126th ANNUAL REPORT 2020-2021

PNB FINANCE AND INDUSTRIES LIMITED

Contents

Notice of the Meeting	2-11
Board's Report	12-22
Corporate Governance Report	23-35
Management Discussion and Analysis Report	36
Auditor's Report	37-41
Balance Sheet	42
Statement of Profit & Loss	43
Cash Flow Statement	44-45
Statement of Changes in Equity	46
Notes to Financial Statements	47-82
CONSOLIDATED ACCOUNTS	
Auditor's Report	83-86
Balance Sheet	87
Statement of Profit & Loss	88
Cash Flow Statement	89-90
Consolidated Statement of Changes in Equity	91
Notes to Financial Statements	92-114

BOARD OF DIRECTORS

ASHISH VERMA	*DIRECTOR*
GOVIND SWARUP	*DIRECTOR*
RAKESH DHAMANI	*DIRECTOR*
SAUMYA AGARWAL	*DIRECTOR*
SHWETA SAXENA	*DIRECTOR*

COMPANY SECRETARY

SHWETA SAXENA

CHIEF FINANCIAL OFFICER

VIVEKA NAND JHA

MANAGER

VIJAY KUMAR BAKSHI

AUDITORS

AWATAR & CO.
Chartered Accountants
New Delhi

REGISTRAR & SHARE TRANSFER AGENT

SKYLINE FINANCIAL SERVICES (P) LTD.
D-153/A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110 020
Tel : +91-11- 26812682/83
E-mail : virenr@skylinerta.com

REGISTERED OFFICE

CIN: L65929DL1947PLC001240

1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg, New Delhi-110002
Tel : +91-7303495375
E-mail : pnbfinanceindustries@gmail.com
Website: www.pnbfinanceandindustries.com

NOTICE

NOTICE is hereby given that the 126th Annual General Meeting of the members of PNB Finance and Industries Limited (the 'Company') will be held on Thursday, September 30, 2021 at 10:00 A.M. IST through Video Conferencing (VC) to transact the following businesses:

Ordinary business:

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2021 together with the reports of the Board of Directors ('the Board') and auditors thereon.
2. To declare dividend of ₹ 0.60 per equity share for the financial year ended March 31, 2021.

Special business:

3. To re-appoint Ms. Saumya Agarwal (DIN: 07517809) as a non-executive independent director for a second term of 5 (five) consecutive years and in this regard to consider and if thought fit, to pass the following resolution as a special resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of nomination and remuneration committee and the Board of Directors, Ms. Saumya Agarwal (DIN: 07517809) who was appointed as an Independent Director w.e.f. May 27, 2021, being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. upto May 27, 2026.**"**

4. To re-appoint Mr. Vijay Kuamr Bakshi as Manager of the Company and in this regard to consider and if thought fit, to pass the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof the consent of the members be and is hereby accorded for the re-appointment of Mr. Vijay Kumar Bakshi, as 'Manager' of the Company for a period of 3 (three) year effective from April 1, 2021 at a gross remuneration of Rs. 12,000 (Rupees Twelve Thousand Only) per annum and on such other terms and conditions as mentioned in the letter of appointment dated February 10, 2021.

   RESOLVED FURTHER THAT the re-appointment of Mr. Vijay Kumar Bakshi as a Manager of the Company shall at all times be under the supervision and control of the Board.

   RESOLVED FURTHER THAT the Board of Directors, which term shall include Committees (s) of the Board be and is hereby authorized to alter and vary from time to time during the current tenure of appointment of Vijay Kumar Bakshi, the terms and conditions and/or remuneration in such a manner as in the best interest of the Company, in accordance with the laws from time to time in force and acceptable to Mr. Vijay Kumar Bakshi, provided that the remuneration after such alteration shall not exceed the limits prescribed under Schedule V of the Companies Act, 2013.

By order of the Board of Directors
For **PNB Finance and Industries Limited**

Shweta Saxena
Director & Company Secretary
DIN & Membership No.: 03120958 & A18585

Place: New Delhi
Date: June 24, 2021

Registered Office:
1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg, New Delhi-110002
CIN: L65929DL1947PLC001240 Tel: +91-7303495375
Website: www.pnbfinanceandindustries.com
Email: pnbfinanceindustries@gmail.com

NOTES:

1. In view of the ongoing Covid-19 crisis, Ministry of Corporate Affairs (hereinafter referred as 'MCA') has issued circular dated January 13, 2021 in continuation of General Circular 20/2020 dated May 5, 2020 (collectively referred as "Circulars") whereby MCA has allowed companies for conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) which became due in the year 2021. Similarly Securities and Exchange Board of India (hereinafter referred as 'SEBI') vide its circular dated January 15, 2021 has extended certain relaxation to listed entities for holding AGM as provided through Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

   In line with the above given circulars and guidelines issued by MCA and SEBI, Company is conducting 126th Annual General Meeting of the members through VC.

   Members may note that the Company has followed all the guidelines and procedure as required under the MCA and SEBI circulars as stated above and duly complied with the regulatory framework.

Detailed instructions with respect to participation in the AGM through VC are provided in Annexure B to this notice; Members are requested to get through the notes carefully to understand the procedural requirement to attend the AGM through VC.

2. In line with the above given circulars, dispatch of physical copies of annual report or other documents required to be attached therewith, to shareholders is dispensed with, annual report or other documents are being sent only by email to the members and to all other person so entitled.

   Copy of the Annual Report 2021, Notice of 126th AGM and instructions for e-voting and participation through VC, are being sent by electronic mode only to those members whose email addresses are registered with the Company/ depository participant(s) for communication purpose. For members who have not registered their email addresses, are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent Skyline Financial Services Private Limited (Registrar and Transfer Agent), D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, Phone: 011-26812682/83, Email: parveen@skylinerta.com.

   Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.pnbfinanceandindustries.com and on the website of NSDL https://www.evoting.nsdl.com.

3. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013("Act") with respect to item no. 3 and 4 (Special Businesses) forms part of the Notice. Additional information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on general meetings in respect of director/manager seeking re-appointment at the AGM are provided in Annexure A to this notice.

4. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2021 to September 30, 2021 (both days inclusive) for the purpose of payment of dividend. The cut-off date for determining the members who are entitled to vote through remote e-voting or voting at the meeting through VC is September 23, 2021.

5. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. However, MCA vide its circulars has explained that as AGM will be conducted through VC or OAVM, physical presence of members in any case will be dispensed with, therefore there is no requirement of appointment of proxies by members.

   Further, in alignment with the MCA circulars, the SEBI has also dispensed the requirement of sending proxy forms under Regulation 44 (4) of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021.

   Accordingly Company is not providing the facility of appointment of proxies by members for this AGM.

6. Corporate members intending to attend the AGM shall send certified true copy of the Board resolution to the Company through physical or electronic mode, authorizing their representative to attend and vote through remote e voting or for participation and voting in the meeting through VC.

   Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending request from their registered email address mentioning their name, DP ID, Client ID/folio number, self-attested PAN, mobile number at pnbfinanceindustries@gmail.com from September 18, 2021 (9.00 a.m. IST) to September 25, 2021 (5.00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM and may have to allow camera access during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members, who have not registered themselves as speaker shareholder and wish to raise queries can post their questions in chat box option during AGM and the same will be answered by the Company within 7 days from the date of AGM through email at the registered email address of the member.

8. For ease of conduct, members who would like to ask questions/express their views on the items of the businesses to be transacted or require information about accounts can send in their questions/comments in advance by sending an email at pnbfinanceindustries@gmail.com during the period starting from September 18, 2021 (9.00 a.m. IST) to September 25, 2021 (5.00 p.m. IST) mentioning their name, demat account no./ Folio no., e-mail Id, mobile number, etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.

9. The Register of Directors and Key Managerial Personnel and their shareholding and Register of Contracts and Arrangements in which directors are interested will be available for inspection in electronic mode for the members. Members who wish to inspect the documents

are requested to send an email to pnbfinanceindustries@gmail.com mentioning their name, folio no. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting by the first holder.

11. The Dividend recommended by the Board of Directors, if declared at the AGM, will be payable to those members whose names appear in the Register of Members on the record date fixed for the purpose i.e. September 23, 2021 in respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose.

    Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participant(s).

    We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.

12. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholder w.e.f April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates members are requested to refer to the Finance Act, 2020 and amendment thereof. The shareholders are requested to update their PAN with the Company (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

    A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to pnbfinanceindustries@gmail.com by September 25, 2021 (5:00 p.m. IST) Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

    Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to pnbfinanceindustries@gmail.com. The aforesaid declarations and documents need to be submitted by the shareholders by September 25, 2021 (5:00 p.m. IST)

13. Members are also requested to notify any changes in their addresses immediately to the Registrar & Share Transfer Agent- Skyline Financial Services (P) Ltd.

14. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant. Members holding shares in physical form are required to submit their PAN details to Registrar and Share Transfer Agent.

15. Pursuant to the provisions of Section 124 of the Act, and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has been unclaimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority. In terms of above provisions, such amount of unclaimed dividend and shares become due for transfer to the IEPF on September 03, 2021. Details of shares transferred and due to be transferred to IEPF authority are available on the website of the Company. Therefore, all the shareholders are requested to claim the unpaid dividend amount from the Company, if any.

16. Members may note that shares as well as unclaimed dividend transferred to IEPF authority can be claimed. Concerned members are advised to visit the weblink: http://www.iepf.gov.in/ and/or Company's website: www.pnbfinanceandindustries.com for the procedure to claim the shares and dividend thereon.

17. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form w.e.f. April 01, 2019, except in case of transmission or transposition of securities. In view of this and to avail benefits of dematerialisation and to eliminate risks associated with physical shares, members are advised to dematerialise shares held by them in physical form.

18. In terms of Section 72 of the Company Act, 2013 the shareholders can exercise their right to nominate any person in whom the securities held by such shareholder shall vest in the event of the death of such shareholder. Members who have not yet registered their nomination are requested to submit the required form (Form no. SH13) to their DP in case shares are held in demat form and to RTA in case shares are held in physical form.

19. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.

Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 3

Ms. Saumya Agarwal (DIN: 07517809), was appointed as an Independent Director of the Company with effect from May 27, 2016 and she holds the office as an Independent Director of the Company upto May 26, 2021.

The Board of Directors based on the performance evaluation of Ms. Saumya Agarwal and pursuant to the recommendation of the nomination and remuneration committee, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Ms. Saumya Agarwal would be beneficial to the Company and it is desirable to continue to avail her service as an Independent Director.

A brief profile of Ms. Saumya Agarwal and other requisite details, pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided in Annexure A to this Notice.

Ms. Saumya Agarwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has also received declaration from Ms. Saumya Agarwal that she meets the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of Listing Regulations and comply with Rule 6 of the Companies (Appointment and Qualification of Director) Rules, 2014.

In terms of Section 160 of the Act, the Company has received a notice in writing from a member of the Company proposing the candidature of Ms. Saumya Agarwal to be re-appointed as an Independent Director.

In the opinion of the Board, Ms. Saumya Agarwal fulfils the conditions for re-appointment as Independent Director as specified in the Act and the Listing Regulations.

Accordingly, the Board of Directors recommends to the shareholders re-appointment of Ms. Saumya Agarwal as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Copy of draft letter of appointment of Ms. Saumya Agarwal as setting out term and condition is available for inspection by members through electronic mode. Ms. Saumya Agarwal is interested in the resolution set out at item no. 3 of the Notice with regard to her re-appointment.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set out at item no. 3 of the Notice for approval by the members through special resolution.

Item no. 4

Mr. Vijay Kumar Bakshi was appointed as a 'Manager' of the Company for a period of 3 (three) years effective from April 1, 2018 accordingly his tenure ended on March 31, 2021.

Considering his experience and contributions made by him during his tenure, the continued association of Mr. Vijay Kumar Bakshi would be beneficial to the Company and it is desirable to continue to avail his service as Manager of the Company.

The Board of Directors of the Company ("the Board") at its meeting held on February 10, 2021, upon recommendation of nomination & remuneration committee, re-appointed Mr. Vijay Kumar Bakshi as a 'Manager' of the Company for a period of 3 (three) years effective from April 1, 2021 on such remuneration and terms and conditions as mentioned in the letter of appointment subject to the approval of shareholders.

Therefore, it is proposed to seek members' approval for the reappointment of Mr. Vijay Kumar Bakshi as a 'Manager' of the Company.

A brief profile of Mr. Vijay Kumar Bakshi and other requisite details, pursuant to the provisions of the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in Annexure A to this Notice.

Copy of draft letter of appointment of Mr. Bakshi as setting out term and condition is available for inspection by members through electronic mode. Mr. Bakshi is interested in the resolution set out at item no. 4 of the notice with regard to his re-appointment.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution set out at item no. 4 of the Notice for approval by the members through ordinary resolution.

By order of the Board of Directors
For **PNB Finance and Industries Limited**

Shweta Saxena
Director & Company Secretary
DIN & Membership No.: 03120958 & A18585

Place: New Delhi
Date: June 24, 2021

Registered Office:
1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg, New Delhi-110002
CIN: L65929DL1947PLC001240 Tel: +91-7303495375
Website: www.pnbfinanceandindustries.com
Email: pnbfinanceindustries@gmail.com

Annexure A

Details of director/manager seeking re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings

Item No.3

Name of director	Ms. Saumya Agarwal (DIN: 07517809)
Date of birth	June 15, 1990 (Age: 31 Years)
Date of first appointment on Board	May 27, 2016
Qualification	Bachelors in Arts, Economics and Mathematics from McKenna College, California.
Expertise in specific functional area	Experience of working with renowned firms and Companies as Investment Analyst.
Directorship on other boards as on June 24,2021	1. Shree Sharda Associates Private Limited 2. Shree Sharda Vista Alegre Private Limited 3. Sahu Jain Limited 4. Punjab Mercantile and Traders Limited
Membership(s)/chairmanship(s) of committees of other companies as on June 24, 2021	Nil
Relationship with other directors/ manager/KMP's	None
Number of shares held in the Company as on June 24,2021	Nil
Number of board meetings attended during the year	5
Terms and conditions of re-appointment	As per the resolution at item no. 3 of the Notice convening this meeting read with explanatory statement thereto
Remuneration last drawn	As per her entitlement to sittings fees
Remuneration proposed to be paid	Sitting fees as disclosed in report of corporate governance forming part of Annual Report
Summary of performance evaluation	The Nomination and Remuneration Committee and Board has evaluated the performance of Ms. Saumya Agarwal keeping in view the board evaluation mechanism, Board found performance of Ms. Saumya Agarwal to be good and satisfactory

Item No.4

Name of manager	Mr. Vijay Kumar Bakshi
Date of birth	July 06, 1957 (Age: 64 years)
Date of first appointment on Board	April 1, 2018
Qualification	Commerce Graduate
Expertise in specific functional area	More than 25 years of experience in accounts
Directorship on other boards as on June 24,2021	Nil
Membership(s)/chairmanship(s) of committees of other companies as on June 24,2021	Nil
Relationship with other directors/ manager/KMP's	None
Number of shares held in the Company as on June 24,2021	Nil
Number of board meetings attended during the year	Nil
Terms and conditions of appointment	As per the appointment letter dated February 10, 2021
Remuneration last drawn	Remuneration as disclosed in report of corporate governance forming part of Annual repor
Remuneration proposed to be paid	₹ 12,000 p.a.
Justification for appointment	Mr. Bakshi has over 25 years of experience in accounts, finance.

Annexure-B

Notes on attending AGM through Video Conferencing (VC), Remote E Voting and Voting at AGM

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, September 26, 2021 at 09:00 A.M. and ends on Wednesday, September 29, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2021, may cast their vote electronically. 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 September 23, 2021.

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.	1. 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. 2. 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 3. 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 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. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login method
Individual Shareholders holding securities in demat mode with CDSL	1. 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. 2. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. 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	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.

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***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user 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-117923" 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.
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.

General Guidelines for shareholders

1. 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 by e-mail to balrajsharmafcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. 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.
3. 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 Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, at evoting@nsdl.co.in

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 pnbfinanceindustries@gmail.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 pnbfinanceindustries@gmail.com. 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.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

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.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member 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. Please note that 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.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at pnbfinanceindustries@gmail.com. The same will be replied by the Company suitably.

By order of the Board of Directors
For **PNB Finance and Industries Limited**

Shweta Saxena
Director & Company Secretary
DIN & Membership No.: 03120958 & A18585

Place: New Delhi
Date: June 24, 2021
Registered Office:
1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg, New Delhi-110002
CIN: L65929DL1947PLC001240 Tel: +91-7303495375
Website: www.pnbfinanceandindustries.com
Email: pnbfinanceindustries@gmail.com

BOARD'S REPORT

Dear Members,

Your directors feel immense pleasure in presenting the 126th Annual Report of PNB Finance and Industries Limited ("the Company") together with financial statements (standalone and consolidated) and auditors' report thereon for the financial year ended March 31, 2021.

Financial performance

The standalone and consolidated financial statements for the financial year ended March 31, 2021, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

The performance figures of the Company during the year under review and those reported for the corresponding previous year are as under:

(₹ in lakhs)

Particulars	Standalone results		Consolidated results	
	March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Total income	**514.33**	1,328.28	**712.88**	1,651.69
Total expenditure	**133.09**	118.06	**137.43**	121.30
Exceptional items-interest realized on loan	**-**	-	**-**	-
Profit/(loss) before tax	**381.24**	1,210.22	**575.45**	1,530.39
Less: Current tax	**63.77**	161.56	**97.55**	215.37
Deferred tax charge/ (credit)	**(0.18)**	0.07	**(0.27)**	0.07
Reversal of deferred tax liability of earlier year	**(0.24)**	-	**-**	-
Earlier year tax provision (net)	**-**	-	**(0.06)**	0.01
Profit/(loss) after tax	**317.89**	1,048.59	**479.01**	1314.94

During the year under review, your Company has not carried on any business activity. It has only invested its surplus funds in debt based mutual funds, fixed deposits of scheduled banks, corporate deposits of top rated NBFC's, government bonds and equity shares of listed or non-listed companies.

The consolidated profit after tax for the financial year 2020-21 is ₹ 479.01 lakh, out of which ₹ 161.12 lakh relates to its subsidiary companies, amounting 33.63 % of the consolidated profit after tax.

Material changes and commitments affecting the financial position between the end of the financial year and date of this report

There were no material changes and commitments affecting the financial position between the end of the financial year and date of this report.

Impact of covid-19 on business operation

Pandemic Covid-19 has continued to impact the economy in the financial year 2020-21 with more severity. Government has imposed lock-downs on several intervals and restricted the movements keeping in view the fatality caused by Covid-19.

Since your Company continues to make prudent investment decision, the risk of the pandemic is lesser on the Company comparative to companies engaged in manufacturing, service and other industries.

Your Company is taking investment and redemptions decisions more cautiously to protect the interest of stakeholders of the Company. The Company has also incorporated work from home culture as a part of working practice of the Company.

Your Company opine that adaptive management practice and expertise of the board of directors will be constructive to overcome this crisis and to safeguard the interest of all the stakeholders of the Company.

Dividend

Your directors have recommended a dividend of ₹ 0.60 per equity share of ₹ 10/- each for the financial year ended March 31, 2021, subject to the approval of members.

Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2013 ("Act") and IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividend are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has been unpaid or unclaimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF authority. Accordingly, the Company has transferred the unclaimed dividend of ₹ 62,654 and 40,296 shares to IEPF. The details are also available on the Company's website at www.pnbfinanceandindustries.com

Reserves

The Board proposes to carry a sum of ₹ 20 lakh to general reserves of the Company and ₹ 59.74 lakh to special reserve pursuant to Section 45-IC of the Reserve Bank of India Act, 1934.

Public deposits

During the year under review, the Company has not accepted any public deposits and your Board of Directors have also passed the necessary resolution for non-acceptance of any public deposits during the financial year 2020-21.

Directors and key managerial personnel

Change in directors and key managerial personnel

Reappointment of Independent Director

Ms. Saumya Agarwal (DIN: 07517809), was appointed as an independent director w.e.f. May 27, 2016 at the 121st Annual General Meeting of the Company (AGM) for a term of five years upto May 26, 2021. Based on the recommendation of the Nomination and Remuneration Committee, her re-appointment for a second term of five years is proposed at the ensuing AGM for the approval of the members by way of special resolution. Further, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing candidature of Ms. Saumya Agarwal for the appointment in the capacity of non-executive independent director of the Company, not liable to retire by rotation.

In the opinion of the Board, Ms. Saumya Agarwal possesses relevant integrity, expertise and experience to perform her role effectively.

Ms. Saumya Agarwal has also completed the registration with the Independent Directors Databank as per Rule 6 (1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 ("Rules") however as per proviso of Rule (6) of the Rules, Ms. Saumya Agarwal is exempted to pass the online proficiency self-assessment test.

Reappointment of Manager

Mr. Vijay Kumar Bakshi was appointed as a 'Manager' of the Company for a period of 3 (three) years effective from April 1, 2018 till March 31,2021.

The Board of Directors of the Company ("the Board") at its meeting held on February 10,2021, upon recommendation of nomination & remuneration committee and subject to approval of shareholders at the ensuing AGM, re-appointed Mr. Vijay Kumar Bakshi as a 'Manager' of the Company for a period of 3 (three) years effective from April 1, 2021.

Performance evaluation of the Board, its committees and directors

Pursuant to the provisions of Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the Board has carried out annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its audit, nomination and remuneration, corporate social responsibility and stakeholders relationship committee. The manner in which the evaluation has been carried out has been explained in corporate governance report. The performance of the Board, individual directors and the committees on the basis of the criteria as set out has been found good.

Declaration by independent director(s)

All independent directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

Number of meetings of the Board of directors

During the year under review, six (6) meetings of the Board and one independent director's meeting were duly convened and held. The gap between any two meetings of the Board of directors did not exceeded 120 days.

For details, please refer to the corporate governance report, which forms part of this Board report.

Familiarization program for independent directors

All independent directors inducted into the Board attended familiarization program. Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his role, function, duties and responsibilities. The formal letters of appointment and familiarization program for independent director are available on our website at www.pnbfinanceandindustries.com.

Committees of the Board

In compliance with various requirements of the Act and Listing Regulations, your Board has constituted various board committees i.e. audit committee, nomination and remuneration committee, stakeholders relationship committee, corporate social responsibility committee.

Detail of the constitution of these committees, which are in accordance with regulatory requirements, is available on the website of the Company viz. www.pnbfinanceandindustries.com. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of committee members therein form part of the corporate governance report annexed to this Board report.

The corporate social responsibility committee was dissolved w.e.f March 24, 2021 pursuant to section 135(9) of Companies Act, 2013 amended *vide* the Companies (Amendment) Act, 2020 notification dated September 28, 2020.

The Board has constituted Risk management committee w.e.f March 24, 2021 pursuant to the regulation 70 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Nomination and Remuneration Committee has formulated the nomination and remuneration policy, *inter alia*, for appointment and remuneration of the directors, key managerial personnel and other employees. The remuneration policy is available on Company's website: www.pnbfinanceandindustries.com and is also stated in the corporate governance report.

Subsidiaries

As on March 31, 2021, the Company has two wholly-owned subsidiaries, Punjab Mercantile and Traders limited and Esoterica Services Limited (formerly known as Jacaranda Corporate Services Limited), Esoterica Services Limited is material unlisted subsidiary as per Regulation 16(c) of Listing Regulations.

The Company has formulated a policy for determining 'Material' subsidiaries as approved by the Board and is available on the Company's website: www.pnbfinanceandindustries.com.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached as **Annexure-I** to this Board report.

Further, pursuant to the provisions of Section 136 of the Act, and Regulations 46 of the Listing Regulations, the financial statements of the Company, consolidated financial statements along with relevant documents and audited financial statements in respect of subsidiaries, are available on the website of the Company at www.pnbfinanceandindustries.com.

Management discussion and analysis report

In accordance with Regulation 34 of Listing Regulations, the management discussion and analysis report forms part of this Board report.

Risk assessment & minimization policy

Your Company has in place the process to identify and assess business risks and opportunities in the form of a Risk assessment & minimisation policy.

The main objective of this policy is to ensure safety of principal, high degree of liquidity while maximizing yield. Liquidity and preservation of capital are the paramount considerations. Yield is important but secondary to these objects.

In order to achieve the key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide decisions on risk related issues.

As a matter of policy, the risks are assessed and steps as appropriate are taken to mitigate the same.

Annual return

Pursuant to the provisions of Section 134(3)(a) and 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company as on March 31, 2021 is available on Company's website : www.pnbfinanceandindustries.com.

Auditors

a) Statutory auditors

The Company has re-appointed M/s Awatar & Co., Chartered Accountants (FRN:000726N) as the auditors of the Company on September 30, 2020 to hold office from the conclusion of 125th Annual General Meeting till the conclusion of 130th Annual General Meeting of the Company.

The Company has received certificate of eligibility from M/s Awatar & Co. in accordance with the provisions of the Act read with rules made thereunder and a confirmation that they continue to hold valid peer review certificate as required under Listing Regulations.

The auditor's report does not contain any qualification, reservation or adverse remark and the notes on accounts read with the auditor's report are self-explanatory and therefore, do not call for any further comments or explanations.

b) Secretarial auditors

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24(A) of Listing Regulations, the Company has appointed M/s. Balraj Sharma & Associates (CP No:824), Company Secretaries, to undertake the secretarial audit of the Company and Esoterica Services Limited, material subsidiary of the Company.

The secretarial audit report does not contain any qualification, reservation or adverse remark. The secretarial audit report of the Company is annexed as **Annexure- II.**

Pursuant to Regulation 24(A) of Listing Regulations, the Company has also obtained annual secretarial compliance report from M/s. Balraj Sharma & Associates (CP No:824), Company Secretary in practice.

c) Internal auditors

M/s A.V. Ravindranath & Co, Chartered Accountants (FRN: 017483N) performs the duties of internal auditors of the Company and their report is reviewed by the audit committee from time to time.

During the year under review, the auditors of the Company had not reported any instances of offence involving fraud committed against the Company under Section 143(12) of the Act.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Provisions relating to disclosure of particulars with respect to conservation of energy are not applicable on the Company and it has no information to be published regarding technology absorption. The Company has not carried on, during the period under report, any activity relating to exports and has not used or earned any foreign exchange.

Internal control system and their adequacy

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the management. The Company is following all the applicable accounting standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company.

Corporate social responsibility (CSR)

The provisions pertaining to corporate social responsibility as prescribed under the Act are applicable to the Company. The CSR policy may be accessed on the Company's website: www. pnbfinanceandindustries.com.

Total CSR obligation of the Company for the financial year 2020-21 was ₹ 19.26 lakhs and Company has contributed the same to the Times Foundation in the month of March 2021 for spending on projects as specified in Schedule VII.

Times Foundation is a registered society established vide Registration no. S/37742 dated 25.08.2000 under the Societies Registration Act, 1860. The Society has been set up to carry on the objects as also allowed as CSR activity in Schedule VII of the Act.

Times Foundation shall spend this amount only for purposes which are directly relatable to a subject or subjects covered in Schedule VII of the Act, as amended/ clarified/elaborated from time to time, and is as permitted in General circular No. 21 of 2014, being No. 05/01/2014-CSR dated June 18, 2014 issued by the Government of India in the Ministry of Corporate Affairs.

CSR report with salient features of the policy is annexed as **Annexure-III.**

Corporate governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India (hereinafter referred as "SEBI"). The Company has also implemented several best corporate governance practices as prevalent globally.

The report on corporate governance as stipulated under Schedule V of Listing Regulations, forms part of this Board report. The requisite certificate from M/s Balraj Sharma & Associates, Company Secretaries confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Schedule V, is attached to this Board report as **Annexure- IV**.

Particulars of employees

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are as follows:

No remuneration has been paid to the directors during the financial year 2020-21. Further, sitting fees paid to the directors during the year has been mentioned in the corporate governance report. Number of permanent employees in the Company are 2.

None of the employees draws remuneration in excess of the limits set out in the Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015. No percentage increase in the median remuneration of employees in the financial year 2020-21.

The remuneration paid to all key managerial personnel was in accordance with the remuneration policy adopted by the Company. None of the employees holds equity shares of the Company and no employee is a relative of director or manager of the Company.

Name of the top 10 employees in terms of remuneration drawn during the financial year 2020-21.

S. no.	Name of the employee & age (in years)	Designation and nature of employment	Remuneration received in financial year 2020-21 (₹ in lakh)	Educational qualifications	Experience (in years)	Date of commencement of employment	Previous employment	% increase in remuneration in the financial year 2020-21
1.	Shweta Saxena Age: 40	Designation: Company Secretary Nature: Permanent	20.13	B.Com(H), ACS, LLB, PGDBA (Finance)	16	July 28, 2008	Uniproducts India Limited	Nil
2.	Viveka Nand Jha Age: 42	Designation: CFO Nature: Permanent	15.73	B.Com(H), LLB, PGDBA (Finance)	18	July 27, 2009	Jubilant Industries Limited	Nil
3.	Vijay Kumar Bakshi	Designation: Manager Nature: Contractual	0.12	B.com	30	N.A.	N.A.	N.A.

Vigil / whistle blower mechanism

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the Company has adopted a vigil mechanism policy. This policy available on Company's website: www.pnbfinanceandindustries.com.

Related party transactions

There were no contracts or arrangements entered by the Company in accordance with provisions of Section 188 of the Act. Further In terms of Ind AS 24 related party disclosure including remuneration paid to KMP's and sitting fees paid to directors is disclosed in the notes no. 27 to the financial statements of the Company.

The policy on related party transactions is available on Company's website: www.pnbfinanceandindustries.com.

Particulars of loans, guarantees and investment

No loans and guarantees made by the Company during the financial year. The particulars of investments made by the Company are detailed in note 3 to the financial statements.

Cost records

The requirement of maintenance of cost records under Section 148(1) of the Act are not applicable on the Company.

Regulatory orders

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

The sexual harassment of women at work place (prevention, prohibition and redressal) Act, 2013

Since the Company has number of employees less than ten, it is not required to form committee for the redressal of complaints under the said Act.

Directors' responsibility statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

a) in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2020-21 and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) 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) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statutory statement

The Company is regular in paying the annual listing fee to the exchange. The Company has diligently complied with all the applicable provisions of the listing regulations with the exchange.

Further, your Company continues to be registered as a Non-Banking Financial Company with the Reserve Bank of India.

The Company complies with all the applicable secretarial standards issued by ICSI.

Change in NBFC category of Company

The Company is duly registered with Reserve Bank of India (RBI) as non-deposit taking NBFC categorized as "Non-Systemically Important Non-Deposit taking NBFC" having asset size below ₹ 100 crores. On account of applicability of Indian Accounting Standards (Ind AS) w.e.f. April 1, 2019 on Company, the asset size crossed ₹ 500 crores as per the audited financial statements for the financial year ended March 31, 2020 primarily on account of fair valuation of financial instrument accordingly RBI has directed the Company through its mail dated March 03, 2021 to adhere to the provisions and guidelines applicable on NBFC-Systemically Important Non-Deposit taking Company.

Green initiative

In view of the continuing Covid-19 pandemic, Ministry of Corporate Affairs (hereinafter referred as 'MCA') has issued circular dated January 13, 2021 in continuation of general circular 20/2020 dated May 5, 2020 (collectively referred as "Circulars") whereby MCA has allowed companies to continue conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) which became due in the year 2021. Similarly Securities and Exchange Board of India (hereinafter referred as 'SEBI') vide its circular dated January 15, 2021 has extended certain relaxation to listed entities for holding AGM as provided through Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

In line with the above given circulars and guidelines issued by MCA and SEBI, Company is conducting 126th Annual General Meeting of the members through VC. The instructions of attending meeting through VC is provided in AGM notice.

Electronic copies of Annual Report 2021, Notice of 126th Annual General Meeting and instructions slip will be sent to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purpose.

Pursuant to Section 108 of the Act read with rule 20 of Companies (Management and Administration) Rules, 2014, the Company is providing remote e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the notice. The instruction of remote e-voting is provided in the notice.

Acknowledgement

Your directors wish to place on record their sincere thanks to the bankers, the stakeholders and the employees for their continued support throughout.

by order of the Board of Directors
for PNB Finance and Industries Limited

Rakesh Dhamani
Director
DIN: 07065199

Shweta Saxena
Director & Company Secretary
DIN: 03120958
M.No: A18585

Place: New Delhi
Date: June 24, 2021

Annexure-I

Form AOC - 1

(Pursuant to First proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

Part "A" Subsidiaries

(Amount in lakhs)

S. no.	Particulars		
	Name of subsidiary	**Esoterica Services Limted**	**Punjab Mercantile and Traders Limited**
1	The date since when subsidiary was acquired	May 20,2006	June 21,1972
2	Reporting period of the subsidiary	From 1st April,2020 to 31st March, 2021	From 1st April,2020 to 31st March, 2021
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary	N.A.	N.A.
4	Share capital	20.00	5.00
5	Reserves and surplus	85,118.43	19,010.25
6	Total assets	108,382.61	24,112.95
7	Total liabilities	23,244.18	5,097.70
8	Investments	108,183.47	24,111.21
9	Turnover/Total income#	205.40	1.97
10	Profit (+) /loss (-) before taxation	202.33	(8.13)
11	Provision for taxation	32.39	0.69
12	Profit (+) /loss (-) after taxation	169.94	(8.82)
13	Proposed dividend	Nil	Nil
14	% of shareholding	100%	100%
	# In absence of turnover, total income comprises other income only is being furnished.		
	## In absence of turnover, Total income comprises other Income only has been furnished.		
15	Name of subsidiary which have been liquidiated or sold during the year	NIL	

As per our report of even date attached

For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787

Govind Swarup
Director
DIN : 00003145

Rakesh Dhamani
Director
DIN : 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
Membership No. A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

Annexure-II

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 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PNB Finance and Industries Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by**PNB Finance and Industries Limited**, a company registered under the Companies Act, 1913 having its Registered Office at 1st Floor, Express Building, 9-10, Bahadur Shah Zafar Marg, New Delhi -110002 **(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 examination and verification of the Company's secretarial books, papers, minute books, forms and returns filed and other registers and records as maintained by the Company under Companies Act, 2013 and Securities Laws as applicable to the Company and also the information(s) and explanation(s) provided to us 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 March 31, 2021has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting madehereinafter:

We have examined the books, papers, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2021according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) 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;

(v) Other laws applicable to the Company:-

  a. Non- Banking Financial Company – Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

  b. All other compliances related to NBFC applicable to the Company.

We have also examined compliance with the applicable clause of the following;

I. The Secretarial Standards issued by the Institute of Company Secretaries of India.

II. The Listing Agreements entered into by the Company with The Calcutta Stock Exchange

III. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

As per the information(s) furnished and explanation(s) as provided by the Company, its officers, agents and authorized representatives, there were no other sector specific laws applicable to the Company or on its type of Industry except as mentioned above for the financial year ended March 31, 2021.

We further report that, we have checked the Compliance Management System of the Company on the basis of Compliance Certificates issued by the Company Secretary of the Company and the Chief Financial Officer of the Company so as to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of applicable Laws, Rules, Regulations and Guidelines and its verification was done on test check basis. However, I have not made a detailed examination of the said records. I believe that the audit evidence which have been obtained is sufficient and appropriate to provide a reasonable basis for my audit. In my opinion and to the best of my information and according to explanations given to me, I believe that there are adequate systems and processes in the Company commensurate with the size and operations of the

Company and the nature of its business to monitor and ensure compliance of laws specifically applicable to the Company.

We, further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors during the period under review. 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.

We further report that the compliance by the Company of applicable financial laws like Direct and Indirect Tax Laws has not been reviewed; since the same have been reviewed by Statutory Auditors and other designated professionals and we have relied upon the same.

Adequate notices were given to all the Directors to schedule the Board Meetings and its Committees Meetings. Notice along with Agenda and detailed notes on agenda were sent at least seven days in advance and as system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

For Balraj Sharma & Associates
Company Secretaries

Balraj Sharma
(Proprietor)
FCS No.: 1605
C P No.:824
UDIN: F001605C000626427
PR Certificate: 452/2016

Place: New Delhi
Date: July 13, 2021

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
PNB Finance and Industries Limited

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. Further the verification was done on the basis of electronic data provided to us by the Company due to COVID-19 lockdown and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us.
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 compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test 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 Balraj Sharma & Associates
Company Secretaries

Balraj Sharma
(Proprietor)
FCS No.: 1605
C P No.:824
UDIN: F001605C000626427
PR Certificate: 452/2016

Place: New Delhi
Date: July 13, 2021

Annexure-III

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company:

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Board had approved a CSR policy with primary focus on education, healthcare, women empowerment and sports. Besides these focus areas, the Company shall also undertake any other CSR activities listed in Schedule VII of the Companies Act, 2013. The CSR policy of the Company can be viewed on www.pnbfinanceandindustries.com.

2. Composition of CSR Committee:

S.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. Govind Swarup	Chairman , Non-Executive Independent Director	1	1
2.	Mr. Ashish Verma	Member, Non-Executive Independent Director	1	1
3.	Ms. Shweta Saxena	Member, Whole Time Director	1	1

The corporate social responsibility committee was dissolved w.e.f March 24,2021 pursuant to section 135(9) of the Companies Act, 2013 amended vide the Companies (Amendment) Act, 2020 notification dated September 28, 2020.

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company** https://pnbfinanceandindustries.com/cor.html

4. **The details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).** Not applicable

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

Sl. No.	Financial year	Amount available for set-off from preceding financial years (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)**: ₹ 962.92 lakh

7. **a) Two percent of average net profit of the company as per section 135(5):** ₹ 19.26 lakh

   b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NA

   c) Amount required to be set off for the financial year: NA

   d) Total CSR obligation for the financial year (7a+7b- 7c).: ₹ 19.26 lakh

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

Total amount spent for the financial year. (in ₹)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of fund	Amount	Date of transfer
₹ 19.26 lakh*	Nil	NA	NA	Nil	NA

b)

S. No	Name of project	Item from the list of activities in Schedule VII to the Act	Local Area (Y/N)	Location of the Project		Project Duration	Amount Allocated for the project	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation -Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR registration No
Not applicable*												

c) Details of CSR amount spent against other than ongoing projects for the financial year: Not applicable

d) Amount spent in Administrative Overheads: Nil

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

f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil

g) Excess amount for set off, if any: Not applicable

9. **(a) Details of Unspent CSR amount for the preceding three financial years:** Not applicable (As at the financial year 2020-21, there was no unspent amount for preceding three financial years)

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): ₹ 13.21 lakh

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) – NA

    (b) Amount of CSR spent for creation or acquisition of capital asset - NA

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

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NA

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 as the Company had contributed entire CSR obligation amount for the Financial Year 2020-21 as mentioned above.

    ** Total CSR obligation of the Company for the financial year 2020-21 was ₹ 19.26 lakhs and Company has contributed the same to the Times Foundation in the month of March 2021. Times Foundation shall spend this amount only for purposes which are directly relatable to a subject or subjects covered in Schedule VII of the Act.*

by order of the Board of Directors
for PNB Finance and Industries Limited

Rakesh Dhamani
Director
DIN: 07065199
M.No: A18585

Shweta Saxena
Director & Company Secretary
DIN: 03120958

Place: New Delhi
Date: June 24, 2021

Annexure-IV

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders.

Corporate Governance has indeed been an integral part of the way we have done business for several decades. This emanates from our strong belief that strong governance is integral for creating value on a sustainable basis. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

1. BOARD OF DIRECTORS

a) Composition and meetings of directors

The composition of the Board is in conformity with Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("herein referred to as SEBI Listing Regulations") as well as the Companies Act, 2013.

The Corporate Governance philosophy of the Company establishes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company. As on March 31, 2021, the Board consists of five directors. Four of them are non-executive independent directors and one is whole time director of the Company.

During the financial year under review, the Board met six times on June 26, 2020, August 27, 2020 September 15, 2020, November 06, 2020, February 10, 2021, and March 24, 2021. The gap between any two meetings did not exceed 120 days.

Due to outbreak of COVID-19, SEBI has granted relaxation for regulation 18(2)(a)of SEBI (LODR), 2015 vide SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 whereby the Board meetings and Audit Committee meetings are exempted from observing the maximum stipulated time gap of 120 days between two meeting, for the meetings held or proposed to be held between the period December 1, 2019 and June 30, 2020, the said relaxation is further extended till July 31, 2020 vide SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated June 26, 2020.

Meetings dated June 26, 2020, August 27, 2020, September 15, 2020, November 06, 2020, and February 10, 2021, were chaired by Mr. Govind Swarup, non-executive independent director of the Company and the meetings of the Board dated March 24, 2021 was chaired by Mr. Rakesh Dhamani, non-executive independent director of the Company.

The name and categories of the directors, their attendance at the Annual General Meeting and Board meeting held during the financial year 2020-21 and also their other directorship/chairmanship held in Indian public companies, listed companies and membership/ chairmanship of various Board committees of other Indian public companies as on March 31, 2021 are as under:

Name of director	Attendance at		Number of other directorships in other public companies #	Directorship in other listed companies	Number of committee membership in other companies	Number of committee chairmanship in other companies
	Board meeting (Total 6 meetings held)	125th AGM held on September 30, 2020				
Non-Executive Independent Directors						
Mr. Govind Swarup	5	No	3	0	0	0
Mr. Mohit Jain *	1	NA	NA	NA	NA	NA
Mr. Rakesh Dhamani	6	Yes	6	0	0	0
Mr. Ashish Verma	5	Yes	1	0	0	0
Ms.Saumya Agarwal	5	Yes	2	0	0	0
Ms. Shweta Saxena**	5	Yes	7	0	0	0

(i) As required under Regulation 26 of the SEBI Listing Regulations, the disclosure includes membership/ chairmanship of the audit committee and stakeholders relationship committee in other Indian public companies (listed and unlisted).

(ii) # Excludes directorship in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

*Mr. Mohit Jain has resigned from the Company w.e.f August 14, 2020.

**Ms. Shweta Saxena has joined the Board w.e.f August 27, 2020.

Key Skills, Expertise, and Core Competencies of the Board

The Board of the Company comprises of experienced and well learned members. These Directors are nominated on basis of well-defined selection criteria. The Nomination and Remuneration committee considers, *inter-alia*, key qualifications, skills, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director and ensures that the candidates identified for appointment.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board: Accountancy, Information technology, Business marketing & management, Economics, Corporate management, Corporate Law, Finance, Taxation, Law and Investment Analyst.

Details of directors possessing such skills / expertise / competence.

Director	Skills / expertise / competence
Mr. Ashish Verma	Legal Expertise
Mr. Govind Swarup	Corporate Management
Mr. Mohit Jain*	Business Marketing & Management
Mr. Rakesh Dhamani	Finance, Taxation, Accountancy & Information technology
Ms. Saumya Agarwal	Investment analyst
Ms. Shweta Saxena**	Corporate laws, Secretarial & Legal work

*Resigned w.e.f August 14, 2020

**Joined w.e.f August 27, 2020

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank

The Company issues formal letter of appointment to Independent directors in the manner as provided in the Companies Act, 2013 and SEBI Listing Regulations. The terms and conditions of appointment are disclosed on the website of the Company.

There is no relationship between the directors *inter-se*.

All Statutory and other important items/information including those envisaged in SEBI Listing Regulations, are regularly provided to the Board and the Committees thereof either as part of agenda papers well in advance of the Board meetings, or are tabled in the course of the Board meetings and/ or its Committees to enable the Board/ Committees to discharge their responsibilities effectively and to take informed decision.

b) Directors remuneration

The Non-executive directors, apart from receiving sitting fees for attending Board and committee meetings, do not have any other material pecuniary relationship or transaction with the Company. Non-executive directors were paid sitting fees of ₹ 20,000 for each board meeting and committee meetings attended by them.

The Company has not implemented any stock option scheme.

The details of remuneration paid to the Non-executive directors during the financial year 2020-2021 are as follows:

Name of director	Sitting fee (in ₹)		
	Board meeting	Audit Committee meeting	Stakeholders Relationship Committee meeting
Mr. Govind Swarup	1,00,000	80,000	80,000
Mr. Mohit Jain*#	NIL	NIL	NIL
Mr. Rakesh Dhamani*	NIL	NIL	NIL
Mr. Ashish Verma	1,00,000	N.A.	80,000
Ms. Saumya Agarwal	1,00,000	N.A.	N.A.

N.A.- Not a member of committee

*Mr. Mohit Jain and Mr. Rakesh Dhamani had given letter of waiver of sitting fees for the Board/Committee meetings to the Company.

#Mr. Mohit Jain has resigned from the Board w.e.f August 14, 2020

Remuneration payable to whole time director of the Company is ₹ 20.13 lakh.

As on March 31, 2021 none of the director holds any shares in the Company.

c) Code of Conduct

The Company has formulated and implemented a code of conduct for all Board members and senior management personnel of the Company in compliance with Regulation 26(3) of SEBI Listing Regulations. It also includes the duties of independent director as laid down in Companies Act, 2013. The code is available on the Company's website: www.pnbfinanceandindustries.com

A declaration affirming compliance with the code of conduct by the members of the board and senior management personnel is given below:-

DECLARATION ON THE COMPLIANCE WITH THE CODE OF CONDUCT

Dear Members,

In compliance with the provisions of Regulation 26(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that all the members of the Board and the senior management personnel have confirmed to and complied with the Code of Conduct during the year under review and that there has been no instance of violation of the Code.

	Shweta Saxena	**Rakesh Dhamani**
Place: New Delhi	Director & Company Secretary	Director
Date: June 17, 2021	DIN: 01320958	DIN: 07065199
	M.No : A18585	

d) Familiarization program for independent directors

The Company has formulated a policy to familiarize the independent directors of the Company with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Details of directors familiarization program is available on Company's website: www.pnbfinanceandindustries.com

e) Confirmation by the Board on fulfilment of independence of the independent director

The Board hereby confirms that, in the opinion of the Board, the independent directors and those who are proposed to be re-appointed at the Annual General Meeting, fulfils the conditions specified in the SEBI Listing Regulations and are independent of the management.

2. COMMITTEES OF THE BOARD

To facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the Company, the Board has constituted following committees with distinct role, accountability and authority:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders Relationship Committee;

(d) Corporate Social Responsibility Committee;*

*Corporate Social Responsibility Committee dissolved w.e.f. March 24, 2021

Particulars of meeting of Board Committees held during financial year 2020-21 along with attendance of the members at such committee meeting(s) are detailed herein:

Committees of the Board	Meetings held	Meetings held					
		Govind Swarup	Mohit Jain*	Rakesh Dhamani	Ashish Verma	Saumya Agarwal	Shweta Saxena
Audit Committee	4	4	1	4	NA	NA	3
Nomination and Remuneration Committee	2	2	NA	1	NA	1	NA
Stakeholders Relationship Committee	4	4	1	2	4	NA	NA
Corporate Social Responsibility Committee	1	1	NA	NA	1	NA	1

(i) NA- Not a member of the Committee

(ii) Necessary quorum was present in the meetings.

Details of Board Committees are as mentioned herein:

a) AUDIT COMMITTEE

i) Composition

As on March 31, 2021, the audit committee of the Board comprised of Two (2) non-executive independent directors i.e. Mr. Govind Swarup (Chairman) and Mr. Rakesh Dhamani (member) and one executive, whole time director i.e. Ms. Shweta Saxena (member). All members of Audit Committee possess rich knowledge and expertise in financial and management fields.

During the year under review, the Committee met Four (4) times i.e. on June 26, 2020, September 15, 2020, November 6, 2020, February 10, 2021. The gap between any two Committee meetings did not exceeded 120 days. All the recommendations made by the Audit Committee have been accepted by the Board.

The Chairman of the Audit Committee, Mr. Govind Swarup was not present at the Annual General Meeting held on September 30, 2020 due to personal exigencies and has nominated Mr. Rakesh Dhamani to reply to the shareholders' queries. The Company Secretary acts as the Secretary of the Committee.

Minutes of each Audit Committee are placed before the Board for confirmation at its immediately succeeding meeting. Additionally, in compliance with requirements of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee reviews operations of subsidiary companies including their financial statements, significant related party transactions and statement of investments.

ii) Terms of reference:

The terms of reference of the Audit Committee include*, inter alia*, overseeing the Company's financial reporting process, internal control systems, reviewing the accounting policies and practices, reports of the Company's internal auditors and financial statements audited by the statutory auditors and reviewing financial and risk management policies. The Committee has the authority to investigate into or review any matter in relation to any items specified in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose they have full access to the information contained in the records of the Company and seek external advice, if necessary.

b) NOMINATION AND REMUNERATION COMMITTEE

i) Composition

As on March 31, 2021, the Nomination and Remuneration Committee of the Board comprised of three (3) non-executive independent directors i.e. Mr. Govind Swarup as Chairman, Mr. Rakesh Dhamani and Ms. Saumya Agarwal as its members.

During the financial year ended March 31, 2021, the Committee met two (2) times i.e. on August 10, 2020 and February 9, 2021.

The Chairman of the Nomination and Remuneration Committee, Mr. Govind Swarup was not present at the Annual General Meeting held on September 30, 2020 due to personal exigencies and has nominated Mr. Rakesh Dhamani to reply to the shareholders' queries and the Company Secretary acts as the Secretary of the Committee.

(ii) Terms of reference

The terms of reference of the Nomination and Remuneration Committee include:

1. 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. Formulate the criteria for determining 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 employees;

3. To devise a policy on Board diversity;
4. Formulation of criteria for evaluation of performance of independent directors and the Board;
5. Ensure that the Board comprises of a balanced combination of executive directors and non- executive directors and also the independent directors; and
6. Decide/ approve details of fixed components and performance linked incentives along with criteria.
7. 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;
8. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
9. To perform such other functions as may be necessary or appropriate for the performance of its duties.

c) STAKEHOLDERS RELATIONSHIP COMMITTEE

(i) Composition

As on March 31, 2021, the Stakeholders Relationship Committee of the Board comprised of three (3) non-executive independent directors i.e. Mr. Rakesh Dhamani as Chairman and Mr. Govind Swarup and Mr. Ashish Verma as it members. Ms. Shweta Saxena, Company Secretary and whole time director, is the compliance officer of the Company. During the year under review, four (4) Meetings of the Stakeholders Relationship Committee were held i.e. on June 25, 2020, September 14, 2020, November 5, 2020 and February 9, 2021.

(ii) Brief terms of reference

The terms of reference of the Stakeholders Relationship Committee include:

1) to review and redress the grievances of the shareholders of the Company 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) to review measures taken for effective exercise of voting rights by shareholders;
3) to review adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;
4) to review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant/ annual reports/ statutory notices by the shareholders of the Company.
5) to perform such other functions as may be necessary or appropriate for the performance of its duties.

(iii) Investors' grievances received and resolved during the year

During the year under review, the Company and the Registrar & Share Transfer Agent did not receive any complaint pertaining to investor related matters.

d) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

(i) Composition

The Corporate Social Responsibility Committee of the Board comprised of two (2) non-executive independent directors i.e. Mr. Govind Swarup as Chairman and Mr. Ashish Verma as its members and one (1) executive whole time director i.e. Ms. Shweta Saxena (member). During the year under review, One (1) Meeting of the Corporate Social Responsibility Committee was held i.e. on March 19, 2021.

Corporate Social Responsibility Committee was dissolved w.e.f. March 24, 2021 pursuant to section 135(9) of Companies Act, 2013 amended *vide* the Companies (Amendment) Act, 2020 notification dated September 28, 2020.

(ii) Brief terms of reference

The CSR committee was set up to formulate and monitor the CSR policy of the Company. As part of its CSR Program, the Company intends to promote initiatives, briefly stated, that:

- ❖ are sustainable and create a long term impact/change;
- ❖ have specific and measurable goals in alignment with Company's philosophy;
- ❖ address the most deserving causes and beneficiaries; and

- ❖ are dynamic and responsive to the social environment and the company's business objectives.

The responsibilities of the CSR Committee include:

- ❖ formulating and recommending to the Board of Directors, the CSR Policy indicating the activities to be undertaken by the Company in any year / block of years;
- ❖ recommending the amount of expenditure to be spent on the CSR activities to be undertaken by the Company in any year / block of years;
- ❖ formulating the annual CSR Budget and obtaining Board's approval thereto;
- ❖ monitoring and reporting of the CSR activities to the Board from time to time;
- ❖ reviewing the CSR Policy from time to time.

The CSR report, as required under the Companies Act, 2013 for the year ended March 31, 2021 is given in the Board's report.

3. INDEPENDENT DIRECTORS' MEETING

During the year under review, the independent directors met one time on March 19, 2021 *inter alia* to:

i. review the performance of non-independent directors and the Board as a whole;

ii. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. PERFORMANCE EVALUATION

The Board has carried out annual performance evaluation of its own performance, the directors individually as well as evaluated the working of its Audit, Nomination and Remuneration, Corporate Social Responsibility and Stakeholder Relationship Committee.

a) Personal traits for individual directors

- Highest personal and professional ethics, integrity and values;
- Inquisitive and objective perspective, practical wisdom and mature judgment;
- Demonstrated intelligence, maturity, wisdom and independent judgment;
- Self-confidence to contribute to Board deliberations, and stature such that other Board members will respect his or her views.

b) Organisational traits for non-independent directors

- Knowledge of the affairs of the Company;
- Contribution towards growth strategies of the Company;
- Expert opinion in respect of key issues brought to their attention;
- Resolution of conflict of interest issues of other directors;
- Maintaining the corporate culture of the Company;
- Adhering to the code of conduct, SEBI Regulations and timely furnishing to the Company required disclosures under various applicable laws, change of interest and change in personal information.

c) Organisational traits for independent directors

- Attendance and participations in the meetings;
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings;
- Cordial interpersonal relations with other directors and management while maintaining a firm stance on governance issues;
- Objective evaluation of Board's performance, rendering independent and unbiased opinion on matters brought to their attention;
- Adherence to ethical standards and code of conduct including code of conduct as specified in Schedule IV to the Companies Act, 2013 and timely furnishing to the Company required disclosures under various applicable laws, change of interest and change in personal information.

d) Traits for Board/Committees

Improvement in effectiveness goes beyond imposing a structure, or requiring attendance at Board meetings. Surely these contribute to the Board governance building blocks, but to evaluate the Board's/committee's effectiveness in the organizational context, the following four criteria need to be examined:

- ***Structural:*** Right composition with elements which goes beyond what is prescribed by regulators; brings diversity, experience, specialized skills and expertise.
- ***Strategic and performance orientation:*** This demonstrate good understanding of strategy and staying focused on relevant areas; engages in important Company matters at oversight level and not management level.
- ***Governance and organizational focus:*** Rigorously monitors the Company's performance along with the ability to understand and deal with factors having a significant bearing on the operations of the Company.
- ***Board functioning and team dynamics:*** Manner in which directors interact with each other and with the management and also consider the framework and conduct of the Board.

5. GENERAL BODY MEETINGS

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

Financial year	Day	Date	Time	Venue
2017-18	Thursday	September 27, 2018	10:30 A.M.	Institute of Engineer Bhawan, 2nd Bahadur Shah Zafar Marg, ITO, Opp. Delhi Police HQ., New Delhi-110002
2018-19	Tuesday	September 17, 2019	10:30 A.M.	Institute of Engineer Bhawan, 2nd Bahadur Shah Zafar Marg, ITO, Opp. Delhi Police HQ., New Delhi-110002
2019-20	Wednes-day	September 30,2020	10.00 A.M	Conducted through Video Conference as per MCA Circulars

Special resolution passed during three years:

- Re-appointment of Mr. Mohit Jain and Mr. Ashish Verma as Non-Executive Directors of the Company for second term at the 124th Annual General Meeting of the Company held on September 17, 2019.
- Re-appointment of Govind Swarup, as Non-Executive Directors of the Company for second term at the 125th Annual General Meeting of the Company held on September 30, 2020.

No EGM was held during the year 2020-21. Further, no resolutions were implemented through postal ballot during the year under review, nor any such resolutions are presently proposed.

6. DISCLOSURES BY MANAGEMENT

a) No material, financial and commercial transactions were reported by the management to the Board, in which the management or directors, their associates or their relatives, etc. had personal interest having a potential conflict with the interest of the Company at large. The Company has complied with the accounting standard on related party disclosure during the financial year 2020-21 and the 'Related Party Disclosures' have been given at note no. 27 in the notes to financial statements. The Company's policy on materiality of related party transactions is available on the Company's Website: www.pnbfinanceandindustries.com

b) There was no non-compliance during the last three years by the Company on any matter related to capital market. Consequently, there were neither penalties imposed nor strictures passed on the Company by stock exchanges, SEBI or any statutory authority.

c) The Company did not raise any funds through public issue, right issue, preferential issue etc. during the financial year.

d) With respect to CFO certification, a certificate signed by Mr. Viveka Nand Jha, CFO is attached with this report.

e) The Company has established whistle blower and vigil mechanism policy and this policy enables the employees and directors to report their genuine concerns or grievances. This policy (copy of which is hosted on the website of the Company) safeguards whistle blowers from victimization. Your Board affirms that no personnel have been denied access for making disclosure or report under the Policy to the Audit Committee.

f) All mandatory requirements (except where not relevant or applicable) of Corporate Governance have been complied. The Company has not adopted any of the non-mandatory requirements.

g) The Company has prepared its financial statement in accordance with Ind AS and has applied "Ind As 101 –First time adoption of Indian Accounting Standards".

h) The Company has in place internal control systems for assessing and mitigating elements of risks in relation to its operations which are followed scrupulously in day to day functioning of the Company. The Board of Directors annually reviews the Risk assessment & minimization policy of the Company.

i) The Policy on determining material subsidiaries has been uploaded and can be accessed on Company's Website: www.pnbfinanceandindustries.com

j) The Policy on related party transactions has been uploaded and can be accessed on Company's Website: www.pnbfinanceandindustries.com

k) The Company has adopted an insider trading policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. This policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosure. The policy is available on our website: www.pnbfinanceandindustries.com

l) The Board of Directors reviews the compliance with all applicable laws on a quarterly basis. The Company has obtained certificate from M/s Balraj Sharma and Associates, Company Secretaries affirming the compliances with these regulations and forms part of this report.

m) The Company has obtained certificate from M/s Balraj Sharma and Associates, Practising Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies either by SEBI or MCA or any other statutory authorities.

n) Since the Company has less than ten employees, it is not required to form committee for the redressal of complaints under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

o) The total fees incurred by the Company and its subsidiaries on a consolidated basis, for services rendered by statutory auditors for the financial year 2020-21 are given below:

S. no.	Nature of service	₹ in lakh
1.	Audit fees	0.76
2.	Certification and out of pocket expenses	0.21
3.	GST	0.17
	Total	1.14

7. MEANS OF COMMUNICATION

The quarterly/ half-yearly/ annual financial results of the Company are regularly submitted to the stock exchange immediately after the same are reviewed by the Audit Committee and approved by the Board of Directors. The results of the Company are usually published in "The Pioneer" (Delhi edition-in Hindi) and Mint (All edition-in English) and are also displayed on Company's website: www.pnbfinanceandindustries.com.

8. SHAREHOLDERS' INFORMATION

In view of the ongoing Covid-19 crisis, Ministry of Corporate Affairs (hereinafter referred as 'MCA') has issued circular dated January 13, 2021 in continuation of general circular 20/2020 dated May 5, 2020 (collectively referred as "Circulars") whereby MCA has allowed companies for conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) which became due in the year 2021. Similarly Securities and Exchange Board of India (hereinafter referred as 'SEBI') vide its circular dated January 15, 2021 has extended certain relaxation to listed entities for holding AGM as provided through Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

In line with the above given circulars and guidelines issued by MCA and SEBI, Company is conducting 126th Annual General Meeting of the members through VC.

Detailed instructions with respect to access and participation in the AGM through VC are detailed in the notice.

a. Annual General Meeting	
Date, time & venue	September 30, 2021
Date of book closure	September 24, 2021-September 30, 2021
Date of payment of dividend	On or after September 30, 2021
b. Financial year	: 1st April - 31st March
c. Financial calendar (tentative)	
Financial reporting for the quarter ending on June 30, 2021	Last week of July 2021
Financial reporting for the quarter ending on September 30, 2021	Last week of October 2021
Financial reporting for the quarter ending on December 31, 2021	Last week of January 2022
Financial reporting for the year ending on March 31, 2022	Last week of April 2022

d. Listing on stock exchanges (equity shares)

The equity shares of the Company are listed at The Calcutta Stock Exchange situated at 7, Lyons Range, Kolkata, West Bengal-700 001 having scrip code 26055. The annual listing fee for the financial year 2020-21 has been paid within stipulated time period. Annual custodian fee for the financial year 2020-21 have also been paid to CDSL and NSDL.

e. Stock market data

No trading took place during the last financial year at The Calcutta Stock Exchange Limited.

f. Share transfer system

As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form w.e.f. April 01, 2019, except in case of transmission or transposition of securities.

To expedite the transmission or transposition in physical segment, authority has been delegated to the stakeholders relationship committee of the Board. The Committee ensures a predetermined process cycle at 15 days interval and despatch of transferred share certificates within 5 working days from the date of transfer.

g. Dematerialisation of shares and liquidity

Trading in equity shares of the Company is permitted only in dematerialised form w.e.f. January 29, 2001, as per notification issued by SEBI.

As on March 31, 2021, 99.28% (31,77,324shares) of equity shares have been dematerialised. The ISIN no. allotted to the Company is INE057F01011.

h. Due dates of transfer of unclaimed dividend to Investor Education and Protection Fund

Information in respect of unclaimed dividend of the Company for the subsequent financial years and date(s) when due for transfer to IEPF is given below:

Financial year ended	Date of declaration of dividend	Due date of transfer to IEPF
31.03.2014	30.07.2014	03.09.2021
31.03.2015	22.09.2015	28.10.2022
31.03.2016	30.09.2016	05.11.2023
31.03.2017	26.09.2017	01.11.2024
31.03.2018	27.09.2018	02.11.2025
31.03.2019	17.09.2019	22.10.2026
31.03.2020	30.09.2020	05.11.2027

The total amount lying in the unpaid dividend account of the Company as on March 31, 2021 in respect of the last seven years is ₹ 3.64 lakhs.

i. Distribution of shareholding as on March 31, 2021

Shareholding nominal value (₹)	Number of shareholders	% to total numbers	Shareholding value	% to total value
Upto 5,000	814	92.92	446840.00	1.40
5,001 - 10,000	31	3.54	236930.00	0.74
10,001 - 20,000	11	1.26	152020.00	0.48
20,001 - 30,000	3	0.34	72050.00	0.23
30,001 - 40,000	1	0.11	32000.00	0.10
40,001 - 50,000	2	0.23	92150.00	0.29
50,001 - 100,000	3	0.34	241570.00	0.75
Above 100,000	11	1.26	30726440.00	96.02
Total	**876**	**100.00**	**32000000.00**	**100.00**

*Including fractional coupons comprising 131 equity shares not yet exchanged

*Details are given on basis of PAN consolidation

j. Shareholding pattern as on March 31, 2021

Category	Number of shares	Percentage
A. Promoters' holding	NIL	NIL
B. **Non-Promoters' holding**		
(a) Institutional investors	10449	0.33
(b) Others		
1. Private bodies corporate	2188914	68.40
2. Indian public	905946	28.31
3. NRIs	22394	0.70
4. Hindu undivided family	2467	0.08
5. Others (IEPF)	69,830	2.18
TOTAL	**3200000***	**100**

*Including fractional coupons comprising 131 equity shares not yet exchanged

9. OUTSTANDING ADRS/ GDRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

The Company has not issued any ADRs/ GDRs/warrants or any convertible instruments.

10. INVESTOR CORRESPONDENCE

Company Secretary
PNB Finance and Industries Limited
1st Floor, Express Building, 9-10, Bahadur Shah Zafar Marg,
New Delhi-110002
Email ID- pnbfinanceindustries@gmail.com
Phone: +91-7303495375

11. FOR TRANSFER/DEMAT/DUPLICATE: CHANGE IN ADDRESS, ETC.

Skyline Financial Services Private Limited
D-153/A, 1st Floor, Okhla Industrial Area, Phase- I
New Delhi-110020
Phone No.: 011-26812682/83
Email: info@skylinerta.com

CFO CERTIFICATION

The Board of Directors,
PNB Finance and Industries Limited

Dear Sir,

Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that:

1) I have reviewed the financial statements and the cash flow statement for the year 2020-21 and to the best of my knowledge and belief:

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

2) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

3) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps I have taken or propose to take to rectify these deficiencies.

4) I have indicated to the auditors and the Audit Committee:

   i) that there are no significant changes in internal control systems during the year.

   ii) there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes of the financial statement; and

   iii) that there have been no instance of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For **PNB FINANCE AND INDUSTRIES LIMITED**

Sd/-
VIVEKA NAND JHA
Chief Financial Officer

Place: New Delhi
Date: June 17, 2021

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of PNB Finance and Industries Limited,

We have examined the compliance of conditions of Corporate Governance by PNB Finance and Industries Limited ("the Company") for the year ended 31st March, 2021, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the 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 explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchange.

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

For Balraj Sharma & Associates
Company Secretaries

(Balraj Sharma)
FCS-1605, CP-824
UDIN: F001605C000509662
PR Certificate: 452/2016

Date: 24/06/2021
Place: New Delhi

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
P N B FINANCE AND INDUSTRIES LIMITED
1st Floor, Express Building, 9-10,
Bahadur Shah Zafar Marg,
New Delhi - 110002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of P N B Finance And Industries Limited, having CIN L65929DL1947PLC001240, and having registered office at 1st Floor, Express Building, 9-10, Bahadur Shah Zafar Marg, New Delhi - 110002 **(hereinafter referred to as 'the Company'),** produced before me 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 my opinion and to the best of my 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 me by the Company & its officers, I 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 companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in company
1.	Mr. Govind Swarup	00003145	29/06/1984
2.	Ms. Shweta Saxena	03120958	27/08/2020
3.	Mr. Ashish Verma	06939565	02/08/2014
4.	Mr. Rakesh Dhamani	07065199	16/04/2018
5.	Ms. Saumya Agarwal	07517809	27/05/2016

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 is 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.

For Balraj Sharma & Associates
Company Secretaries

(Balraj Sharma)
FCS-1605, CP-824
UDIN: F001605C000509662
PR Certificate: 452/2016

Date: 24/06/2021
Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Macro Economic View

In 2020, the global economic sky was overcast with COVID-19 - a virus of the size of 0.12 microns. By end-March 2021, the virus had resulted in over 128 million infections and over 2.8 million mortalities worldwide. The year 2021 has commenced with both hope and fear - several parts of the world are locking down and bracing against new waves of infections and speedily communicable mutations. At the same time, the approval of several vaccines has spurred vaccination drives worldwide, albeit at different speeds. In the event, 2020 has gone down in human history as the year of the 'Great Lockdown'1 , with output losses dwarfing those suffered during the global financial crisis (GFC) of 2008-09. World trade declined by around 8.5 per cent, with the contraction in services trade outpacing the fall in merchandise trade.

A slew of conventional and unconventional measures was unleashed across the world, with monetary authorities slashing policy rates to zero and below in real terms - and even in nominal terms in some countries - while executing massive asset purchase programmes, payment deferral schemes, provision of public guarantees, emergency funding avenues and provision of ample liquidity to financial markets.

Industry Developments

The Reserve Bank of India (RBI) took several steps during the year to strengthen the regulatory framework for Non-Banking Financial Companies (NBFCs). It commenced a move towards a scale-based regulatory framework. There has been a phased introduction of a liquidity risk management framework for NBFCs, including a liquidity coverage ratio (LCR). Guidelines for core investment companies (CICs) were also comprehensively reviewed. The gross NPA ratio for NBFCs improved to 5.7 per cent in December 2020 from 6.8 per cent in March 2020, though largely on account of relaxation in asset classification norms pursuant to the Supreme Court's decision on standstill. The CRAR for NBFCs also marginally improved to 24.8 per cent from 23.7 per cent during the same period.

Further more, as part of the Aatma Nirbhar Bharat programme announced by the Government of India in May 2020, the RBI notified a special liquidity scheme at the repo rate to improve the liquidity position of NBFCs to avoid any potential systemic risks to the financial sector on July 1, 2020.

COVID-19 Impact

Pandemic Covid-19 has continued to impact the economy in the financial year 2020-21 with more severity. Government has imposed lock-downs on several intervals and restricted the movements keeping in view the fatality caused by Covid-19.

Since major earning of the Company is yielded through investment in debt mutual funds, the risk of this pandemic is lesser on the Company comparative to Companies engaged in manufacturing, service and other industries.

To provide a safe work environment for our employees the Company is continuing with the following actions:

- Established processes for reporting, quarantining and supporting any personnel suspected of or confirmed having tested positive for the disease.
- Established detailed protocol for evacuation and sanitization of our office buildings in the event of a suspected or confirmed health incident.
- Increased cadence of sanitization of our office facilities.
- Ensured availability of thermal scanners, masks, hygiene products, medicines and medical facilities at our office.
- Created detailed plans for enabling return-to-work in a phased manner, that emphasize social distancing and hygiene.
- The Company has also incorporated work from home culture as a part of working practice of the Company.

Company Performance

Your Company continues to be non-banking financial company. The Company continues to invest in debt mutual funds, perpetual bonds, NCD's, corporate deposits, equity shares of quoted and unquoted companies & fixed deposits. The Company continued with its policy of investing in low risk investment instruments.

The Company has earned net profit of ₹ 317.89 lakhs during the year 2020-2021. The Company has generated major income this year due to the decision to churn the portfolio of low yield investments in anticipation of higher returns in the future.

Opportunities

The RBI has been continually strengthening the supervisory framework for NBFCs in order to ensure sound and healthy functioning and avoid excessive risk taking. It has issued several new guidelines in the recent past.

Threats

The uncertainties and volatility in the financial market is a continuing threat to the organizational performance. However, the twin features of fore-sightedness and focused analysis of the market has challenged the threat to adverse performance.

Risk and Concern

Your Company is exposed to normal industry risk such as interest rates, market and operational risks. In order to mitigate the risk, your Company invest the surplus funds in growth schemes primarily seeking to generate long term capital appreciation commensurate with prudent risk from a portfolio comprised substantially of high quality debt securities and fixed deposits.

Internal control systems & their adequacy

The Company believes in the system of internal controls and has provided for proper checks and control at various operational levels.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

PNB FINANCE AND INDUSTRIES LIMITED

Report on the audit of financial statements for the year ended 31st March, 2021

Opinion

We have audited the financial statements of **PNB Finance and Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the statement of profit and loss including other comprehensive income) and the statement (of cash flows for the year then ended and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by the institute of chartered accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatement in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

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

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

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

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 in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent as applicable.
2. As required by Section 143(3) of the Act, we report that:
   A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income , Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
   D. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

E. On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

G. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :

i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements;

ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A W A T A R & C O.
Chartered Accountants
Firm Registration No. 000726N

Brijendra Agrawal
Partner
Membership No. : 087787
UDIN : 21087787AAAABB1326

Place : New Delhi
Date : 24th June, 2021

ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of PNB Finance and Industries Limited for the year ended 31st March, 2021)

i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) We have been explained that the physical verification of the fixed assets was carried out by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records, the Company is not having any immovable property. Thus clause 3(i)(c) of the Order is not applicable to the Company.

ii) The company being in the business of investment in securities, has no stock at any time during the year and therefore clause 3(ii) of the Order regarding inventories is not applicable to the company.

iii) In respect of loans, secured or unsecured, granted by the Company, to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013, a loan of ₹ 126.00 lakh to the wholly owned subsidiary M/s Punjab Mercantile & Traders Ltd, is outstanding at the end of current financial year (previous year ending 31st March, 2020 ₹ 126.00 lakh). The terms and conditions of the grant of such loan are not prejudicial to the interest of the company. The schedule of repayment of principal and payment of interest has not been stipulated.

iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under, wherever applicable.

vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

vii) a) According to the information and explanations given to us and according to the records produced before us for verification, the Company is generally

regular in depositing, with appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, GST, customs duty and Cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable.

b) According to the records of the company and information and explanations given to us, there are no dues of income tax, service tax, customs duty, excise duty, value added tax, Goods and Services Tax (GST), cess and other statutory dues which have not been deposited on account of disputes.

viii) According to the records of the Company examined by us and the information and explanations given to us, the Company does not have any dues to financial institution, bank, government or debenture holders.

ix) In our opinion and according to the information and explanations given to us, 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 hence Clause-3(ix) of the Order is not applicable.

x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.

xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Act.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence Clause 3 (xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations given to us and on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence clause 3(xiv) of the Order is not applicable to the Company.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transaction with Directors or person connected with them and therefore Clause 3 (xv) of the Order is not applicable to the Company.

xvi) The Company is a Non Banking Financial Company and is registered under section 45-1A of the Reserve Bank of India Act, 1934..

For A W A T A R & C O.
Chartered Accountants
Firm Registration No. 000726N

Brijendra Agrawal
Partner
Place : New Delhi **Membership No. : 087787**
UDIN : 21087787AAAABB1326 **Date : 24th June, 2021**

ANNEXURE-B

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PNB FINANCE AND INDUSTRIES 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 **PNB Finance and Industries Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 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 I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, 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"

For A W A T A R & C O.
Chartered Accountants
Firm Registration No. 000726N

Brijendra Agrawal
Partner
Place : New Delhi **Membership No. : 087787**
UDIN : 21087787AAAABB1326 **Date : 24th June, 2021**

BALANCE SHEET AS AT MARCH 31, 2021

PARTICULARS	Note no.	As at 31.03.2021 (₹ in lakh)	As at 31.03.2020 (₹ in lakh)
ASSETS			
Financial assets			
Cash and cash equivalents	2 (I)	**1.94**	5.88
Bank balances other than above	2 (II)	**1,248.28**	1,169.85
Investments	3	**181,389.69**	159,205.47
Loan	4	**126.00**	126.00
Other financial assets	5	**265.91**	200.76
Non financial assets			
Current tax assets (net)	6	**35.81**	28.62
Deferred tax assets (net)	7	**1.97**	1.87
Property, plant and equipments	8	**0.49**	0.34
Other non -financial assets	9	**0.51**	0.22
Total		**183,070.60**	160,739.01
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Payables			
Other payables	10		
Total outstanding dues of micro and small enterprises		**-**	-
Total outstanding dues of creditor other than micro and small enterprises		**3.51**	2.89
Other financial liabilities	11	**3.64**	3.85
Non- financial liabilities			
Provisions	12	**6.98**	6.59
Deferred tax liabilities	13	**38,267.43**	33,365.06
Other non-financial liabilities	14	**7.56**	3.68
Equity			
Equity share capital	15	**320.00**	320.00
Other equity	16	**144,461.48**	127,036.94
Total		**183,070.60**	160,739.01
Significant accounting policies & notes to financial statements	1 to 40		

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

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN : 21087787AAAADD1326

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

PARTICULARS	Note no.	For the year ended 31.03.2021 (₹ in lakh)	For the year ended 31.03.2020 (₹ in lakh)
INCOME			
Other income			
Interest income	17	**510.52**	426.28
Dividend income from equity instruments		**-**	243.83
Net gain on fair value changes	18	**3.78**	658.12
Others	19	**0.03**	0.05
Total		**514.33**	1,328.28
EXPENSES			
Employee benefits expense	20	**38.23**	38.70
Depreciation and amortization expense	21	**0.16**	0.38
Other expenses	22	**94.70**	78.98
Total		**133.09**	118.06
Profit before tax		**381.24**	1,210.22
Tax expense			
Current tax		**63.77**	161.56
Deferred tax charge/(-)credit		**(0.18)**	0.07
Reversal of deferred tax liability of earlier year		**(0.24)**	-
Total tax expenses		**63.35**	**161.63**
Profit after tax for the year (A)		**317.89**	1,048.59
Other comprehensive income (OCI)			
(I) Items that will be reclassified to the profit or loss			
Fair value changes in debt instruments through OCI		**415.21**	486.81
Less: reclassified to profit or loss from OCI on sale		**(3.78)**	(658.12)
Less: income tax effect on above		**(91.57)**	38.13
(I)		**319.86**	(133.18)
(II) Items that will not be reclassified to the profit or loss			
Fair value changes in equity instruments through OCI		**21,616.81**	(8,707.01)
Less: income tax effect on above		**(4,811.04)**	1,937.83
Remeasurement of the defined benefit plans		**0.31**	0.81
Less: income tax effect on above		**(0.09)**	(0.23)
(II)		**16,805.99**	(6,768.60)
Total other comprehensive income, net of tax (B= I+II)		**17,125.85**	(6,901.78)
Total comprehensive income for the year (A+B)		**17,443.74**	(5,853.19)
Earnings per equity share	23		
(Face value of ₹ 10/- each)			
Basic (in ₹)		**9.93**	32.77
Diluted (in ₹)		**9.93**	32.77
Significant accounting policies and notes on financial statements	1 to 40		

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

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN: 21087787AAAADD1326

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

PARTICULARS	For the year ended 31.03.2021 (₹ in lakh)	For the year ended 31.03.2020 (₹ in lakh)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**381.24**	1,210.22
Adjustment for:		
Dividend income	**-**	(243.83)
(Gain)/loss on sale of investments (realised)	**(3.78)**	(658.12)
Interest on investments in bonds, debentures & deposit	**(444.63)**	(366.82)
Interest income on loan to subsidiary company	**(8.82)**	(5.79)
Premium (net of discount) on bonds amortised	**10.49**	9.38
Interest on fixed deposits with Bank	**(67.56)**	(63.05)
Non - cash items :		
Provision for leave encashment and gratuity (net)	**0.70**	0.49
Depreciation	**0.16**	0.38
Rounding off adjustment	**(0.01)**	-
Operating profit before working capital changes	**(132.21)**	(117.14)
Adjustments for changes in working capital:		
(Increase)/ decrease in other non-financial assets	**(0.29)**	(0.02)
Increase/(decrease) in other payables	**0.62**	1.70
Increase/(decrease) in other non-financial liabilities	**3.88**	2.83
Cash generated from /(used in) operations	**(128.00)**	(112.63)
Income tax paid (net of refund)	**(70.93)**	(167.70)
Net cash from/ (used in) operating activities.....A	**(198.93)**	(280.33)
B CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	**(0.30)**	-
Dividend received	**-**	243.83
Interest received (includes TDS) on deposits, bonds and FDR	**443.84**	310.89
Investments in bonds and deposits (includes accrued intt.)	**(177.00)**	(3,907.59)
Maturity of fixed deposits	**1,166.00**	-
Fixed deposits with Bank made	**(1,244.64)**	(1,166.00)
Loan given to subsidiary	**-**	(126.00)
Interest received (includes TDS) on loan given to subsidiary	**11.99**	-
Purchase of investments in mutual funds	**(310.50)**	(3,857.73)
Proceeds from sale/redemption of mutual funds and others	**324.80**	8,803.99
Net cash from/used in investing activities ..... B	**214.19**	301.39

PARTICULARS	For the year ended 31.03.2021 (₹ in lakh)	For the year ended 31.03.2020 (₹ in lakh)
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	**(19.20)**	(19.20)
Dividend distribution tax paid	**-**	(3.95)
Net cash from/used in financing activities C	**(19.20)**	(23.15)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(3.94)**	(2.09)
Cash and cash equivalents at the beginning of the year	**5.88**	7.97
Total cash and cash equivalents at the end of the year	**1.94**	5.88
Components of cash and cash equivalents:		
Balances with bank in current accounts	**1.91**	5.81
Cash on hand	**0.03**	0.07
Total	**1.94**	5.88

Note : (i) The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS-7) "statement of cash flow".

(ii) Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN: 21087787AAAADD1326

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

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

A. Equity Share Capital

(₹ in lakh)

Particulars	Balance as at 31st March 2019	Issued during the year	Balance as at 31st March 2020	Issued during the year	Balance as at 31st March 2021
Equity Shares	320.00	-	320.00	-	320.00
	320.00	-	320.00	-	**320.00**

B. Other Equity

(₹ in lakh)

Particulars	Reserves and surplus					Accumulated balance of other comprehensive income ('OCI')		Total other equity
	Securities premium	General reserve	Special resrve U/s 45-IC of RBI Act,1934	Retained earnings (surplus)	Others [remea-surement of defined benefit plan]	Debt instruments through OCI	Equity in-struments through OCI	
Balance as at 31st March, 2019	103.91	1,455.16	1,922.05	5,980.76	0.03	714.08	122,737.29	132,913.28
Changes during the year ended 31st March, 2020 :								
Add : profit/(-) loss for the year	-	-	-	1,048.59	-	-	-	1,048.59
Add : other comprehensive income for the year :								
Fair value changes of financial instruments through OCI (net of reclassification)	-	-	-	-	-	(171.31)	(8,707.01)	(8,878.32)
Income tax on above	-	-	-	-	-	38.13	1,937.83	1,975.96
Remeasurement of defined benefit plans (net of tax) through OCI	-	-	-	-	0.58	-	-	0.58
Less : dividend paid	-	-	-	(19.20)	-	-	-	(19.20)
Less : dividend distribution tax paid	-	-	-	(3.95)	-	-	-	(3.95)
Less : transfer to general reserve	-	20.00	-	(20.00)	-	-	-	-
Less : transfer to special reserve	-	-	205.10	(205.10)	-	-	-	-
Balance as at 31st March, 2020	103.91	1,475.16	2,127.15	6,781.10	0.61	580.90	115,968.11	127,036.94
Changes during the year ended 31st March, 2021 :								
Add : profit/(-) loss for the year	-	-	-	**317.89**	-	-	-	**317.89**
Add : other comprehensive income for the year :								
Fair value changes of financial instruments through OCI (net of reclassification)	-	-	-	-	-	**411.43**	**21,616.81**	**22,028.24**
Income tax on above	-	-	-	-	-	**(91.57)**	**(4,811.04)**	**(4,902.61)**
Remeasurement of defined benefit plan (net of tax)	-	-	-	**0.22**	-	-	-	**0.22**
Add : remeasurement balances transferred	-	-	-	**0.61**	**(0.61)**	-	-	-
Less : dividend paid	-	-	-	**(19.20)**	-	-	-	**(19.20)**
Less : transfer to general reserve	-	**20.00**	-	**(20.00)**	-	-	-	-
Less : transfer to special reserve	-	-	**59.74**	**(59.74)**	-	-	-	-
Balance as at 31st March 2021	**103.91**	**1,495.16**	**2,186.89**	**7,000.88**	-	**900.76**	**132,773.88**	**144,461.48**

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN : 21087787AAAADD1326

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

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

Corporate Overview

PNB Finance and Industries Limited ('the Company') is a public limited company domiciled and incorporated in India under the provisions of Indian Companies Act.

The Company's registered office is at Ist Floor, Express Building, 9-10, Bahadur Shah Zafar Marg, New Delhi-110 002, India.

The shares of the Company is listed with The Calcutta Stock Exchange Ltd. The Company is an NBFC Company, registered with RBI as NBFC Company as Non –Deposit taking company in 1998.

Presently, the Company is not engaged in any business operations, except investment in surplus funds in low-risk instruments and earning income therefrom.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation of financial statements:

The financial statements of the company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and disclosures are made in accordance with the requirement of Division III of Schedule III of the Companies Act, 2013 (the Act) and other relevant provisions of the Act and RBI guidelines/ regulation as an NBFC Company to the extent applicable.

The financial statements are authorised for issue by the Board of Directors on June 24, 2021.

The financial statements have been prepared on a historical cost basis, except for the certain financial assets and financial liabilities that are measured and carried at Fair Value (refer accounting policy regarding Financial Instruments).

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

All amounts have been rounded-off to the nearest lakhs (up to two decimal point), as per the requirements of Schedule III, unless otherwise stated.

1.2 Significant accounting judgments, estimates and assumptions:

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, financial assets, non-financial assets, financial and non-financial liabilities and disclosure of the contingent liabilities at the end of each reporting period. Actual may differ from these estimates.

The information about each of these estimates and judgements is included in relevant notes. Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

1.3 Revenue recognition:

Income is recognized on accrual basis to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Where significant uncertainty exists on realization of revenue at the time of accrual, underlying revenue is not recognized to that extent.

- **Interest income**

  Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

  When calculating the EIR, the company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income on bank deposits and other non -financial deposits is recognized on accrual basis considering, the amount invested/ outstanding / and the rate of interest applicable.

Interest on tax refund is accounted for on receipt basis.

- **Dividend income**

  Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established and it is probable that the economic benefits associated with the dividend will flow to the company, and the amount can be measured reliably.

  Dividend income from equity instruments measured at fair value through other comprehensive income has been recognised in the statement of profit and loss.

  Interest and dividend is included under other income in statement of profit and loss.

1.4 Property, plant and equipment:

- **Recognition and measurement**

  Property, plant & equipments (PPE) is stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The Cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable expenses for bringing the assets to their present location and conditions for its intended use.

  When parts of an item of PPE have different useful lives, they are accounted for as separate items (major components) of PPE. All other expenses on an existing PPE including day to day repair and maintenance expenditure and cost of replacing parts (other than major components), are charged to the statement of profit and loss for the period during which such expenses are incurred.

  Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under 'Other non –financial assets.

- **Disposal**

  An item of PPE is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of PPE are determined by comparing the proceeds from disposal with the carrying amount of PPE and are recognised within other income/ expenses in the statement of profit and loss.

- **Depreciation**

  Depreciation on property, plant & equipment (PPE) is provided on written down value as per rates arrived at based on useful life and manner prescribed under Schedule II of the Companies Act, 2013.

  In case addition /deletion of PPE during the year, Depreciation on those PPEs has been provided for on a pro rata basis from the date of such addition or, as the case may be, up to the date of deletion of such asset.

1.5 Impairment of property, plant and equipment and other non –financial assets:

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An impairment loss, if any, is charged to statement of profit and loss in the year in which the assets is identified as impaired. The impaired loss recognized in prior accounting periods is reversed / adjusted, if there has been a change in the estimate of the recoverable amount.

1.6 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.

1.7 Fair value measurement:

The Company measure financial instruments such as Investments in Debt Mutual Funds and in Equity shares (other

than investment in subsidiaries/associates) at fair value at each reporting (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 the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- 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 an asset or a 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.

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

1.8 Financial instruments:

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

Financial assets

a. Initial recognition and measurement

Financial assets are initially recognised on the trade date i.e. the date that the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. Financial assets which are not at fair value through profit and loss, are at fair value plus transaction costs that are directly attributable to the acquisition of such financial assets. Transaction costs of those financial assets carried at "fair value through profit or loss" are expensed in statement of profit and loss.

Financial assets are classified at the initial recognition as financial assets measured at amortised costs or at fair value.

b. Subsequent measurement

For subsequent measurement, financial assets are broadly classified in two broad categories:

- Financial assets carried at amortised cost,

- Financial assets at fair value [either through other comprehensive income (FVTOCI) or through profit or loss (FVTPL)]

For assets classified as "at fair value", gains and losses are either recognised in statement of profit and loss or recognised in other comprehensive income, as elected. For assets classified as "at amortised cost", this will depend on the business model and contractual terms of the cash flows.

i) **Financial assets carried at amortised cost** :

A financial asset is measured at amortised cost if it meets the following two conditions:

(a) Business model test: The objective of the company's business model is to hold the financial assets to collect contractual cash flows.

(b) Cash flow characteristic test: 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 i.e. debentures, bonds and corporate deposits etc. meeting the above conditions are measured at amortised cost and interest income from such financial assets has been recognised using the effective Interest rate.

ii) **Financial assets at fair value through other comprehensive income (FVTOCI)** :

A financial asset is subsequently measured at fair value through other comprehensive income if :

(i) The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(ii) The contractual terms of the financial asset represent solely payments of principal and interest on the principal amount outstanding.

The dividend income on financial assets at FVTOCI is recognised under profit or loss. The company's investments in financial assets i.e. debt instruments being debt based mutual funds are measured at fair value through other comprehensive income (OCI) and fair value changes on these financial assets are recognised in OCI.

On derecognition/ sale of investments measured at FVTOCI, the fair value changes (on other than equity instruments measured at FVTOCI) in OCI, are subsequently reclassified to the statement of profit and loss.

iii) **Financial assets at fair value through profit or loss (FVTPL) :**

A financial asset which is not classified in any of the above categories are measured at fair value through profit or loss.

Equity instruments which are held for trading are required to measure at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity instruments at fair value through other comprehensive income

For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value through other comprehensive income. The Company makes such election on an instrument-by-instrument basis.

For investments in equity shares (not held for trading and other than investment in subsidiary /associates), the company has made an irrevocable election to account for these at fair value through other comprehensive income (FVTOCI).

If the company decides to classify an equity instruments as at FVTOCI, then all fair value changes on such instruments excluding dividend income, are recognised in the other comprehensive income (OCI). Dividend on equity instrument measured at FVTOCI is recognised at statement of profit and loss.

Fair value changes on these equity instruments never recycled (not subsequently transferred/reclassified) from OCI to profit or loss, however on de-recognition / sale of the equity instruments measured at FVTOCI, cumulative gain or losses are transferred/ reclassified within equity i.e. balance of cumulative gain or losses transferred to retained earnings.

c. Investments in subsidiary

The Company's investment in subsidiaries are recognised at Cost as per Ind AS 27. Cost represents amount paid for acquisition of the said investments.

The company assesses at the end of each reporting period, if there are any indication that the said investments may be impaired. If impairment exists, the company estimates the recoverable value/ amount of the investments and provides for impairment, if any i.e. the deficit in the recoverable amount / value over cost. The impairment loss, if any, is recognised in the statement of profit and loss.

On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

d. Impairment of financial assets

In accordance with Ind AS 109, the company uses 'expected credit loss' (ECL) model, for evaluating impairment of financial assets other than those measured at FVTPL.

The company assesses on a forward looking basis the expected credit losses associated with its financial assets considered for ECL. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the needs to provide for the same in the statement of profit and loss.

The company assess impairment based on expected credit losses (ECL) model for the following :

(1) Financial assets measured at amortised cost,

(2) Financial assets measured at FVTOCI,

(3) Other financial assets like trade/ other receivables.

The company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. For application of "simplified approach" the company does not require to track changes in credit risk instead the company uses the provision matrix to determine loss allowance on trade / other receivables.

ECL is the difference between all contractual cash flows that are due to the company in accordance with contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR.

The company' investment in debt instruments (fixed income securities being bonds, corporate deposits, debentures etc.), the risk parameters like tenor, the probability of default, tracking of ratings etc. for each of these instruments/ issuer ratings etc. is considered in estimating probable credit losses over balance tenor of these instruments.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense / income in the statement of profit and loss.

However, ECL impairment loss allowance (or reversal) if any, on equity shares measured at fair value through OCI (FVTOCI) has been recognized through other comprehensive income.

ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. ECL reduces the net carrying amount, unless the financial asset meets write off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

a. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade/ other payables having short maturities.

b. Subsequent measurement

Financial liabilities comprises interest bearing borrowings (from banks/others) if any, are carried at amortized cost using the effective interest method.

For trade and other financial liabilities maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial assets and liabilities

Financial assets

A Financial assets is derecognised by the company only when :

(i) The contractual rights to the cash flows from the financial asset expired or

(ii) The company has transferred the right to receive cash flow from financial assets and where the entity has transferred the assets, the company evaluates whether it has transferred substantially all risk and rewards of ownership of such financial assets. or

(iii) In any other case, transfer qualifies for other de-recognition criteria under Ind- AS 109.

Financial liabilities

A Financial liability (or a part thereof) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expired.

Reclassification of financial assets and liabilities

The company does not reclassify its financial assets subsequent to initial measurement, apart from exceptional circumstances as permitted. Financial liabilities are not reclassified.

Off setting

Financial assets and liabilities are off set and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events. It must be enforceable in the normal course of business and also in the event of default, insolvency or bankruptcy of the company or the counterparty.

1.9 Employee benefits:

- **Short-term employee benefits**

  Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

- **Post-employment benefits**

Defined contribution plans

Employees of the company are entitled to receive benefits under the provident fund, which is a defined contribution plan. Both employees and employer make monthly contributions to the plan at a pre determined rate of employee's basic salary. These contributions are made to a Central Government`s employees provident organisation account (EPFO) contributions by company to provident fund are expensed in the statement of profit and loss, when the contributions are due. Such benefits are classified as defined contribution schemes as the company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability. The company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Other long-term employee benefits (compensated leaves)

The employees can carry-forward a portion of the unutilized accrued leave and utilize it in future service periods or receive cash compensation on resignation/termination of employment.

Accumulated leaves, which is expected to be utilised within the next 12 months, is treated as short term employee benefit. Since a substantial part of the compensated leaves do not fall due wholly within 12 months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within 12 months after the end of such period, the benefit of such leaves is classified as a long-term employee benefit.

The company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method at year end.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the statement of profit and loss.

1.10 Income tax:

Income tax expense comprises current tax, deferred tax and earlier year tax, if any.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the current tax / deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

- **Current tax**

  Current tax expenses or credit for the period is the tax payable on the current period's taxable income based on 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 assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

  Minimum Alternate Tax (MAT) paid in a year under the provisions of the income-tax Act, 1961 is charged to the statement of profit and loss as current tax for the year.

  Minimum Alternate Tax (MAT) Credit, if applicable is recognised as deferred tax asset only when and to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

- **Deferred tax**

  Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

  Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

  Deferred tax assets are recognised for all deductible temporary differences and unused tax losses/tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences/credits and losses.

  Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

  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 assets to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

1.11 Provisions and contingent liabilities:

The company creates a provision when there is present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

Provisions are measured at the present value of management's best estimates of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as interest expense.

Contingent liability is not recognised but disclosed in the case of :

(i) A present obligation that arising out of past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation,

(ii) A present obligation that arising out of past events , when no reliable estimate of the amount is possible,

(iii) A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

1.12 Earnings per share (EPS):

Basic earnings per share is calculated by dividing the net profit/loss for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the financial year.

The weighted average number of equity shares outstanding during the year/period and all periods presented is adjusted for events, such as bonus equity shares, other than the conversion of potential equity shares that have changed the no. of equity shares outstanding without a corresponding change in resources.

For calculating diluted earnings per share, the net profit and loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the financial year, is adjusted for the effects of all dilutive potential equity shares.

1.13 Dividend on equity shares:

The company recognises a liability to make cash distributions to equity holders when the 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. A corresponding amount is recognised directly in equity.

2 CASH AND CASH EQUIVALENTS

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
2 (I) : Cash and cash equivalents		
Balances with Bank :		
In current account with HDFC Bank	**1.91**	5.81
Cash on hand	**0.03**	0.07
Sub total-I	**1.94**	5.88
2 (II) : Bank balance other than above (I)		
Fixed deposits with HDFC Bank #	**1,244.64**	1,166.00
Earmarked balances with HDFC Bank (in unclaimed dividend accounts)	**3.64**	3.85
Sub total-II	**1,248.28**	1,169.85
Total (I+II)	**1,250.22**	1,175.73

During the previous year, the Company had provided to HDFC Bank its fixed deposit as margin in connection with "bank guarantee for a sum of ₹ 150 lakh in favour of The National Stock Exchange Ltd." obtained by its wholly owned subsidiary company i.e. Punjab Mercantile & Traders Ltd. The vailidity of bank guarantee is up to 07-08-2020 with extended claim period up to 07-08-2021.

3 INVESTMENTS

(Investment in India & other than trade)

Particulars	Face value per share/bond/ unit (in ₹)	As at March 31, 2021		As at March 31, 2020	
		Units/Bonds/ Shares in No.*	Value (₹ in lakh)	Units/Bonds/ Shares in No.*	Value (₹ in lakh)
(1) In debt mutual funds					
(a) Quoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Kotak FMP Series 251 - 1265 Days Direct Plan Growth (Maturity -10-05-2022)	10	**5,000,000**	**627.37**	5,000,000	578.08
Nippon India Fixed Horizon Fund-XXXVII Series IV-Growth-Direct (Earlier Reliance FHF-XXXVII) (Maturity Date -05-04-2022)	10	**1,450,000**	**188.30**	1,450,000	174.86
Total [1(a)]			**815.67**		752.94
(b) Unquoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Aditya Birla Sun Life Corporate Bond Fund -Direct-Growth (Earlier Aditya Birla Sun Life Short Term Fund -Direct -Growth)	10	**1,368,378**	**1,186.83**	1,368,378	1,079.43
ICICI Prudential Short Term Fund-Direct Plan- Growth	10	**108,466**	**52.74**	-	-
IDFC Bond Fund- MTP-Direct Growth (Earlier IDFC Super Savings Income Fund - MTP)	10	**3,472,694**	**1,342.10**	3,472,694	1,245.42
IDFC Corporate Bond Fund -Direct Plan -Growth	10	**186,323**	**28.45**	186,323	26.02
IDFC Bond Fund - Short Term Plan - Direct -Growth (Amount invested on 31-03-2020, however Units (No. of Units 26,530.89 @ 43.3457 per unit) allotted on 03-04-20)	-	**-**	**-**	-	11.50
IDFC Bond Fund- Short Term Plan-Direct Growth (Earlier IDFC Super Savings Income Fund - MTP)	10	**400,224**	**187.55**	519,576	225.30
Kotak Banking & PSU Debt Fund - Direct- Growth	10	**2,815,142**	**1,450.46**	2,815,142	1,341.32
UTI Treasury Advantage Fund- Direct Plan Growth	1,000	**11,852**	**313.49**	11,852	294.46
Total [1(b)]			**4,561.62**		4,223.45
(2) In bonds / NCDs					
Quoted					
(Carried at amortised cost)					
Current					
8.60% EXIM Bonds,Taxable Perpetual Bonds (Call Date-31-03-2022)	1,000,000	**14**	**139.53**	-	-
Non current					
9.56%, State Bank of India Perpetual Bond (Call date : 04-12-2023)	1,000,000	**100**	**1,002.27**	100	1,003.27
9.45%, State Bank of India Bonds,Taxable Perpetual Bonds (Call Date-22-03-2024)	1,000,000	**199**	**2,015.21**	199	2,025.22
8.60% EXIM Bonds,Taxable Perpetual Bonds (Call Date-31-03-2022)	1,000,000	**-**	**-**	14	139.01
8.40%, TATA Capital Financial Services Ltd, (Secured NCD-Series -III), (5 Years & Call Date- 26-08-2024)	1,000	**50,000**	**500.00**	50,000	500.00
8.20% TATA Capital Housing Finance Ltd, (Secured, Non-Convertible Debentures-Series -III) (5 Years & Call Date-14-01-2025)	1,000	**19,000**	**190.00**	19,000	190.00
Total (2)			**3,847.01**		3,857.50
(3) In corporate deposits					
Unquoted					
(Carried at amortised cost)					
Current					
Deposit (Cumulative) with Mahindra & Mahindra Financial Services ltd (Rate @ 5.70%) [Maturity Date -25-03-22 & 31-03-22]			**177.00**		-
Non current					
Deposit (Cumulative) with HDFC Ltd. (Coupon @ 8.49% & Maturity Date -09-04-2022)			**1,000.00**		1,000.00
Total (3)			**1,177.00**		1,000.00

Particulars	Face value per share/bond/ unit (in ₹)	As at March 31, 2021		As at March 31, 2020	
		Units/Bonds/ Shares in No.*	Value (₹ in lakh)	Units/Bonds/ Shares in No.*	Value (₹ in lakh)
(4) In equity shares					
(a) Quoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Fully paid up shares of :					
Camac Commercial Co. Ltd.	10	**35,000**	**5,939.61**	35,000	236.94
HDFC Bank Ltd.	1	**2,438,280**	**36,419.37**	2,438,280	21,017.97
Susmit Trading Ltd	10	**29,400**	**-**	29,400	-
Jantej Commercial Enterprises Ltd.	10	**50,000**	**-**	50,000	-
Sagar Investments Ltd.	10	**100,000**	**-**	100,000	-
The Pioneer Ltd.	10	**100**	**-**	100	-
Total [4(a)]			**42,358.98**		21,254.91
(b) Un quoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Fully paid up shares of :					
Bennett,Coleman & Co Ltd.	10	**26,665,848**	**93,549.13**	26,665,848	112,311.22
(Includes bonus shares-2,66,63,976)					
Ashoka Viniyoga Ltd	10	**55,000**	**17,059.13**	55,000	264.45
Excel Publishing House Ltd.	10	**23,500**	**29.78**	23,500	27.22
Artee Viniyoga Ltd.	10	**249,860**	**3,284.13**	249,860	148.47
Times Internet Ltd.##	10	**472,812**	**52.91**	472,812	60.33
Bennett Property Holdings Company Ltd.#	10	**4,444,308**	**14,629.33**	4,444,308	15,279.98
Pearl Printwell Ltd.	10	**19,800**	**-**	19,800	-
Total [4(b)]			**128,604.41**		128,091.67
(5) Investments in subsidiaries (wholly owned)					
Equity shares - unquoted					
(Carried at cost)					
Non current					
Fully paid up shares of :					
Punjab Mercantile & Traders Ltd.	10	**50,000**	**5.00**	50,000	5.00
Jacaranda Corporate Services Ltd.	10	**2,00,000**	**20.00**	2,00,000	20.00
Total [5]			**25.00**		25.00
Grand Total (1(a)+1(b)+2+3+4(a)+4(b)+5)			**181,389.69**		159,205.47
Summary of investments :					
Total investments measured & carried :		-			
At fair value through OCI (FVTOCI)			**176,340.68**		154,322.97
At amortised cost			**5,024.01**		4,857.50
At cost			**25.00**		25.00
Total			**181,389.69**		159,205.47
Total investments current & non-current :					
Current (within 12 Months)			**316.53**		-
Non -current (Long Term)			**181,073.16**		159,205.47
Total			**181,389.69**		159,205.47
Total investments as quoted and unquoted :		-		-	
Quoted			**47,021.66**		25,865.35
Unquoted			**134,368.03**		133,340.12
Total			**181,389.69**		159,205.47

*Units are rounded off to the nearest unit.

In pursuance of scheme of arrangement entered between Bennett,Coleman & Co. Ltd.(BCCL) and Bennett Property Holdings Company Limited (BPHCL) as approved by the Bombay High Court order dated December 02, 2011 the Company has received shares of BPHCL in proportion of 1:6.

In pursuance of scheme of amalgamation between Times Business Solutions Ltd. and Times Internet Ltd. as approved by Delhi High Court Order dated 17th October, 2014 Company has received the equity shares of M/s Times Internet Ltd. In the ratio of 100:96 for the equity shares held in M/s Times Business Solutions Ltd.

	Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
4	**LOAN**		
	Loan to subsidiary	**126.00**	126.00
	Total	**126.00**	126.00
5	**OTHER FINANCIAL ASSETS**		
	Interest accrued on loan to subsidiary	**2.04**	5.21
	Interest accrued on bonds/NCDs and deposits	**223.29**	138.80
	Interest accrued on bank fixed deposits	**40.58**	56.75
	Total	**265.91**	200.76
6	**CURRENT TAX ASSETS (NET)**		
	(Unsecured, considered good)		
	Advance income tax & TDS	**464.15**	393.19
	Provision for tncome tax	**(428.34)**	(364.57)
	Total	**35.81**	28.62
7	**DEFERRED TAX ASSETS (NET)**		
	Deferred tax assets (net) on account of deductable temporary difference between tax base and carrying amount of assets/liabilities :		
	On employee benefits liabilities (gratuity & leave encashment)	**1.94**	1.83
	On property, plant and equipments	**0.03**	0.04
	Total	**1.97**	1.87

	Particulars	Tangible Assets		
		Office Equipments (Computers & Others)	**Furniture & Fixture**	**Total**
8	**PROPERTY, PLANT AND EQUIPMENTS**			
	At cost			
	Gross carrying amount			
	Balance as at 31st March, 2019	4.17	-	4.17
	Additions during the year	-		-
	Deletion/disposals during the year	-		-
	Balance as at 31st March, 2020	4.17	-	4.17
	Rounding off adjustments	0.01		0.01
	Additions/ adjustments during the year	-	0.30	0.30
	Balance as at 31st March, 2021	**4.18**	**0.30**	**4.48**
	Accumulated depreciation			
	Balance as at 1st April, 2019	3.45	-	3.45
	Depreciation charge during the year	0.38	-	0.38
	Adjustments/deductions during the year	-	-	-
	Balance as at 31st March, 2020	3.83	-	3.83

Particulars	Tangible Assets		
	Office Equipments (Computers & Others)	Furniture & Fixture	Total
Depreciation charge during the year	0.13	0.03	0.16
Adjustments/deductions during the year	-	-	-
Balance as at 31st March, 2021	**3.96**	**0.03**	**3.99**
Net Carrying Amount			
As at 31st March, 2021	**0.22**	**0.27**	**0.49**
As at 31st March, 2020	0.34	-	0.34
As at 31st March, 2019	0.72	-	0.72

Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
9 OTHER NON-FINANCIAL ASSETS		
(Unsecured, considered good)		
Prepaid expenses	**0.51**	0.22
Total	**0.51**	0.22
10 OTHER PAYABLES#		
Payable to micro and small enterprises	**-**	-
Payable to others	**3.51**	2.89
Total	**3.51**	2.89
# Based on the information available with the company in respect of micro, small and medium enterprises, there are no outstanding/ delays in payment of dues to such enterprises. The required details as per the MSMED, 2006 is given below :		
Dues to micro, small and medium enterprise under the MSMED Act, 2006		
a) Interest paid and payments made to the supplier beyond the appointed day.	**Nil**	Nil
b) Interest due and payable for delay (which has been paid but beyond the appointed day), but without adding the interest under the MSMED Act.	**Nil**	Nil
c) Amount due and unpaid at the end of accounting year:	**Nil**	Nil
- Principal amount and Interest due		
- Interest accrued and remaining unpaid		
d) Interest remaining due and payable even in the succeeding years.	**Nil**	Nil

	Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
11	**OTHER FINANCIAL LIABILITIES**		
	Unpaid dividends*	**3.64**	3.85
	Total	**3.64**	3.85
	*** Unencashed/unclaimed portion only**		
12	**PROVISIONS**		
	Provision for employee benefits		
	- for leave encashment#	**2.13**	2.13
	- for gratuity#	**4.85**	4.46
	Total	**6.98**	6.59
	# Refer norte no. 31 for detail disclosure		
13	**DEFERRED TAX LIABILITIES**		
	Deferred tax liabilities on account of deductable temporary difference between tax base and carrying amount of assets/liabilities :		
	Investment in debt instruments (measured at FVTOCI)	**257.86**	166.29
	Investment in equity Instruments (measured at FVTOCI)	**38,009.57**	33,198.53
	Remeasurement of defined benefit plans	**-**	0.24
	Total	**38,267.43**	33,365.06
14	**OTHER NON-FINANCIAL LIABILITIES**		
	Others		
	TDS payable	**2.67**	1.54
	GST payable	**4.59**	1.48
	Provident fund payable	**0.18**	0.18
	Other payables	**0.12**	0.48
	Total	**7.56**	3.68
15	**SHARE CAPITAL**		
	Share capital		
	Equity share capital		
	Authorised share capital		
	50,00,000 (P.Y. -50,00,000) equity shares of ₹ 10 each	**500.00**	500.00
	Total	**500.00**	500.00
	Issued share capital		
	32,00,000 (P.Y. -32,00,000) shares of ₹10 each	**320.00**	320.00
	Subscribed & fully paid share capital		
	a) 8,01,288.5 (P.Y. - 8,01,288.5) shares of ₹ 10 each fully paid up. (On reduction of share capital through High Court order dated 15-11-1973)	**80.13**	80.13
	b) 23,98,711.5 (P.Y.-23,98,711.5) shares of ₹ 10 each fully paid up (including 131 equity shares of ₹ 10 each in the form of fractional coupons)	**239.87**	239.87
	Total	**320.00**	320.00

(i) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. The payment of dividend will be made in Indian rupees.

In the event of the liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company, after meeting all liabilities.

(ii) Reconcilation of equity shares held at the beginning and at the end of the year

Particulars	As at 31.3.2021		As at 31.3.2020	
	No. of shares	Amount in lakh	No. of shares	Amount in lakh
At the beginning of the year	**3,200,000**	**320.00**	3,200,000	320.00
Movement during the year	**-**	**-**	-	-
At the end of the year	**3,200,000**	**320.00**	3,200,000	320.00

(iii) There is no change in the Share capital in the period of five years immediately preceding the date as at which the Balance Sheet is prepared. There has been no allotment of shares pursuant to contract(s) without payment being received in cash or by way of bonus issue and no shares have been bought back in the five years immediately preceding the Balance Sheet date i.e. 31st March, 2021.

(iv) Details of shareholders holding more than 5 % shares in the Company

Name of the shareholder	As at 31.3.2021	As at 31.3.2020
	No.of shares	No.of shares
Artee Viniyoga Limited	**801,710**	801,710
Ashoka Viniyoga Limited	**651,660**	651,660
Camac Commercial Company Limited	**520,000**	520,000
Mr. Samir Jain	**518,827**	518,827
Mrs. Meera Jain	**273,604**	273,604
Combine Holding Limited	**161,437**	161,437

	Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
16	**OTHER EQUITY**		
	I. Reserve & Surplus		
	A. Securities premium		
	Balance as per last financial statements	**103.91**	103.91
	Add/Less : addition/(adjustment) during the year	**-**	-
	Balance at the end of the year	**103.91**	103.91
	B. General reserve $		
	Balance as per last financial statements	**1,475.16**	1,455.16
	Add/Less : addition/(adjustment) during the year	**20.00**	20.00
	Balance at the end of the year	**1,495.16**	1,475.16
	C. Special resrve U/s 45-IC of RBI Act, 1934 $		
	Balance as per last financial statements	**2,127.15**	1,922.05
	Add/Less : addition/(adjustment) during the year	**59.74**	205.10
	Balance at the end of the year	**2,186.89**	2,127.15

Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
D. Retained earnings (surplus) $		
Balance as per last financial statements	**6,781.10**	5,980.76
Add - profit for the year	**317.89**	1,048.59
Item of OCI recognised directly in retained earnings		
Add : remeasurement of the defined benefit plans (net of tax) for the year	**0.22**	-
Add : balance of remeasurement (net) of previous year transferred	**0.61**	-
Less:- transfer to general reserve	**(20.00)**	(20.00)
Less:- transfer to special reserve	**(59.74)**	(205.10)
Less:- dividend paid	**(19.20)**	(19.20)
Less:- dividend distribution tax paid	**-**	(3.95)
Balance at the end of the year	**7,000.88**	6,781.10
E. Other [remeasurement of defined benefit plan]		
Opening balance	**0.61**	0.03
Add : remeasurement of the defined benefit plans (net of tax) for the year	**-**	0.58
Less : balances transferred to retained earnings of previous years	**(0.61)**	-
Closing balance at the end of the year	**-**	0.61
Total reserve & surplus at the end of the year (I= A+B+C+D+E)	**10,786.84**	10,487.93
II. Accumulated balance of other comprehensive income (OCI) $		
(F) Debt instruments through OCI		
Opening balance	**580.90**	714.08
Add: fair value changes in debt instruments through OCI for the year	**415.21**	486.81
Less: reclassified to profit or loss from OCI on sale	**(3.78)**	(658.12)
Less: income tax effect thereon	**(91.57)**	38.13
Closing balance at the end of the year	**900.76**	580.90
(G) Equity instruments through OCI		
Opening balance	**115,968.11**	122,737.29
Add : fair value changes on equity instruments through OCI for the year	**21,616.81**	(8,707.01)
Less: income tax effect on above	**(4,811.04)**	1,937.83
Closing balance at the end of the year	**132,773.88**	115,968.11
Total accumulated balance of OCI at the end of the year (II= F+G)	**133,674.64**	116,549.01
Total other equity (I +II)	**144,461.48**	127,036.94

$ Nature and purpose of reserve

Nature and purpose of each reserve has been disclosed as part of the qualitative disclosure :

Securities premium

It is created in earlier year, by amount of premium received upon issuance of equity shares. This can be utilised in accordance with provisions of the companies Act, 2013

General reserve

The Company continues to transfer certain percentage of profits to general reserve before declaring dividends. This can be utilised in accordance with provisions of the Companies Act, 2013.

Special resrve U/s 45-IC of RBI Act,1934

The company, being an NBFC company, is created a special reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss.

As prescribed by Section 45 IC of the Reserve Bank of India Act, 1934, No appropriation of any sums from the Reserve Fund shall be made by company except for the purpose as may be specified by RBI from time to time.

Retained earnings (surplus)

It is created out of accretion of profits or loss and represents the amount of accumulated earnings of the company. It also includes effect of remeasurement of defined benefit oblignations. This reserve can be utilised in accordance with provisions of the Companies Act, 2013.

Accumulated balance of other comprehensive income (OCI)- debt instruments

This reserve represents the cumulative unrealised gains (net of Loss) on fair valuation of debt instruments (including debt mutual funds) measured at fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to profit or loss, when those instruments are disposed off.

Accumulated balance of other comprehensive income (OCI)- equity instruments

This reserve represents the cumulative unrealised gains (net of loss) on fair valuation of equity instruments measured at fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to retained earnings when those instruments are disposed off.

	Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
17	**INTEREST INCOME**		
	Interest income on investments in bonds, debentures & deposit (investment measured at amortised cost)	**444.63**	366.82
	Amortisation adjustment of bonds purchased at premium/ discount	**(10.49)**	(9.38)
	Interest income on loan to subsidiary company (measured at amortised cost)	**8.82**	5.79
	Interest income on deposits with bank	**67.56**	63.05
	Total	**510.52**	426.28
18	**NET GAIN ON FAIR VALUE CHANGES**		
	(a) Net gain/(loss) on financial instruments at FVTPL : on trading portfolio/ on financial instruments designated through FVTPL	**-**	-
	(b) Others	**-**	-
	Gain(net) reclassified from OCI to profit or loss on sale of investments in debt mutual funds	**3.78**	658.12
		3.78	658.12
	Break up of gains (net) :		
	Realised	**3.78**	658.12
	Unrealised	**-**	-
	Total	**3.78**	658.12

	Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
19	**OTHERS (UNDER OTHER INCOME)**		
	Interest on income tax refund	**0.03**	-
	Miscellaneous income	**-**	0.05
	Total	**0.03**	0.05
20	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries	**35.86**	35.86
	Contribution to provident and other funds	**1.14**	1.14
	Provision for gratuity and leave encashment	**0.70**	0.49
	Staff welfare expenses	**0.53**	1.21
	Total	**38.23**	38.70
21	**DEPRECIATION AND AMORTISATION EXPENSES**		
	Depreciation on property, plant and equipments (refer note -8)	**0.16**	0.38
		0.16	0.38
22	**OTHER EXPENSES**		
	Director' s sitting Fee	**6.40**	5.40
	Legal and professional charges	**37.98**	11.83
	Travelling & conveyance expenses	**4.16**	4.73
	GST /Service tax paid under reverse charge	**6.99**	2.38
	AGM expenses	**-**	1.16
	Printing & stationery	**0.22**	0.95
	Postage & telephone and internet charges	**0.80**	0.73
	Advertisement expenses	**1.20**	0.91
	Listing fees	**0.29**	0.29
	Custodian fees	**0.21**	0.21
	Document storage charges	**1.45**	1.07
	Software charges	**0.43**	0.42
	Manager remuneration	**0.12**	0.12
	Filling fees	**0.06**	0.16
	Auditor`s remuneration $	**0.89**	0.89
	CSR contribution 2020-21 $$	**19.26**	-
	CSR contribution 2019-20 $$	**13.21**	-
	CSR contribution 2016-17 $$	**-**	17.62
	CSR contribution 2017-18 $$	**-**	16.71
	CSR contribution 2018-19 $$	**-**	12.06
	Miscellaneous expenses	**1.03**	1.34
	Total	**94.70**	78.98

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
$ Auditor`s remuneration (inclusive of GST) :		
As Auditor		
Audit fees	**0.40**	0.40
Limited review	**0.20**	0.20
Other serices (certifcation fees)	**0.03**	0.03
Out of pocket expenses	**0.12**	0.12
GST on above	**0.14**	0.14
Total	**0.89**	0.89
$$ Spent/contribution towards corporate social responsibility (CSR) activities :		
Gross amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year	**32.47**	46.39
Amount spent/contributed in cash during the financial year on :		
(i) Construction /acquisition of any asset	**-**	-
(ii) On purpose other than above (i)	**32.47**	46.39
Amount unspent at the end of the year	**-**	-
23 EARNINGS PER SHARE (EPS)		
Profit after tax as per statement of profit and loss (₹ in lakh)	**317.89**	1,048.59
Weighted average number of equity shares (Face value per equity share ₹ 10/-)	**32,00,000**	32,00,000
Basic EPS (in ₹)	**9.93**	32.77
Diluted EPS (in ₹) #	**9.93**	32.77
# The Company has not issued any potential equity shares, and accordingly, diluted earnings per share is equal to the basic earnings per share.		
24 LOANS TO SUBSIDIARY COMPANY		
Loan to wholly owned subsidiary (Punjab Mercantile & Traders Ltd)		
Maximum outstanding of loan during the year #	**126.00**	126.00
(@ 7% p.a. and Repayable on demand, purpose : acquisition of shares of other Cos.)		
Total	**126.00**	126.00

Interest accrued on Loan as on March 31, 2021 of ₹ 2.04 lakh (net of TDS) [as on March 31, 2020 of ₹ 5.21 lakh (net of TDS)], not included in above amount.

25 SEGMENT INFORMATION

The Company is not carrying any business operations except generating income from investment of surplus funds and these activities fall in a single business segment, thus there is no reportable segment within the meaning of Ind AS - 108 "Operating Segments".

26 IMPAIRMENT OF ASSETS

The Management is of the opinion that there is no impairment of assets as contemplated in Ind AS -38 "Impairment of Assets".

27 DISCLOSURES AS REQUIRED BY IND AS -24 -"RELATED PARTY DISCLOSURE"

In accordance with the requirements of Ind AS -24 "Related Party Disclosure", disclosure of related parties & related party trasactions entered into during the year are given below -

(a) Related parties and nature of relationship :

Subsidiary Company

1. M/s Punjab Mercantile & Traders Ltd.
2. Esoterica Services Limited (Formerly known as Jacaranda Corporate Services Limited)

Key Management Personnel (KMP)

Name	Relationship
1. Mr. Govind Swarup	Director
2. Mr. Ashish Verma	Director
3. Ms. Saumya Agarwal	Director
4. Mr. Mohit Jain	Director (ceased to be director w.e.f. 14-08-2020)
5. Mr. Rakesh Dhamani	Director
6. Mrs. Shweta Saxena	Director (appointed as Director w.e.f. 27-08-2020) & Company Secretary
7. Mr. Viveka Nand Jha	Chief Financial Officer
8. Mrs. Vijay Kumar Bakshi	Manager

(b) Related Party Transactions entered during the year in ordinary course of business and outstanding balances payable/ (receivable) at the end of the year:

(₹ in lakh)

Name of the Party	Nature of Transaction	Amount for the year ended		Amount Outstanding as at	
		March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Punjab Mercantile & Traders Ltd.	Loan Given	**-**	126.00	**126.00**	126.00
	Interest income on Loan	**8.82**	5.79	**2.04**	5.21
	Margin provided to Bank in connection with Bank Gurantee	**Note 1**	Note 1	**Note 1**	Note 1
Mr. Govind Swarup	Director`s sitting fees	**3.20**	2.80	**-**	-
Mr. Ashish Verma	Director`s sitting fees	**2.00**	1.60	**-**	-
Mrs. Saumya Agarwal	Director`s sitting fees	**1.20**	1.00	**-**	-
Mrs. Shweta Saxena	Remuneration#	**20.13**	20.13	**-**	-
Mr. Viveka Nand Jha	Remuneration#	**15.73**	15.73	**-**	-
Mr. Vijay Kumar Bakshi	Remuneration ##	**0.12**	0.12	**0.12**	0.12

Note 1 : During the previous year ended March 31, 2020, the Company had provided to HDFC Bank its fixed deposit as margin in connection with "bank guarantee for a sum of ₹ 150 lakh in favour of The National Stock Exchange Ltd " obtained by its wholly owned subsidiary company i.e. Punjab Mercantile & Traders Ltd. The vailidity of bank guarantee is up to 07-08-2020 with extended claim period up to 07-08-2021.

Excluding PF and other retiral benefits.

Paid on April 26, 2021 pertaining to F.Y. 2020-21 & on May 15, 2020 pertaining to F.Y. 2019-20.

28 FOREIGN EXCHANGE EARNINGS AND OUTGO DURING THE YEAR ARE AS FOLLOWS

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
Earnings & Outgo	**Nil**	Nil

29 CONTINGENT LIABILITIES NOT PROVIDED FOR AND COMMITMENTS AS ON 31ST MARCH, 2021

Nil (previous year as on 31st March, 2020 :-Nil)

30 INCOME TAXES EXPENSES & RECONCILIATION

(a) (i) Tax expense recognised in the statement of profit and loss

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
Current tax		
Current tax	**63.77**	161.56
MAT credit utilised	**-**	-
Total current tax	**63.77**	161.56
Deferred tax		
Related to origination and reversal of deductible temporary difference	**(0.18)**	0.07
Reversal of deferred tax liability on remeasurements of earlier years	**(0.24)**	-
Total deferred tax charge/(credit)	**(0.42)**	0.07
Total income tax expense reported in the statement of profit and loss	**63.35**	161.63

(ii) Tax expense recognised in the statement of other comprehensive income

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
Deferred tax charge / (credit) on :		
On account of deductible temporary difference on items measured through OCI		
Investment in debt instruments (on fair value change)	**91.57**	(38.13)
Investment in equity instruments (on fair value change)	**4,811.04**	(1,937.83)
Remeasurement gains of the defined benefit plans (gratuity plan)	**0.09**	0.23
Total deferred tax charge/ (credit) in the statement of other comprehensive income (I+II)	**4,902.70**	(1,975.73)

(b) The company continues with existing provisions of corporate taxation and had not opted the concessional rate schemes provided vide section 115BAA in the Income Tax Act, 1961. The section 115BAA in the Income Tax Act, 1961, provides existing domestic companies with an irrevocable option to pay tax at a reduced rate of 22% with applicable surcharge and cess, which come with the consequential surrender of specified deductions/ incentives i.e. not allowed to set off brought forward losses and not eligible to utilised MAT credit entitlements and take any other deduction / benefits.

(c) Reconcilation of current tax expenses between "amount calculated as accounting profit multiplied by the statutory income tax rate applicable to the company" and "current tax expenses as per effective income tax rate reported in the statement of profit and loss of the company" is given below :

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
Profit before tax (amount in lakh)	**381.24**	1,210.22
Enacted applicable income tax rates (including applicable cess) in India (%)	**27.82%**	27.82%
Current tax amount calculated (accounting profit multiplied by the applicable enacted tax rate) for the year (in lakh)	**106.06**	336.68
Tax effects of amounts which are not deductible/taxable in computing taxable Income		
CSR expenditire (in lakh)	**9.03**	12.91
Disallowance under section 14A (in lakh)	**-**	0.39
Tax at lower rate in case of capital gain (in lakh)	**-**	(6.95)
Amortisation adjustment of bonds (net amount as Exp.) (in lakh)	**2.92**	2.61
Other adjustments (in lakh)	**0.18**	0.18
Tax effects of amounts which are deductible /non taxable in computing taxable Income		
Dividend income	**-**	(67.83)
Deduction under chapter VI A (80G)	**(4.52)**	(6.45)
Other adjustments	**-**	-
Balance	**113.67**	271.54
Less : MAT credit utilised	**(49.90)**	(109.98)
Current tax expense reported in statement of profit and loss (in lakh)	**63.77**	161.56

(d) The movement in deferred tax assets(net) during the year ended March 31, 2020 and March 31, 2021:

Particualrs	Provision of gratuity & leave encashment liabilities	Property, plant and equipments (sep.)	Total
As at April 01, 2019	1.92	0.02	1.94
Credit/ (charge) in statement of profit or loss during the year	(0.09)	0.02	(0.07)
As at March 31, 2020	1.83	0.04	1.87
Credit/ (charge) in statement of profit or loss during the year	0.19	(0.01)	0.18
Credit/ (charge) in statement of OCI during the year	(0.09)	-	(0.09)
Rounding off adjustments	-	-	0.01
As at March 31, 2021	**1.93**	**0.03**	**1.97**

(e) The movement in deferred tax liabilities during the year ended March 31, 2020 and March 31, 2021:

Particualrs	Investment in debt instruments (measured at FVTOCI)	Investment in equity instruments (measured at FVTOCI)	Remeasurement of defined benefit plans	Total
As at April 01, 2019	204.42	35136.36	0.01	35,340.79
Credit/ (charge) in statement of OCI during the year	(38.13)	(1,937.83)	0.23	(1,975.73)
As at March 31, 2020	166.29	33,198.53	0.24	33,365.06
Credit/ (charge) in statement of OCI during the year	91.57	4,811.04	-	4,902.61
Adjustment of DTL on remeasurement	-	-	(0.24)	(0.24)
As at March 31, 2021	**257.86**	**38,009.57**	**-**	**38,267.43**

(f) (As a matter of prudence and considering uncertainty of sufficient future taxable income, the company has not recognised any deferred tax asset on unused tax credits (MAT credit entitlements) in the balance sheet.

31 EMPLOYEE BENEFITS

I). During the year, liability of company as an empoloyer towards contribution to provident and other fund has been recognized as an expenses in the statement of profit and loss. The detail is given below :

Defined contribution plan

Employer's contribution to provident and other funds - ₹ **1.14 lakh** (previous year : ₹ 1.14 lakh)

II). **Gratuity and other post employment benefit plans :**

During the year, the company has recognised the expenses and liability towards gratuity and leave encashment based on actuarial valuation in conformity with the principles set out in the Indian accounting standards -19. The detail are given below :

(a) The assumptions used to determine the benefit obligations are as follows:

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Discounting rate (p.a.)	**6.84%**	6.84%	**6.84%**	6.84%
Future salary increase (p.a.)	**1st Year 0% and thereafter 6.84%**	1st Year 0% and thereafter 6.84%	**1st Year 0% and thereafter 6.84%**	1st Year 0% and thereafter 6.84%
Expected rate of return of plan assets	**N.A**	N.A	**N.A**	N.A
Expected average remaining working lives of employees (years)	**16.92**	17.92	**16.92**	17.92
Mortality table used	**IALM (2012-14)**	IALM (2012-14)	**IALM (2012-14)**	IALM (2012-14)
Retirement age (years)	**58**	58	**58**	58
Withdrawal rate (%)				
Up to 30 years	**3**	3	**3**	3
From 31 to 44 years	**2**	2	**2**	2
Above 44 years	**1**	1	**1**	1

(b) Change in present value of obiligation/ defined benefit obligations :

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Present value of obligation (PBO) at beginning of year	**4.46**	4.53	**2.13**	2.38
Past service cost	**-**	-	**-**	-
Current service cost	**0.39**	0.39	**0.17**	0.19
Net Interest cost	**0.31**	0.35	**0.15**	0.18
Benefits paid	**-**	-	**-**	-
Remeasurement [Actuarial (-) gain /loss]	**(0.31)**	(0.81)	**(0.32)**	(0.62)
Present value of obligation (PBO) at year end	**4.85**	4.46	**2.13**	2.13

(c) Liability recognised in the balance sheet:

(₹ in lakh)

Particulars	Gratuity (non -funded)		Leave encashment (non -funded)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Liability amount (net) at beginning of year	**4.46**	4.53	**2.13**	2.38
Provisions made/(reversed) during the year	**0.70**	0.74	**0.32**	0.37
Benefits paid	**-**	-	**-**	-
Remeasurement [actuarial (-) gain /loss]	**(0.31)**	(0.81)	**(0.32)**	(0.62)
Liability amount (net) at year end	**4.85**	4.46	**2.13**	2.13
Break up of liability/PBO at end of the year				
Current liability (within 12 Months)	**0.11**	0.10	**0.05**	0.05
Non-current liability	**4.74**	4.36	**2.08**	2.08
Total	**4.85**	4.46	**2.13**	2.13

(d) Expense/ (income) recognized in the statement of profit and loss:

(₹ in lakh)

Particulars	Gratuity (non -funded)		Leave encashment (non -fundesd)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Current service cost	**0.39**	0.39	**0.17**	0.19
Net interest cost	**0.31**	0.35	**0.15**	0.18
Net actuarial (-) gain / loss recognized in the year	**-**	-	**(0.32)**	(0.62)
Expenses recognized in the statement of profit and loss	**0.70**	0.74	**-**	(0.25)

(e) Remeasurements [actuarial (gain)/loss] through other comprehensive income (OCI):

Particulars	Gratuity (non -funded)	
	31/3/2021	31/3/2020
Net cumulative actuarial (-) gain / loss recognised through OCI- opening balance	**(0.85)**	(0.04)
Actuarial (-) gain / loss for the year on PBO	**(0.31)**	(0.81)
Actuarial (-) gain / loss for the year on plan asset	**-**	-
Net cumulative actuarial (-) gain / loss recognised through OCI- at the end of the year	**(1.16)**	(0.85)

(f) Sensitivity analysis:

Particulars	Gratuity	Leave encashment
	31/3/2021	**31/3/2021**
Impact of the change in discount rate		
Present value of obligation at the end of the year	4.85	2.13
(i) Impact due to increase of 0.5%	(0.32)	(0.14)
(i) Impact due to decrease of 0.5%	0.35	0.16
Impact of the change in salary increase		
Present value of obligation at the end of the year	4.85	2.13
(i) Impact due to increase of 0.5%	0.35	0.16
(i) Impact due to decrease of 0.5%	(0.32)	(0.14)

(g) Maturity profile of defined benefit obligations :

Particulars	Gratuity	Leave encashment
	31/3/2021	**31/3/2021**
a) 0 to 1 Year	0.11	0.05
b) 1 to 2 Year	0.11	0.05
c) 2 to 3 Year	0.09	0.04
d) 3 to 4 Year	0.08	0.04
e) 4 to 5 Year	0.06	0.02
f) 5 to 6 Year	0.06	0.02
g) 6 year onwards	4.34	1.91

32 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a orderly transactions 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.

The following methods and assumptions are used to estimate the fair value :

(a) The fair value of quoted equity shares is derived from quoted market prices in active markets.

(b) The fair value of unquoted equity shares (FVTOCI financial instruments) is derived as per Level 3 techniques, in case observable market data is not available.

(c) The fair value of mutual funds is derived from the available declared /quoted NAV of units.

(d) Assets held for collection of contractual cash flow where cash flows represent solely payment of principle and interest like bonds/ debentures /corporate deposit are measured at amortised cost. Interest income from these financial assets is calculated using the effective interest rate method.

The management has assessed that cash and cash equivalents, other receivables (financial assets) and trade payables are approximate at their carrying amounts largely due to the short term maturities of these instruments.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices /declared NAVs in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: inputs which are not based on observable market data.

Financial assets and liabilities

The carrying value and fair value of financial instruments by categories as at 31st March, 2021 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	1.94	1.94	1.94
Bank balances other than above	-	-	1,248.28	1,248.28	1,248.28
Investments:					
Debt mutual funds	-	5,377.29	-	5,377.29	5,377.29
Bonds /debentures	-	-	3,847.01	3,847.01	3,847.01
Corporate deposits	-	-	1,177.00	1,177.00	1,177.00
Equity shares (other than investment in subsidiary)	-	170,963.39	-	170,963.39	170,963.39
Loan	-	-	126.00	126.00	126.00
Other financial assets	-	-	265.91	265.91	265.91
Total	**-**	**176,340.68**	**6,666.14**	**183,006.82**	**183,006.82**
Financial liabilities					
Other payables	-	-	3.51	3.51	3.51
Other financial liabilities	-	-	3.64	3.64	3.64
Total	**-**	**-**	**7.15**	**7.15**	**7.15**

The carrying value and fair value of financial instruments by categories as at 31st March, 2020 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial Assets					
Cash and cash equivalents	-	-	5.88	5.88	5.88
Bank balances other than above	-	-	1,169.85	1,169.85	1,169.85
Investments :					
Debt mutual funds	-	4,976.39	-	4,976.39	4,976.39
Bonds /debentures	-	-	3,857.50	3,857.50	3,857.50
Corporate deposits	-	-	1,000.00	1,000.00	1,000.00
Equity shares (other than investment in subsidiary)	-	149,346.58	-	149,346.58	149,346.58
Loan	-	-	126.00	126.00	126.00
Other financial assets	-	-	200.76	200.76	200.76
Total	-	**154,322.97**	**6,359.99**	**160,682.96**	**160,682.96**
Financial liabilities					
Other payables	-	-	2.89	2.89	2.89
Other financial liabilities	-	-	3.85	3.85	3.85
Total	-	-	**6.74**	**6.74**	**6.74**

Fair value estimation

For financial instruments measured at fair value in the balance sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

For financial assets which are carried at fair value, the classification of fair value calculations by category is summarised below:

(₹ in lakh)

Particulars	Carrying Value	Fair Values					
		measured through Profit and Loss (FVTPL)			measured through OCI (FVTOCI)		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
As at 31st March, 2021							
Financial assets							
Debt mutual funds	**5,377.29**	-	-	-	**5,377.29**	-	-
Equity shares (other than investment in subsidiary)	**170,963.39**	-	-	-	**36,419.37**	-	**134,544.02**
	176,340.68	-	-	-	**41,796.66**	-	**134,544.02**
As at 31st March, 2020							
Financial assets							
Debt mutual funds	4,976.39	-	-	-	4,976.39	-	-
Equity shares (other than investment in subsidiary)	149,346.58	-	-	-	21,017.97	-	128,328.61
	154,322.97	-	-	-	25,994.36	-	128,328.61

There are no changes in classification and no movements between the fair value hierarchy classifications of financial assets during the years.

33 CAPITAL MANAGEMENT

a) Objective, policies and processes of capital management

The Company is cash surplus and capital structure of the company consists of equity capital only i.e. paid up equity share capital and retained earnings and other accumulated reserves disclosed in the statement of changes in equity. The company does not have any borrowings.

Investment objective while manging Fund of the company is to provide safety and to generate steady return from low risk investment avenues. The surplus fund of the company is being invested in income generating debt instruments i.e. bonds, corporate deposits & debt based mutual funds and in equity shares.

The Company's objectives when managing capital are to :

(i) maximize the shareholder value with Low risk, and

(ii) safeguard their ability to continue as a going concern, so that they can continue to provide returns and growth to shareholders and benefits for other stakeholders.

No changes are made in the objectives, policies and process of capital management during the reported years.

(b) Dividend on equity shares

Proposed dividend not recognised at the end of reporting year (₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Proposed dividend for the year ended 31st March, 2021 of ₹ 0.60 per equity share (₹ 0.60 per equity share for year ended 31st March, 2020)	**19.20**	19.20

Proposed dividend on equity shares, which are subject to approval at the annual general meeting are not recognised as a liability in the financial statements of the year in which it is proposed.

During current financial year ended on 31st March, 2021, the Proposed dividend for the year ended 31st March, 2020 has been paid after its approval at annual general meeting. Dividend paid to equity shareholders has been recognised directly in retained earnings (equity).

34 FINANCIAL RISK MANAGEMENT :

The Company is not carrying any business operations, however income has been generated from investments of its surplus funds being investment in debt securities, equity instruments and bank deposits. The company's financial assets are investment in debt securities (bonds, debentures, corporate deposits, debt based mutual funds, etc.) Cash and cash equivalents, bank deposits other than cash and cash equivalents, loan and other receivables & financial liabilities are trade/other payables and other financial liabilities.

The Company's activities expose to financial risk i.e. liquidity risk, market risk, credit risk etc. The Board of Directors provide guiding principles for overall risk management, as well as principle for investment of available funds including reveiw of such policies for managing each of applicable type of financial risks, which are summarised as below :

(a) Liquidity risk

The Company's principal source of liquidity are "cash and cash equivalents" and cash in flow that are generated from income from investments. liquidity risk is defined as a risk that the company will not be able to settle or meet its obligations on time.

Liquidity risk management implies maintenance of sufficient cash to meet the obligations as and when due. The company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. The company has invested is surplus fund also in fixed income securities /instruments of similer profile thereby ensuring availability of liquidity as and when required. Anticipated future cash flows are expected to be sufficient to meet the liquidity requirements of the company and accordingly, no liquidity risk is perceived.

The following is the contractual maturities of the financial liabilities (₹ in lakh)

Particualrs	Carrying amount (At amortised cost)	1-12 months	More than 12 months
Non-derivative liabilities			
As at March 31, 2021			
Other payables	3.51	3.51	-
Other financial liabilities	3.64	3.64	-
Total	**7.15**	**3.51**	**-**
As at March 31, 2020			
Other payables	2.89	2.89	-
Other financial liabilities	3.85	3.85	-
Total	**6.74**	**6.74**	**-**

(b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk generally comprises three types of risk: Interest rate risk, Currency risk and Price risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including quoted investments, deposits, foreign currency receivables, payables and loans and borrowings.

(i) Foreign currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has neither payables & receivables in foreign currency, not holding Foreign Assets and also not entererd into transactions in the foreign currency during the year under report, therefore the company activities are not exposed to foreign exchange risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The interest rate risk exposure is mainly from changes in fixed and floating interest rates. The company interest rate risk from investments is in debt securities (bonds, debentures, corporate deposits etc.). In order to optimise the company's position with regard to interest income, the management manages the interest rate risk by diversifying its debt investments portfolio accross tenures.

(iii) Price risk

Price risk arises due to volatility in the market prices of financial intruments for which market prices are available (i.e. quoted price for quoted equity shares and declared NAV/ quoted NAV for debt based MF). The company is exposed to price risk arising mainly from investment measured at fair value through OCI (FVTOCI) being equity shares (quoted) and debt based mutual funds. The company's exposure to debt based mutual funds falls in very low risk category due to investments are in high rated schemes. To optimise price risk, policy of diversifcation has been followed in case company's debt based MF portfolio. As regards the company's investment in unquoted equity shares, which are long term in nature and fair valuation of these investments are largely depend on performance of these company and hence the price risk emanating from shortfall in performance has been reviewed closely.

(c) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counter-party fails to meet its contractual obligations. The company is not carrying any business activities and thus has no transactions with customers. In case of the company's investment portfolio, credit risk may arise from bank balances (including fixed deposits) and investment in debt securities like bonds, debentures, corporate deposits and debt based mutual funds.

To manage credit risk on these financial assets, the company has an investment policy which allows the company to invest only in high rated schemes/ papers/ bonds /NCD /corporate deposits etc. considering the safety of investment first along with lower risk and reasonable returns. The company tracks credit worthiness of couterparty and closely reveiws the rating of investments and takes immediate suitable remedial actions as far as possible.

35 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below set out analysis of the carrying amount of assets and liabilities according to when they are expected to be realised or settled.

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Within 12 months	**After 12 months**	**Total**	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	**1.94**	**-**	**1.94**	5.88	-	5.88
Bank balances other than above	**1,248.28**	**-**	**1,248.28**	1,169.85	-	1,169.85
Investments	**316.53**	**181,073.16**	**181,389.69**	-	159,205.47	159,205.47
Loan to subsidiary	**126.00**	**-**	**126.00**	126.00	-	126.00
Other financial assets	**106.78**	**159.13**	**265.91**	126.02	74.74	200.76
Non financial assets						
Current tax assets (net)	**35.81**	**-**	**35.81**	28.62	-	28.62
Deferred tax assets (net)	**-**	**1.97**	**1.97**	-	1.87	1.87
Property, plant and equipments	**-**	**0.49**	**0.49**	-	0.34	0.34
Other non -financial assets	**0.51**	**-**	**0.51**	0.22	-	0.22
TOTAL ASSETS	**1,835.85**	**181,234.75**	**183,070.60**	1,456.59	159,282.42	160,739.01
LIABILITIES						
Financial liabilities						
Payables						
Dues of micro and small enterprises	**-**	**-**	**-**	-	-	-
Dues of other creditors	**3.51**	**-**	**3.51**	2.89	-	2.89
Other financial liabilities	**3.64**	**-**	**3.64**	3.85	-	3.85
Non- financial liabilities						
Provisions	**0.16**	**6.82**	**6.98**	0.15	6.44	6.59
Deferred tax liabilities	**-**	**38,267.43**	**38,267.43**	-	33,365.06	33,365.06
Other non-financial liabilities	**7.56**	**-**	**7.56**	3.68	-	3.68
TOTAL LIABILITIES	**14.87**	**38,274.25**	**38,289.12**	10.57	33,371.50	33,382.07
NET	**1,820.98**	**142,960.50**	**144,781.48**	1,446.02	125,910.92	127,356.94

36 PARTICULARS AS PER RBI DIRECTIONS FOR NBFC

The company has been registered with the RBI as a Non-Banking Financial Institution (non-deposit taking). In terms of provisions (asset size) of Master Direction - Non-Banking Financial Company -systemically important non-deposit taking company and deposit taking Company (Reserve Bank) Directions, 2016, as amended till date, the company is a systemically important non -deposit taking NBFC (NBFC-ND-SI).

The company does not carry on lending activities & having no customer Interface, however generating income from investment of surplus funds.

The company has been categorized as NBFC - investment and credit company (earlier as NBFC -investment company) vide RBI Circular no. DNBR (PD) CC.No.097/03.10.001/2018-19 dated february 22, 2019 issued towards harmonisation of different categories of NBFCs.

Pursuant to RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated september 1, 2016, ["Master Direction - Non-Banking Financial Company -Systemically Important Non-Deposit taking company and deposit taking Company (Reserve Bank) Directions, 2016" as amended till date], the disclosures required to be given in the annual financial statements of NBFC-ND-SI, are hereby given below to the extent applicable on the company :

(I). Capital to risk asset ratio (CRAR)

S.No.	Particulars	As at March 31, 2021	As at March 31, 2020
a	CRAR (%) #	**151.81%**	152.52%
b	CRAR - tier I capital (%) #	**151.81%**	152.52%
c	CRAR - tier II capital (%)	**-**	-
d	Amount of subordinated debt raised as tier-II capital (₹ in lakh)	**-**	-
e	Amount raised by issue of perpetual debt instruments(₹ In lakh)	**-**	-

The above disclosures has been made in accordance with RBI circular no. RBI/2019-20/170/DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated March 13, 2020 & accordingly in terms of said circular, while calculating tier capital/net owned fund & risk weigthed assets to arrive CRAR, unrealised gains arising on fair valuation of financial instruments(as investments) have been excluded/ not been considered.

(II). Investments

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	**Value of investments**		
(i)	**Gross value of investment**		
(a)	In India	**181,389.69**	159,205.47
(b)	Outside India	**-**	-
(ii)	**Provision for diminution**		
(a)	In India	**-**	-
(b)	Outside India	**-**	-
(iii)	**Net value of investments**		
(a)	In India	**181,389.69**	159,205.47
(b)	Outside India	**-**	-
(2)	**Movement of provisions on investments**		
(i)	Opening balance	**-**	-
(ii)	Add: provisions made during the year	**-**	-
(iii)	Less: qrite Off/ write back of excess provisions during the year	**-**	-
(iv)	Closing balance	**-**	-

(III). Provisions and contingencies

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Break up of 'Provisions and Contingencies' shown under the head expenses in the statement of profit and loss account		
(i)	Provision on diminution in value of investments	**-**	-
(ii)	Provision towards NPA	**-**	-
(iii)	Provision made towards income tax	**63.77**	161.56
(iv)	Other provision and contingencies	**-**	-
(v)	Provision on standard assets	**-**	-

(IV). Exposure

(A) Exposure to real estate sector

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	**Direct exposure**		
(a)	**Residential mortgages** (Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented)	-	-
(b)	**Commercial real estate** (Lending secured by mortgages on commercial real estates)	-	-
(c)	**Investments in mortgage backed securities (MBS) and other securitised exposures -**		
(i)	Residential	-	-
(ii)	Commercial real estate	-	-
2	**Indirect exposure** **(Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)].**		
(i)	Investment in secured, non-convertible debentures of TATA Capital Housing Finance Ltd	**190.00**	190.00
(ii)	Investment in corporate deposit with Housing Development Finance Corporation Limited	**1,000.00**	1,000.00
	Total	**1,190.00**	**1,190.00**

(B) Exposure to capital market

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	**42,358.98**	21,254.91
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
(vii)	Bridge loans to companies against expected equity flows / issues	-	-
(viii)	All exposures to venture capital funds (both registered and unregistered)	-	-
	Total exposure to capital market	**42,358.98**	21,254.91

(V). Asset liability management -maturity pattern of certain items of assets and liabilities

Pursuant to definition of "Type I - NBFC-ND" provided vide RBI Press Release : 2015-2016/2935 dated June 17,2016, the company falls under defintion of "Type -1 NBFC -ND", since company has not accepting public funds and not having customer interface.

"Guidelines on liquidity risk management framework" enumerated under para 15 A of Master Direction - Non-Banking Financial Company -Systemically Important non-deposit taking company and deposit taking Company (Reserve Bank) Directions, 2016", is not applicable on the company, being a type 1 NBFC-ND'.

In veiw of above, maturity pattern of certain items of assets and liabilities in various time buckets has not been furnished.

(VI). Miscellaneous disclosures

S.No.	Particulars	Disclosures
1	Registration obtained from other financial sector regulators	Apart from RBI, the company being a listed company is also governed by MCA and SEBI.
2	Disclosure of penalties imposed by RBI and other regulators	During previous year ended 31st March, 2021, no penalty was imposed by RBI or other regulators.
3	Related party transactions	Refer note no. 27 for detail of related party transactions.
4	Overseas assets (for those with joint ventures and subsidiaries abroad) and off-balance sheet SPVs sponsored	Nil
5	**Others $:**	
(i)	Disclosure related to derivatives	Nil
(ii)	Disclosure related to securitisations	Nil
(iii)	Ratings assigned by credit rating agencies and migration of ratings during the year	Nil
(iv)	Details of single borrower limit (SGL) / group borrower limit (GBL) exceeded by the NBFC	Nil
(v)	Details of financing of parent company products	Nil
(vi)	Concentration of deposits, advances, exposures and NPAs	Nil
(vii)	Disclosure of customer complaints	Nil

$ The company is a non deposit taking NBFC (NBFC -ND-SI) and it does not carry out lending activities/securitisation activities and having no customer interface, thus being disclosed as "Nil" .

(VII) Schedule to the balance sheet of a systemically important non-deposit taking non-banking financial company

[As required in terms of paragraph 19 of non-banking financial company- systemically important non-deposit taking company and deposit taking Company (Reserve Bank) Directions, 2016) issued vide RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016, as amended]

	Particulars	As on March 31, 2021	
		Amount outstanding (₹ in lakh)	Amount overdue (₹ in lakh)
	Liabilities side :		
1	**Loans and advances availed by the non -banking financial company inclusive of interest accrued thereon but not paid:**		
	(a) Debentures : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(Other than falling within the meaning of public deposits)		
	(b) Deferred credits	NIL	NIL
	(c) Term loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial paper	NIL	NIL
	(f) Public deposits	NIL	NIL
	(g) Other loans (specify nature)	NIL	NIL
2	**Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid:**		
	(a) In the form of unsecured debentures	NIL	NIL
	(b) In the form of partly secured debentures	NIL	NIL
	(c) Other public deposits	NIL	NIL
	Assets side :	**Amount outstanding**	
3	**Break-up of loans and advances including bills receivables [other than those included in (4) below] :**	126.00	
	a) Secured	NIL	
	b) Unsecured	126.00	
4	**Break up of leased assets and stock on hire and other assets counting towards asset financing activities**		
	(i) Lease assets including lease rentals under sundry debtors:	NIL	
	(a) Financial lease	NIL	
	(b) Operating lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors:	NIL	
	(a) Assets on hire	NIL	
	(b) Repossessed assets	NIL	
	(iii) Other loans counting towards asset financing activities	NIL	
	(a) Loans where assets have been repossessed	NIL	
	(b) Loans other than (a) above	NIL	
5	**Break-up of investments :**		
	Current investments :		
	1. Quoted:		
	(i) Shares : (a) Equity	NIL	
	(b) Preference	NIL	
	(ii) Debentures and bonds	139.53	
	(iii) Units of mutual funds	NIL	
	(iv) Government securities	NIL	
	(v) Others (please specify)	NIL	
	2. Unquoted		
	(i) Shares : (a) Equity	NIL	
	(b) Preference	NIL	
	(ii) Debentures and bonds	NIL	
	(iii) Units of mutual funds	NIL	
	(iv) Government securities	NIL	
	(v) Others (corporate fixed deposits)	177.00	

	Assets side :	Amount outstanding
	Long term investments :	
	1. Quoted:	
	(i) Shares : (a) Equity	**42,358.98**
	(b) Preference	NIL
	(ii) Debentures and bonds	**3,707.48**
	(iii) Units of mutual funds	**815.67**
	(iv) Government securities	NIL
	(v) Others (please specify)	NIL
	2. Unquoted	
	(i) Shares : (a) Equity	**128,629.41**
	(b) Preference	NIL
	(ii) Debentures and bonds	NIL
	(iii) Units of mutual funds	**4,561.62**
	(iv) Government securities	NIL
	(v) Others (please specify)	**1000.00**

6 Borrower group-wise classification of assets financed as in (3) and (4) above :

Category	Amount of net provisions		
	Secured	Unsecured	Total
1. Related parties *	NIL	NIL	NIL
(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**

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

Category	Market value/Break-up or fair value or NAV	Book value (net of provisons)
1. Related parties *		
(a) Subsidiaries	104,153.68	25.00
(b) Companies in the same group[#]	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	**181,498.93**	**181,364.69**
Total	**285,652.61**	**181,389.69**

8. Other information

Particulars	Amount
I Gross non-performing assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
II Net non-performing assets	
(a) Related parties	NIL
(b) Other than related parties	NIL
III Assets acquired in satisfaction of debt	NIL

The break up value of investments in unlisted companies having negative net worth has been taken at Nil above.

*** Company in the same group has been disclosed on the same line as disclosed in previous years.**

37 The Company is not engaged in any business operations, except generating income from Investment of surplus funds in low risk instruments. While the company has been registered as a NBFC by virtue of the applicable RBI NBFC Guidelines/Regulations on a company, it does not carry on investment activities as a business operation. The income earned by company from investment of surplus funds has been classified and disclosed under "other income" and this classification/disclosure has been consistently followed by the company. Other income comprises mainly income in the nature of (i) Dividend income, (ii) Interest on Bonds, NCDs and Corporate deposits etc., (iii) Realised gain on sale of debt instruments / debt mutual funds(other than equity instruments) and (iv) Interest on bank deposits.

38 There is no effect of Covid -19 pandemic on the result/ performance of the company.

39 RECENT ACCOUNTING STANDARDS

(I) Keeping in view of the current business environment caused by the pandemic (Covid -19), which has consequential impact on financial statements and reporting, on 24th July, 2020 the Ministry of Corporate Affair (MCA) vide Notifcation dated 24th July, 2020 has issued amendments to various existing Indian Accounting Standards (IND -AS). These amendements to the existing IND AS are given below, which are effective from the date of publication of notification.

Amendment to Ind AS 1 : presentation of financial statements and Ind AS 8 : accounting policies, changes in accounting estimates and errors

The amendments to Ind AS -1 provide change /modifciation in definition of "Material". Consequential amendments have also been made in the Ind AS 8.

Amendment to Ind AS 10 : events after the reporting period

The amendments provide additional disclosures in case of material non – adjusting events. Consequential to the amendments, the disclosures to be provided (a) the nature of the event; and (b) an estimate of its financial effect, or a statement that such an estimate cannot be made.

The company has duly disclosed / incorporated effects of the above amendments.

In case of the following amendments to the IND AS, there is no any impact on the company.

Amendment to Ind AS 34 interim financial reporting

Consequential amendments made to incorporate amended definition of the term material as per Ind AS-1 and Ind AS -8.

Amendment to Ind AS 37 provisions, contingent liabilities and contingent assets

Consequential amendments made to incorporate additional "disclosure of material non -adjusting events as per IND AS -10 in relation to accounting/disclosure of restructuring plans.

Accordingly, if an entity starts to implement a restructuring plan, or announces its main features to those affected, only after the reporting period, disclosure is required under Ind AS 10 Events after the reporting period, if the restructuring is material and non-disclosure could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

Amendment to Ind AS 103 : business combinations

The amendments define the term of "Business" in more detail, provided an optional test to identify concentration of fair value, matters of elements of business and an assessment whether an acquired process is substantive.

Amendment to Ind AS 107 : financial instruments - disclosures

The amendments provide disclosures for uncertainty arising from interest rate benchmark reform.

Amendment to Ind AS 109 : financial instruments

The amendments provide temporary exceptions from applying specific hedge accounting requirements.

Amendment to 116 : leases

The amendments provide a clarification on accounting of rent concessions, whether to treat as a lease modifications or not.

II. New material accounting pronouncements, which are not yet effective

Ministry of Corporate affairs (MCA) notifies new standards or amendment to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.

40 Previous year figures have been re-grouped/re-casted wherever considered necessary to conform to this year's classification.

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN 20087786AAAAAY3673

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
PNB FINANCE AND INDUSTRIES LIMITED

Report on the audit of consolidated financial statements for the year ended 31st March, 2021

Opinion

We have audited the consolidated financial statements of **PNB Finance and Industries Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') which comprise the Balance Sheet as at March 31, 2021, the statement of profit and loss including other comprehensive income) and the statement (of cash flows for the year then ended and notes to financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2021, and its Profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated 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 consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

Management's Responsibility for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.
- Materiality is the magnitude of misstatement in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the consolidated financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that :

A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements;

B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of

preparation of the consolidated financial statements;

D. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

E. On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

F. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiaries, and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

G. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :

i) The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements;

ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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 subsidiaries.

For A W A T A R & C O.
Chartered Accountants
Firm Registration No. 000726N

Brijendra Agrawal
Partner
Membership No. : 087787
UDIN : 21087787AAAABC7807

Place : New Delhi
Date : 24th June, 2021

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PNB FINANCE AND INDUSTRIES LIMITED

(Referred to in paragraph (f) under 'Report on other Legal and Regulatory Requirements' of our report of even date)

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 PNB FINANCE AND INDUSTRIES LIMITED (the "Holding Company") & its subsidiaries (the holding company and its subsidiaries together referred to as "the Group") as at and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiaries covered under the Act, as at that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Holding Company's and its subsidiaries 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 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 Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 were 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 includes 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 Holding Company and its subsidiaries internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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, 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 Holding Company and its subsidiaries, 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 Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India"

For A W A T A R & C O.
Chartered Accountants
Firm Registration No. 000726N

Brijendra Agrawal
Partner
Membership No. : 087787
UDIN : 21087787AAAABC7807

Place : New Delhi
Date : 24th June, 2021

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

PARTICULARS	Note no.	As at 31.03.2021 (₹ in lakh)	As at 31.03.2020 (₹ in lakh)
ASSETS			
Financial assets			
Cash and cash equivalents	2 (I)	**3.32**	6.56
Bank balances other than above	2 (II)	**1,248.28**	1,169.85
Investments	3	**313,659.38**	297,194.99
Other financial assets	4	**458.40**	305.46
Non financial assets			
Current tax assets (net)	5	**40.64**	34.09
Deferred tax assets (net)	6	**2.05**	1.87
Property, plant and equipments	7	**0.49**	0.34
Other non -financial assets	8	**0.56**	0.25
Total		**315,413.12**	298,713.41
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Payables			
Other payables	9		
Total outstanding dues of micro and small enterprises		**-**	-
Total outstanding dues of creditor other than micro and small enterprises		**3.81**	3.07
Other financial liabilities	10	**3.64**	3.85
Non- financial liabilities			
Current tax liabilities (net)	11	**1.93**	-
Provisions	12	**7.29**	6.76
Deferred tax liabilities	13	**66,478.56**	63,051.35
Other non-financial liabilities	14	**7.73**	3.90
Equity			
Equity share capital	15	**320.00**	320.00
Other equity	16	**248,590.16**	235,324.48
Total		**315,413.12**	298,713.41
Significant accounting policies & notes to financial statements	1 to 35		

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

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN: 21087787AAAABC7807

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

PARTICULARS	Note no.	For the year ended 31.03.2021 (₹ in lakh)	For the year ended 31.03.2020 (₹ in lakh)
INCOME			
Other income			
Interest income	17	706.43	574.06
Dividend income from equity instruments		-	243.83
Net gain on fair value changes	18	6.42	833.75
Others	19	0.03	0.05
Total		712.88	1,651.69
EXPENSES			
Employee benefits expense	20	40.78	41.27
Depreciation and amortization expense	21	0.16	0.38
Other expenses	22	96.49	79.65
Total		137.43	121.30
Profit before tax		575.45	1,530.39
Tax expense :			
Current tax		97.55	215.37
Deferred tax charge/(-)credit		(0.27)	0.07
Reversal of deferred tax liability of earlier year		(0.24)	-
Earlier year tax provision (net)		(0.60)	0.01
Total tax expenses		96.44	215.45
Profit after tax for the year (A)		479.01	1,314.94
Profit for the year attributable to :			
Owners of the company		479.01	1,314.94
Non-controlling interest		-	-
Other comprehensive income (OCI)			
(I) Items that will be reclassified to the profit or loss			
Fair value changes in debt instruments through OCI		560.99	662.53
Less: reclassified to profit or loss from OCI on sale		(6.42)	(833.75)
Less: income tax effect on above		(123.37)	38.16
(I)		431.20	(133.06)
(II) Items that will not be reclassified to the profit or loss			
Fair value changes in equity instruments through OCI		15,678.50	(74.27)
Less: income tax effect on above		(3,304.08)	163.62
Remeasurement of the defined benefit plans		0.31	0.81
Less: income tax effect on above		(0.09)	(0.23)
(II)		12,374.64	89.93
Total other comprehensive income, net of tax (B= I+II)		12,805.84	(43.13)
Other comprehensive income for the year attributable to :			
Owners of the company			(43.13)
Non-controlling interest		-	-
Total comprehensive income for the year (A+B)		13,284.85	1,271.81
Total comprehensive income for the year attributable to :			
Owners of the company		13,284.85	1,271.81
Non-controlling interest		-	-
Earnings per equity share	23		
(Face value of ₹10/- each)			
Basic earnings per share (in ₹)		14.97	41.09
Diluted earnings per share (in ₹)		14.97	41.09
Significant accounting policies and notes on financial statements	1 to 35		

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

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN: 21087787AAAABC7807

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	PARTICULARS	For the year ended 31.03.2021 (₹ in lakh)	For the year ended 31.03.2020 (₹ in lakh)
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**575.45**	1,530.39
	Adjustment for:		
	Dividend income	**-**	(243.83)
	(Gain)/loss on sale of investments (realised)	**(6.42)**	(833.75)
	Interest on investments in bonds, debentures & deposit	**(648.17)**	(518.82)
	Premium (net of discount) on bonds amortised	**9.30**	7.82
	Interest on fixed deposits with bank	**(67.56)**	(63.05)
	Non - cash items :		
	Provision for leave encashment and gratuity (net)	**0.84**	0.66
	Depreciation	**0.16**	0.38
	Amount written off	**0.04**	-
	Rounding off adjustment	**0.01**	-
	Operating profit before working capital changes	**(136.35)**	(120.20)
	Adjustments for changes in working capital:		
	(Increase)/ decrease in other non-financial assets	**(0.31)**	(0.03)
	Increase/(decrease) in other payables	**0.74**	1.56
	Increase/(decrease) in other non-financial liabilities	**3.83**	3.05
	Cash generated from /(used in) operations	**(132.09)**	(115.62)
	Income tax paid (net of refund)	**(101.56)**	(224.83)
	Net cash from/ (used in) operating activities.....A	**(233.65)**	(340.45)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payment for purchase of property, plant and equipment	**(0.30)**	-
	Dividend received	**-**	243.83
	Interest received (includes TDS) on deposits, bonds and FDR	**562.75**	379.67
	Investments in bonds and deposits (includes accrued intt.)	**(177.00)**	(6,230.86)
	Investments in shares	**-**	(149.08)
	Maturity of fixed deposits	**1,166.00**	-
	Fixed deposits with bank made	**(1,244.64)**	(1,166.00)
	Purchase of investments in mutual funds	**(423.50)**	(5,780.97)
	Proceeds from sale/redemption of mutual funds and others	**366.30**	13,064.04
	Net cash from/used in investing activities ..... B	**249.61**	360.63

PARTICULARS	For the year ended 31.03.2021 (₹ in lakh)	For the year ended 31.03.2020 (₹ in lakh)
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	**(19.20)**	(19.20)
Dividend distribution tax paid	**-**	(3.95)
Net cash from/used in financing activities C	**(19.20)**	(23.15)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(3.24)**	(2.97)
Cash and cash equivalents at the beginning of the year	**6.56**	9.53
Total cash and cash equivalents at the end of the year	**3.32**	6.56
Components of cash and cash equivalents:		
Balances with bank in current accounts	**3.24**	6.44
Cash on hand	**0.08**	0.12
Total	**3.32**	6.56

Note : (i) The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS-7) "statement of cash flow".

(ii) Previous year figures have been regrouped/ rearranged wherever considered necessary.

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN: 21087787AAAABC7807

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

A. Equity Share Capital

(₹ in lakh)

Particulars	Balance as at 31st March 2019	Issued during the year	Balance as at 31st March 2020	Issued during the year	Balance as at 31st March 2021
Equity shares	320.00	-	320.00	-	320.00
	320.00	-	320.00	-	**320.00**

B. Other Equity

(₹ in lakh)

Particulars	Reserves and surplus					Accumulated balance of other comprehensive income ('OCI')		Total other equity
	Securities premium	General reserve	Special resrve U/s 45-IC of RBI Act,1934	Retained earnings (surplus)	Others [remeasurement of defined benefit plan]	Debt instruments through OCI	Equity instruments through OCI	
Balance as at 31st March, 2019	103.91	2,778.08	1,922.05	8,249.73	0.03	937.76	220,084.26	234,075.82
Changes during the year ended 31st March, 2020 :								
Add : profit/(-) loss for the year	-	-	-	1,314.94	-	-	-	1,314.94
Add : other comprehensive income for the year :								
Fair value changes of financial instruments through OCI (net of reclassification)	-	-	-	-	-	(171.22)	(74.27)	(245.49)
Income tax on above	-	-	-	-	-	38.16	163.62	201.78
Remeasurement of defined benefit plans (net of tax) through OCI	-	-	-	-	0.58	-	-	0.58
Less : dividend paid	-	-	-	(19.20)	-	-	-	(19.20)
Less : dividend distribution tax paid	-	-	-	(3.95)	-	-	-	(3.95)
Less : transfer to general reserve	-	73.71	-	(73.71)	-	-	-	-
Less : transfer to special reserve	-	-	205.10	(205.10)	-	-	-	-
Balance as at 31st March, 2020	103.91	2,851.79	2,127.15	9,262.71	0.61	804.70	220,173.61	235,324.48
Changes during the year ended 31st March, 2021 :								
Add : profit/(-) loss for the year	**-**	**-**	**-**	**479.01**	**-**	**-**	**-**	**479.01**
Add : other comprehensive income for the year :								
Fair value changes of financial instruments through OCI (net of reclassification)	**-**	**-**	**-**	**-**	**-**	**554.57**	**15,678.50**	**16,233.07**
Income tax on above	**-**	**-**	**-**	**-**	**-**	**(123.37)**	**(3,304.08)**	**(3,427.45)**
Remeasurement of defined benefit plan (net of tax)	**-**	**-**	**-**	**0.22**	**-**	**-**	**-**	**0.22**
Add : remeasurement balances transferred	**-**	**-**	**-**	**0.61**	**(0.61)**	**-**	**-**	**-**
Less : dividend paid	**-**	**-**	**-**	**(19.20)**	**-**	**-**	**-**	**(19.20)**
Less : transfer to general reserve	**-**	**53.99**	**-**	**(53.99)**	**-**	**-**	**-**	**-**
Less : transfer to special reserve	**-**	**-**	**59.74**	**(59.74)**	**-**	**-**	**-**	**-**
Rounding off adjustments	**-**	**(0.01)**	**-**	**0.04**	**-**	**-**	**-**	**0.03**
Balance as at 31st March 2021	**103.91**	**2,905.77**	**2,186.89**	**9,609.66**	**-**	**1,235.90**	**232,548.03**	**248,590.16**

As per our report of even date attached
For Awatar & Co.
Chartered Accountants
Firm Regn. No. 000726N

for and on behalf of the Board of Directors

Brijendra Agrawal
Partner
Membership No. 087787
UDIN: 21087787AAAABC7807

Govind Swarup
Director
DIN: 00003145

Rakesh Dhamani
Director
DIN: 07065199

Place: New Delhi
Date: June 24, 2021

Shweta Saxena
Director & Company Secretary
DIN: 03120958/M.No: A18585

Viveka Nand Jha
Chief Financial Officer
PAN - AEXPJ2176H

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

Corporate Overview

PNB Finance and Industries Limited ('the company') is a public limited company domiciled and incorporated in India under the provisions of Indian Companies Act.

The Company's registered office is at I[st] Floor, Express Building, 9-10, Bahadur Shah Zafar Marg, New Delhi-110 002, India.

The shares of the company is listed with The Calcutta Stock Exchange Ltd. The Company is an NBFC Company, registered with RBI as NBFC Company as non –deposit taking company in 1998.

Presently, the Company is not engaged in any business operations, except investment in surplus funds in low risk instruments and earning income therefrom.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements comprise of financial statements of PNB Finance and Industries Limited ('the company"/ "the parent company") and its wholly owned subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 31[st] March, 2021.

The Consolidated financial statements include financial statements of the subsidiaries of PNB Finance and Industries Limited ('the company') consolidated in accordance with Indian Accounting Standards 110 'consolidated financial statements'.

The Subsidiaries which are considered and included in the consolidation along with company's holdings are given below :

S. No.	Name of the Company	Ownership in % either directly or through subsidiary at the end of the year	
		2020-21	2019-20
1	Subsidiary (Indian) Punjab Mercantile And Traders Ltd.	**100%**	100%
2	Esoterica Services Ltd (Earlier Jacaranda Corporate Services Ltd.)	**100%**	100%

1.1 Basis of Preparation:

The consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and disclosures are made in accordance with the requirement of Division III of Schedule III of the Companies Act, 2013 (the Act) and other relevant provisions of the Act to the extent applicable.

The consolidated financial statements have been prepared on a historical cost basis, except for the certain financial assets and financial liabilities that are measured and carried at fair value.

The consolidated financial statements are presented in Indian Rupees (INR), which is the company's functional currency.

All amounts have been rounded-off to the nearest lakhs (up to two decimal point), as per the requirements of schedule III, unless otherwise stated.

The financial statements are authorised for issue by the Board of Directors on June 24, 2021.

1.2 Basis of Consolidation

(i) The consolidated financial statements incorporate the financial statements of the parent company and its subsidiaries. The parent company together with its subsidiaries constitute the Group. For this purpose, an entity which is, directly or indirectly, controlled by the parent company is treated as subsidiary.

Control is achieved when the group directly or indirectly:

- has power over the investee ;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

(ii) The consolidated financial statements of the group combine financial statements of parent company and its subsidiaries line by line basis by adding together the like items of assets, liabilities, income and expenses.

(iii) All intragroup assets and liabilities, equity, income, expenses, unrealised profits/losses and cash flows relating to transactions between the entities of the group are eliminated on consolidation.

(iv) The financial statements of all the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent company.

(v) The consolidated financial statements are prepared using uniform accounting policies as the company's standalone financial statements, however where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the group's accounting policies.

(vi) Profit or loss, other comprehensive income and total comprehensive income of the subsidiaries are attributed to the owners of the parent company and to the non-controlling interests (NCI) in their respective holdings and have been shown separately in the consolidated financial statements.

Non-controlling interest represents that part of the profit or loss, other comprehensive income and total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the parent company.

The subsidiaries considered in the consolidated financial statements are wholly owned by parent company, thus profit or loss, other comprehensive income and total comprehensive income of these subsidiaries are wholly attributed to the owners of the parent company in the financial statements.

(vii) Investments other than investment in subsidiaries have been accounted for as per Indian Accounting Standard (Ind AS) 109 "financial instruments".

1.3 Other Significant Accounting Policies

Other significant accounting policies followed by the group are exactly similar to the significant accounting policies of the parent company i.e. PNB Finance and Industries Limited; and hence have not been reproduced here.

Refer note 1 [from note 1.2 to 1.13] of the standalone financial statements of PNB Finance and Industries Limited for the year ended 31st March, 2021 for details with respect to other significant accounting policies.

These significant accounting policies have been consistently applied to all the years presented, unless otherwise stated.

2 CASH AND CASH EQUIVALENTS

(₹ in lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
2 (I) : Cash and cash equivalents		
Balances with Bank :		
In current account with HDFC Bank	**3.24**	6.44
Cash on hand	**0.08**	0.12
Sub total-I	**s 3.32**	6.56
2 (II) : Bank balance other than above (I)		
Fixed deposits with HDFC Bank #	**1,244.64**	1,166.00
Earmarked balances with HDFC Bank (in unclaimed dividend accounts)	**3.64**	3.85
Sub total-II	**1,248.28**	1,169.85
Total (I+II)	**1,251.60**	1,176.41

During the previous year, the company had provided to HDFC Bank its fixed deposit as margin in connection with "bank guarantee for a sum of ₹ 150 lakh in favour of The National Stock Exchange Ltd " obtained by its wholly owned subsidiary company i.e. Punjab Mercantile & Traders Ltd. The vailidity of bank guarantee is up to 07-08-2020 with extended claim period up to 07-08-2021.

3 INVESTMENTS

Particulars	Face Value Per Share/Bond /Unit (In ₹)	As at 31st March, 2021		As at 31st March, 2020	
		Units/Bonds/ Shares in No.*	Value (₹ in lakh)	Units/Bonds/ Shares in No.*	Value (₹ in lakh)
(Investment In India & other than trade)					
(1) In debt mutual funds					
(a) Quoted					
(Carried at fair value through OCI (FVTOCI))					
Non current					
Kotak FMP Series 251 - 1265 Days Direct Plan Growth (Maturity -10-05-2022)	10	**5,000,000**	**627.37**	5,000,000	578.08
Nippon India Fixed Horizon Fund-XXXVII Series IV-Growth-Direct (Earlier Reliance FHF-XXXVII) (Maturity Date -05-04-2022)	10	**1,450,000**	**188.30**	1,450,000	174.86
Total [1(a)]			**815.67**		752.94
(b) Unquoted					
(Carried at Fair Value through OCI (FVTOCI))					
Non current					
Aditya Birla Sun Life Corporate Bond Fund -Direct-Growth (Earlier Aditya Birla Sun Life Short Term Fund -Dir-Growth)	10	**1,920,312**	**1,665.53**	1,920,312	1,514.82
Axis Short Term Plan- Direct - Growth	10	**264,280**	**67.13**	318,538	74.46
HDFC Ultra Short term bond fund Direct Plan Growth	10	**510,888**	**61.00**	-	-
ICICI Prudential Short Term Fund-Direct Plan-Growth	10	**563,431**	**273.94**	420,289	186.46
IDFC Bond Fund- Medium Term Plan-Direct Growth (Earlier IDFC Super Savings Income Fund - MTP)	10	**5,660,987**	**2,187.82**	5,660,987	2,030.22
IDFC Corporate Bond Fund -Direct Plan -Growth	10	**207,168**	**31.63**	207,168	28.93
IDFC Bond Fund - Short Term Plan - Direct -Growth (Amount invested on 31-03-2020, however (1,67,257.96 Units @ 43.3457 per unit) allotted on 03-04-2020)	10	**139,579**	**65.41**	-	72.50
IDFC Bond Fund- Short Term Plan-Direct Growth (Earlier IDFC Super Savings Income Fund - MTP)	10	**400,224**	**187.55**	519,576	225.30
IDFC Banking & PSU Debt Fund - Direct - Growth	10	**297,190**	**58.07**	297,190	53.39
Kotak Banking & PSU Debt Fund - Direct- Growth	10	**2,815,142**	**1,450.46**	2,815,142	1,341.32
L&T Short Term Bond Fund - Direct - Growth		**40,691**	**8.81**	-	-
UTI Treasury Advantage Fund- Direct Plan Growth	1,000	**15,873**	**419.85**	15,873	394.36
Total [1(b)]			**6,477.20**		5,921.76
(2) In Bonds / NCDs					
Quoted					
(Carried at Amortised Cost)					
Current					
8.60%, EXIM Bonds,Taxable Perpetual Bonds (Call Date-31-03-2022)	1,000,000	**85**	**847.12**	-	-
Non Current					
8.85%, HDFC Bank Perpetual Bonds,Taxable (Call Date-12-05-2022)	1,000,000	**40**	**401.48**	40	402.91
9.56%, State Bank of India Perpetual Bond (Call date : 04-12-2023)	1,000,000	**100**	**1,002.28**	100	1,003.27
9.45%, State Bank of India Bonds,Taxable Perpetual Bonds (Call Date-22-03-2024)	1,000,000	**199**	**2,015.21**	199	2,025.22
8.60%, EXIM Bonds,Taxable Perpetual Bonds (Call Date-31-03-2022)	1,000,000	**-**	**-**	85	843.98
8.40%, TATA Capital Financial Services Ltd, (Secured Non-Convertible Debentures, Series -III),(Call Date- 26-08-2024)	1,000	**50,000**	**500.00**	50,000	500.00
8.20%, TATA Capital Housing Finance Ltd, (Secured, Non-Convertible Debentures-Series -III), (Call Date-14-01-2025)	1,000	**38,000**	**380.00**	38,000	380.00
Total (2)			**5,146.09**		5,155.38

Particulars	Face Value Per Share/Bond /Unit (In ₹)	As at 31st March, 2021		As at 31st March, 2020	
		Units/Bonds/ Shares in No.*	Value (₹ in lakh)	Units/Bonds/ Shares in No.*	Value (₹ in lakh)
(3) In Corporate Deposits					
Unquoted					
(Carried at Amortised Cost)					
Current					
Deposit (Cumulative) with Mahindra & Mahindra Financial Services ltd (CR @ 5.70% & Maturity Date -25-03-2022 & 31-03-2022]		**-**	**177.00**	-	-
Non Current					
Deposit (Cumulative) with HDFC Ltd. (Coupon @ 8.49% & Maturity Date -09-04-2022)		**-**	**2,000.00**	-	2,000.00
Total (3)			**2,177.00**		2,000.00
(4) In Equity Shares					
(a) Quoted					
(Carried at Fair Value through OCI (FVTOCI))					
Non Current					
Fully paid up shares of :					
Camac Commercial Co. Ltd.	10	**100,975**	**17,135.57**	100,975	683.57
HDFC Bank Ltd.	1	**2,438,280**	**36,419.37**	2,438,280	21,017.97
Susmit Trading Ltd	10	**29,400**	**-**	29,400	-
Jantej Commercial Enterprises Ltd.	10	**50,000**	**-**	50,000	-
Sagar Investments Ltd.	10	**100,000**	**-**	100,000	-
The Pioneer Ltd.	10	**100**	**-**	100	-
Total [4(a)]			**53,554.94**		21,701.54
(b) Unquoted					
(Carried at Fair Value through OCI (FVTOCI))					
Non Current					
Fully paid up shares of :					
Bennett,Coleman & Co Ltd.	10	**52,297,848**	**183,472.08**	52,297,848	220,268.08
Ashoka Viniyoga Ltd	10	**59,100**	**18,330.83**	59,100	284.16
Excel Publishing House Ltd.	10	**23,500**	**29.78**	23,500	27.22
Artee Viniyoga Ltd.	10	**249,860**	**3,284.13**	249,860	148.47
Combine Holdings Ltd	10	**93,150**	**10,196.20**	93,150	10,196.20
Sahu Jain Ltd	10	**4,900**	**55.32**	4,900	56.53
Times Publishing House Ltd.	10	**24,000**	**1,162.03**	24,000	443.43
Sahu Jain Services Ltd.	10	**2,500**	**162.88**	2,500	153.42
Times Internet Ltd.##	10	**927,292**	**103.76**	927,292	118.32
Bennett Property Holdings Company Ltd.#	10	**8,716,308**	**28,691.47**	8,716,308	29,967.54
Pearl Printwell Ltd.	10	**19,800**	**-**	19,800	-
Total [4(b)]			**245,488.48**		261,663.37
Grand Total (1(a)+1(b)+2+3+4(a)+4(b))			**313,659.38**		297,194.99
Summary of Investments :					
Total Investments measured & carried :				-	
At Fair Value through OCI (FVTOCI)			**306,336.29**		290,039.61
At Amortised Cost			**7,323.09**		7,155.38
Total			**313,659.38**		297,194.99
Total Investments Current & Non-Current :					
Current (within 12 Months)			**1,024.12**		**-**
Non -Current (Long Term)			**312,635.26**		297,194.99
Total			**313,659.38**		297,194.99
Total Investments as Quoted and Unquoted :		**-**		-	
Quoted			**59,516.70**		27,609.86
Unquoted			**254,142.68**		269,585.13
Total			**313,659.38**		297,194.99

*Units are rounded off to the nearest unit.

In pursuance of scheme of arrangement entered between Bennett,Coleman & Co. Ltd.(BCCL) and Bennett Property Holdings Company Limited (BPHCL) as approved by the Bombay High Court order dated 2nd December, 2011 the company has received shares of BPHCL in proportion of 1:6.

In pursuance of scheme of amalgamation between Times Business Solutions Ltd. and Times Internet Ltd. as approved by Delhi High Court Order dated 17th October, 2014 company has received the equity shares of M/s Times Internet Ltd. In the ratio of 100:96 for the equity shares held in M/s Times Business Solutions Ltd.

Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
4 OTHER FINANCIAL ASSETS		
Interest accrued on bonds/NCDs and deposits	**417.50**	248.39
Interest accrued on bank fixed deposits	**40.58**	56.75
Deposit with custodian (CDSL) & RTA	**0.32**	0.32
Total	**458.40**	305.46
5 CURRENT TAX ASSETS (NET)		
(Unsecured, considered good)		
Advance income tax & TDS	**616.40**	549.62
Provision for income tax	**(575.76)**	(515.53)
Total	**40.64**	34.09
6 DEFERRED TAX ASSETS (NET)		
Deferred tax assets (net) on account of deductable temporary difference between tax base and carrying amount of assets/liabilities :		
On employee benefits liabilities (gratuity & leave encashment)	**2.02**	1.83
On property, plant and equipments	**0.03**	0.04
Total	**2.05**	1.87

Particulars	Tangible Assets		
	Office Equipments (Computers & Others)	Furniture & Fixture	Total
7 PROPERTY, PLANT AND EQUIPMENTS			
At cost			
Gross carrying amount			
Balance as at 31st March, 2019	4.17	-	4.17
Additions during the year	-		-
Deletion/disposals during the year	-		-
Balance as at 31st March, 2020	4.17	-	4.17
Rounding off adjustments	0.01		0.01
Additions/ adjustments during the year	-	0.30	0.30
Balance as at 31st March, 2021	**4.18**	**0.30**	**4.48**
Accumulated depreciation			
Balance as at 1st April, 2019	3.45	-	3.45
Depreciation charge during the year	0.38	-	0.38
Adjustments/deductions during the year	-	-	-
Balance as at 31st March, 2020	3.83	-	3.83
Depreciation charge during the year	0.13	0.03	0.16
Adjustments/deductions during the year	-	-	-
Balance as at 31st March, 2021	**3.96**	**0.03**	**3.99**
Net carrying amount			
As at 31st March, 2021	**0.22**	**0.27**	**0.49**
As at 31st March, 2020	0.34	-	0.34
As at 31st March, 2019	0.72	-	0.72

	Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
8	**OTHER NON-FINANCIAL ASSETS**		
	(Unsecured, considered good)		
	Prepaid expenses	**0.56**	0.25
	Total	**0.56**	0.25
9	**OTHER PAYABLES#**		
	Payable to micro and small enterprises	**-**	-
	Payable to others	**3.81**	3.07
	Total	**3.81**	3.07
10	**OTHER FINANCIAL LIABILITIES**		
	Unpaid dividends*	**3.64**	3.85
	Total	**3.64**	3.85
	*** Unencashed/unclaimed portion only**		
11	**CURRENT TAX LIABILITIES (NET)**		
	Provision for income tax	**33.77**	-
	Less : advance income tax & TDS	**(31.84)**	-
	Total	**1.93**	-
12	**PROVISIONS**		
	Provision for employee benefits		
	- for leave encashment #	**2.25**	2.21
	- for gratuity #	**5.04**	4.55
	Total	**7.29**	6.76
	# Refer note no.29 for detailed disclosures.		
13	**DEFERRED TAX LIABILITIES**		
	Deferred tax liabilities on account of deductable temporary difference between tax base and carrying amount of assets/liabilities :		
	Investment in debt instruments (measured at FVTOCI)	**353.60**	230.23
	Investment in equity instruments (measured at FVTOCI)	**66,124.96**	62,820.88
	Remeasurement of defined benefit plans	**-**	0.24
	Total	**66,478.56**	63,051.35
14	**OTHER NON-FINANCIAL LIABILITIES**		
	Others		
	TDS payable	**2.84**	1.76
	GST payable	**4.59**	1.48
	Provident fund payable	**0.18**	0.18
	Other payables	**0.12**	0.48
	Total	**7.73**	3.90

Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
15 SHARE CAPITAL		
Share capital		
Equity share capital		
Authorised share capital		
50,00,000 (P.Y. -50,00,000) equity shares of ₹ 10 each	**500.00**	500.00
	500.00	500.00
Issued share capital		
32,00,000 (P.Y. -32,00,000) shares of ₹10 each	**320.00**	320.00
Subscribed & fully paid share capital		
a) 8,01,288.5 (P.Y. - 8,01,288.5) shares of ₹10 each fully paid up. (On reduction of share capital through High Court order dated 15-11-1973)	**80.13**	80.13
b) 23,98,711.5 (P.Y.-23,98,711.5) shares of ₹10 each fully paid up (including 131 equity shares of ₹ 10 each in the form of fractional coupons)	**239.87**	239.87
Total	**320.00**	320.00

(i) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. The payment of dividend will be made in Indian rupees.

In the event of the liquidation of the company, the holders of equity shares will be entitled to remaining assets of the company, after meeting all liabilities.

(ii) Reconcilation of equity shares held at the beginning and at the end of the year

Particulars	As at 31.3.2021		As at 31.3.2020	
	No. of shares	**Amount in lakh**	No. of shares	Amount in lakh
At the beginning of the year	**3,200,000**	**320.00**	3,200,000	320.00
Movement during the year	**-**	**-**	-	-
At the end of the year	**3,200,000**	**320.00**	3,200,000	320.00

(iii) There is no change in the share capital in the period of five years immediately preceding the date as at which the balance sheet is prepared. There has been no allotment of shares pursuant to contract(s) without payment being received in cash or by way of bonus issue and no shares have been bought back in the five years immediately preceding the balance sheet date i.e. 31st March, 2021.

(iv) Details of shareholders holding more than 5 % shares in the Company

Name of the shareholder	As at 31.3.2021	As at 31.3.2020
	No.of shares	No.of shares
Artee Viniyoga Limited	**801,710**	801,710
Ashoka Viniyoga Limited	**651,660**	651,660
Camac Commercial Company Limited	**520,000**	520,000
Mr. Samir Jain	**518,827**	518,827
Mrs. Meera Jain	**273,604**	273,604
Combine Holding Limited	**161,437**	161,437

	Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
16	**OTHER EQUITY**		
	I. Reserve & Surplus		
	A. Securities premium $		
	Balance as per last financial statements	**103.91**	103.91
	Add/less : addition/(adjustment) during the year	**-**	-
	Balance at the end of the year	**103.91**	103.91
	B. General reserve $		
	Balance as per last financial statements	**2,851.79**	2,778.08
	Add/less : addition/(adjustment) during the year	**53.99**	73.71
	Rounding off adjustment	**(0.01)**	-
	Balance at the end of the year	**2,905.77**	2,851.79
	C. Special resrve U/s 45-IC of RBI Act,1934 $		
	Balance as per last financial statements	**2,127.15**	1,922.05
	Add/less : addition/(adjustment) during the year	**59.74**	205.10
	Balance at the end of the year	**2,186.89**	2,127.15
	D. Retained earnings (surplus) $		
	Balance as per last financial statements	**9,262.71**	8,249.73
	Add - profit for the year	**479.01**	1,314.94
	Item of OCI recognised directly in retained earnings		
	Add : remeasurement of the defined benefit plans (net of tax) for the year	**0.22**	-
	Add : balance of remeasurement (net) of previous year transferred	**0.61**	-
	Less:- transfer to general reserve	**(53.99)**	(73.71)
	Less:- transfer to special reserve	**(59.74)**	(205.10)
	Less:- dividend paid	**(19.20)**	(19.20)
	Less:- dividend distribution tax paid	**-**	(3.95)
	Rounding off adjustment	**0.04**	-
	Balance at the end of the year	**9,609.66**	9,262.71
	E. Other [remeasurement of defined benefit Plan]		
	Opening balance	**0.61**	0.03
	Add : remeasurement of the defined benefit plans (net of tax) for the year	**-**	0.58
	Less : balances transferred to retained earnings of previous years	**(0.61)**	-
	Closing balance at the end of the year	**-**	0.61
	Total reserve & surplus at the end of the year (I= A+B+C+D+E)	**14,806.23**	14,346.17

Particulars	As at 31.3.2021 (₹ in lakh)	As at 31.3.2020 (₹ in lakh)
II. Accumulated balance of other comprehensive income (OCI) $		
(F) Debt instruments through OCI		
Opening balance	**804.70**	937.76
Add: fair value changes in debt instruments through OCI for the year	**560.99**	662.53
Less: reclassified to profit or loss from OCI on sale	**(6.42)**	(833.75)
Less: income tax effect thereon	**(123.37)**	38.16
Closing balance at the end of the year	**1,235.90**	804.70
(G) Equity instruments through OCI		
Opening balance	**220,173.61**	220,084.26
Add : fair value changes on equity instruments through OCI for the year	**15,678.50**	(74.27)
Less: income tax effect on above	**(3,304.08)**	163.62
Closing balance at the end of the year	**232,548.03**	**220,173.61**
Total accumulated balance of OCI at the end of the year (II= F+G)	**233,783.93**	**220,978.31**
Total other equity (I +II)	**248,590.16**	**235,324.48**

$ Nature and purpose of reserve

Nature and purpose of each reserve has been disclosed as part of the qualitative disclosure :

Securities premium

It is created in earlier year, by amount of premium received upon issuance of equity shares. This can be utilised in accordance with provisions of the Companies Act, 2013

General reserve

The company continues to transfer certain percentage of profits to general reserve before declaring dividends. This can be utilised in accordance with provisions of the Companies Act, 2013.

Special resrve U/s 45-IC of RBI Act,1934

The company, being an NBFC company, is created a special reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the statement of profit and loss.

As prescribed by Section 45 IC of the Reserve Bank of India Act, 1934, No appropriation of any sums from the reserve fund shall be made by company except for the purpose as may be specified by RBI from time to time.

Retained earnings (surplus)

It is created out of accretion of profits or loss and represents the amount of accumulated earnings of the company. It also includes effect of remeasurement of defined benefit oblignations. This reserve can be utilised in accordance with provisions of the Companies Act, 2013.

Accumulated balance of other comprehensive income (OCI)- debt instruments

This reserve represents the cumulative unrealised gains (net of loss) on fair valuation of debt instruments(including debt mutual funds) measured at fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to profit or loss, when those instruments are disposed off.

Accumulated balance of other comprehensive income (OCI)- equity instruments

This reserve represents the cumulative unrealised gains (net of loss) on fair valuation of equity instruments measured at

fair value through other comprehensive income (FVTOCI), net of amount reclassified, if any, to retained earnings when those instruments are disposed off.

	Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
17	**INTEREST INCOME**		
	Interest income on investments in bonds, debentures & deposit (investment measured at amortised cost)	**648.17**	518.82
	Amortisation adjustment of bonds purchased at premium/ discount	**(9.30)**	(7.82)
	Interest income on deposits with bank	**67.56**	63.05
	Other interest (staff advance)	**-**	0.01
	Total	**706.43**	574.06
18	**NET GAIN ON FAIR VALUE CHANGES**		
	(a) Net gain/(loss) on financial instruments at FVTPL : on trading portfolio/ on financial instruments designated through FVTPL	**-**	-
	(b) Others		
	Gain(net) reclassified from OCI to profit or loss on sale of investments in debt mutual funds	**6.42**	833.75
	Total	**6.42**	833.75
	Break up of gains (net) :		
	Realised	**6.42**	833.75
	Unrealised	**-**	-
	Total	**6.42**	833.75
19	**OTHERS (UNDER OTHER INCOME)**		
	Interest on income tax refund	**0.03**	-
	Miscellaneous income	**-**	0.05
	Total	**0.03**	0.05
20	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries	**38.04**	38.12
	Contribution to provident and other funds	**1.14**	1.14
	Provision for gratuity and leave encashment	**0.84**	0.66
	Staff welfare expenses	**0.76**	1.35
	Total	**40.78**	41.27
21	**DEPRECIATION AND AMORTISATION EXPENSES**		
	Depreciation on property, plant and equipments (refer note -7)	**0.16**	0.38
		0.16	0.38
22	**OTHER EXPENSES**		
	Director' s sitting Fee	**6.40**	5.40
	Legal and professional charges	**39.20**	11.96
	Travelling & conveyance expenses	**4.16**	4.73
	GST /Service tax paid under reverse charge	**6.99**	2.38
	AGM expenses	**-**	1.16
	Printing & stationery	**0.24**	0.96
	Postage & telephone and internet charges	**0.80**	0.73

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
Advertisement expenses	1.20	0.91
Listing fees	0.29	0.29
Custodian fees	0.33	0.33
Document storage charges	1.45	1.07
Software charges	0.43	0.42
Manager remuneration	0.12	0.12
Filling fees	0.15	0.25
Auditor`s remuneration $	1.14	1.15
CSR contribution 2020-21	19.26	-
CSR contribution 2019-20	13.21	-
CSR contribution 2016-17	-	17.62
CSR contribution 2017-18	-	16.71
CSR contribution 2018-19	-	12.06
Miscellaneous expenses	1.12	1.40
Total	96.49	79.65
$ Auditor`s remuneration (inclusive of GST) :		
As auditor		
Audit fees	0.56	0.56
Limited review	0.20	0.20
Other serices (certifcation fees)	0.09	0.09
Out of pocket expenses	0.12	0.12
GST on above	0.17	0.18
Total	1.14	1.15
23 EARNINGS PER SHARE (EPS)		
Profit after tax as per statement of profit and loss (₹ in lakh)	479.01	1,314.94
Weighted average number of equity shares (Face value per equity share ₹ 10/-)	3,200,000	3,200,000
Basic EPS (in ₹)	14.97	41.09
Diluted EPS (in ₹) #	14.97	41.09
# The company has not issued any potential equity shares, and accordingly, diluted earnings per share is equal to the basic earnings per share.		

24 DISCLOSURES AS REQUIRED BY IND AS -24 -"RELATED PARTY DISCLOSURE"

In accordance with the requirements of Ind AS -24 "Related Party Disclosure", disclosure of related parties & related party trasactions entered into during the year are given below -

(a) Related parties and nature of relationship :

Key Management Personnel (KMP)

Name	Relationship
1. Mr. Govind Swarup	Director
2. Mr. Ashish Verma	Director
3. Ms. Saumya Agarwal	Director
4. Mr. Mohit Jain	Director (ceased to be director w.e.f. 14-08-2020)
5. Mr. Rakesh Dhamani	Director
6. Mrs. Shweta Saxena	Director (appointed as director w.e.f. 27-08-2020) & Company Secretary
7. Mr. Viveka Nand Jha	Chief Financial Officer
8. Mrs. Vijay Kumar Bakshi	Manager

(b) Related Party Transactions entered during the year in ordinary course of business and outstanding balances payable/ (receivable) at the end of the year:

(₹ in lakh)

Name of the party	Nature of transaction	Amount for the year ended		Amount outstanding as at	
		March 31, 2021	March 31, 2020	**March 31, 2021**	March 31, 2020
Mr. Govind Swarup	Director`s sitting fees	**3.20**	2.80	**-**	-
Mr. Ashish Verma	Director`s sitting fees	**2.00**	1.60	**-**	-
Mrs. Saumya Agarwal	Director`s sitting fees	**1.20**	1.00	**-**	-
Mrs. Shweta Saxena	Remuneration#	**20.13**	20.13	**-**	-
Mr. Viveka Nand Jha	Remuneration#	**15.73**	15.73	**-**	-
Mr. Vijay Kumar Bakshi	Remuneration ##	**0.12**	0.12	**0.12**	0.12

Excluding PF and other retiral benefits.

Paid on 26th April, 2021 pertaining to F.Y. 2020-21 & on 15th May, 2020 pertaining to F.Y. 2019-20.

Note : The financial information in the consolidated balance sheet contains financial information of holding/ parent company and its wholly owned subsidiaries as a single reporting entity (as a group) and all intra group transactions have been eliminated, thus intra group transactions as RPTs, have not been disclosed.

25 SEGMENT INFORMATION

The group is not carrying any business operations except generating income from investment of surplus funds and these activities fall in a single business segment, thus it is not a reportable segment within the meaning of Ind AS - 108 "Operating Segments".

26 IMPAIRMENT OF ASSETS

The management is of the opinion that there is no impairment of assets of group as contemplated in Ind AS -38 "Impairment of Assets".

27 CONTINGENT LIABILITIES NOT PROVIDED FOR AND COMMITMENTS AS ON 31ST MARCH, 2021

Nil (previous year as on 31st March, 2020 :-Nil)

28 INCOME TAXES EXPENSES & RECONCILIATION

(a) (i) Tax expense recognised in the consolidated statement of profit and loss

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
(i) Current tax		
Current tax	**97.55**	215.37
Earlier year tax provision (net)	**(0.60)**	0.01
Total current tax	**96.95**	215.38
(II) Deferred tax		
Related to origination and reversal of deductible temporary difference	**(0.27)**	0.07
Reversal of deferred tax liability on remeasurements of earlier years	**(0.24)**	-
Total deferred tax charge/(credit)	**(0.51)**	0.07
Total (I+II)	**96.44**	215.45

(ii) Tax expense recognised in the consolidated statement of other comprehensive income

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
Deferred tax charge / (credit) on :		
On account of deductible temporary difference on items measured through OCI		
Investment in debt instruments (on fair value change)	**123.37**	(38.16)
Investment in equity instruments (on fair value change)	**3,304.08**	(163.62)
Remeasurement gains of the defined benefit plans (gratuity plan)	**0.09**	0.23
Total	**3,427.54**	(201.55)

(b) The group continues with existing provisions of corporate taxation and had not opted the concessional rate schemes provided vide Section 115BAA in the Income Tax Act, 1961. The section 115BAA in the Income Tax Act, 1961, provides existing domestic companies with an irrevocable option to pay tax at a reduced rate of 22% with applicable surcharge and cess, which come with the consequential surrender of specified deductions/ incentives i.e. not allowed to set off brought forward losses and not eligible to utilised MAT credit entitlements and take any other deduction / benefits.

(c) As a matter of prudence and considering uncertainty of sufficient future taxable income, the group has not recognised any deferred tax asset on unused tax credits (MAT credit entitlements) in the consolidated balance sheet.

(d) Reconciliation of current tax expenses

Reconcilation of current tax expenses between "amount calculated as accounting profit multiplied by the statutory income tax rate applicable to the company" and "current tax expenses as per effective income tax rate reported in the consolidated statement of profit and loss" is given below :

Particulars	For the year ended 31.3.2021 (₹ in lakh)	For the year ended 31.3.2020 (₹ in lakh)
Profit before tax (amount in lakh)	**575.45**	1,530.39
Enacted applicable income tax rate (including applicable SC & cess) on company (%)	**27.82%**	27.82%
Current tax amount calculated (accounting profit multiplied by the applicable enacted tax rate) for the year (in lakh)	**160.09**	425.75
Tax effects of amounts which are not deductible/taxable in computing taxable income		
CSR expenditire (in lakh)	**9.03**	12.91
Disallowance under Section 14A (in lakh)	**-**	0.39
Tax at lower rate in case of capital gain (in lakh)	**-**	(20.62)
Amortisation adjustment of bonds (net amount as exp.) (in lakh)	**2.59**	2.18
Other adjustments (in lakh)	**2.74**	1.68
Tax effects of amounts which are deductible /non taxable in computing taxable Income		
Dividend income	**-**	(67.83)
Deduction under chapter VI A (80G)	**(4.52)**	(6.45)
Other adjustments	**0.04**	0.05
Sub Total	**169.97**	348.06
Tax adjustments due to different enacted rate of tax applicable for entities in the group	**0.15**	0.04
Balance	**170.12**	348.10
Less : MAT credit utilised	**(72.57)**	(132.73)
Current tax expense at effective rate as reported in the Consolidated statement of profit and loss (in lakh)	**97.55**	215.37

(e) The movement in Consolidated Deferred Tax Assets (net) during the year ended March 31, 2020 and March 31, 2021

(₹ in lakh)

Particualrs	Provision of gratuity & leave encashment liabilities	Property, plant and equip-ments (dep.)	Total
As at April 01, 2019	1.92	0.02	1.94
Credit/ (charge) in statement of profit or loss during the year	(0.09)	0.02	(0.07)
As at March 31, 2020	1.83	0.04	1.87
Credit/ (charge) in statement of profit or loss during the year	0.28	(0.01)	0.27
Credit/ (charge) in statement of OCI during the year	(0.09)	-	(0.09)
As at March 31, 2021	**2.02**	**0.03**	**2.05**

(f) The movement in Consolidated Deferred Tax Liabilities during the year ended March 31, 2020 and March 31, 2021

(₹ in lakh)

Particualrs	Investment in debt instruments (measured at FVTOCI)	Investment in equity instruments (measured at FVTOCI)	Remeasurement of defined benefit plans	Total
As at April 01, 2019	268.39	62984.50	0.01	63,252.90
Credit/ (charge) in statement of OCI during the year	(38.16)	(163.62)	0.23	(201.55)
As at March 31, 2020	230.23	62,820.88	0.24	63,051.35
Credit/ (charge) in statement of OCI during the year	123.37	3,304.08	-	3,427.45
Adjustment of DTL on remeasurement	-	-	(0.24)	(0.24)
As at March 31, 2021	**353.60**	**66,124.96**	**-**	**66,478.56**

29 EMPLOYEE BENEFITS

I). During the year, liability of the group as an empoloyer towards contribution to provident and other fund has been recognized as an expenses in the consolidated statement of profit and loss. The detail is given below :

Defined contribution plan

Employer's contribution to provident and other funds - **₹ 1.14 lakh** (previous year : ₹1.14 lakh)

II). **Gratuity and Other Post Employment Benefit Plans :**

During the year, the group has recognised the expenses and liability towards gratuity and leave encashment based on actuarial valuation in conformity with the principles set out in the Indian Accounting Standards -19. The detail are given below :

(a) The assumptions used to determine the benefit obligations are as follows

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Discounting rate (p.a.)	**6.84%**	6.84%	**6.84%**	6.84%
Future salary increase (p.a.)	**1st Year 0% and thereafter 6.84%**	1st Year 0% and thereafter 6.84%	**1st Year 0% and thereafter 6.84%**	1st Year 0% and thereafter 6.84%
Expected rate of return of plan assets	**N.A.**	N.A.	**N.A.**	N.A.
Expected average remaining working lives of employees (years)	**16.92**	17.92	**16.92**	17.92
Mortality table used	**IALM (2012-14)**	IALM (2012-14)	**IALM (2012-14)**	IALM (2012-14)
Retirement age (years)	**58**	58	**58**	58
Withdrawal rate (%)				
Up to 30 years	**3**	3	**3**	3
From 31 to 44 years	**2**	2	**2**	2
Above 44 years	**1**	1	**1**	1

(b) Change in Present Value of Obiligation/ Defined Benefit Obligations

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Present value of obligation (PBO) at beginning of year	**4.55**	4.53	**2.21**	2.38
Past service cost	**-**	-	**-**	-
Current service cost	**0.48**	0.48	**0.23**	0.27
Net interest cost	**0.32**	0.35	**0.16**	0.18
Benefits paid	**-**	-	**-**	-
Remeasurement [actuarial (-) gain /loss]	**(0.31)**	(0.81)	**(0.35)**	(0.62)
Present value of obligation (PBO) at year end	**5.04**	4.55	**2.25**	2.21

(c) Liability recognised in the Consolidated Balance Sheet:

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Liability amount (net) at beginning of year	**4.55**	4.53	**2.21**	2.38
Provisions made/(reversed) during the year	**0.80**	0.83	**0.39**	0.45
Benefits paid	**-**	-	**-**	-
Remeasurement [actuarial (-) gain /loss]	**(0.31)**	(0.81)	**(0.35)**	(0.62)
Liability amount (net) at year end	**5.04**	4.55	**2.25**	2.21
Break up of liability/PBO at end of the year				
Current liability (within 12 months)	**0.11**	0.10	**0.05**	0.05
Non-current liability	**4.93**	4.45	**2.20**	2.16
Total	**5.04**	4.55	**2.25**	2.21

(d) Expense/ (Income) recognized in the Consolidated Statement of Profit and Loss:

(₹ in lakh)

Particulars	Gratuity (Non -Funded)		Leave Encashment (Non -Funded)	
	31/3/2021	31/3/2020	**31/3/2021**	31/3/2020
Current service cost	**0.48**	0.48	**0.23**	0.27
Net interest cost	**0.32**	0.35	**0.16**	0.18
Net actuarial (-) gain / loss recognized in the year	**-**	-	**(0.35)**	(0.62)
Expenses recognized in the statement of profit and loss	**0.80**	0.83	**0.04**	(0.17)

(e) Remeasurements [Actuarial (Gain)/Loss] through Other Comprehensive Income (OCI)

Particulars	Gratuity (Non -Funded)	
	31/3/2021	31/3/2020
Net cumulative actuarial (-) gain / loss recognised through OCI- opening balance	**(0.85)**	(0.04)
Actuarial (-) gain / loss for the year on PBO	**(0.31)**	(0.81)
Actuarial (-) gain / loss for the year on plan asset	**-**	-
Net cumulative actuarial (-) gain / loss recognised through OCI- at the end of the year	**(1.16)**	(0.85)

(f) Sensitivity Analysis :

Particulars	Gratuity	Leave Encashment
	31/3/2021	31/3/2021
Impact of the change in discount rate		
Present value of obligation at the end of the year	5.04	2.25
(i) Impact due to increase of 0.5%	(0.34)	(0.15)
(i) Impact due to decrease of 0.5%	0.37	0.17
Impact of the change in salary increase		
Present value of obligation at the end of the year	5.04	2.25
(i) Impact due to increase of 0.5%	0.37	0.17
(i) Impact due to decrease of 0.5%	(0.34)	(0.15)

(g) Maturity Profile of Defined Benefit Obligations :

Particulars	Gratuity	Leave Encashment
	31/3/2021	31/3/2021
a) 0 to 1 Year	0.11	0.05
b) 1 to 2 Year	0.11	0.05
c) 2 to 3 Year	0.09	0.04
d) 3 to 4 Year	0.08	0.04
e) 4 to 5 Year	0.06	0.02
f) 5 to 6 Year	0.06	0.02
g) 6 year onwards	4.53	2.03

30 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in a orderly transactions 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.

The following methods and assumptions are used to estimate the fair value :

(a) The fair value of quoted equity shares is derived from quoted market prices in active markets.

(b) The fair value of unquoted equity shares (FVTOCI financial instruments) is derived as per level 3 techniques, in case observable market data is not available.

(c) The fair value of mutual funds is derived from the available declared /quoted NAV of units.

(d) Assets held for collection of contractual cash flow where cash flows represent solely payment of principle and Interest like bonds/ debentures /corporate deposit are measured at amortised cost. Interest income from these financial assets is calculated using the effective interest rate method.

The management has assessed that cash and cash equivalents, other receivables (financial assets) and trade /other payables are approximate at their carrying amounts largely due to the short term maturities of these instruments.

The group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices /declared NAVs in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: inputs which are not based on observable market data.

Financial assets and liabilities

The carrying value and fair value of financial instruments by categories of the group as at 31st March, 2021 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	3.32	3.32	3.32
Bank balances other than above	-	-	1,248.28	1,248.28	1,248.28
Investments :					
Debt mutual Funds	-	7,292.87	-	7,292.87	7,292.87
Bonds /debentures	-	-	5,146.09	5,146.09	5,146.09
Corporate deposits	-	-	2,177.00	2,177.00	2,177.00
Equity shares	-	299,043.42	-	299,043.42	299,043.42
Other financial assets	-	-	458.40	458.40	458.40
Total	**-**	**306,336.29**	**9,033.09**	**315,369.38**	**315,369.38**
Financial liabilities					
Other payables	-	-	3.81	3.81	3.81
Other financial liabilities	-	-	3.64	3.64	3.64
Total	**-**	**-**	**7.45**	**7.45**	**7.45**

The carrying value and fair value of financial instruments by categories as at 31st March, 2020 are as follows:

(₹ in lakh)

Particulars	FVTPL	FVTOCI	Amortised Cost	Total Carrying Value	Fair Value
Financial assets					
Cash and cash equivalents	-	-	6.56	6.56	6.56
Bank balances other than above	-	-	1,169.85	1,169.85	1,169.85
Investments :					
Debt mutual funds	-	6,674.70	-	6,674.70	6,674.70
Bonds /debentures	-	-	5,155.38	5,155.38	5,155.38
Corporate deposits	-	-	2,000.00	2,000.00	2,000.00
Equity shares	-	283,364.91	-	283,364.91	283,364.91
Other financial assets	-	-	305.46	305.46	305.46
Total	**-**	**290,039.61**	**8,637.25**	**298,676.86**	**298,676.86**
Financial liabilities					
Trade/other payables	-	-	3.07	3.07	3.07
Other financial liabilities	-	-	3.85	3.85	3.85
Total	**-**	**-**	**6.92**	**6.92**	**6.92**