102.69 | 2,7137.00 | 119.77 |
| | ICICI Bank Ltd | 2 | 2,450.00 | 14.26 | — | — |
| | ICICI Lombard General Insurance Co Ltd | 10 | 40.00 | 0.57 | — | — |
| | IFB Industries Ltd | 10 | 8,593.00 | 95.52 | — | — |
| | Indo Count Industries Ltd | 2 | 493.00 | 0.65 | — | — |
| | Kotak Mahindra Bank Ltd | 5 | — | — | 837.00 | 10.85 |
| | Maruti Suzuki India Ltd | 5 | 8.00 | 0.55 | — | — |
| | Meghmani Organics Ltd. | 1 | 39,000.00 | 45.47 | — | — |
| | MSTC Ltd | 10 | 15,000.00 | 44.77 | — | — |
| | Natco Pharma Ltd | 2 | 6,825.00 | 56.34 | — | — |
| | Orient Cement Ltd | 1 | 30,256.00 | 29.59 | — | — |
| | Orient Electric Ltd | 1 | — | — | 20,745.00 | 40.74 |
| | Pfizer Limited | 10 | 11.00 | 0.50 | — | — |
| | Pidilite Industries Limited | 1 | 35.00 | 0.63 | — | — |
| | Radico Khaitan Limited | 2 | — | — | 363.00 | 0.97 |
| | Sbi Life Insurance Company Ltd | 10 | 5,562.00 | 48.99 | 4,312.00 | 27.64 |
| | Steel Authority of India Limited | 10 | 81,000.00 | 63.83 | — | — |
| | Strides Pharma Science Ltd | 10 | 6,725.00 | 56.81 | — | — |
| | Sumitomo Chemical Co Ltd | 10 | — | — | 6,375.00 | 11.77 |
| | Titan Company Ltd | 1 | — | — | 1,056.00 | 9.86 |
| | Torrent Power Ltd | 10 | 3,750.00 | 15.89 | — | — |
| | Trent Ltd | 1 | 338.00 | 2.54 | 338.00 | 1.64 |
| | UltraTech Cement Ltd | 10 | 11.00 | 0.74 | — | — |
| | Varun Beverages Ltd | 10 | 10,813.00 | 108.45 | — | — |
| | Total (B1) | | | 1,120.14 | | 460.66 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | | As at 31 March 2021 | | | As at 31 March 2020 | |
|----|--|------------------------|-----------|----------------|------------------------|-----------------|
| | | Face Value | Number | Amount | Number | Amount |
| 5 | Investments (Contd.) | | | | | |
| B2 | For Trading | | | | | |
| | 3M India Ltd | 10 | 1.00 | 0.30 | 1.00 | 0.19 |
| | ABB India Ltd | 2 | 13.00 | 0.18 | 13.00 | 0.12 |
| | ABB Power Products and Systems India Ltd | 2 | 2.00 | 0.03 | 2.00 | 0.02 |
| | Abbott India Limited | 10 | 2.00 | 0.30 | 2.00 | 0.31 |
| | Astec LifeSciences Limited | 10 | 5.00 | 0.05 | 5.00 | 0.02 |
| | Bosch Ltd | 10 | 1.00 | 0.14 | 1.00 | 0.09 |
| | Britannia Industries Ltd | 1 | 10.00 | 0.36 | 10.00 | 0.27 |
| | Britannia NCD Ltd | — | 10.00 | — | 10.00 | — |
| | Godrej Agrovet Ltd | 10 | 5.00 | 0.03 | 5.00 | 0.02 |
| | Hindustan Unilever Ltd | 1 | — | — | 10.00 | 0.23 |
| | Mahindra & Mahindra Limited | 5 | 5.00 | 0.04 | 5.00 | 0.01 |
| | Mahindra Logistics Ltd | 10 | — | — | 5.00 | 0.01 |
| | Natco Pharma Ltd | 2 | — | — | 51,700.00 | 261.37 |
| | Nestle India Limited | 10 | — | — | 475.00 | 77.43 |
| | Nippon Life India Asset Management Ltd. | 10 | — | — | 1,05,500.00 | 262.91 |
| | Page Industries Limited | 10 | 5.00 | 1.52 | 5.00 | 0.85 |
| | The Ramco Cements Ltd | 1 | — | — | 34,800.00 | 178.47 |
| | Siemens Ltd | 2 | 11.00 | 0.20 | 11.00 | 0.12 |
| | Varun Beverages Ltd | 10 | 39,200.00 | 393.16 | 39,200.00 | 207.54 |
| | Total (B2) | | | <u>396.31</u> | | <u>989.98</u> |
| | Total (B)=(B1+B2) | | | <u>1516.45</u> | | <u>1,450.64</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| | Face Value | As at 31 March 2021 | | As at 31 March 2020 | |
|--|------------|------------------------|------------------|------------------------|------------------|
| | | Number | Amount | Number | Amount |
| C Investments in equity shares (quoted) | | | | | |
| Equity shares at fair value through other comprehensive income | | | | | |
| Aarti Industries Ltd | 5 | 30.00 | 0.40 | 30.00 | 0.23 |
| Aarti Surfactants Ltd | 10 | 24.00 | 0.22 | 24.00 | — |
| Bajaj Finserv Ltd | 10 | — | — | 8,100.00 | 371.89 |
| Balrampur Chini Mills Ltd | 1 | 48,750.00 | 104.57 | — | — |
| Bandhan Bank Ltd | 10 | 117.00 | 0.40 | 7,242.00 | 14.76 |
| Bhagiradha Chemicals & Industries Ltd | 10 | — | — | 46,176.00 | 115.95 |
| Biocon Ltd | 5 | — | — | 1,425.00 | 3.86 |
| CSB Bank Ltd | 10 | — | — | 1,13,250.00 | 133.69 |
| Divi's Laboratories Ltd | 2 | 9,412.00 | 340.98 | 3,112.00 | 61.90 |
| Easun Reyrolle Ltd. | 2 | 5,84,968.00 | 15.79 | 5,84,968.00 | 9.94 |
| Escorts Limited | 10 | 64,050.00 | 824.84 | — | — |
| Gujarat State Fertilizers&Chemicals Ltd | 2 | 4.00 | — | 4.00 | — |
| HDFC Life Insurance Company Ltd | 10 | 44,250.00 | 308.07 | 81,413.00 | 359.32 |
| ICICI Bank Ltd | 2 | 7,350.00 | 42.78 | — | — |
| IFB Industries Ltd | 10 | 25,778.00 | 286.53 | — | — |
| Indo Count Industries Ltd | 2 | 1,476.00 | 1.94 | — | — |
| Kotak Mahindra Bank Ltd | 5 | — | — | 2,513.00 | 32.56 |
| Meghmani Organics Ltd. | 1 | 1.17.000.00 | 136.42 | — | — |
| MSTC Ltd | 10 | 45,000.00 | 134.30 | — | — |
| Natco Pharma Ltd | 2 | 20,475.00 | 169.03 | — | — |
| Orient Cement Ltd | 1 | 90,769.00 | 88.77 | — | — |
| Orient Electric Ltd | 1 | — | — | 62,236.00 | 122.23 |
| Radico Khaitan Limited | 2 | — | — | 1,087.00 | 2.92 |
| Sbi Life Insurance Company Ltd | 10 | 16,688.00 | 147.00 | 12,938.00 | 82.93 |
| Steel Authority of India Limited | 10 | 2,43,000.00 | 191.48 | — | — |
| Strides Pharma Science Ltd | 10 | 20,175.00 | 170.42 | — | — |
| Sumitomo Chemical Co Ltd | 10 | — | — | 19,125.00 | 35.32 |
| Titan Company Ltd | 1 | — | — | 3,169.00 | 29.59 |
| Torrent Power Ltd | 10 | 11,250.00 | 47.68 | — | — |
| Trent Ltd | 1 | 1,012.00 | 7.60 | 1,012.00 | 4.9 |
| Varun Beverages Ltd | 10 | 32,437.00 | 325.33 | — | — |
| Dhunseri Tea & Industries Ltd | 10 | 6,15,751.00 | 1,588.64 | 6,15,751.00 | 689.03 |
| Dhunseri Ventures Ltd. | 10 | 30,78,759.00 | 3,035.66 | 30,78,759.00 | 1,427.00 |
| Total (C) | | | 7,968.85 | | 3,498.02 |
| D. Investments in equity shares (unquoted) | | | | | |
| Equity shares at fair value through other comprehensive income | | | | | |
| Dhunseri Overseas Pvt. Ltd. | 10 | 1,19,96,000.00 | 1221.19 | 1,19,96,000.00 | 1199.6 |
| Madhuting Tea Pvt. Ltd. | 10 | 1,30,000.00 | 138.96 | 1,30,000.00 | 78.02 |
| Equity shares at fair value through profit or loss | | | | | |
| Forge Point Ltd. | 10 | 4,00,000.00 | — | 4,00,000.00 | 120.00 |
| Jatayu Estate Private Limited | 10 | 13,36,000.00 | 72.68 | — | — |
| Mira Estate Pvt. Ltd. | 10 | 11,00,000.00 | 114.51 | 11,00,000.00 | 110.00 |
| National Stock Exchange Ltd | 1 | 75,000.00 | 780.00 | 25,000.00 | 255.31 |
| Total (D) | | | 2,327.34 | | 1,762.93 |
| E. Investments in equity shares of associate companies (quoted) | | | | | |
| Equity shares at Amortised Cost | | | | | |
| Dhunseri Investments Ltd | 10 | 1316476 | 35,478.28 | 13,16,476 | 26,937.17 |
| Total (E) | | | 35,478.28 | | 26,937.17 |
| Total investments (net) (A+B+C+D+E) | | | 47,290.92 | | 34,129.14 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|--|---|---|
| 6 Other Financial Assets | | |
| Security deposits | 3.48 | 3.58 |
| Advance to Employees | 1.57 | 1.01 |
| Advance others | 0.05 | 0.28 |
| Other Receivables | 80.48 | 0.02 |
| Advance Paid Against Shares | 520.00 | 128.75 |
| Loan | 50.00 | — |
| Interest Accrued but Not Due | 1.44 | — |
| | <u>657.02</u> | <u>133.64</u> |
| 7 Deferred tax assets/ (Deferred tax liability) | | |
| Fair valuation on investments carried as fair value through P&L | (46.29) | 11.18 |
| Fair valuation on investments carried as fair value through OCI | (55.12) | 134.72 |
| Difference between written down value of property , plant & equipment as per books of accounts and Income tax Act, 1961 | 0.21 | 0.20 |
| Provision for Employee benefits | 0.66 | 0.65 |
| Net Deferred tax assets/ (Deferred tax liability) | <u>(100.54)</u> | <u>146.75</u> |
| Movement in deferred tax assets/liabilities | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
| Balance at the beginning of the year | 146.75 | (121.83) |
| (Charged) /credited | | |
| Deferred Tax Assets on Provision for Earned Leave | 0.01 | (0.03) |
| Difference between written down value of property, plant and equipment as per books of accounts and Income tax Act, 1961 | 0.01 | (0.76) |
| Fair Valuation of Investment through P&L | (57.47) | 159.81 |
| Fair Valuation of Investment through OCI | (189.84) | 109.56 |
| Balance at the end of the year | <u>(100.54)</u> | <u>146.75</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

8 Investment property

(A) Reconciliation of carrying amount

| | Building |
|------------------------------------|-----------------|
| Cost as at 31 March 2019 | 467.77 |
| Additions | 280.42 |
| Cost as at 31 March 2020 | 748.19 |
| Additions | — |
| Cost as at 31 March 2021 | 748.19 |
| Amortisation | |
| Balance as at 31 March 2019 | 19.41 |
| Charge for the year | 34.41 |
| Balance as at 31 March 2020 | 53.82 |
| Charge for the year | 33.82 |
| Balance as at 31 March 2021 | 87.64 |
| Carrying value (net) | |
| Balance as at 31 March 2020 | 694.37 |
| Balance as at 31 March 2021 | 660.55 |

(B) Measurement of Fair Values

(i) Fair value hierarchy

The fair value measurement for all the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

(ii) Valuation Technique

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in the area.

Particulars

| Year Ended | Year Ended |
|---------------|---------------|
| 31 March 2021 | 31 March 2020 |

(C) Amounts recognised in profit or loss for investment properties

| | | |
|--|---------|---------|
| Rental Income | — | — |
| Direct operating expenses from property that generated rental income | — | — |
| Profit from investment properties before depreciation | 33.82 | 34.41 |
| Depreciation | (33.82) | (34.41) |
| Profit/(Loss) from investment properties | — | — |

(D) Fair Value

| | |
|---------------------|--------|
| As at 31 March 2021 | 660.55 |
| As at 31 March 2020 | 694.37 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

9 Property, Plant and Equipment

| | Right of use Assets | Sub Total of ROU (A) | Leasehold Land | Leasehold Buildings | Vehicles | Furniture and fixtures | Computers | Office Equipment | Sub Total of PPE (B) | Total (A+B) |
|---------------------------------|---------------------|----------------------|----------------|---------------------|-------------|------------------------|-------------|------------------|----------------------|---------------|
| Cost as at 31 March 2019 | — | — | 18.10 | 101.72 | 1.28 | 0.21 | 1.03 | — | 122.34 | 122.34 |
| Additions | 417.48 | 417.48 | — | — | — | — | 0.08 | 0.72 | 0.80 | 418.28 |
| Disposals | — | — | — | — | 1.28 | — | — | — | 1.28 | 1.28 |
| Cost as at 31 March 2020 | 417.48 | 417.48 | 18.10 | 101.72 | — | 0.21 | 1.11 | 0.72 | 121.86 | 539.34 |
| Additions | 11.94 | 11.94 | — | — | — | — | 1.02 | — | 1.02 | 12.96 |
| Disposals | — | — | — | — | — | — | — | — | — | — |
| Cost as at 31 March 2021 | 429.42 | 429.42 | 18.10 | 101.72 | — | 0.21 | 2.13 | 0.72 | 122.88 | 552.30 |

Accumulated depreciation

| | | | | | | | | | | |
|------------------------------------|--------------|--------------|-------------|--------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Balance as at 31 March 2019 | — | — | 0.24 | 7.93 | 0.81 | 0.11 | 0.83 | — | 9.92 | 9.92 |
| Charge for the year | 5.64 | 5.64 | 0.22 | 7.13 | 0.07 | 0.02 | 0.15 | 0.03 | 7.62 | 13.26 |
| Disposals during the year | — | — | — | — | 0.88 | — | — | — | 0.88 | 0.88 |
| Balance as at 31 March 2020 | 5.64 | 5.64 | 0.46 | 15.06 | — | 0.13 | 0.98 | 0.03 | 16.66 | 22.30 |
| Charge for the year | 9.67 | 9.67 | 0.23 | 7.52 | — | 0.02 | 0.32 | 0.44 | 8.53 | 18.20 |
| Disposals during the year | — | — | — | — | — | — | — | — | — | — |
| Balance as at 31 March 2021 | 15.31 | 15.31 | 0.69 | 22.58 | — | 0.15 | 1.30 | 0.47 | 25.19 | 40.50 |

Carrying amounts (net)

| | | | | | | | | | | |
|------------------------------------|--------|--------|-------|-------|---|------|------|------|--------|--------|
| Balance as at 31 March 2020 | 411.84 | 411.84 | 17.64 | 86.66 | — | 0.08 | 0.13 | 0.69 | 105.20 | 517.04 |
| Balance as at 31 March 2021 | 414.11 | 414.11 | 17.41 | 79.14 | — | 0.06 | 0.83 | 0.25 | 97.69 | 511.80 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|---|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| 10 Other Non-Financial assets | | |
| Prepaid Expenses | 12.94 | 13.06 |
| Goods and Services Tax Receivable | 10.58 | 5.68 |
| Capital Advances | 481.39 | 481.39 |
| | <u>504.91</u> | <u>500.13</u> |
| 11 Other Financial Liabilities | | |
| Unpaid dividend | 9.71 | 10.83 |
| Other Payables | 4.32 | 8.91 |
| Lease Liability | 439.63 | 423.87 |
| | <u>453.66</u> | <u>443.61</u> |
| 12 Current Tax Liabilities (Net) | | |
| Provision for tax | 130.16 | 68.16 |
| Less: Advance Tax | 117.39 | 19.29 |
| | <u>12.77</u> | <u>48.87</u> |
| 13 Provisions | | |
| Provision for compensated absences | 2.62 | 2.48 |
| | <u>2.62</u> | <u>2.48</u> |
| 14 Other Non-Financial Liabilities | | |
| Statutory dues ^ | 0.05 | 1.84 |
| | <u>0.05</u> | <u>1.84</u> |

^Statutory dues include Tax Deducted at Source, Goods and Service Tax and Provident Fund payable

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

| Particulars | As at 31 March 2021 | | As at 31 March 2020 | |
|---|---------------------|-----------|---------------------|-----------|
| | Number | Amount | Number | Amount |
| 15 Equity Share capital | | | | |
| Authorised share capital | | | | |
| Equity shares of ₹ 10 each | 25,00,000 | 250.00 | 25,00,000 | 250.00 |
| Issued, subscribed and fully paid up | | | | |
| Equity shares of ₹ 10 each | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| a. Reconciliation of shares outstanding at the beginning and at the end of the year | | | | |
| Equity shares | | | | |
| Balance at the beginning of the year | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| Balance at the end of the year | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| b. Terms/rights attached to equity shares | | | | |
| The Company has one class of equity share having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in ensuing General Meeting, except in case of interim dividend. | | | | |
| In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders. | | | | |
| Particulars | As at 31 March 2021 | | As at 31 March 2020 | |
| | Number | % Holding | Number | % Holding |
| c. Details of shareholders holding more than 5% shares in the Company | | | | |
| Equity shares | | | | |
| M/s Mint Investments Limited | 3,32,210 | 33.22% | 3,32,210 | 33.22% |
| Sri Chandra Kr Dhanuka (Karta Of HUF) | | | | |
| as a Partner of a Firm | 1,61,130 | 16.11% | 1,61,130 | 16.11% |
| Smt. Aruna Dhanuka | 78,700 | 7.87% | 78,700 | 7.87% |
| d. Aggregate number of bonus share issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: | | | | |
| (i) No bonus shares have been issued during the period of 5 years immediately preceding the reporting date. | | | | |
| (ii) No shares have been allotted as fully paid paid-up pursuant to a contract without payment being received in cash. | | | | |
| (iii) No shares have been bought back during the period of 5 years immediately preceding the reporting date. | | | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|--|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| 16 Other equity | | |
| Capital Reserve | 27,181.65 | 27,181.65 |
| Statutory reserves | 1,958.08 | 1,802.20 |
| General Reserve | 8,100.00 | 6,100.00 |
| Retained earnings | 6,266.95 | 2,296.20 |
| Other Comprehensive Income | 5,515.93 | (952.34) |
| | <u>49,022.61</u> | <u>36,427.71</u> |
| Capital Reserve | | |
| Balance as at the beginning of the year | 27,181.65 | 27,181.65 |
| Changes during the year | — | — |
| At the end of the year | <u>27,181.65</u> | <u>27,181.65</u> |
| Statutory Reserves | | |
| Balance as at the beginning of the year | 1,802.20 | 1,802.20 |
| Changes during the year | 155.88 | — |
| At the end of the year | <u>1,958.08</u> | <u>1,802.20</u> |
| General Reserve | | |
| Balance as at the beginning of the year | 6,100.00 | 6,100.00 |
| Changes during the year | 2,000.00 | — |
| At the end of the year | <u>8,100.00</u> | <u>6,100.00</u> |
| Retained Earnings | | |
| Balance as at the beginning of the year | 2,296.20 | 2,870.33 |
| Add: Profit for the year | 5,714.51 | (543.99) |
| Add: Accumulated Gain (net at taxes) on sale of Equity of Shares designated as FVOCI-Transferred to Retained Earnings | 424.62 | — |
| Less: Transfer to Statutory Reserve | 155.88 | — |
| Less: Transfer to General Reserve | 2,000.00 | — |
| Less: Dividend Paid during The Year | 12.50 | 25.00 |
| Less: Dividend Distribution Tax paid During The Year | — | 5.14 |
| At the end of the year | <u>6,266.95</u> | <u>2,296.20</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|---|------------------------|------------------------|
| | As at 31 March 2021 | As at 31 March 2020 |
| Other Comprehensive Income | | |
| Equity instruments through other comprehensive income | | |
| Balance as at the beginning of the year | (952.28) | 2,902.50 |
| Net change in fair value | 3,901.38 | (2,605.24) |
| Other Comprehensive income of Associate | 3,181.35 | (1,359.10) |
| Income tax impact | (189.84) | 109.56 |
| Less: Accumulated Gain (net at taxes) on sale of Equity of Shares designated as FVOCI-Transferred to Retained Earnings | 424.62 | |
| At the end of the year | 5,515.99 | (952.28) |
| Remeasurement of defined benefit liability | | |
| Balance as at the beginning of the year | (0.06) | (0.06) |
| At the end of the year | (0.06) | (0.06) |

(a) **Description of nature and purpose of each reserve:**

General reserve

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

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Statutory reserve

As per Section 45-IC(1) of the Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

FVTOCI Equity investment reserve

The Company has elected to recognise changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| <u>Particulars</u> | (₹ in Lakhs) | |
|---|-------------------------------------|-------------------------------------|
| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
| 17 Dividend Income | | |
| On financial assets measured at fair value through profit or loss | | |
| Dividend from investments | 59.49 | 184.72 |
| | <u>59.49</u> | <u>184.72</u> |
| 18 Rental Income | | |
| Rental income from lease | 32.04 | 31.26 |
| | <u>32.04</u> | <u>31.26</u> |
| 19 Net Gain on Fair Value Changes | | |
| Net gain /(loss) on financial instruments at FVTPL | | |
| On trading portfolio | 393.52 | (128.66) |
| On financial instruments designated at FVTPL | | |
| Investment in equity shares | 229.08 | (3.20) |
| | <u>622.60</u> | <u>(131.86)</u> |
| Fair Value Changes | | |
| Realised | 323.35 | 15.81 |
| Unrealised | 299.25 | (147.67) |
| | <u>622.60</u> | <u>(131.86)</u> |
| 20 Other Income | | |
| Profit on sale of property, plant and equipment | — | 0.75 |
| Interest on Loan | 1.44 | — |
| Miscellaneous income | 0.38 | 0.58 |
| | <u>1.82</u> | <u>1.33</u> |
| 21 Finance Costs | | |
| On financial liabilities measured at amortised cost | | |
| Interest on | | |
| - Finance lease obligation | 44.22 | 41.11 |
| - Other Interest expense | 0.03 | 0.11 |
| | <u>44.25</u> | <u>41.22</u> |
| 22 Employee Benefits Expenses | | |
| Salaries and wages | 51.32 | 67.68 |
| Contribution to provident and other funds | 3.15 | 4.61 |
| Staff welfare expenses | 3.11 | 4.17 |
| | <u>57.58</u> | <u>76.46</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

| | | (₹ in Lakhs) | |
|---|-------------------------------------|-------------------------------------|--|
| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 | |
| 23 Depreciation | | | |
| Depreciation on property, plant and equipment (Refer Note 9) | 8.53 | 7.62 | |
| Amortisation of ROU (Refer Note 9) | 9.67 | 5.64 | |
| Depreciation on Investment Property (Refer Note 8) | 33.82 | 34.41 | |
| | <u>52.02</u> | <u>47.67</u> | |
| 24 Other Expenses | | | |
| Rent, Taxes and Energy Costs | 9.34 | 18.57 | |
| Legal and Professional Fees | 19.82 | 15.28 | |
| Listing and Custodian Fees | 4.68 | 4.13 | |
| Filing Fees | 0.07 | 0.10 | |
| Auditor's Fees and Expenses # | 1.15 | 1.00 | |
| Travelling and Conveyance Expenses | 4.41 | 7.01 | |
| Director's Fees, Allowances, and Expenses | 2.07 | 1.10 | |
| Repair and Maintenance Others | 2.34 | 4.53 | |
| Communication Expenses | 0.12 | 0.23 | |
| Corporate Social Responsibility Expenditure | 7.00 | 16.65 | |
| Donation and Charity | 50.00 | — | |
| Insurance Expenses | — | 0.10 | |
| Printing and Stationery | 0.68 | 0.66 | |
| Miscellaneous Expenses | 5.97 | 10.24 | |
| | <u>107.65</u> | <u>79.60</u> | |
| #Payment to Auditors | | | |
| As auditor | | | |
| - Statutory Audit | 0.63 | 0.70 | |
| - Other Services | 0.52 | 0.30 | |
| | <u>1.15</u> | <u>1.00</u> | |
| 25 Income tax | | | |
| A. Major components of income tax (expenses)/income are: | | | |
| Recognised in profit and loss | | | |
| Tax expense | 62.00 | 56.16 | |
| Tax expense for earlier years | — | (0.87) | |
| Deferred tax expense | 57.45 | (159.02) | |
| Total | <u>119.45</u> | <u>(103.73)</u> | |
| Recognised in other comprehensive income | | | |
| Tax impact on | | | |
| Items that will not be reclassified to profit or loss | (189.84) | 109.56 | |
| Total | <u>(70.39)</u> | <u>5.83</u> | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| 25 Income tax (Contd.) | | |
| B. Reconciliation of effective tax rate | | |
| Accounting profit before income tax | 5,833.96 | (647.72) |
| Tax at statutory Income Tax rate of 25.17% (Previous Year 27.82%) | 1,468.41 | (180.20) |
| Non Deductible Expense | 28.56 | 41.19 |
| Inadmissible income/loss | (90.03) | 31.96 |
| Income Exempt for Tax Purpose | — | (56.88) |
| ICDS Effect | 7.79 | 55.93 |
| Income Taxable at Different Rate | (26.70) | 28.36 |
| Others | 1,349.05 | 135.80 |
| Earlier Year Tax Adjustment | 23.02 | (0.87) |
| Deferred tax Assets on others items | 57.45 | (159.02) |
| Total Tax expenses at effective tax rate (a+b) | 119.45 | (103.73) |
| Income tax expense reported in the statement of profit and loss | 119.45 | (103.73) |
| 26 Earnings per share (EPS) | | |
| Net profit/ (loss) attributable to equity shareholders | 5,714.51 | (543.99) |
| Weighted average number of equity shares outstanding during the year used as denominator in basic and diluted earnings per share | 1,000,000 | 1,000,000 |
| Basic earnings/ (loss) per share (₹.) | 571.45 | (54.40) |
| Diluted earnings/ (loss) per share (₹.) | 571.45 | (54.40) |
| Face value of share (₹) | 10.00 | 10.00 |

27 Related Party Transactions**(1) Relationship:**

| Particulars | Country of Incorporation | Ownership Interest | |
|------------------------------|-----------------------------|--------------------|-----------------|
| | | 31st March 2021 | 31st March 2020 |
| I. Associate Company | | | |
| Dhunseri Investments Limited | India | 21.59% | 21.59% |

II. Key management personnel (KMP)

| Name | Designation |
|----------------------------|--|
| Mr. C.K.Dhanuka | Chairman |
| Mrs. Aruna Dhanuka | Non Independent and Non Executive Director |
| Mrs. Bharati Dhanuka | Non Independent and Non Executive (w.e.f 12.02.2021) |
| Mr. Mrigank Dhanuka | Non Independent and Non Executive Director |
| Mr. Indra Kishore Kejriwal | Independent and Non Executive Director |
| Mr. Gobind Ram Goenka | Independent and Non Executive Director |
| Mr. Rajeev Rungta | Independent and Non Executive Director |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| Name | Designation |
|--------------------------|---|
| Mr. Hari Prasad Bhuwania | Chief Executive Officer (w.e.f. 10.02.2020) |
| Mr. Ayush Beriwal | Chief Financial Officer |
| Ms. Chitra Thakwani | Company Secretary |
| Mrs. Tyrisha Beriwal | Relative of Key Manegment Person |

III. Enterprise over which KMP(s) are able to exercise significant influence and with whom transactions have taken place.

Dhunseri Ventures Ltd. (formerly known as Dhunseri Petrochem Ltd.)

Dhunseri Tea & Industries Ltd.

Dhunseri Overseas Ltd.

Trimplex Investments Ltd.

Mint Investment Limited

Madhuting Tea Pvt. Ltd.

(2) Details of Related Party Transactions / Balances

| Nature of Transactions / Balances | 31st March 2021 | 31st March 2020 |
|--|-----------------|-----------------|
| (a) Entities over which KMP(s) are able to exercise significant influence | | |
| Dhunseri Tea & Industries Ltd. | | |
| Rent (Received) | 32.04 | 31.26 |
| Reimbursement of Electric Charges | 0.31 | — |
| Reimbursement of AMC | 1.47 | 1.40 |
| Dhunseri Overseas Ltd. | | |
| Purchase of 89,97,000 Shares by DOPL | — | 899.70 |
| Trimplex Investments Ltd. | | |
| Electricity Charges Reimbursement | 0.66 | 0.79 |
| Licence Fees (Paid) | 4.80 | 2.30 |
| Hire Charges (Paid) | — | 0.44 |
| (b) Relative of Key Manegrial Personnel | | |
| Tyrisha Beriwal | | |
| Loan Given | 50.00 | |
| Accrued Interest but not due | 1.44 | |

Note: Transactions relating to dividend paid or received were on the same terms and conditions that applied to other shareholders. Hence, dividend paid or received to and from subsidiary, associates and entities on which KMP(s) have significant control are not shown as related party transactions.

(3) Compensation of Key Managerial Personnel

| Particulars | 31st March 2021 | 31st March 2020 |
|----------------------|-----------------|-----------------|
| Employee benefits | 40.06 | 55.11 |
| Commission on profit | 1.00 | — |
| Sitting fees | 1.07 | 1.12 |
| Total Compensation | 42.13 | 56.23 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

27 Related Party Transactions (Contd.)

(4) Analysis of remuneration to Key Managerial Personnel

(₹ in Lakhs)

| Name | 31st March 2021 | | | 31st March 2020 | | |
|----------------------------|-------------------|------------|--------------|-------------------|------------|--------------|
| | Employee Benefits | Commission | Sitting fees | Employee Benefits | Commission | Sitting fees |
| Mr. C.K.Dhanuka | — | 0.16 | 0.19 | — | — | 0.20 |
| Mrs. Aruna Dhanuka | — | 0.16 | 0.13 | — | — | 0.16 |
| Mr. Rajeev Rungta | — | 0.16 | 0.27 | — | — | 0.21 |
| Mr. Indra Kishore Kejriwal | — | 0.17 | 0.20 | — | — | 0.23 |
| Mr. Mrigank Dhanuka | — | 0.16 | 0.04 | 12.72 | — | 0.07 |
| Mrs. Bharati Dhanuka | — | 0.02 | — | — | — | — |
| Mr. Govind Ram Goenka | — | 0.17 | 0.24 | — | — | 0.25 |
| Mr. Ayush Beriwal | 30.60 | — | — | 33.25 | — | — |
| Mr. Hari Prasad Bhuwania | 6.00 | — | — | 6.00 | — | — |
| Ms. Chitra Thakwani | 3.46 | — | — | 3.14 | — | — |

(5) Amount payable to Key Managerial Personnel at the end of the year

| Name | 31st March 2021 | 31st March 2020 |
|----------------------------|-----------------|-----------------|
| Mr. C.K.Dhanuka | 0.16 | — |
| Mrs. Aruna Dhanuka | 0.16 | — |
| Mr. Rajeev Rungta | 0.16 | — |
| Mr. Indra kishore Kejriwal | 0.17 | — |
| Mr. Mrigank Dhanuka | 0.16 | — |
| Mrs. Bharati Dhanuka | 0.02 | — |
| Mr. Govind Ram Goenka | 0.17 | — |
| Mr. Hari Prasad Bhuwania | — | 0.50 |
| Mr. Ayush Beriwal | — | 1.72 |
| Ms. Chitra Thakwani | — | 0.65 |

(6) Terms and Conditions

Transactions related to sale of assets are based on independent valuation report. Transactions related to acquisition of investments are based on par value of shares. Transactions relating to rental and leave & licence fees are as per related agreements. All other transactions are made on normal commercial terms and conditions.

All related party transactions are reviewed by the Audit Committee of the Company.

All outstanding balances are unsecured and are receivable / repayable in cash.

(7) Disclosure as per clause 34(3), clause 53 (f) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

| a. Loans to Subsidiaries/Associates | | | | |
|--|--------------------|-----------------|--------------------|-----------------|
| Name of the Company | 31 March 2021 | | 31 March 2020 | |
| | Amount Outstanding | Maximum balance | Amount Outstanding | Maximum balance |
| Associates | — | — | — | — |
| b. Loans to firms / companies in which directors are interested | | | | |
| Name of the Company | 31 March 2021 | | 31 March 2020 | |
| | Amount Outstanding | Maximum balance | Amount Outstanding | Maximum balance |
| | — | — | — | — |
| c. Loans to Relative of Key Managerial Person | | | | |
| Name | 31 March 2021 | | 31 March 2020 | |
| | Amount Outstanding | Maximum balance | Amount Outstanding | Maximum balance |
| Tyrisha Beriwal (including interest accrued but not due) | 51.44 | 51.44 | — | — |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in lakhs)

28 Employee benefits expense

a. Defined contribution plans:

The Company makes contributions, determined as a specified percentage of the employee salaries in respect of qualifying employees towards provident fund, which is a defined contribution plan. The amount recognised as an expense towards contribution to provident fund for the year aggregated to ₹ 3.15 lakhs (31 March 2020: 4.61 lakhs)

b. Compensated absences:

The principal assumptions used in determining the compensated absences benefit obligation are as given below:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|-------------------------------|------------------------|------------------------|
| Discounting rate (p.a.) | 6.70% | 6.70% |
| Future salary increase (p.a.) | 5.00% | 5.00% |

The discount rate is based on the prevailing market yield of Indian government securities as at the balance sheet date for the estimated terms of the obligation.

An amount of ₹. 0.14 lakhs (previous year ₹ 0.68 lakhs) pertaining to compensated absences is recognised as an expense and included in Employee benefits expense in Note 22.

c) Defined benefit plan: Gratuity

Gratuity scheme - This is an defined benefit plan and it entitles an employee, who has rendered atleast 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

(i) Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components

| Particulars | 31 March 2021 | As at 31 March 2020 |
|---|---------------|------------------------|
| Balance at the beginning of the year | 6.74 | 8.91 |
| Acquisition adjustment | — | — |
| Benefits paid | (1.11) | (4.53) |
| Current service cost | 0.94 | 1.25 |
| Interest cost | 0.41 | 0.49 |
| Actuarial (gains) losses recognised in other comprehensive income | (0.31) | 0.62 |
| Balance at the end of the year | 6.67 | 6.74 |
| ii) Movement in Plan Assets | | |
| Opening Fair value of plan assets | 9.48 | 13.58 |
| Interest on plan assets | 0.60 | 0.84 |
| Actual return on plan assets less interest on plan assets | — | (0.41) |
| Benefit paid | (1.11) | (4.53) |
| Closing Fair value of plan assets | 8.97 | 9.48 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| <u>Particulars</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|--|-----------------------------------|
| iii) Expense recognised in profit or loss | | |
| Current service cost | — | — |
| Interest cost | — | — |
| iv) Remeasurements recognised in other comprehensive income | | |
| Actuarial (gain) loss on defined benefit obligation | — | — |
| v) Actuarial assumptions | | |
| Principal actuarial assumptions at the reporting date (expressed as weighted averages): | | |
| Financial assumptions | | |
| Discount rate | 6.70% | 6.70% |
| Future salary growth | 5.00% | 5.00% |
| Demographic assumptions | | |
| Mortality rate | Indian Assured Lives Mortality (2006-08) Ult | Indian Assured Lives Mortality |
| Retirement age | 58 years | 58 years |
| Withdrawal rate (%) | 1.00% | 1.00% |
| As at 31 March 2021, the weighted average duration of the defined benefit obligation was 10 year (31 March 2020 : 10 year) | | |
| vi) Sensitivity analysis | | |
| Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. | | |

| <u>Particulars</u> | For the year ended 31 March 2021 | | For the year ended 31 March 2020 | |
|----------------------------|-------------------------------------|----------|-------------------------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1%) | 0.92 | 0.78 | 0.78 | 0.65 |
| Future salary growth (1.%) | 0.93 | 0.80 | 0.78 | 0.67 |

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown.

vii) **Maturity profile**

"The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:"

| <u>Particulars</u> | As at 31 March 2021 | As at 31 March 2020 |
|--------------------|------------------------|------------------------|
| 1 Year | 0.11 | 1.17 |
| 2 to 5 Years | 0.68 | 0.60 |
| 5 Years Onwards | 6.09 | 5.81 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

viii) Risk analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

- Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
- Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee."
- The fair Value of Gratuity Planned Asset is in excess of Provision required as per Gratuity Valuation report and the company has not recognised, the asset in the books.

29 Financial instruments – Fair values and risk management

i. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

ii. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| Particulars | 31 March 2021 | | | | | |
|---|-----------------|----------------------|----------------|------------|---------|----------|
| | Carrying amount | | | Fair value | | |
| | FVTPL | Designated at FVTOCI | Amortised Cost | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investment in mutual funds | — | — | — | — | — | — |
| Investment in equity shares | 1,516.45 | 7,968.85 | — | 9,485.30 | — | — |
| Equity Instruments (unquoted) | 967.19 | 1,360.15 | — | — | — | 2,327.34 |
| Financial assets not measured at fair value # | | | | | | |
| Investments (At Cost) | — | — | 35,478.28 | — | — | — |
| Cash and cash equivalents | — | — | 57.34 | — | — | — |
| Bank balances other than cash and cash equivalents | — | — | 9.71 | — | — | — |
| Other financial assets | — | — | 657.02 | — | — | — |
| | 2,483.64 | 9,329.00 | 36,202.35 | 9,485.30 | — | 2,327.34 |
| Financial liabilities * | | | | | | |
| Financial liabilities not measured at fair value | | | | | | |
| Other financial liabilities | — | — | 14.03 | — | — | — |
| Lease Liability | — | — | 439.63 | — | — | — |
| Payable to employees | — | — | — | — | — | — |
| | — | — | 453.66 | — | — | — |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| Particulars | 31 March 2020 | | | | | |
|---|-----------------|-------------------------|-------------------|------------|---------|----------|
| | Carrying amount | | | Fair value | | |
| | FVTPL | Designated at FVTOCI | Amortised Cost | Level 1 | Level 2 | Level 3 |
| Financial assets | | | | | | |
| Financial assets measured at fair value | | | | | | |
| Investment in mutual funds | 480.38 | — | — | 480.38 | — | — |
| Investment in equity shares | 1,450.64 | 3,498.02 | — | 4,948.66 | — | — |
| Equity Instruments (unquoted) | 485.31 | 1,277.62 | — | — | — | 1,762.93 |
| Financial assets not measured at fair value # | | | | | | |
| Investments (At Cost) | — | — | 26,937.17 | — | — | — |
| Cash and cash equivalents | — | — | 892.61 | — | — | — |
| Bank balances other than cash and cash equivalents | — | — | 10.83 | — | — | — |
| Other financial assets | — | — | 133.64 | — | — | — |
| | 2,416.33 | 4,775.64 | 27,974.25 | 5,429.04 | — | 1,762.93 |
| Financial liabilities * | | | | | | |
| Financial liabilities not measured at fair value | | | | | | |
| Other financial liabilities | — | — | 19.74 | — | — | — |
| Lease Liability | — | — | 423.87 | — | — | — |
| Payable to employees | — | — | — | — | — | — |
| | — | — | 443.61 | — | — | — |

#The Investor has not disclosed fair value financial instruments carried at amortised cost such as investments, cash and cash equivalents, other bank balances and other financial assets because their carrying amounts are a reasonable approximation of fair value.

*The Investor has not disclosed fair value financial instruments carried at amortised cost such as trade payables, borrowings and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

ii) Measurement of fair values

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 inputs.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| Particulars | Fair value hierarchy | Valuation technique | Significant unobservable inputs | Inter-relationship between unobservable inputs and fair value measurement |
|---|----------------------|---|--------------------------------------|---|
| Financial assets measured at FVTPL Investment in mutual funds | Level 1 | 'Market valuation technique: Investments traded in active markets are determined by reference to quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house, quoted price of equity shares in the stock exchange etc. | Not applicable | Not applicable |
| Investment in equity shares | Level 1 | Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE. | Not applicable | Not applicable |
| Investment in equity shares Unquoted | Level 3 | 'Investment in unquoted equity are valued by discounting the aggregate future cash flow (both principal & interest cash flows) with risk-adjusted discounting rate | Price not available in active market | Discounting the aggregate future cash flow |
| Financial assets measured at FVTOCI Financial assets measured at FVTOCI | Level 1 | Market valuation technique: Investments traded in active markets are determined by reference to the last traded rate of NSE/BSE. | Not applicable | Not applicable |

30 Financial risk management
Introduction and risk profile

The Investor is a Non Banking Financial Company registered with Reserve Bank of India.

The Investor audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

i Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises partially from the investments.

Credit risk is being managed using a set of credit norms and policies. The Company has defined roles and responsibilities for originators and approvers. All credit exposure limits are approved by Board of Directors. The Company follows a process of time-to-time revisiting the credit policy and processes, on the basis of experience and feedback.

The carrying amount of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting was:

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---|------------------------|------------------------|
| Cash and cash equivalents (including bank balances) | 57.34 | 892.61 |
| Investments | 47,290.92 | 34,129.14 |
| Other financial assets | 657.02 | 133.64 |
| Total | 48,005.28 | 35,155.39 |

Credit risk relating to cash and cash equivalent and bank deposits is managed by only accepting banks and financial institution counterparties after evaluating parameters like capital adequacy, non-performing assets, profitability and liquidity ratios and net worth and by diversifying bank deposits in different banks across the country.

ii. Liquidity risk

Liquidity risk is the risk that the Investor will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions in a timely manner, without incurring unacceptable losses or risking damage to the Company's reputation.

"The Company's primary sources of liquidity include cash and bank balances, deposits, investment in mutual funds and cash flow from operating activities. As at 31 March 2021, the Company had a working capital of ₹ 3150.32 lakhs (31 March 2020: ₹ 2439.09 lakhs) including cash and cash equivalent of ₹ 57.34 lakhs (31 March 2020: ₹ 892.61 lakhs).

Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. "

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

| As at 31 March 2021 | Contractual cash flows | | | | | |
|----------------------|------------------------|----------|-----------|-----------|-----------|-------------------|
| | Carrying amount | Total | 0-1 years | 1-2 years | 2-5 years | More than 5 years |
| Term loan | — | — | — | — | — | — |
| Payable to employees | — | — | — | — | — | — |
| Trades payables | — | — | — | — | — | — |
| Lease Liability | 439.63 | 4,898.88 | 41.26 | 41.26 | 113.95 | 4,702.41 |
| Other payables | 4.32 | 4.32 | 4.32 | — | — | — |

| As at 31 March 2020 | Contractual cash flows | | | | | |
|----------------------|------------------------|----------|-----------|-----------|-----------|-------------------|
| | Carrying amount | Total | 0-1 years | 1-2 years | 2-5 years | More than 5 years |
| Term loan | — | — | — | — | — | — |
| Payable to employees | — | — | — | — | — | — |
| Trades payables | — | — | — | — | — | — |
| Lease Liability | 423.87 | 4,924.89 | 35.60 | 36.46 | 112.13 | 4,780.70 |
| Other payables | 8.91 | 8.91 | 8.91 | — | — | — |

iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a.) Foreign currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to foreign currency risk as the Company does not have receivables or payables in foreign currency.

b.) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk from the external borrowings that are used to finance their operations

c.) Market price risk

The Company is mainly exposed to the price risk due to its investment in mutual funds and quoted equity shares. The price risk arises due to uncertainties about the future market values of these investments. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds and equity shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

| Particulars | (₹ in Lakhs) | |
|---|------------------------|------------------------|
| | Carrying Value as at | |
| | As at 31 March 2021 | As at 31 March 2020 |
| Investments valued using quoted Prices in active market | 9,485.30 | 5,429.04 |
| | 9,485.30 | 5,429.04 |
| sensitivity analysis on total comprehensive income upon fluctuation of interest rates | | |
| | Increase by 1% | Decrease by 1% |
| Impact on total Comprehensive income for the year ended 31st March 2020 | 94.85 | (94.85) |
| Impact on total Comprehensive income for the year ended 31st March 2020 | 54.29 | (54.29) |

iv) Legal and operational risk

a) Legal Risk

Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements. There is currently no legal risk on the company.

b) Operational risk

Operational risk framework is designed to cover all functions and verticals towards identifying the key risks in the underlying processes. The framework, at its core, has the following elements:

1. Well defined Governance Structure.
2. Regular workshops and training for enhancing awareness and risk culture.
3. Documented Operational Policy.

31 Capital management

For the purpose of Investor's capital management, capital includes issued equity share capital, other equity reserve. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital and to maximize shareholder's values

Following table summarizes the capital structure of the company

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|---------------|------------------------|------------------------|
| Share Capital | 100.00 | 100.00 |
| Other Equity | 49,022.61 | 36,427.71 |
| Total Equity | 49,122.61 | 10,039.30 |

32 Dividends

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|-------------|-------------------------------------|-------------------------------------|
|-------------|-------------------------------------|-------------------------------------|

Dividend on equity shares paid during the year

Final dividend for the FY 2019-20 ₹ 1.25

(Previous year - ₹ 2.50) per equity share]

Dividend distribution tax on final dividend

The Board of Directors recommended a Dividend @ 25% i.e. ₹ 2.50/- per Equity share for the financial year 2020-21 in the board meeting dated 29-06-2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

33 Commitments and contingencies

The Company has no contingent liability as at March 31, 2021 and March 31, 2020

The Company has no commitments as at March 31, 2021 and March 31, 2020

The board of Directors of the Company takes Decision in respect of allocation of resources and assesses the performance basis the reports/information provided by functional heads and is thus considered to be chief operating decision maker

34 Operating segment

"The Board of Directors of the Investor takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be chief operating decision maker."

The Investor is engaged in the business of holding investments in various entities within the group and investing funds into other relevant securities with the objective to earn reasonable return. Considering the nature of Investor's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

35 Corporate social responsibility expenditure

Disclosure in respect of CSR expenditure under section 135 of the Companies Act, 2013 and rules thereon

| Party name | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|--|-------------------------------------|-------------------------------------|
| Gross amount required to be spent by the Company during the year | 6.97 | 16.61 |
| "Amount spent by the Company during the year (Contribution to Dhanuka Dhunseri Foundation)" | 7.00 | 16.65 |

36 Expenditure in foreign currency

The Investor has not incurred any expenditure in foreign currency for the year ended March 31, 2021 and March 31, 2020

37 Leases

As lessor

Right of Use and Lease liability recognised in the Financial statement represents the office Premises.

The Lease is for period ranging from 03 years to 99 years.

The Following table letout a maturity analysis of Lease payment, showing undiscounted lease payments to be made after the reporting date.

| Particulars | As At 31.03.2021 | As At 31.03.2020 |
|--|------------------|------------------|
| Less than 1 Year | 41.26 | 35.60 |
| Later then 1 Year and not later then 3 Years | 78.64 | 72.93 |
| Later then 3 Years | 4,778.98 | 4,816.36 |
| | 4,898.88 | 4,924.89 |

As Lessor:

The Investor has sub leased the premise to Dhunseri Tea and Industries Ltd. under the terms constituting an operating lease. The Investor has recognised the lease rentals of ₹ 32.04 Lacs as income in its books.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

38 Maturity analysis of assets and liabilities

The table summarises the analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

| Particulars | 31 March 2021 | | | 31 March 2020 | | |
|--|-------------------|------------------|------------------|-------------------|------------------|------------------|
| | With in 12 months | After 12 months | Total | With in 12 months | After 12 months | Total |
| Financial assets | | | | | | |
| Cash and cash equivalents | 57.34 | — | 57.34 | 892.61 | — | 892.61 |
| Bank balances other than cash and cash equivalents | 9.71 | — | 9.71 | 10.83 | — | 10.83 |
| Investments | 2,483.64 | 44,807.28 | 47,290.92 | 1,470.36 | 32,685.78 | 34,129.14 |
| Other financial assets | 613.54 | 43.48 | 657.02 | 130.06 | 3.58 | 133.64 |
| Non-financial assets | | | | | | |
| Deferred tax assets (net) | — | — | — | — | 146.75 | 146.75 |
| Investment property | — | 660.55 | 660.55 | — | 694.37 | 694.37 |
| Property, plant and equipment | — | 97.69 | 97.69 | — | 105.20 | 105.20 |
| Right of Use Assets | — | 414.11 | 414.11 | — | 411.84 | 411.84 |
| Other non-financial assets | 12.94 | 491.97 | 504.91 | 5.68 | 494.45 | 500.13 |
| Total assets | 3,177.17 | 46,515.08 | 49,692.25 | 2,509.54 | 34,514.77 | 37,024.51 |
| Liabilities and equity | | | | | | |
| Liabilities | | | | | | |
| Financial liabilities | | | | | | |
| Payables | | | | | | |
| Other financial liabilities | 14.03 | 439.63 | 453.66 | 19.74 | 423.87 | 443.61 |
| Non-financial liabilities | | | | | | |
| Current tax liabilities (Net) | 12.77 | — | 12.77 | 48.87 | — | 48.87 |
| Provisions | — | 2.62 | 2.62 | — | 2.48 | 2.48 |
| Deferred tax liabilities (net) | — | 100.54 | 100.54 | — | — | — |
| Other non- financial liabilities | 0.05 | — | 0.05 | 1.84 | — | 1.84 |
| Total liabilities | 26.85 | 542.79 | 569.64 | 70.45 | 426.35 | 496.80 |
| Equity | | | | | | |
| Equity share capital | — | 100.00 | 100.00 | — | 100.00 | 100.00 |
| Other equity | — | 49,022.61 | 49,022.61 | — | 36,427.71 | 36,427.71 |
| Total equity | — | 49,122.61 | 49,122.61 | — | 36,527.71 | 36,527.71 |
| Liabilities and equity | 26.85 | 49,665.40 | 49,692.25 | 70.45 | 36,954.06 | 37,024.51 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2021 (Contd.)

(₹ in Lakhs)

39 For disclosure mandated by Schedule III of Companies Act, 2013 by way of additional information, refer below:

| Name of the entity in the group | 2020-21 | | | | | | | |
|----------------------------------|---|---------------------|------------------------------------|---------------------|---|---------------------|---|---------------------|
| | Net assets (total assets minus total liabilities) | | Share in profit/(loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
| | As % of consolidated net assets | Amount (₹ in lakhs) | As % of consolidated Profit & loss | Amount (₹ in lakhs) | As % of consolidated other comprehensive income | Amount (₹ in lakhs) | As % of consolidated total comprehensive income | Amount (₹ in lakhs) |
| Parent Entity | | | | | | | | |
| Naga Dhunseri Group Limited | 28.69% | 14,093.09 | 6.21% | 354.75 | 53.85% | 3,711.54 | 32.25% | 4,066.29 |
| Associates | | | | | | | | |
| Dhunseri Investments Limited | 72.22% | 35,478.28 | 94.14% | 5,379.51 | 46.15% | 3,181.35 | 67.90% | 8,560.86 |
| Consolidation adjustments | (0.91%) | (448.75) | (0.35%) | (19.75) | — | — | (0.16%) | (19.75) |
| Total | 100.00% | 49,122.62 | 100.00% | 5,714.51 | 100.00% | 6,892.89 | 100.00% | 12,607.40 |

Signatories to Notes 1 to 39

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd

Prabhat Kumar Dhandhanian, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanian & Associates
Chartered Accountants
Firm Registration No. 316052E

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
Company Secretary & Compliance Officer
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Ayush Beriwal
Chief Financial Officer

Place : Kolkata
Dated : June 29, 2021

Form AOC-1

**Statement containing salient features of the Financial Statement of
Subsidiaries / Associate Companies / Joint Ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)**

Part "A": Subsidiaries – NIL

**Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures**

| | |
|--|--|
| Name of Associates/Joint Ventures | Dhunseri Investments Limited |
| | Associate |
| 1. Latest Audited Balance Sheet Date | 31.03.2021 |
| 2. Shares of Associate/ Joint Ventures held by the Company on the year end | |
| No. of Equity Shares | 13,16,476 Equity shares of ₹ 10/- each |
| Amount of Investment in Associates / Joint Venture | ₹ 35478.28 Lakhs |
| Extend of Holding % | 21.59% |
| 3. Description of how there is significant influence | Voting Rights |
| 4. Reason why the associate/joint venture is not consolidated. | Consolidated |
| 5. Net Worth attributable to Shareholding as per latest Audited Balance Sheet | ₹ 45274.79 Lakhs (based on Audited Balance Sheet as at 31.03.2021 of the Associate Company) |
| 6. Profit / Loss for the year | |
| i. Considered in Consolidation | ₹ 5379.51 Lakhs |
| ii. Not Considered in Consolidation | NIL |

1. Names of associates or joint ventures which are yet to commence operations- NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year- NIL

For and on behalf of the Board of Directors of
Naga Dhunseri Group Ltd

Prabhat Kumar Dhandhanian, *Partner*
Membership No: 052613
For and on behalf of
Dhandhanian & Associates
Chartered Accountants
Firm Registration No. 316052E

H.P.Bhuwania
Chief Executive Officer

Chitra Thakwani
Company Secretary & Compliance Officer
(ACS 54009)

C.K.Dhanuka
Chairman
(DIN:00005684)

Rajeev Rungta
Director
(DIN:00122221)

Place : Kolkata
Dated : June 29, 2021

Ayush Beriwal
Chief Financial Officer