

“श्री जी”



## National General Industries Ltd.

An ISO 9001 : 2015 Certified Company

CIN No. : L74899DL1987PLC026617

7<sup>th</sup> September, 2022

To  
The Manager  
Department of Corporate Services  
Bombay Stock Exchange Ltd.  
25, P.J. Towers,  
Dalal Street,  
Mumbai - 400 001.

Ref. : Scrip Code No.: 531651

Sub.: Annual Report for the Financial Year ended on 31<sup>st</sup> March, 2022

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company for the Financial Year 2021-22 alongwith Notice for 36<sup>th</sup> Annual General Meeting of the Company to be held on Friday, 30<sup>th</sup> September, 2022.

The above Annual Report has been sent to the shareholders today and uploaded on the Company's website [www.modisteel.com](http://www.modisteel.com)

Please take the above on your record.

Thanking You.

Yours faithfully,

For **NATIONAL GENERAL INDUSTRIES LTD.**

**VANDANA GUPTA**

**COMPANY SECRETARY**

**Memb. No. : ACS 24012**

Encl.: As above.



• Engineering Steel • Rounds • Squares • Flats  
Regd Off 3<sup>rd</sup> Floor, Surya Plaza, K-185/1, Sarai Julena, New Friends Colony, New Delhi 110025

Phone : + 91-11-49872442, 48 • E-mail : [cs@modisteel.net](mailto:cs@modisteel.net)

Re-Rolling Unit : 9<sup>th</sup> Mile Stone, G.T. Road, Mohan Nagar, Ghaziabad – 201007

Phone : + 91-120-4552920, +91-120-4552900

VISIT US AT : [www.modisteel.com](http://www.modisteel.com)



**EXPANDING HORIZONS WITH QUALITY STEEL**

“श्री जी”



**National General Industries Ltd.**

An ISO 9001 : 2008 Certified Company

**36th Annual Report**

**2021-22**

**Board of Directors**

Pawan Kumar Modi	Chairman cum Managing Director & Chief Financial Officer
Vasu Modi	Non-executive Director
Manhar Modi	Non-executive Director
Anirudh Vimalkumar Goenka	Independent Director
Anantshri Gupta	Independent Director
Sanjana Bharat	Independent Director
Vandana Gupta	Company Secretary

**Statutory Auditors**

N R & Company  
Chartered Accountants  
C-93, IIIrd Floor,  
RDC, Raj Nagar, Ghaziabad, U.P.

**Works : Re-rolling unit**

9th Mile Stone, G.T. Road,  
Mohan Nagar,  
Ghaziabad – 201 007

**Registered Office**

3rd Floor, Surya Plaza,  
K-185/1, Sarai Julena,  
New Friends Colony,  
New Delhi – 110 025  
Telefax : 011-49872442  
E-mail : [cs@modisteel.net](mailto:cs@modisteel.net)

**Registrar & Transfer Agents**

D-153 A, 1st Floor,  
Okhla Industrial Area,  
Phase I, New Delhi - 110020  
**Telefax.:** 011-26812682, 26812683  
**Email:** [admin@skylinerta.com](mailto:admin@skylinerta.com)

**Bankers**

State Bank of India  
HDFC Bank Limited

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## **NOTICE**

**NOTICE** is hereby given that the **THIRTY SIXTH ANNUAL GENERAL MEETING** of the Members of National General Industries Limited (CIN: L74899DL1987PLC026617) will be held on Friday, the 30th September, 2022 at 01.30 p.m. through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31 March, 2022, the Report of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Manhar Modi (DIN:00051746) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. **Appointment of Statutory Auditors and fixing their remuneration:**  
To consider and, if thought fit, to pass with or without modification, the following resolution as **ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to provisions of section 139 of Companies Act, 2013 and the rules and regulations made thereunder, M/s. R. K. Govil & Co., Chartered Accountants (Firm Regn. No. 000748C) be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 41<sup>st</sup> Annual General Meeting in the year 2027 and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration in consultation with them."

### **SPECIAL BUSINESS:**

4. **Approval for Remuneration of Mr. Pawan Kumar Modi, Managing Director (DIN:00051679)**  
To consider and, if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and in accordance with the provision of Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded to revise remuneration of Mr. Pawan Kumar Modi (DIN: 00051679) as the Chairman cum Managing Director of the Company for the period of three years from 4<sup>th</sup> July, 2022 to 3<sup>rd</sup> July, 2025, upon the terms as set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof and as may be agreed to between the Board of Directors and Mr. Pawan Kumar Modi.





**RESOLVED FURTHER** that the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

By Order of the Board  
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Vandana Gupta**  
**Company Secretary**  
**Memb. No. : ACS 24012**

Place : New Delhi  
Date : 13.08.2022

**NOTES :**

1. In compliance with the applicable provisions of the Companies Act, 2013 (“Act”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Annual General Meeting of the Company (“AGM”) is being held through VC / OAVM without the physical presence of the Members at a common venue.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC / OAVM, and physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form and Attendance Slip is not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
3. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned certified copy (PDF/JPG Format) of their Board or governing body’s Resolution/Authorisation, authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting, to the Scrutinizer through e-mail at deepakbansal.fcs@gmail.com with a copy marked to Skyline Financial Services Private Limited at admin@skylinerta.com
4. Pursuant to MCA Circular No. 02/2022 dated May 5, 2022 read with Circular 02/2021 dated January 13, 2021, Circular No. 20/2020 dated May 5, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Notice of the AGM along with the Annual Report for F.Y. 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company’s website www.modisteel.com, website of the Stock Exchanges i.e., BSE Limited and on the website of CDSL i.e. www.evotingindia.com  
Members may send an e-mail request at the email id admin@skylinerta.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022 (both days inclusive) for the purpose of this Annual General Meeting.
6. **KYC** – Members are requested to complete their KYC as mentioned in SEBI circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 as amended from



time to time. Members may download KYC forms from the Company’s website at [www.modisteel.com](http://www.modisteel.com)

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and the Registrar and Share Transfer Agent of the Company, viz, Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi – 110020, in case the shares are held by them in physical form.
8. To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrar & Transfer Agent of the Company viz., Skyline Financial Services Private Limited in case the shares are held by them in physical form.
9. In terms of the amended Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialised form with a Depository. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.
10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company’s website [www.modisteel.com](http://www.modisteel.com). Members are requested to submit the said details to their depository participants (“DPs”) in case the shares are held by them in electronic form and to RTA Skyline in case the shares are held by them in physical form.
11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at an early date through email on [cs@modisteel.com](mailto:cs@modisteel.com). The same will be replied by the Company suitably.
12. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. The business set out in the Notice can be transacted through such voting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in DEMAT mode.

- (i) The voting period begins on on Monday, 26th September, 2022 (10.00 a.m. IST) and ends on Thursday, 29th September, 2022 (5.00 p.m. IST). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 23<sup>rd</sup> September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cutoff date i.e., Friday, September 23, 2022.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the DEMAT account holders, by way of a single login credential, through their DEMAT accounts/ websites of Depositories/ Depository Participants**. DEMAT account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in DEMAT mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>

	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in DEMAT mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” “Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit DEMAT account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in DEMAT mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your DEMAT account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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. CDSL and NSDL

Login type	Helpdesk details
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33.
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in DEMAT mode.

(v) Login method for e-Voting and joining virtual meeting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in DEMAT form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your DEMAT account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in DEMAT form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the DEMAT holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a DEMAT account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@modisteel.net](mailto:cs@modisteel.net), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
13. The Company has appointed M/s Skyline Financial Services Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for the conduct of the AGM.
14. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM by logging on the e-voting website by using their secure login credentials.
15. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.





16. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- a) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
  - b) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
  - c) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
  - d) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
  - e) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - f) 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.
  - g) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, DEMAT account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, DEMAT account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
  - h) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
  - i) Only those shareholders, who are 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 available during the AGM.
  - j) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
17. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in notice, is not required.
18. In terms of Section 152 of the Companies Act, 2013, Shri Manhar Modi, (DIN : 00051746), Director of the Company, retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company, commends his re-appointment.
19. Details of Directors retiring by rotation and recommended for reappointed as Directors as required to be provided pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meeting (SS-2), issued by the Institute of Company Secretaries of India, has been provided elsewhere, which form part of this report.
20. 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.
21. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the meeting.



22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection through electronic mode by the members at the AGM.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id at [cs@modisteel.net](mailto:cs@modisteel.net) / [info@skylinerta.com](mailto:info@skylinerta.com).
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on at 1800 22 55 33.

23. Other Instructions:

- a. The e-voting period commences on Monday, 26<sup>th</sup> September, 2022 (10.00 a.m. IST) and ends on Thursday, 29<sup>th</sup> September, 2022 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Friday, 23<sup>rd</sup> September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- b. M/s. Deepak Bansal & Associates, Practicing Company Secretary (FCS No. : 3736 and C. P. No. : 7433), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c. The Scrutinizer shall, immediately after conclusion of voting at the annual general meeting, make, not later than 2 working days from the conclusion of the meeting, scrutinizer's report of the total vote cast in favour and against, if any, to the Chairman, or an authorized person by him, of the Company.
- d. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.modisteel.com](http://www.modisteel.com) and on the website of CDSL and communicated to the BSE Limited, where shares of the Company are listed.





**DETAILS OF DIRECTORS PURSUANT TO THE PROVISIONS OF (I) THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND (II) SECRETARIAL STANDARD ON GENERAL MEETING (SS-2), ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

Name of Director	Mr. Pawan Kumar Modi	Mr. Manhar Modi
DIN Number	00051679	00051766
Date of Birth	01-10-1957	16-09-1983
Date of Appointment	08-01-1987	30-06-2021
Expertise in Specific functional area	Wide experience in technical and finance field.	Wide experience in sales and marketing.
Qualification	B.Sc.(H)	B.BA
Directorship in other Public Limited Company (As on 31.03.2022)	Not Applicable	Not Applicable
Chairman/Member of Committee in other public limited company (As on 31.03.2022)	Not Applicable	Not Applicable
Shareholding in the Company (As on 31.03.2022)	2,71,770 (4.91%)	4,12,798 (7.46%)
Remuneration last drawn from the Company	Rs. 1 Lakh per month	Nil
Remuneration to be paid	Rs. 1.50 Lakh per month w.e.f. 4 <sup>th</sup> July, 2022	Nil
Numbers of Board attended during FY 2021-22	5	4

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The following Statements sets out all material facts relating to the Ordinary Business mentioned in the accompanying notice.

**ITEM NO. 3**

At the 31<sup>st</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2017, the Company appointed M/s. N. R. & Company, Chartered Accountants, (Firm Registration Number 015095C) as the Statutory Auditors of the Company for a period of five (5) consecutive financial years and to hold the office of the Statutory Auditors till the conclusion of 36<sup>th</sup> Annual General Meeting to be held in the year 2022.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on Saturday, 13<sup>th</sup> August, 2022 approved and recommended to the Shareholders, the appointment of M/s. R K Govil & Co, Chartered Accountants (Firm Registration No. 000748C) as the Company’s Statutory Auditors for a period of five (5) consecutive financial years and to hold the office of the Statutory Auditors from the conclusion of 36<sup>th</sup> Annual General Meeting to be held in the year 2022 till the conclusion of 41<sup>st</sup> Annual General Meeting of the Company to be held in the year 2027.

M/s. R K Govil & Co, Chartered Accountants, have given their consent to act as the Statutory Auditors of the Company and confirmed that the said appointment is in accordance with the conditions prescribed under section 139 and 141 of the Companies Act, 2013 and other applicable rules and regulations made thereunder, and their appointment shall be subject to approval of the shareholders in ensuing Annual General Meeting.

Keeping in view, the expertise and knowledge of M/s. R K Govil & Co, Chartered Accountants, it will be in the interest of the Company to appoint them as Statutory Auditors of the Company.



None of the Directors of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**ITEM NO. 4**

Mr. Pawan Kumar Modi (DIN: 00051679) 65 years of age, the Chairman & Managing Director of the Company, holds a B.Sc. (Hons.) degree. He is having wide experience in technical and finance field and is responsible for general conduct and management of affairs of the company. He was appointed on the Board of Directors of the Company on 09.01.1987.

Mr. Pawan Kumar Modi, Managing Director of the Company holds the position of Managing Director of the Company for a period upto 3<sup>rd</sup> July, 2025. The Board of Directors, at their meeting held on 13th August 2022 on the recommendation of the Nomination and Remuneration Committee based on the performance evaluation, educational qualification, skills, experience & exposure in steel industries, have recommended revision of his remuneration for a period of three years with effect from 4<sup>th</sup> July 2022 to 3<sup>rd</sup> July, 2025 and fixed his remuneration payable to him as set out below:

**Term of Appointment:**

For a period of 3 (three) years with effect from 4<sup>th</sup> July, 2022 to 3<sup>rd</sup> July, 2025.

**Remuneration:**

- I. Salary: w.e.f. 4<sup>th</sup> July, 2022 of Rs. 1,50,000/- per month.
- II. Perquisites and allowances: Nil

**Minimum Remuneration:**

The Minimum Remuneration is subject to the limit of 5% of the Annual Net Profits of the Company and subject to the overall limit of 10% of the Annual Net Profits of the Company on the remuneration of Managing Directors / Whole-Time Director / Manager of the Company taken together as per Section 197 of the Companies Act, 2013 and Rules made thereunder or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). However, where in any financial year, during the currency of the tenure of Mr. Pawan Kumar Modi as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no 4 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

**Other terms and conditions:**

- a. Subject to the superintendence, control and direction of the Board, Mr. Pawan Kumar Modi shall responsible for the general conduct and management of the affairs of the Company.
- b. As long as Mr. Pawan Kumar Modi functions as Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- c. Mr. Pawan Kumar Modi, he continues to hold office of Managing Director; his retirement, if any, will not break his length of service.
- d. Mr. Pawan Kumar Modi shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling,



hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.

- e. The Office shall be liable to termination with 3 months’ notice from either side.
- f. The terms of the remuneration may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit, within the limits prescribed in Schedule V to the Companies Act, 2013 or any subsequent amendments or modifications made thereto, subject to the approval of shareholders.”

The proposed remuneration conform to the requirement of Schedule V to the Companies Act, 2013, and is required to be approved by a resolution of the shareholders in general meeting.

The Board considers that his educational qualification, skills, experience & exposure in steel industries would be of immense benefit to the Company and it is desirable to avail services of Mr. Pawan Kumar Modi as Managing Director, at a remuneration set out in the resolution.

The Board recommends the resolution set out at Item No.4 of the Notice for your approval.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Manhar Modi and Mr. Vasu Modi and their relatives are in any way concerned or interested, financially or otherwise, in this resolution.

By Order of the Board  
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Place : New Delhi  
Date : 13.08.2022

Sd/-  
**Vandana Gupta**  
**Company Secretary**  
**Memb. No. : ACS 24012**



## DIRECTORS' REPORT

Dear Members,

Your Director's have pleasure in presenting the Thirty Sixty Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS

The financial performance of the Company for the financial year ended on 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 are summarized below:-

(Rupees in Lakhs)

Particulars	For the year ended	
	31-Mar-22	31-Mar-21
<b>INCOME:</b>		
Revenue from operations	<b>1,826.25</b>	1,857.89
Other Income	<b>109.91</b>	693.02
	<b>1,936.16</b>	2,550.66
<b>EXPENSES:</b>		
Cost of materials consumed	<b>1,574.25</b>	1,769.02
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	<b>34.51</b>	(51.23)
Employee benefit expense	<b>153.01</b>	112.34
Financial costs	<b>14.19</b>	14.64
Depreciation and amortization expense	<b>41.99</b>	41.99
Other expenses	<b>104.21</b>	96.61
	<b>1,921.36</b>	1,983.36
<b>Profit before exceptional items and tax</b>	<b>14.80</b>	567.30
Exceptional Items	-	-
<b>PROFIT BEFORE TAX</b>	<b>14.80</b>	567.30
<b>TAX EXPENSES:</b>		
Current tax	-	-
Current tax - Prior Year	-	-
MAT Credit	-	-
MAT Credit - Prior Year	-	-
Deferred tax	<b>4.62</b>	(13.12)
<b>Profit for the period from continuing operations</b>	<b>10.18</b>	580.43
<b>PROFIT AFTER TAX</b>	<b>10.18</b>	580.43
<b>Other Comprehensive Income/(Loss)</b>		
(A) Items that will be reclassified to profit or loss	-	-
(B) Items that will not be reclassified to profit or loss	<b>82.96</b>	119.13
Income tax relating to this	<b>21.50</b>	19.43
<b>Total Other Comprehensive Income/(loss) for the year</b>	<b>61.46</b>	99.70
<b>Total Comprehensive Income/(loss) for the year</b>	<b>71.64</b>	680.12



### RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2022 are as under:

- ⇒ Value of Sales and Services decreased by 1.69% to Rs. 1826.25 lakhs (PY Rs. 1857.64 lakhs).
- ⇒ Value of Other Income decreased to Rs. 109.91 lakhs (PY Rs. 134.23 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).
- ⇒ PBDIT increased to Rs.70.17 lakhs (PY of Rs. 65.13 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).
- ⇒ PBT increased to Rs. 14.80 lakhs (PY Rs. 8.51 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).
- ⇒ Net Profit increased to Rs. 10.18 lakhs (PY Rs. 21.63 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).

### BUSINESS IMPACT OF COVID – 19

The FY 2021-22 began with the second wave hitting many parts of the world, which led to the global recovery losing pace. Impacted by the Delta variant, India's growth was also temporarily dented in Q1 FY 2021-22. The severity of the second wave resulted in the state governments and central government diverting substantial funds towards healthcare. In the second quarter, with reduction in caseload, easing of restrictions and steady vaccination ramp up, there was a strong bounce back in economic activity. Similarly, Indian economy also witnessed revival with moderate growth in consumption backed by steady investment push from the Indian Government.

In the third-quarter of FY 2021-22, with the Omicron variant outbreak and consequent imposition of restrictions, economic activity was impacted. This combined with continuing supply chain disruptions, rising commodity prices and inflationary pressures, dragged the growth prospects of many economies. However, widening reach of vaccines, pent up demand and timely policy measures helped the Indian economy to withstand the challenges. However, with geopolitical tensions in February, global trade was impacted severely. Moreover, use of sanctions by many developed economies has given rise to a medium-term downward risk to global trade.

On the domestic front, the Indian economy was on a steady footing despite global supply chain disruptions and looming uncertainty with possible resurgence of COVID-19 infections. Due to significant government investments, total consumption is estimated to have grown by 7% during the fiscal.

### DIVIDEND

Your Directors have not recommended dividend for the year ended 31<sup>st</sup> March, 2022.

### TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit in the profit and loss account. Accordingly, the Company has not transferred any amount to the Reserves for the year ended March 31, 2022.

### AUDITORS & AUDITORS' REPORT

#### A. Statutory Auditors

At the 31<sup>st</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2017, the Company appointed M/s. N. R. & Company, Chartered Accountants, (Firm Registration Number 015095C) as the Statutory Auditors of the Company for a period of five consecutive financial years and to hold the office of the Statutory Auditors till the conclusion of 36<sup>th</sup> Annual General Meeting to be held in the year 2022. Therefore, the term as Statutory Auditors ends at the conclusion of the ensuing Annual General Meeting.



Based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on Saturday, 13<sup>th</sup> August, 2022 approved and recommended to the Shareholders, the appointment of M/s. R K Govil & Co, Chartered Accountants (Firm Registration No. 000748C) as the Company's Statutory Auditors for a period of five consecutive financial years and to hold the office of the Statutory Auditors from the conclusion of 36<sup>th</sup> Annual General Meeting to be held in the year 2022 till the conclusion of 41<sup>st</sup> Annual General Meeting of the Company to be held in the year 2027.

M/s. R K Govil & Co, Chartered Accountants, have given their consent to act as the Statutory Auditors of the Company and confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under section 139 and 141 of the Companies Act, 2013 and other applicable rules and regulations made thereunder.

#### **B. Secretarial Auditors**

M/s. Deepak Bansal & Associates, Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of the Company for financial year 2021-22. The Secretarial Audit Report is annexed to this Report as **Annexure I** and forms part of the Annual Report.

#### **C. Cost Audit**

In terms of provision of section 148(1) of the Companies Act, 2013 read with rule 4 of the Companies (Cost Records and Audit) Rules, 2014, Company was not required to maintain cost records for the financial year 2021-22.

#### **D. Internal Auditors**

M/s. B.R.Maheswari & Co., Chartered Accountants, (FRN 001035N), were Internal Auditors of the Company for the financial year 2021-22. Your Company has appointed M/s. B.R.Maheswari & Co., Chartered Accountants, as Internal Auditors of the Company for the financial year 2022-23.

#### **EXPLANATIONS OR COMMENTS ON QUALIFICATION, RESERVATION OR ADVERSE REMARKS:**

##### **a) By Statutory Auditors:**

There are no qualifications made by the Auditors in their Report which requires any explanation from the Board of Directors of the Company. The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

##### **b) By Secretarial Auditors:**

The observation of Secretarial Auditors in their Report is self-explanatory and do not call for any further comments.

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

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo for the year ended 31<sup>st</sup> March, 2022 is annexed to this report as **Annexure II** and forms part of this report.

#### **PARTICULARS OF EMPLOYEES**

The information required under Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not required as there was no employee on the payroll of the Company receiving remuneration in excess of limit prescribed under the said rules.



### **CORPORATE GOVERNANCE**

As on end date of FY 2020-21 i.e. 31<sup>st</sup> March, 2021 and upon publication of Audited Financial Results of the Company taken on record on 30<sup>th</sup> June, 2021, net-worth of the Company exceeded Rs. 25 crore and therefore exemption hereto availed by the Company under regulation 15(2) of SEBI (LODR), Regulations, 2015 stood withdrawn. In terms of proviso of said regulation, the Company was required to comply with the exempted regulations within six months from the date of its applicability. Accordingly, the Company has complied with the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding corporate governance, starting from 1<sup>st</sup> July, 2021.

A report on the Company's Corporate Governance practices and the Auditor's Certificate on compliance of mandatory requirements thereof forms part of this Report as **Annexure III** and is also available on the website of the Company at [www.modisteel.com](http://www.modisteel.com).

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2021-22. A declaration to this effect signed by the Managing Director (CEO) of the Company is annexed to this Report.

The Managing Director and CFO have certified to the Board regarding the financial statements and other matters as required under regulation 17 (8) of the SEBI Listing Regulations, 2015 and the same forms part of this Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Management Discussion & Analysis Report forms part of this Annual Report and is annexed to this report as **Annexure IV** and is also available on the website of the Company at [www.modisteel.com](http://www.modisteel.com).

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

The Independent Directors of the Company are:

- Mr. Anirudh Vimalkumar Goenka
- Mr. Anantshri Gupta
- Mrs. Sanjana Bharat

In terms of Section 203 of the Act, the following are designated as Key Managerial Personnel of your Company by the Board:

- Mr. Ashok Kumar Modi, Managing Director (Upto 30<sup>th</sup> June, 2021)
- Mr. Pawan Kumar Modi, Managing Director cum Chief Financial Officer
- Mr. Vandana Gupta, Company Secretary

Mr. Ashok Kumar Modi, Managing Director of the Company resigned from the Directorship of the Company w.e.f. 30<sup>th</sup> June, 2021 and Mr. Manhar Modi was appointed as an Additional Director designated as Non-Executive Director of the Company who was subsequently regularized as Director of the Company at the Annual General Meeting held on 30<sup>th</sup> September, 2021.

In terms of section 152 of the Act and applicable provisions of Articles of Association of the Company, Mr. Manhar Modi, Director retires by rotation and is eligible for re-appointment. The Board recommends his re-appointment as Director of the Company.

The information as required to be disclosed under regulation 36(3) of the SEBI Listing Regulations, 2015 in case of appointment /re-appointment of the directors is provided in the Notice of the ensuing Annual General Meeting.





#### **DECLARATION OF INDEPENDENT DIRECTORS**

The Company has received the declaration under section 149(7) of the Companies Act, 2013 from each of the Independent Directors of the Company that he/she meets the criteria of independence as per provision of section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. In the opinion of the Board of Directors, all the Independent Directors are proficient and having expertise and acumen to shoulder the responsibilities conferred on the Independent Directors of the Company.

#### **BOARD MEETINGS & ATTENDANCE OF DIRECTORS**

During the Financial Year 2021-22, 5 (Five) Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 14.04.2021, 30.06.2021, 13.08.2021, 13.11.2021 and 14.02.2022.

#### **EVALUATION OF BOARD, COMMITTEES & DIRECTORS' PERFORMANCE**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has through mutual discussions carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee (“NRC”) evaluated the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was reviewed, taking into account the views of executive directors and non-executive directors of the company.

#### **NOMINATION & REMUNERATION POLICY**

The broad terms of reference of the Nomination and Remuneration Committee (“NRC”) of the Company are as under:

- a) To identify suitable persons, interview them, if necessary, and recommend them as suitable candidates to fill up vacancies on the Board or augment the Board and Senior Management.
- b) To develop a policy to ensure the optimum composition of the Board of Directors ensuring a mix of knowledge, experience and expertise from diversified fields of knowledge i.e. Policy on Board Diversity. The Policy also intends to add professionalism and objectivity in the process of deciding Board membership.
- c) To lay down criteria for the evaluation of the Board.
- d) To formulate a criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy thereon.
- e) To formulate criteria for evaluation of Directors.

The company has adopted a Nomination and Remuneration Policy as recommended by “NRC” and the objective of Nomination and Remuneration Policy is to ensure rationale and objectivity in the remuneration of the Directors, Senior Management & employees of the Company. The Policy also intends to bring in a pragmatic methodology in screening of candidates who may be recommended to the position of Directors and to establish effective evaluation criteria to evaluate the performance of every Director and the overall Board of the Company. The Policy also serves as a guiding principle to ensure good Corporate Governance as well as to provide sustainability to the Board of Directors of the Company. The Nomination and Remuneration Policy as adopted by your Directors is available at the website of the Company at [www.modisteel.com](http://www.modisteel.com)





Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board.

The current policy is to have a balanced mix of executive and non-executive Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As at March 31, 2022 the Board of Directors comprised of 11 Directors, of which seven are non-executive, including two women directors and two Nominee Directors. The number of Independent Directors is five.

The policy of the Company on Directors' appointment, including criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is governed by the Nomination Policy. The remuneration paid to the directors is in accordance with the remuneration policy of the Company.

#### **DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTOR'S & KEY MANAGERIAL PERSONNEL ETC.**

In terms of provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of the ratio of the remuneration of each director to the median employee's remuneration and such other details as prescribed therein is annexed to this report as **Annexure V** and forms part of this Annual Report.

#### **RISK MANAGEMENT**

The Company has adopted Risk Management Policy to proactively take care of the internal and external risks of the company and ensure smooth business operations. The company's risk management policy ensures that all its material and compliance risk exposures are properly covered, and the company's business growth and financial stability is assured. At present the Company has not identified any element of risk which may threaten the existence of the Company.

#### **ANNUAL SECRETARIAL COMPLIANCE REPORT**

The Company has undertaken an audit for the FY 2021-22 pursuant to SEBI Circular No. CIR/CFD/CMO/I/27/2019 dated February 08, 2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been submitted to the Stock Exchanges on May 30, 2022 which is within 60 days of the end of the financial year ended March 31, 2022.

#### **SECRETARIAL STANDARDS**

Your Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India during the year.

#### **EXTRACT OF ANNUAL RETURN**

The Annual Return of the Company for the year ended on 31<sup>st</sup> March, 2022 has been uploaded on the website of the Company. It can be accessed under Investor Relations page at website of the Company i.e. [www.modisteel.com](http://www.modisteel.com)

#### **FRAUD REPORTING**

Neither the Statutory Auditors nor the Secretarial Auditors have brought to the notice of the Audit Committee or the Board of Directors or the Central Government the occurrence or brewing of any fraud in the Company.



#### **INTERNAL FINANCIAL CONTROLS**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee and the Board.

#### **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

Your Company has adopted the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” which, inter alia, prohibits purchase or sale of securities of the Company by Directors, employees and other connected persons while in possession of unpublished price sensitive information in relation to the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

#### **WHISTLE BLOWER/VIGIL MECHANISM**

Your Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct or ethics policy. The Code of Conduct of your Company serves as a guide for daily business interactions, reflecting your Company’s standard for appropriate behavior and living Corporate Values. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company.

#### **CHANGE IN NATURE OF BUSINESS**

There was no change in the nature of business of your company during the year.

#### **CHANGE IN SHARE CAPITAL**

There was no change in the Share Capital of your company during the year.

#### **MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments which can affect the financial position of the company between the end of the period under review and date of this report.

#### **DEPOSITS FROM PUBLIC**

During the year under review, your Company did not invite / accept any Deposits from the public under section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 1975.

#### **DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary Company, Associate Company or Joint Venture Company. The Company is not a Subsidiary Company of any other Company.

**PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTY**

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for their necessary review and approval. During the financial year your Company has not entered into any material transaction as mentioned in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosures pursuant to Accounting Standards on related party transactions have been made in the note no. 26 to the Financial Statements.

**PARTICULARS OF LOAN, GUARANTEES, SECURITIES AND INVESTMENTS**

The Company has not given any loan, guarantee or provided any security under Section 186 of the Companies Act, 2013.

**DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

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.

**PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

There are no proceedings initiated /pending against your Company under the Insolvency and Bankruptcy Code, 2016.

**ONE TIME SETTLEMENT**

There is no instance of one time settlement with any Bank or Financial Institution.

**CORPORATE SOCIAL RESPONSIBILITIES**

The provision of section 135 of the Companies Act, 2013 is not applicable on the Company as your Company did not meet any of the applicability criteria as specified under Companies (Corporate Social Responsibility Policy) Rules, 2014.

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

In accordance with the provision of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. Hence, the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year Company has not received any complaint of harassment.

**GREEN INITIATIVE**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA), by its recent Circulars, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address registered with the Depository Participants(DPs)/Company/Registrars & Share Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in DEMAT form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with Skyline Financial Services Pvt. Ltd., by sending a letter duly signed by the first/sole holder quoting details of Folio Number.



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

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors in respect of the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2022, to the best of their knowledge and ability, hereby state that :

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) They have, selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2022 and of the profit of the Company for the year ended on that date;
- (iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) They have prepared the annual accounts on a going concern basis.
- (v) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **APPRECIATION & ACKNOWLEDGEMENT**

Your Directors take this opportunity to express their appreciation for the co-operation and assistance received from the Central Government, the State Government, the Financial Institutions, Banks as well as the Shareholders during the year under review. Your Directors also with the place on record their appreciation of the devoted and dedicated service rendered by all the employees of your Company.

For and behalf of the Board of Directors  
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Chairman and Managing Director

DIN : 00051679

Place : New Delhi  
Date : 13.08.2022



Annexure I

**Secretarial Audit Report**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**  
(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
National General Industries Limited  
(CIN : L74899DL1987PLC026617)  
3<sup>rd</sup> Floor, Surya Plaza, K-185/1, Sarai Julena,  
New Friends Colony, New Delhi – 110025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by National General Industries Limited (hereinafter called the ‘Company’). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2022 (‘Audit Period’)** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter alongwith Annexure-A enclosed to this report:

We have examined in the best possible manner the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the ‘Act’) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not applicable to the Company during the Audit Period;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 were **not applicable** to the Company during the Audit Period;



- (iv) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 were **not applicable** to the Company during the Audit Period;
- (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 were **not applicable** to the Company during the Audit Period;
- (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client were **not applicable** during the Audit period;
- (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 were **not applicable** to the Company during the Audit Period; and
- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 were **not applicable** to the Company during the Audit Period;
- (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws and rules made thereunder, as applicable specifically to the Company.

- 1) Air (Prevention and Control of Pollution) Act, 1981;
- 2) Water (Prevention and Control of Pollution) Act, 1974;
- 3) Environment Protection Act, 1986;
- 4) Factories Act, 1948 and allied State Laws.

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

- (i) Secretarial Standards SS-1 and SS-2 issued and notified by The Institute of Company Secretaries of India;
- (ii) Listing Agreement entered into by the Company with BSE Limited.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.



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

We further report that during the audit period the Company had no significant events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Deepak Bansal & Associates  
Company Secretaries**

Sd/-

**(Deepak Bansal)**

Proprietor

UDIN: F003736D000793613

FCS : 3736 / C.P. No. : 7433

Place : New Delhi  
Dated : 13.08.2022

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  
National General Industries Limited (CIN : L74899DL1987PLC026617)  
3<sup>rd</sup> Floor, Surya Plaza, K-185/1, Sarai Julena,  
New Friends Colony, New Delhi – 110025

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Deepak Bansal & Associates  
Company Secretaries**

Sd/-

**(Deepak Bansal)**

Proprietor

UDIN : F003736D000793613

FCS : 3736 / C.P. No. : 7433

Place : New Delhi  
Dated : 13.08.2022

**Annexure II**

**Conservation of Energy and Technology Absorption**

**A. Conservation of Energy**

**(i) The steps taken or impact on conservation of energy**

During the year under review, wherever possible, energy conservation measures have been taken.

**(ii) The steps taken for utilizing alternate sources of energy**

During the year under review, the Company is using furnace oil for the steel manufacturing activities of the Company. However, the Company is exploring steps to be taken for utilizing alternative sources of energy.

**(iii) Capital Investment on energy conservation equipment**

During the year under review, no capital investment was made on energy conservation equipment. However, efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

**B. Technology Absorption**

**(i) Efforts made for technology absorption**

The Company is using latest techniques for production. Efforts are being made to make the maximum use of the available infrastructure, at the same time innovating new techniques to bring about efficiency as well as economy in different areas. Employees are given appropriate training of and on the job, to enable them to achieve the planned performance.

**(ii) Benefit derived**

Through all these efforts benefits derived are better utilization of the available resources, product improvement and development, cost reduction, better overall efficiency on one side and clean environment and safety of employees on the other.

**(iii) Expenditure on Research & Development, if any**

During the year under review, no expense was incurred by the Company on research and development.

**(iv) Details of Technologies**

The Company is using latest techniques for production.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The foreign exchange Earnings and Outgo during the year are as under:

Particulars	As on 31 <sup>st</sup> March, 2022	As on 31 <sup>st</sup> March, 2021
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil





## Annexure III

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders. The Company w.e.f. 1<sup>st</sup> July, 2021 upon exceeding the net-worth above Rs. 25 crore as per Audited Balance Sheet of the FY 2020-21, is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

**2. BOARD OF DIRECTORS****Appointment and Tenure:**

The Directors of the Company are appointed by the shareholders at General Meetings. All Executive Directors other than the Managing Director are subject to retirement by rotation and at every Annual General Meeting, 1/3<sup>rd</sup> of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-appointment, in accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association of the Company.

**Board Membership Criteria:**

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee:

- i) assesses the appointee against a range of criteria including qualification, age, experience, positive attributes, independence, relationships, diversity of gender, background, professional skills and personal qualities required to operate successfully in the position and has discretion to decide adequacy of such criteria for the concerned position;
- ii) assesses the appointee on the basis of merit, related skills and competencies. No discrimination is made on the basis of religion, caste, creed or gender.

**Board Diversity:**

Gender Diversity on the Board has been a priority with a female representation at the Board level following the appointment of Mrs. Sanjana Bharat as Non-Executive and Independent Director of the Company.

**Board Composition, Category of Directors, Meetings and attendance record of each Director:**

The Board comprises of members having varied skills, experience and knowledge, are appointed by the shareholders at General Meetings. The Board has a mix of both Independent and Non-independent Directors. As on March 31, 2022, the Board of Directors of the Company comprised of six Directors, with three Independent Directors and three Non-Independent Directors. The Chairman of the Company is Executive, Non-Independent. 1/3<sup>rd</sup> of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-appointment. One of the director is woman director in the Board of the Company. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified under Regulation 26 (1) of



SEBI Listing Regulations), across all the companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors. The Independent Directors are independent of the management and fulfil the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI Listing Regulations.

The composition of the Board of Directors as on March 31, 2022 is as follows:

Sl. No.	Name of the Director	Category	Age (in years)	Qualifications	Expertise in specific functional areas
1.	Mr. Ashok Kumar Modi (DIN- 00051647) (Upto 30-06-2021)	Chairman & Managing Director / Non-Independent	65	B.Com (H).	Business Management & Finance
2.	Mr. Pawan Kumar Modi (DIN- 00051679)	Jt. Managing Director / Non-Independent	64	B.Sc. (H)	Production Planning & Finance
3.	Mr. Vasu Modi (DIN- 00051696)	Non-Executive Director / Non-Independent	42	B.BA	Business Development & Marketing
4.	Mr. Manhar Modi (DIN- 00051696) (w.e.f. 30th June, 2021)	Non-Executive Director / Non-Independent	38	B.BA	Sales & Marketing
5.	Mr. Anirudh Vimalkumar Goenka (DIN- 00907733)	Independent / Non-Executive	39	B.Com.	Finance & Taxation
6.	Mr. Anantshri Gupta (DIN- 08126520)	Independent / Non-Executive	29	B.Sc.	General Management, of Business Affairs
7.	Ms. Sanjana Bharat (DIN- 08407030)	Independent / Non-Executive	43	M.A.	General Management, of Business Affairs

### Core Competencies

National General Industries Limited is engaged in the business of manufacturing and selling of steel through its rolling unit. The Board has, taking into consideration the Company's nature of business, core competencies, key characteristics, identified the core skills/ expertise/competencies as required in the context of its business & sector for it to function effectively and which are available with the Board. In the opinion of the Board, all the Directors continue to make effective and valuable contribution towards fulfilling the Board agenda and devote sufficient time to discharge their responsibilities as Directors of National General Industries Ltd. All Directors had high level attendance during FY 2021-22.

Five Board Meetings were held during the year 2021-22 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are 14.04.2021, 30.06.2021, 13.08.2021, 13.11.2021 and 14.02.2022. The necessary quorum was present at all the Board meetings.



The attendance record of the Directors at the Board Meetings held during the financial year ended on 31.03.2022 and at the last Annual General Meeting (AGM), and the details of their other Directorships and Committee Chairmanships and Memberships are given below:

Sl. No.	Name of the Directors	Category	No. of Board Meeting Attended	Whether attended AGM held on 30.09.21	No. of Chairmanships/Directorships in other Boards/ Committees* of public companies**			
					Chairman of the Board	Chairman/ of the Committee	Member of the Board	Member of the Committee
1.	Mr. Ashok Kumar Modi	Promoter/ Managing Director	1	No	Nil	Nil	Nil	Nil
2.	Mr. Pawan Kumar Modi	Promoter / Managing Director	5	Yes	Nil	Nil	Nil	Nil
3.	Mr. Vasu Modi	Non-Independent / Non-Executive	5	Yes	Nil	Nil	1	Nil
4.	Mr. Manhar Modi	Non-Independent / Non-Executive	4	No	Nil	Nil	Nil	Nil
5.	Mr. Anirudh Vimalkumar Goenka	Independent/ Non-Executive	5	Yes	Nil	Nil	Nil	Nil
6.	Mr. Anantshri Gupta	Independent/ Non-Executive	4	No	Nil	Nil	1	Nil
7.	Ms. Sanjana Bharat	Independent/ Non-Executive	5	No	Nil	Nil	Nil	Nil

\* Excludes private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013.

\*\* Only Audit Committee and the Stakeholders Relationship Committee are considered.

- Mr. Ashok Kumar Modi, Mr. Pawan Kumar Modi, Mr. Vasu Modi and Mr. Manhar Modi are relatives of each other in terms of the definition of 'Relative' given under the Companies Act, 2013 read with the Rules made thereunder. None of other Directors is related to any other Director on the Board.
- Number of Equity Shares held by Directors as on 31<sup>st</sup> March, 2022 are as under:-

Name of Director	Designation	Nos. of Equity Shares held
Shri Ashok Kumar Modi (Upto 30 <sup>th</sup> June, 2021)	Chairman & Managing Director	271770
Shri Pawan Kumar Modi	Managing Director	271770
Shri Vasu Modi	Non-Executive Director	359745
Shri Manhar Modi (w.e.f. 30 <sup>th</sup> June, 2021)	Non-Executive Director	412798
Shri Anirudh Vimalkumar Goenka	Independent Director	-
Shri Anantshri Gupta	Independent Director	-
Smt. Sanjana Bharat	Independent Director	-



**Performance evaluation of Board and Directors:** The evaluation criteria of the Board, its Committees and individual Board Members including Independent Directors have been disclosed in the Director's Report which forms part of the Annual Report.

**Meeting of Independent Directors:** A separate meeting of Independent Directors for the Financial Year 2021-22 as per Clause VII (1) of Schedule IV under Section 149 (8) of the Companies Act, 2013 and Regulation 25 (3) of the SEBI Listing Regulations was held on 22<sup>nd</sup> March, 2022 wherein the Independent Directors reviewed the performance of the Chairman, Managing Director, Non-Independent Directors and other matters. The Independent Directors have confirmed that they satisfy the criteria of Independence as stipulated under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of the SEBI Listing Regulations.

**Familiarisation:** The Independent Directors immediately on appointment are issued a formal letter of appointment outlining their rights, roles and responsibilities, and the Business overview of the Company, policies etc. The Chairman as well as Managing Director of the Company, brief the Director individually on the industry and businesses of the Company, prior to their appointment.

#### **Code of Conduct for the Board Members and Senior Management**

In line with the Regulation 17(5) of the SEBI Listing Regulations, the Company's Board of Directors has adopted a 'Code of Conduct and Ethics' ("the Code") for the Board of Directors and Senior Executives of the Company'. The Code is posted on the Company's website [www.modisteel.com](http://www.modisteel.com).

The purpose of this 'Code of Conduct and Ethics' is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders. The 'Code of Conduct' is also a tool in carrying out the Company's Business and Social responsibility in a more effective manner. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and the external environment in which the Company operates.

As required under Chapter IV of the SEBI Listing Regulations, all Directors and senior management have affirmed compliance with the Code for the financial year ended March 31, 2022. A declaration to the effect, signed by the Chairman and Managing Director, is annexed to and forms part of this Annual Report.

### **3. AUDIT COMMITTEE**

The Audit Committee is constituted under compliance of provision of Section 177 of the Companies Act, 2013. The Broad terms of reference and power of Audit Committee are in line with the provisions contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The role of Audit Committee, inter-alia, includes following:

- a) Reviewing the financial reporting process which includes reviewing the quarterly, half yearly, annual financial results and auditors report thereon, director's responsibility statement.
- b) Reviewing changes, if any, in accounting policies and practices and ensures compliance with legal and statutory requirements and integrity of the Company's financial statements with proper disclosures of related party transactions.
- c) Recommendation for appointment, remuneration and terms of appointment of auditors and approval for their payments and also reviewing and monitoring their independence and performance, and effectiveness of audit process.
- d) Evaluation of internal control systems and its effectiveness and reviewing its adequacy.
- e) Reviewing internal audit and discussion with the internal auditors of any significant findings.

- f) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- g) Review Whistle Blower mechanism and its effectiveness.
- h) Evaluating inter-corporate loans and investments and valuation of assets of the Company and ensuring effective risk management systems.

During the financial year 2021-22, the Audit Committee comprises of 3 Non-executive Directors viz. Shri Anirudh Vimalkumar Goenka and Smt. Sanjana Bharat, Independent Directors and Shri Vasu Modi, Non-independent Director. Mr. Anirudh Vimalkumar Goenka is the Chairman of the Audit Committee. The Members of the Audit Committee possess adequate knowledge of Accounts, Audit, Finance, etc. The Compliance Officer of the Company acts as the Secretary to the Audit Committee.

Five meetings of the Audit Committee were held during the financial year 2021-22, on 14.04.2021, 13.08.2021, 13.11.2021 and 14.02.2022. Further, the member of the Audit Committee as at 31.03.2022 and their attendance of each member during the year are as given below:

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1	Shri Anirudh Vimalkumar Goenka	Non-Executive Independent	5
2	Smt. Sanjana Bharat	Non-Executive Independent	5
3	Shri Vasu Modi	Non-Executive Non-Independent	5

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted under compliance of provision of Section 178 of the Companies Act, 2013. The Broad terms of reference and power of Nomination and Remuneration Committee are in line with the provisions contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

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

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- b) Formulation of the criteria for evaluation of performance of independent directors and the board of directors;
- c) devising a policy on diversity of board of directors;
- d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- e) 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.

During the financial year 2021-22, the Nomination and Remuneration Committee of the Board comprises of 3 Non-executive Directors viz. Shri Anirudh Vimalkumar Goenka and Smt. Sanjana Bharat, Independent Directors and Shri Vasu Modi, Non-independent Director. Mr. Anirudh Vimalkumar Goenka is the Chairman of the Committee. Further, the member of the Audit Committee as at 31.03.2022 and attendance of each Member during the year are as given below. The Compliance Officer acts as the Secretary to the Nomination and Remuneration Committee.

One meeting of the Nomination and Remuneration Committee was held during the financial year 2021-22 on 14.04.2021. The attendance of each Members of the Committee is as given below:

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1	Shri Anirudh Vimalkumar Goenka	Non-Executive Independent	1
2	Smt. Sanjana Bharat	Non-Executive Independent	1
3	Shri Vasu Modi	Non-Executive Non-Independent	1

#### Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee adopted the Remuneration policy for Directors, Key Managerial Personnel (KMP) and other employees of the company.

#### Non-Executive Directors (including Independent Directors)

Fees and compensation, if any, paid to any Non-Executive Director, including Independent Director shall be fixed by the Board of Directors and shall be previously approved by the shareholders, as may be required, at the general body meeting. Further, the Independent Directors shall not be entitled to any stock options. During the year, the Non-Executive directors of the Company had no pecuniary relationship or transactions with the Company.

#### Executive Directors

The Board on the recommendation of the Nomination and Remuneration Committee fixes remuneration of Executive Directors (i.e. Managing Director/ Whole-Time Director) and thereafter the same is approved by the shareholders at a General Meeting. The remuneration structure comprises of salary, allowances, commissions, perquisites, and employee benefits, if any. The formal Remuneration policy of the Company is available on the Company's website at [www.modisteel.com](http://www.modisteel.com)

On recommendation of Nomination and Remuneration Committee and approval of the shareholders at the Annual General Meeting held on 30<sup>th</sup> September, 2021, Mr. Pawan Kumar Modi, Managing Director of the Company was paid Rs. 1 Lakh per month as his remuneration w.e.f 1<sup>st</sup> April, 2021.

The Company does not have any Stock Option Scheme and Pension Scheme.

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted under compliance of provision of Section 178 of the Companies Act, 2013. The Broad terms of reference and power of Stakeholders' Relationship Committee are in line with the provisions contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.

The role of Stakeholders Relationship Committee, inter-alia, is to resolve the grievances of the security holders of the Company including complaints related to transfer and transmission of shares, dematerialization / rematerialisation of shares, transposition of names, consolidation of shares, issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividends, if any, etc.



The Stakeholders Relationship Committee, comprised of 3 directors as its members viz. Shri Anirudh Vimalkumar Goenka and Smt. Sanjana Bharat, Independent Directors and Shri Vasu Modi, Non-independent Director. Further, the members of the Stakeholders Relationship as at 31.03.2022 and their attendance during the year are as given below. The Compliance Officer acts as the Secretary to the Stakeholders Relationship Committee.

During the year Committee met one time on 14.02.2022 and the attendance of the Members at the meeting was as follows:

Name of the Members	Status	No. of meetings attended
Shri Anirudh Vimalkumar Goenka	Non-Executive Independent	1
Smt. Sanjana Bharat	Non-Executive Independent	1
Shri Vasu Modi	Non-Executive Non-Independent	1

The Board has designated Ms. Vandana Gupta, Company Secretary of the Company as Compliance Officer of the Company.

No. of shareholders' complaints received upto 31st March, 2022	: Nil
No. of complaints not solved to the satisfaction of the shareholders	: Nil
No. of pending complaints	: Nil

Complaints/correspondences are usually dealt with within 15 days of receipt.

The following persons can also be contacted in case of investor grievances:

**Ms. Vandana Gupta**  
Company Secretary  
Tel: 011 49872442  
Email: cs@modisteel.net

**Registrar and Share Transfer Agents**  
Skyline Financial Services Pvt. Ltd.  
Unit: National General Industries Limited  
D-153A, Okhla Industrial Area, Phase - I,  
New Delhi-110 020  
Tel.: 011-26812682, E-mail: [admin@skylinerta.com](mailto:admin@skylinerta.com)

## 6. RISK MANAGEMENT COMMITTEE

In terms of regulation 21(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to constitute Risk Management Committee. However, the Board of Directors of your Company has, on recommendation of the Audit Committee framed and adopted a policy on Risk Management of the Company. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## 7. GENERAL BODY MEETINGS

a. Location, date, and time of Annual General Meetings (AGM) held during the last 3 years:

Financial Year	Date	Venue	Time	Special Resolutions Passed
2020-21	September 30, 2021	Video Conferencing and Other Audio Visual Means	01:30 PM	None
2019-20	September 30, 2020	Video Conferencing and Other Audio Visual Means	01:30 PM	None
2018-19	September 30, 2019	Nawal Vihar, Farm 7, Dera Gaon, New Delhi – 110030	11:30 AM	None



- b. All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.
- c. No Extraordinary General Meeting of the shareholders was held during the year under review.
- d. One Special Resolution was passed through Postal Ballot conducted during the financial year 2020-21.
- e. Details of special resolution proposed to be conducted through postal ballot: None

#### 8. DISCLOSURES:

- There are no materially significant Related Party Transactions during the year that have potential conflict with the interests of the Company at large. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The related party transactions during the year under review are mentioned in Note 26 to the “Notes to Accounts”. The Company has formulated a policy on Related Party Transactions and the same is available on the Company's website at [www.modisteel.com](http://www.modisteel.com)
- The Company has formulated a policy on determination of materiality of event /information as required under Regulation 30 (1) of Listing Regulations, 2015. The same is available on Company's website at [www.modisteel.com](http://www.modisteel.com)
- The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in the preparation of the financial statements of the Company.
- The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances.
- There has been no non-compliance or penalties, or strictures imposed on your Company by any of the Stock Exchanges or SEBI, or any statutory authority on any matter related to capital markets during the last three years.
- None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. Refer to Page 40 for the certificate from Mr. Deepak Bansal, Practicing Company Secretary.
- The Company adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints under the above Act.
- The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. The policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. No personnel/person has been denied access to the Audit Committee. The said policy is available on the Company's Website at [www.modisteel.com](http://www.modisteel.com)
- The Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices along with the Policy on Leak of Unpublished Price Sensitive Information and Policy on determination of legitimate purpose, as mandated by SEBI. The policies are available at Company's website at [www.modisteel.com](http://www.modisteel.com)
- The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II to the SEBI Listing Regulations, 2015, for the financial year ended March 31, 2022.



- The Company has complied with all the applicable mandatory requirements of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted any non-mandatory requirements. A compliance certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance as required by Schedule V of the SEBI Listing Regulations is given as an annexure to this report.
- The Company do not have any subsidiary companies.
- The Company has devised a Legal Compliance reporting mechanism, wherein the Company Secretary shall obtain the Compliance status reports from the respective person who is responsible for compliance within the Company, and submit periodically a comprehensive compliance report to the Executive Director(s) of the Company. The Board reviews quarterly report of compliance with respect to all laws and regulations applicable to the Company. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

#### 9. MEANS OF COMMUNICATION

- Your Company uses several modes for communicating with its external stakeholders, such as announcements and press releases in newspapers, circular letters and other reports to the members, posting information on its website ([www.modisteel.com](http://www.modisteel.com)), intimation to the Stock Exchanges, etc.
- The quarterly, half-yearly and annual results are displayed on the Company's website [www.modisteel.com](http://www.modisteel.com) and disseminated through all the modes mentioned above. Financial Express (English daily) and Jansatta (vernacular daily) are usually the papers in which the quarterly results are published.
- The Company's website ([www.modisteel.com](http://www.modisteel.com)) contains a separate dedicated section for the Company's 'Investor Relations' where shareholders' information is available. The full Annual Report, Shareholding Pattern and all Financial Reports are available in the 'Investor Relations' sections on the website of the Company. The Company also has an exclusive e-mail ID i.e. [cs@modisteel.com](mailto:cs@modisteel.com) for investors to contact the Company in case of seeking any information and redressal of their grievances.
- Filing with BSE "Listing Centre": Pursuant to Regulation 10 (1) of the SEBI (LODR) Regulations, BSE has mandated the Listing Centre as the "Electronic Platform" for filing all mandatory filings and any other information to be filed with the Stock Exchanges by Listed Entities. BSE also mandated XBRL submissions for Financial Results, Shareholding Pattern, Corporate Governance Report, Reconciliation of Share Capital Audit Report & Voting Results etc. All the data relating to financial results, various quarterly/half yearly/annual submissions/disclosure documents etc., have been filed Electronically/XBRL mode with the Exchange on the "Listing Centre" (<http://listing.bseindia.com>).

**10. MANAGEMENT DISCUSSION & ANALYSIS:** Your Company's Management Discussion & Analysis of the Business for the year ended March 31, 2022 forms part of the Directors' Report and is given under the section so captioned.

**11. GENERAL SHAREHOLDERS INFORMATION**

- A. AGM Date, Time, and Venue for CY 2022** September 30, 2022, Thursday at 1:30 pm through Video Conference (VC) or Other Audio-Visual Means (OAVM) at Delhi.
- B. Financial Calendar 2022-23** Q1 Results – August, 2022  
Q2 Results – November, 2022  
Q3 Results – February, 2023  
Annual Results – May, 2023  
Annual General Meeting : September, 2023
- C. Dates of Book Closure** September 24, 2022 to September 30, 2022 (both days inclusive)
- D. Dividend Payment Date** No Dividend is declared for the FY 2021-22
- E. Listing on stock Exchanges** BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400 001.
- F. Listing Fee** The listing fee has been paid for the FY 2021-22 & FY 2022-23.
- G. Stock Code / Symbol** BSE: 513651; NATGENI
- H. ISIN Number for NSDL and CDSL** INE654H01011
- I. Company Identification Number** L74899DL1987PLC026617

**J. Distribution of Holdings as on March 31, 2022**

Category	Number of Shareholders	% to Total Numbers	Share Holding Amount	% to Total Amount
Up to 5,000	1327	70.70	3422560	6.19
5,001 to 10,000	454	24.19	4376680	7.91
10,001 to 20,000	28	1.49	478000	0.86
20,001 to 30,000	22	1.17	648000	1.17
30,001 to 40,000	3	0.16	105000	0.19
40,001 to 50,000	4	0.21	200000	0.36
50,001 to 1,00,000	7	0.37	645000	1.17
1,00,000 and Above	32	1.70	45427350	82.14
<b>Total</b>	<b>1877</b>	<b>100.00</b>	<b>55302590</b>	<b>100.00</b>



**K. Shareholding Pattern as on March 31, 2022**

Sl. No.	Category of Shareholders	No of Shares held	No of Shares in DEMAT Form	% Shareholding
<b>A.</b>	<b>Promoters and Promoters Group Shareholding</b>			
<b>1.</b>	<b>Indian</b>			
a.	Individuals / HUF	2751935	2750631	49.76
b.	Bodies Corporate	876967	876967	15.86
<b>2.</b>	<b>Foreign</b>	0	0	0
	<b>Total - (A)</b>	<b>3628902</b>	<b>3627598</b>	<b>65.62</b>
<b>B.</b>	<b>Public Shareholding:</b>			
<b>1.</b>	<b>Institutions:</b>			
a.	Mutual Funds	0	0	0.00
b.	Financial Institutions /Banks	0	0	0.00
c.	Foreign Portfolio Investors	0	0	0.00
	<b>Sub-Total – B (1)</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>2.</b>	<b>Non-Institutions:</b>			
a.	Bodies Corporate	508926	126	9.20
b.	Individuals	1391284	41737	25.16
c.	<b>Any Other specify:</b>			
i.	Non-Resident Indians	500	0	0.01
ii.	Resident Indian HUF	609	609	0.01
iii.	Trusts	0	0	0.00
iv.	Clearing Member/House	38	38	0.00
v.	NBFC Registered with RBI	0	0	0.00
	<b>Sub-Total – B (2)</b>	<b>1901357</b>	<b>42510</b>	<b>34.38</b>
	<b>Total – B = B (1) + B (2)</b>	<b>1901357</b>	<b>42510</b>	<b>34.38</b>
	<b>Grand Total (A + B)</b>	<b>5530259</b>	<b>3670108</b>	<b>100.00</b>

**L. Market Price Data**

Monthly's High and Low (based on daily closing prices) and number of equity shares traded during each month in the year 2021-22 on BSE (Source: www.bseindia.com)

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume (No. of shares traded)
April – 2021	-	-	-
May – 2021	-	-	-
June – 2021	-	-	-
July – 2021	-	-	-
August – 2021	35.05	28.95	642
September – 2021	42.50	36.80	202
October – 2021	79.65	44.60	666
November – 2021	160.30	83.60	2,758
December – 2021	424.45	168.30	1,792
January – 2022	839.85	445.65	4,092
February – 2022	552.85	285.55	3,564
March – 2022	505.80	227.75	4,045

**M. E-Voting**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44 of the SEBI (LODR) Regulation, 2015, members have been provided the facility to exercise their right to vote at General Meetings by electronic means, through e-Voting Services provided by Central Depository Services (India) Limited

**N. Share Transfer / Transmission System**

**Share Transfer System**

Transfer of securities held in physical mode has been discontinued w.e.f. April 01, 2019. However, SEBI vide its various circulars / notifications granted relaxation for re-lodgement cases till March 31, 2021. In compliance with the circular, Re-lodgement of transfer requests was carried out till the validity period of Circular. Further, effective from April 1, 2021, Company / RTA is not accepting any requests for the physical transfer of shares from the shareholders.

**Share Transmission System**

Requests for Transmission of Shares held in physical form can be lodged with Skyline Financial Services Private Limited “RTA” at the above mentioned address given below with all the documents along with duly filled ISR-4. The requests are normally processed within 15 days of receipt of the documents, provided that documents are in order. Shares under objection are returned within two weeks from the date of its receipt.

Pursuant to SEBI circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022, SEBI has directed that listed companies shall henceforth issue securities in dematerialized form only while processing the Transmission request as may be received from the securities holder/claimant. Accordingly, RTA to verify and process the service request and thereafter issue a “Letter of Confirmation” in lieu of physical securities certificate(s), to the securities holder/claimant within 30 days of its receipt of such request after removing objections, if any. The letter of confirmation shall be valid for a period of 120 days from the date of its issuance, within which the securities holder / claimant shall make a request to the Depository Participants for dematerializing the said securities.

The RTA / Company shall issue a reminder after the end of 45 days and 90 days from the date of issuance of Letter of Confirmation, informing the securities holder and /claimant to submit the demat request as above in case no such request has been received by the RTA till the time.

**O. Registrar and Share Transfer Agents**

The Company has appointed M/s Skyline Financial Services Pvt. Ltd. as its Registrar and Transfer Agent for handling the share registry work relating to shares held both in physical and electronic form at a single point. The shareholders may address their communications and any grievances or queries pertaining to securities to the Registrar & Transfer Agent of the Company at Skyline Financial Services Pvt. Ltd., D-153A, Okhla Industrial Area, Phase - I, New Delhi-110 020, Tel: 011-26812682, 83 E-mail: admin@skylinerta.com

**P. SCORES (SEBI Complaints Redressal System)**

SEBI complaints redressal system i.e. SCORES is an online complaints redressal system for investors / shareholders. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder.

**Q. Nomination Facility**

Pursuant to the provisions of the Companies Act, 2013, members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company may submit their requests in Form SH-13 to the Company's Registrar, Skyline Financial Services Private Limited. Members holding shares in electronic form may submit their nomination requests to their respective Depository Participants directly.

**R. KYC Compliances**

Members are requested to complete their KYC as mentioned in SEBI circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 as amended from time to time. Members may download KYC forms from the Company's website at [www.modisteel.com](http://www.modisteel.com)

**S. Dematerialisation of shares and liquidity**

The Company's shares are traded in on BSE and are available for trading on both the depositories, viz. NSDL and CDSL. The connectivity has been established through the Company's Registrars, Skyline Financial Services Pvt. Ltd. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE654H01011. As at March 31, 2022, a total of 36,70,108 Equity Shares of the Company, constituting 66.36% of the paid-up share capital, stands dematerialised. To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their email address and bank accounts with the respective depository participants.

**T. Share Capital Reconciliation Report**

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

**U. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund**

There was no amount required to be transferred to the Investor Education and Protection Fund ("IEPF") by the Company during the year ended March 31, 2022.

**V. Commodity price risk or foreign exchange risk and hedging activities**

There is no exposure of Company towards commodity risks and foreign exchange risks.

**W. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity**

There are no outstanding instruments and hence there will be no dilution of the equity.

**X. Plants Location**

9<sup>th</sup> Mile Stone, G. T. Road,  
Mohan Nagar, Ghaziabad - 201007



**INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**TO THE MEMBERS OF NATIONAL GENERAL INDUSTRIES LIMITED**

I, Deepak Bansal, Company Secretary in Practice, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2022, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

**Managements' Responsibility**

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

**Auditor's Responsibility**

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

**Opinion**

In my opinion and to the best of my information and according to the explanations given to us and based on the representations made by Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2022.

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

**For Deepak Bansal & Associates  
Company Secretaries**

Sd/-

**(Deepak Bansal)**

Proprietor

UDIN : F003736D000793591

FCS : 3736

C.P. No. : 7433

Place : New Delhi  
Dated : 13.08.2022

**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,  
National General Industries Limited (CIN : L74899DL1987PLC026617)  
3<sup>rd</sup> Floor, Surya Plaza, K-185/1, Sarai Julena,  
New Friends Colony, New Delhi – 110025

I, Deepak Bansal, Company Secretary in Practice, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of National General Industries Limited having CIN- L74899DL1987PLC026617 having registered office at 3<sup>rd</sup> Floor, Surya Plaza, K-185/1, Sarai Julena, New Friends Colony, New Delhi – 110025, India (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 as amended.

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, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director(s)	DIN	Designation	Date of Initial Appointment
1.	Ashok Kumar Modi (Upto 30.06.2021)	00051647	Managing Director	09.01.1987
2.	Pawan Kumar Modi	00051679	Joint Managing Director	09.01.1987
3.	Vasu Modi	00051696	Non-Executive Director	10.04.2000
4.	Manhar Modi	00051746	Non-Executive Director	30.06.2021
5.	Anirudh Vimalkumar Goenka	00907733	Independent Director	30.03.2019
6.	Anantshri Gupta	08126520	Independent Director	30.03.2019
7.	Sanjana Bharat	08407030	Independent Director	30.03.2019

Ensuring the eligibility of for the appointment /continuity of every director on the Board is the responsibility of the management of the company. My responsibility is to express an opinion on these based on my 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 Deepak Bansal & Associates  
Company Secretaries**

Sd/-

**(Deepak Bansal)**

Proprietor

UDIN : F003736D000793571

FCS : 3736 / C.P. No. : 7433

Place : New Delhi  
Dated : 13.08.2022





**Annual affirmation regarding compliance with the Code of Conduct**

(under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Company has adopted a Code of Conduct for all its employees, Board members and Senior Management Personnel, including the Managing Director. This code is available on the Company's website [www.modisteel.com](http://www.modisteel.com).

I hereby confirm that all Board members and senior management personnel have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended March 31, 2022.

For and behalf of the Board of Directors  
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Chairman and Managing Director

DIN : 00051679

Place : New Delhi

Date : 13.08.2022

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### FORWARD LOOKING STATEMENT

*This report contains forward-looking statements, which may be identified by their use of words like ‘plans’, ‘expects’, ‘will’, ‘anticipates’, ‘believes’, ‘intends’, ‘projects’, ‘estimates’ or other words of similar meaning. All statements that address expectation of projections about the future, including but not limited to statements about the Company’s strategy for growth, product development, market position, expenditures and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company’s actual results, performance or achievements could, thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.*

### OVERVIEW OF FY 2021-22

National General Industries Limited (‘The Company’) is engaged in the production and selling of Steel. The Company has manufacturing facilities at Ghaziabad, Uttar Pradesh.

### GLOBAL ECONOMY

The global economy staged a strong rebound at the start of CY 2021 driven by accelerated vaccination and opening of economies. It was short-lived, though, as rising infections and reimposition of lockdowns dampened sentiments in the second quarter. Governments and central banks in major economies continued to extend policy support to stabilise the economy and boost private investments and consumption. However, supply chain disruptions leading to commodity inflation, energy price volatility coupled with rising freight and shipping costs, enhanced the risk of inflation.

In the last quarter of CY 2021, the world economy started weakening once again while inflation rose much sharply than anticipated due to doubling of energy prices over the year, localised wage pressures, rising food prices and lingering supply constraints. The weakness in the fourth quarter spilled over into CY 2022, as new virus variants emerged and localised mobility restrictions were imposed. Furthermore, the breakout of the Russia-Ukraine conflict in February 2022 kept the world on edge. The imposition of economic sanctions by US and its NATO allies on Russia pushed up global energy prices, as the country is one of the largest exporters of natural gas. According to the International Monetary Fund's (IMF) World Economic Outlook (WEO) April 2022, global economic output grew 6.1% in CY 2021, following a 3.1% contraction in CY 2020.

### INDIAN ECONOMY

As India prepared to leave the worst of the pandemic behind, a more intense second wave of COVID-19 emerged in the first quarter of FY 2021-22, overwhelming the nation’s health infrastructure and prompting lockdowns, albeit locally. However, with learnings from navigating the first wave, the government and policymakers were much better prepared and the economy demonstrated its structural strength once again. The Government of India rightly accelerated the world’s largest vaccination drive to beat back the pandemic and restore normalcy

With the lifting of restrictions in the second quarter, the economy staged a sharp rebound. The government significantly increased capital expenditure on infrastructure projects, which boosted domestic demand and investment sentiment. Despite facing multiple headwinds, key economic

indicators pointed towards a broad-based recovery. The Indian economy grew 8.7% in FY 2021-22, despite a significant moderation during the fourth quarter, on account of the pandemic-led disruptions, rising domestic inflation, and the ongoing Russia-Ukraine conflict.

The Government of India has its sights squarely set on using infrastructure as the force multiplier to drive economic growth. In line with this strategy, the Government announced a series of programmes during FY 2021-22, which outlines a clear roadmap until 2047 to make India one of the top three economies globally, when the nation celebrates the centenary of its independence. The targeted scale of India's infrastructure development has the potential to create a high multiplier effect on economic growth, and in turn, on the standards of living of millions of Indians. And steel is integral to ushering in this transformational change, building an enduring and sustainable future.

The Indian steel industry recorded crude steel production of 120.01 MnT in FY 2021-22, despite pandemic-induced disruptions in Q1 FY 2021-22. Led by a sharp recovery in demand in developed markets and production cuts in China, steel prices rose sharply in H1 FY 2021-22 in domestic as well as global markets. Prices moderated in Q3 FY 2021-22 and have remained volatile following the start of the Russia-Ukraine crisis.

Domestic finished steel production rose 18.1% y-o-y to touch 113.6 MnT. Finished steel consumption stood at 105.8 MnT, up 11.4% y-o-y, driven by the government's infrastructure spending and the resumption of projects stalled due to the pandemic.

#### **OUTLOOK**

The global economy continues to face headwinds due to rising inflationary pressures and geopolitical tensions. Moreover, conflict between Russia and Ukraine has led to many countries announcing trade sanctions, thereby resulting in a reconfiguration of trade relations across the globe. Even as the aforementioned has led to uncertainty across financial and commodity markets, it also provides newer avenues for many emerging economies to build trade relations. Besides, better healthcare measures and more widespread vaccinations should help stabilise activity across economies.

India is likely to remain the fastest growing major economy, with the expansion of economic output pegged at 7.2% (Source: RBI). Withdrawal of COVID-19 restrictions and normalisation of the economy has led to a broad - based recovery across sectors. Most sectors, excluding services, are now at pre-COVID levels.

Infrastructure and manufacturing initiatives by the government are supportive of growth, and healthy tax collections provide the government with enhanced flexibility. Realignment of global supply chains will continue to provide opportunities to grow exports. Outlook for auto sales, especially Passenger Vehicles, remains healthy with the easing of the chip shortage, and the production of Medium and Heavy Commercial Vehicles is expected to be healthy, driven by infrastructure spending and mining. The real estate market remains strong despite rising interest rates. However, a prolonged Russia-Ukraine conflict, higher energy costs, elevated commodity prices resulting in higher inflation and rate hikes by the Reserve Bank of India (RBI), will be dampeners to growth.

As the announcement of imposition of export duty on steel, made by the Finance Ministry, came in the backdrop of spiralling inflation in the country, the move is expected to be temporary and the industry is hopeful of its withdrawal at the earliest.

With the redefinition of global trade in the wake of the Russia-Ukraine conflict, many developing economies have an opportunity to fill the trading void for many categories of commodities, which also includes high-quality finished steel and semis. Moreover, China’s economy continues to show vulnerability, dragged down by the impact of widespread COVID-19 infections, which has led to the imposition of lockdowns across many regions. With uncertainty surrounding the revival of economic activity and environmental goals of the country, business sentiment is expected to be subdued through the year. This may impact steel manufacturing output and may also drive down consumption estimates. Thus, Indian steelmakers have a boosted avenue to cater to the global steel consuming markets like Europe and the US.

Even as the global economy is witnessing headwinds arising out of inflationary pressure and global geopolitical developments, India is expected to grow at a moderated pace, supported by a gradual recovery in private consumption, steady rise in exports and the government’s continued investments.

The IMF World Economic Outlook, April 2022 projects India to be the fastest growing major economy at 8.2% in CY 2022 and at 6.9% in CY 2023. India’s high frequency indicators have recorded a robust performance at the start of the financial year. Export of steel and steel containing goods can contribute significantly as witnessed in the last two years to the growth momentum of India’s exports once the imposition of export duty is withdrawn. NGIL is in sync with the domestic economy’s growth possibilities and is focused on contributing towards its overall growth. Moreover, Government’s initiatives to promote manufacturing and import substitution is driving growth of steel sector.

#### **OPPORTUNITIES, THREATS AND RISKS**

The COVID-19 pandemic is regarded as a ‘black swan’ event for the global economy and humanity. But the global and Indian economies have shown a remarkable capacity to bounce back rapidly, supported by strong fiscal and monetary stimuli. Even though countries across the globe are now combating fresh COVID-19 outbreaks, the economic environment is expected to stay resilient. Resurgence of infection is undoubtedly a dampener on economic recovery, but much depends on the severity of the wave and extent of the lockdowns that need to be imposed. As experience shows, subsequent lockdowns have generally been less stringent and more localised, with the vaccination pace picking up across the world.

As for the Indian economy, the high frequency indicators have been positive. Sufficiently supported by government spending and resilient rural consumption, manufacturing – especially consumer non-durables – and some categories of services, such as passenger vehicles and railway freight, the economy appears to be on its way to a gradual recovery. Medical experts believe that the current wave may have peaked in India, and one can expect a reduction in cases and a gradual easing of lockdowns. Vaccinations will be a major counter to the virus, helping reduce mutations and subsequent waves.

Steel demand bounced back strongly in India as well as globally. Supply, however, is constrained due to under investments in the sector for the past several years, leading to improved realisations. With the Government of India’s planned outlay for public infrastructure, the steel industry is expected to witness steady demand.

Steel is a champion industry with growing domestic demand and an opportunity to leverage the space vacated by Russia and Ukraine in the global market through exports. India remained a net importer of steel for several years. However, starting 2017, fuelled by large-scale capex projects and



the National Steel Policy, the country started contributing to the global steel markets more than ever, with nearly 18 MnT steel exported in FY 2021-22. India is now racing to build steel capacities that meet the domestic demand and at the same time can supply to the global markets.

To drive import substitution and achieve self-reliance, the Government of India has announced the Production Linked Incentive (PLI) scheme for manufacturing specialty steel. However, specialty steelmaking requires enhanced level of precision and capabilities. India is thus, on its path to becoming an integral part of the global supply chain. In response to PLI Scheme announced by Government of India for speciality steel products, the steel industry is geared up to create capacity in this space.

Steel production showed a solid recovery and domestic finished steel consumption continued to grow. Finished steel consumption surpassed pre-pandemic levels and was supported by the government's improved infrastructure investments. Demand from the auto sector was temporarily weak, due to the semi-conductor shortage. However, the industry closed the year on a positive note and recorded 11% growth in finished steel consumption.

#### **SEGMENT-WISE PERFORMANCE**

A detailed note on the segment-wise performance is given under note no. 25 of the Financial Statement of the Company.

#### **RISKS AND CONCERNS**

Technology obsolescence is an inherent business risk in a fast changing world and speed of change and adaptability is crucial for survival of business. Though aggressive cost cutting and addition to the product mix to incorporate more value-added products are still the present strengths of the Company, the Company is taking utmost care to ensure very high quality of products.

#### **INTERNAL CONTROL SYSTEM**

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's policies. The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. The accounting records are adequate for preparation of financial statements and other financial information. The adequacy and effectiveness of internal controls across the various business, as well as compliance with laid down systems and policies are regularly monitored by your Company's internal audit process. The Audit Committee of Board, which met four times during the year, reviewed the financial disclosures.

The Company has appointed M/s B.R.Maheswari & Co., Chartered Accountants, (FRN 001035N), New Delhi to oversee and carry out internal audit of its activities. The internal audit reports are reviewed by the Audit Committee periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013 and Clause 18 of SEBI Regulations 2015), the audit committee has concluded that as on March 31, 2022, your internal financial controls were adequate and operating effectively.



**FINANCIAL AND OPERATIONAL PERFORMANCE**

The financial performance of the Company for the financial year ended on 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 are summarized below:-

(Rupees in Lakhs)

Particulars	For the year ended	
	31-Mar-22	31-Mar-21
<b>INCOME:</b>		
Revenue from operations	1,826.25	1,857.89
Other Income	109.91	693.02
	<b>1,936.16</b>	2,550.66
<b>EXPENSES:</b>		
Cost of materials consumed	1,574.25	1,769.02
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	34.51	(51.23)
Employee benefit expense	153.01	112.34
Financial costs	14.19	14.64
Depreciation and amortization expense	41.99	41.99
Other expenses	104.21	96.61
	<b>1,921.36</b>	1,983.36
<b>Profit before exceptional items and tax</b>	<b>14.80</b>	567.30
Exceptional Items	-	-
<b>PROFIT BEFORE TAX</b>	<b>14.80</b>	567.30
<b>TAX EXPENSES:</b>		
Current tax	-	-
Current tax - Prior Year	-	-
MAT Credit	-	-
MAT Credit - Prior Year	-	-
Deferred tax	4.62	(13.12)
<b>Profit for the period from continuing operations</b>	<b>10.18</b>	580.43
<b>PROFIT AFTER TAX</b>	<b>10.18</b>	580.43
<b>Other Comprehensive Income/(Loss)</b>		
(A) Items that will be reclassified to profit or loss	-	-
(B) Items that will not be reclassified to profit or loss	82.96	119.13
Income tax relating to this	21.50	19.43
<b>Total Other Comprehensive Income/(loss) for the year</b>	<b>61.46</b>	99.70
<b>Total Comprehensive Income/(loss) for the year</b>	<b>71.64</b>	680.12



#### RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2022 are as under:

- ⇒ Value of Sales and Services decreased by 1.69% to Rs. 1826.25 lakhs (PY Rs. 1857.64 lakhs).
- ⇒ Value of Other Income decreased to Rs. 109.91 lakhs (PY Rs. 134.23 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).
- ⇒ PBDIT increased to Rs.70.17 lakhs (PY of Rs. 65.13 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).
- ⇒ PBT increased to Rs. 14.80 lakhs (PY Rs. 8.51 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).
- ⇒ Net Profit increased to Rs. 10.18 lakhs (PY Rs. 21.63 lakhs apart from Rs. 558.79 lakhs on sale of steel casting unit).

#### INDUSTRIAL RELATIONS AND HUMAN RESOURCE MANAGEMENT

Industrial relations during the year under review were cordial and peaceful with all the employees on the payroll of the Company as at end of the financial year 2021-22. The management wishes to place on record, the excellent cooperation and contribution made by the employees, at all levels of the organization to the continued growth of the Company. There was constant focus on all round organizational development.

Considering human resources as most important resource, the major thrust was on recruiting highly qualified executives in various departments and also recruiting highly skilled workers to strengthen the production. Various training programs including visionary exercises were conducted for personal as well as professional development of the employees. The Company's industrial relations continued to be harmonious during the year under review.

For and behalf of the Board of Directors  
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Chairman and Managing Director

DIN : 00051679

Place : New Delhi  
Date : 13.08.2022





## Annexure V

**Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director / KMP	Remuneration of Director / KMP for FY 2021-22	% Increase in Remuneration in FY 2021-22	Ratio of remuneration	Comparison of remuneration against performance of Company
1.	Pawan Kumar Modi, Managing Director	12.00 Lakhs	Not Applicable as remuneration was not paid in FY 2020-21	100:1	81.08% of Profit before exceptional items and Tax
2.	Vandana Gupta	1.50 Lakhs	Nil	N.A.	

- ii) The median remuneration of employees of the Company during the financial year was Rs. 2.94 Lakhs.
- iii) In the Financial year, there was an increase of 15.25% in the median remuneration of employees other than managerial remuneration.
- iv) There were 45 (forty-five) permanent employees on the rolls of the Company.

It is hereby affirmed that the remuneration during the year ended 31<sup>st</sup> March, 2022 is paid as per the Remuneration Policy of the Company.

For and behalf of the Board of Directors  
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Chairman and Managing Director

DIN : 00051679

Place : New Delhi  
Date : 13.08.2022



**Independent Auditors' Report**

To,  
The Members of  
**M/s NATIONAL GENERAL INDUSTRIES LTD.**  
New Delhi.

**Opinion**

We have audited the accompanying Standalone Ind AS financial statements of **M/s NATIONAL GENERAL INDUSTRIES LTD.** (the Company), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Change in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit including Other Comprehensive Income, its Cash Flows and the Statement of Change in Equity for the year ended on that date.

**Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Company Act 2013, Our responsibilities under those Standard are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Emphasis of Matter**

We draw attention to the following matters in the notes to Financial Statements:

The Note 31 related to preparation of standalone financial statement which explains Covid 19 has caused significant auditing and accounting challenges. Once a challenge being the management was not able to conduct the physical counting of inventory on regular periodic interval, however physical counting for the post lockdown period was conducted time to time. Further Covid 19 has caused significant disruption to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of property, plant and equipment, investments, inventories, receivables, other current assets. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.



Some of the Debtors and Creditors balances are subject to Confirmation from the Parties, although mails have been sent for confirming the same. “Our Opinion is not modified in respect of this matter”.

**Other Matter**

Due to spreading of COVID-19 across India, the Government Authorities imposed a corona lockdown in April 2021 across State which is still going on with relaxations in parts. This has resulted in restriction on physical visit to client locations and the need for carrying alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

In view of above stated situation, the part of audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on “Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current Covid-19 situation” issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, and reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of users that the audit of the financial statements has been performed in the aforesaid conditions.

**Information Other than the Financial Statement and Auditor’s Report Thereon**

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

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

In connection with our audit of financial statement, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement 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 Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash flows and the Statement of Change in Equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Accounting Standards) Rule, 2015, as amended.

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, which have been used for the purpose of preparation of the Standalone Ind AS financial statement by the Directors of the Company, as aforesaid.

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

#### **Auditor's Responsibility**

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

A further description of the auditor's responsibilities for the audit of the Standalone Ind AS financial statement is included in **Annexure A**. This description forms part of our auditor's report.

Our Opinion on the Standalone Ind AS financial statement, and our report on Other Legal and Regulatory Requirement below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the others auditors and the financial statement / financial information certified by the Management.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure B** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:
2. As required by section 143(3) of the Act, based on our audit 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 aforesaid Standalone Ind AS financial statement;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Ind AS financial Statement have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Standalone Ind AS financial statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 C**; our report express an unmodified opinion on the adequacy and operative effectiveness of the company's internal financial controls over financial reporting and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has no pending litigations having impact on its financial statements.
  - b. The Company did not have any long-term contract including derivative contracts which may lead to any foreseeable losses.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
  - e. No dividend have been declared or paid during the year by the company.

Place: New Delhi  
Dated: 30.05.2022

For **N R & Company**  
**Chartered Accountants**  
FRN – 015095C  
Sd/-  
**Naveen Sawhney**  
**Partner**  
Membership No.073713  
UDIN:22073713AKOSUD1258

**Annexure ‘A’ to Auditors Report**

**Responsibilities for Audit of Ind AS Financial Statement**

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 Standalone Ind AS financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion forgery intentional omissions misrepresentations or the override of internal control.
- ⇒ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statement in place and the operating effectiveness of such controls.
- ⇒ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ⇒ Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.
- ⇒ Evaluate the overall presentation structure and content of the Standalone Ind AS financial statements including the disclosures and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ⇒ Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities to express an opinion on the Standalone Ind AS financial statement. We are responsible for the direction, supervision and performance of the audit of the financial statement of such entries included in the financial statement of which we are the independent auditors. For the other entity included in the Standalone Ind AS financial Statement.

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

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

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



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

For **N R & Company**  
**Chartered Accountants**

FRN – 015095C

Sd/-

**Naveen Sawhney**  
**Partner**

Membership No.073713

UDIN:22073713AKOSUD1258

Place: New Delhi

Dated: 30.05.2022

**Annexure 'B' to Auditors Report**  
**(Referred to in our Report of even date)**

The Annexure referred to in independent Auditor's report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2022, we report that:

- 1) (a) The Company has maintained proper records though to be updated, showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, the management has physically verified all the fixed assets during the year, in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company. We have been informed that no material discrepancies were noticed on such physical verification during the year.  
(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company. However the title deeds of immovable properties have not been produced before us for the verification.  
(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.  
(e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (2) (a) As explained to us and, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. Also it is explained that, no discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.  
(b) As explained to us, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- (3) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly paragraph 3 (iii) of the order is not applicable.
- (4) 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 Act, with respect to the loans and investments and providing guarantees and securities, as applicable.





- (5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- (6) In our opinion, Company is not required to maintain cost records under section 148(1) of the Companies Act, 2013 read with rule 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014.
- (7) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.  
According to the information and explanations given to us, no amounts payable in respect of Income-tax, Service Tax, Sales-tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
- (8) According to the information and explanations given by the management, no transactions recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (9) A. Based on our audit procedures and as per the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of loan to any bank or government, debenture holder or any financial institutional borrowing during the year.  
B. According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;  
C. In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained  
D. In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilised for long term purposes.  
E. In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,  
F. In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (10) A. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.  
B. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (11) A. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.  
B. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;  
C. According to the information and explanations given to us by the management, no whistleblower complaints had been received by the company.
- (12) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.



- (13) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (14) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the 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.
- (15) A. According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business;  
B. The reports of the Internal Auditors for the period under audit were considered by us;
- (16) 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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (17) A. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.  
B. In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,  
C. In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.  
D. According to the information and explanations given by the management, the Group does not have not more than one CIC as part of the Group.
- (18) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (19) There has been no resignation of the statutory auditors during the year.
- (20) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor’s knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (21) Based on our examination, the provision of section 135 are not applicable on the company. Hence this clause is not applicable on the company.
- (22) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

**For N R & Company**  
**Chartered Accountants**  
FRN – 015095C  
Sd/-

**Naveen Sawhney**  
**Partner**

Membership No.073713  
UDIN:22073713AKOSUD1258

Place: New Delhi  
Dated: 30.05.2022

**Annexure ‘C’ to Auditors Report  
(Referred to in 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”)

We have audited the internal financial controls over financial reporting of National General Industries Ltd (“the Company”) as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**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 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) pertains 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 authorization of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, 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.

Place: New Delhi  
Dated: 30.05.2022

For N R & Company  
Chartered Accountants  
FRN – 015095C  
Sd/-

**Naveen Sawhney**  
Partner  
Membership No.073713  
UDIN:22073713AKOSUD1258



**BALANCE SHEET AS AT 31st MARCH, 2022**

Particulars	Note No	Rs. In Lacs	
		AS At	
		31-Mar-22	31-Mar-21
<b>(I) ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	381.22	382.58
Capital Work in Progress			
Investment Properties			
Intangible Assets			
<b>Financial assets</b>			
(i) Investments	4	680.41	550.91
(ii) Loans			
(iii) Other Financial Assets	5	1,443.62	1,376.42
Deferred tax assets (net)			
Other non-current assets			
<b>Current assets</b>			
Inventories	6	263.16	271.09
<b>Financial Assets</b>			
(i) Trade Receivables	7	87.65	126.96
(ii) Cash and Cash Equivalents	8	15.15	27.97
(iii) Bank balances other than cash and cash equivalents		-	-
(iv) Loans	9	137.83	117.52
(v) Investments	4	382.25	471.15
(vi) Other Financial Assets		-	-
Current tax assets (net)		-	-
Other current assets		-	-
<b>Total Assets</b>		<b>3,391.30</b>	<b>3,324.60</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	10	466.96	466.96
Other Equity	11	2,478.13	2,407.45
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	14	10.00	-
(ii) Other financial liabilities		-	-
Provisions	12	8.69	11.04
Deferred Tax Liabilities (Net)	13	98.97	72.86
Other Non Current Liabilities		-	-
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	14	223.57	219.25
(ii) Trade Payables	15		
(a) Trade Payables, due to MSME		1.00	1.61
(b) Trade Payables, due of creditors other than MSME		79.89	122.16
(iii) Other Financial Liabilities		-	-
Provisions	12	1.06	0.66
Other Current Liabilities	16	23.02	22.61
Current Tax Liability (net)		-	-
<b>Total Equity and Liabilities</b>		<b>3,391.30</b>	<b>3,324.60</b>

Notes to Financial statement 1 to 36

As per our report of even date

**For N R & Company**

Chartered Accountants

FRN – 015095C

Sd/-

**Naveen Sawhney**

Partner

Membership NO – 073713

Place: New Delhi

Date : 30/05/2022

UDIN : 22073713AKOSUD1258

**For and on behalf of Board of Directors**

**NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Managing Director cum CFO

DIN:00051679

Sd/-

**Manhar Modi**

Director

DIN : 00051746

**Vandana Gupta**

Company Secretary

Mem. No. ACS24012



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2022**

Rs. In Lacs

Particulars	Notes	For the year ended	
		31-Mar-22	31-Mar-21
<b>INCOME:</b>			
Revenue from operations	17	1,826.25	1,857.64
Other Income	18	109.91	693.02
<b>Total Income</b>		<b>1,936.16</b>	<b>2,550.66</b>
<b>EXPENSES:</b>			
Cost of materials consumed	19	1,574.25	1,769.02
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	34.51	(51.23)
Employee benefit expense	21	153.01	112.34
Financial costs	22	14.19	14.64
Depreciation and amortization expense	3	41.19	41.99
Other expenses	23	104.21	96.61
<b>Total Expenses</b>		<b>1,921.36</b>	<b>1,983.36</b>
<b>Profit before exceptional items and tax</b>		<b>14.80</b>	<b>567.30</b>
Exceptional Items		-	-
<b>PROFIT BEFORE TAX</b>		<b>14.80</b>	<b>567.30</b>
<b>TAX EXPENSES:</b>			
Current tax		-	-
Current tax - Prior Year		-	-
MAT Credit		-	-
MAT Credit - Prior Year		-	-
Deferred tax		4.62	(13.12)
<b>Profit for the period from continuing operations</b>		<b>10.18</b>	<b>580.43</b>
Profit from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit from Discontinuing operations		-	-
<b>PROFIT AFTER TAX</b>		<b>10.18</b>	<b>580.43</b>
<b>Other Comprehensive Income/(Loss)</b>			
(A) Items that will be reclassified to profit or loss		-	-
Income Tax relating to items that will be reclassified to Profit and Loss		-	-
(B) Items that will not be reclassified to profit or loss		82.96	119.13
Income Tax relating to items that will not be reclassified to Profit and Loss		21.50	19.43
<b>Total Other Comprehensive Income/(loss) for the year</b>		<b>61.46</b>	<b>99.70</b>
<b>Total Income/(loss) for the year</b>		<b>71.64</b>	<b>680.12</b>
<b>EARNING PER EQUITY SHARE</b>			
(Nominal Value of Share Rs. 10 each)			
Basic (In Rs.)	24	0.22	10.50
Diluted (In Rs.)		0.18	10.50

Notes to Financial statement 1 to 36

As per our report of even date

**For N R & Company**

Chartered Accountants

FRN – 015095C

Sd/-

**Naveen Sawhney**

Partner

Membership NO – 073713

Place: New Delhi

Date : 30/05/2022

UDIN : 22073713AKOSUD1258

**For and on behalf of Board of Directors**

**NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Managing Director cum CFO

DIN:00051679

Sd/-

**Vandana Gupta**

Company Secretary

Mem. No. ACS24012

Sd/-

**Manhar Modi**

Director

DIN : 00051746





**A. EQUITY SHARE CAPITAL**

(Amount in Lacs)

Particulars	Balance at the end of the reporting period i.e 31st March 2020	Changes in Equity share capital during the 2020-21	Balance at the end of the reporting period i.e 31st March 2021	Balance at the end of the reporting period i.e 31st March 2021	Changes in Equity share capital during the 2021-22	Balance at the end of the reporting period i.e 31st March 2022
ISSUED AND SUBSCRIBED SHARES CAPITAL	55.30	-	55.30	55.30	-	55.30
LESS: CALLS IN AREARS	(8.61)	-	(8.61)	(8.61)	-	(8.61)
PAID UP SHARES CAPITAL	46.70	-	46.70	46.70	-	46.70

**B. OTHER EQUITY**

(Amount in Lacs)

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
<b>AS ON 31st MARCH, 2021</b>							
Balance at the beginning of the reporting period i.e 31st March 2020	24.76	14.24	1.16	101.00	9.29	26.16	176.61
Depreciation on Revalued Assets	-	-	-0.10	25.00	-	-	24.90
Profit for the year	-	-	-	-	-	58.04	58.04
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	9.97	-	9.97
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to/(from ) Profit & loss	-	-	-	-	-3.78	-25.00	-28.78
<b>Balance at the end of the reporting period i.e 31st March 2021</b>	<b>24.76</b>	<b>14.24</b>	<b>1.06</b>	<b>126.00</b>	<b>15.48</b>	<b>59.20</b>	<b>240.74</b>

(Amount in Lacs)

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
<b>AS ON 31st MARCH, 2022</b>							
Balance at the beginning of the reporting period i.e 31st March 2021	24.76	14.24	1.06	126.00	15.48	59.20	240.74
Depreciation on Revalued Assets	-	-	-0.10	-	-	1.02	0.92
Profit for the year	-	-	-	-	-	-	-
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	6.15	-	6.15
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to/(from ) Profit & loss	-	-	-	-	-	-	-
<b>Balance at the end of the reporting period i.e 31st March 2022</b>	<b>24.76</b>	<b>14.24</b>	<b>0.97</b>	<b>126.00</b>	<b>21.62</b>	<b>60.22</b>	<b>247.81</b>





**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022**

Particulars	Rs. In Lacs	
	For the Year Ended	
	31-Mar-22	31-Mar-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax</b>	14.80	567.30
Adjustments for:		
Depreciation and amortisation expense	41.19	41.99
(Profit)/loss on sale of Assets	(3.56)	(558.79)
(Profit)/loss on sale of Shares / Mutual Fund	(48.17)	(109.07)
Interest & Finance Charges	14.19	14.64
Dividend Income	(0.08)	-
Interest and Trading Income on Investment	(2.52)	(13.09)
Investment revalue through FVTPL	18.39	2.31
<b>Operating Profit before Working Capital Changes</b>	34.24	(54.71)
Adjustments for:		
Decrease/(Increase) in Inventories	7.93	(31.86)
Decrease/(Increase) in Receivables	39.31	45.01
Decrease/(Increase) in other current and non current assets	(20.30)	(42.74)
Increase/(Decrease) in Payables	(42.83)	9.29
Increase/(Decrease) in Other Current Liabilities	0.34	0.22
Increase/(Decrease) in Provision	(1.94)	1.44
<b>Total Adjustment for working capital change</b>	(17.50)	(18.64)
<b>Cash generated from operations</b>	16.74	(73.36)
Tax (paid) refund - Net	11.84	-
<b>Net Cash flow from Operating activities</b>	28.57	(73.36)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(43.38)	(109.62)
Sale of Fixed Assets	6.15	1,420.00
Purchase/sale of Shares/Mutual Fund	14.10	97.83
Purchase of Fixed Deposit	(20.00)	(1,350.00)
Interest and Trading Income on Investment	2.52	13.09
Security Deposit	(1.00)	-
Dividend income	0.08	-
<b>Net Cash used in Investing activities</b>	(41.52)	71.30
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term Borrowings	16.43	-
Repayment of Long term Borrowings	-	-
Repayment of Short term Borrowings	(2.12)	(177.21)
Proceeds from Short term Borrowings	-	219.25
Interest paid	(14.19)	(14.64)
<b>Net Cash used in financing activities</b>	0.13	27.40
Net increase in cash & Cash Equivalents	(12.82)	25.35
Cash and Cash equivalents as at beginning	27.97	2.62
Cash and Cash equivalents as at end	15.15	27.97

Note: Cash Flow Statement is prepared using the indirect method, whereby profit before tax is adjusted for effect of transactions of a non cash nature and deferrals or accruals of past or future operating cash receipts of payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

As per our report of even date

**For N R & Company**

Chartered Accountants

FRN – 015095C

Sd/-

**Naveen Sawhney**

Partner

Membership NO – 073713

Place: New Delhi

Date : 30/05/2022

UDIN : 22073713AKOSUD1258

**For and on behalf of Board of Directors**

**NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Managing Director cum CFO

DIN:00051679

Sd/-

**Manhar Modi**

Director

DIN : 00051746

Sd/-

**Vandana Gupta**

Company Secretary

Mem. No. ACS24012

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2022****1. Corporate information**

National General Industries Limited ("The Company") is engaged in manufacturing and selling of steel from its manufacturing facilities located at Ghaziabad. The company is operating its business through registered office located at New Delhi.

**2. Basis of preparation**

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount

a) Certain financial assets and liabilities

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees, which is also its functional currency.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2.1 Summary of significant accounting policies and general confirmations****(a) Property, Plant and Equipment**

Property, Plant and Equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (net of Input Credit), borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

**(b) Depreciation/Amortization**

Depreciation is provided on Straight Line Method as per rates computed based on useful life prescribed in schedule II of the Companies Act, 2013. Depreciation on appreciation upon Property, Plant and Equipment (PPE) is directly charged to Revaluation Reserve. No Amortization is being provided on leasehold land.

**(c) Impairment**

Property, Plant and Equipment (PPE) are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

**(d) Use of estimates**

The preparation of financial statements is in conformity with (INDAS) requires the management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimate are based on the management's best knowledge of current event and action.

**(e) Leases**

- (i) Lease liability is initially recognized and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
- (ii) Right of use asset is recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee.
- (iii) The lease liability is measured in subsequent periods using the effective interest rate method. The right-of-use asset is depreciated in accordance with the requirements in Ind AS 16, Property, Plant and equipment.
- (iv) Recognition and measurement exemption are available for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

**(f) Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current investments. Current and Non-Current investments are carried at fair value determined on an individual investment basis. Where Current investment are recognized at fair value its difference with cost is routed through profit and Loss a/c and Where Non-Current investment are recognized at fair value its difference with cost is routed through Other Comprehensive Income/ (Loss).

**(g) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(h) Inventories**

Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realizable value. Raw materials purchased are carried at cost. Store and spare parts are carried at cost. Cost has been determined by using the FIFO method.

**(i) Revenue Recognition**

- (i) Sale of goods: Revenue from sale of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer.
- (ii) Income from Services: Revenue from services is accounted for in accordance with the terms of contracts, as and when these services are rendered.
- (iii) Interest: Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (iv) Dividend: Dividend Income is recognized when right to receive is established.

**(j) Retirement and other benefits**

(i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to respective funds are due.

(ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year.

**(k) Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

**Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Company has opted 115BAA during the financial year 2020-21 hence that no MAT is applicable to the company.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

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

**(l) Earnings Per Share**

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

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

**(m) Contingent liability**

Contingent liability is not provided for in the accounts and is recognized by way of notes.

**(n) Financial Instruments****i) Financial Assets****A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement****a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

**c) 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 FVTPL.

**C. Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in Other Comprehensive Income'.

**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 fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:  
The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

## **ii) Financial liabilities**

### **A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

### **B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## **a) Exemptions from retrospective application**

### **(i) Business combination exemption**

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, “Business Combinations” to business combinations consummated prior to April 1, 2015 (the “Transition Date”), pursuant to which Goodwill / capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

### **(ii) Share-based payment transactions**

Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 to options that vested prior to April 1, 2015.

### **(iii) Fair value as deemed cost exemption**

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets which are measured at fair value as deemed cost.

### **(iv) Decommissioning liabilities**

The Company has elected to apply the transitional provision with respect to recognition of Decommissioning, Restoration and Similar Liabilities.



**3. PROPERTY, PLANT AND EQUIPMENT.**

PARTICULARS	GROSS BLOCK						DEPRECIATION						NET BLOCK			
	As on 01-04-2021		DURING THE YEAR		As on 31-03-2022		As on 01-04-2021		DURING THE YEAR		As on 31-03-2022		As on 31-03-2022		As on 31-03-2021	
	ORIGINAL	REVALUED	ADDITION	DELETION	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED
Capital WIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land	36.23	71.60	-	-	36.23	71.60	-	-	-	-	-	-	36.23	71.60	36.23	71.60
Furniture & Fixture	2.46	-	-	-	2.46	-	2.29	-	0.01	-	-	-	0.16	-	0.17	-
Building	60.20	33.56	-	-	60.20	33.56	20.75	29.16	1.88	0.96	-	-	37.57	3.44	39.45	4.40
Plant & Machinery	461.96	69.14	1.84	-	463.80	69.14	251.98	69.14	22.20	-	-	-	189.62	-	209.98	-
Office Equipment	7.31	-	0.14	-	7.45	-	7.02	-	0.12	-	-	-	0.32	-	0.29	-
Computer	11.36	-	-	-	11.36	-	7.42	-	1.33	-	-	-	2.61	-	3.94	-
Vehicles	73.39	-	36.23	25.11	84.51	-	56.89	-	10.48	-	-	-	39.66	-	16.51	-
F.A.Rolls	159.12	-	5.17	-	164.28	-	159.12	-	5.17	-	-	-	-	-	-	-
Cycle	0.03	-	-	-	0.03	-	0.03	-	0.00	-	-	-	0.00	-	0.00	-
<b>TOTAL</b>	<b>812.07</b>	<b>174.31</b>	<b>43.38</b>	<b>25.11</b>	<b>830.34</b>	<b>174.31</b>	<b>505.49</b>	<b>98.31</b>	<b>41.19</b>	<b>0.96</b>	<b>22.51</b>	<b>524.16</b>	<b>306.18</b>	<b>75.04</b>	<b>306.58</b>	<b>76.00</b>
Previous Year	<b>1,693.35</b>	<b>174.31</b>	<b>109.62</b>	<b>-</b>	<b>812.07</b>	<b>174.31</b>	<b>558.44</b>	<b>97.34</b>	<b>41.99</b>	<b>0.96</b>	<b>-</b>	<b>505.49</b>	<b>306.58</b>	<b>76.00</b>	<b>-</b>	<b>-</b>

a) Company is not holding any immovable property which is not in its name during the year.

b) Company has not revalued any of its assets during the financial year.

c) Company do not have any Capital Work-In-Progress, hence ageing of the same is not provided.

d) The management has physically verified all the fixed assets during the year, in a phased periodical manner, which is having regard to the size of the Company.





**NOTES TO FINANCIAL STATEMENTS**

Rs. In Lacs

PARTICULARS	As at			
	31-Mar-22	31-Mar-21		
<b>4 Investments</b>				
<b>(i) Non Current Investments</b>				
<b>Quoted equity instruments</b>				
- <b>Equity Share of Kay Power &amp; Papers Ltd.</b> 700 (P.Y. 700) equity shares of Rs. 10/- each.	0.04	0.02		
- <b>Equity Share of Andhra Sugar Ltd.</b> Nill (P.Y. 2550) equity shares of Rs. 10/- each.	-	7.42		
- <b>Equity Share of NMDC Ltd.</b> 3400(P.Y Nill) equity shares of Rs. 1/- each.	5.53	-		
- <b>Equity Share of Indian Oil Corporation Ltd.</b> 1(P.Y Nill) equity shares of Rs. 10/- each.	0.00	-		
<b>Total Quoted Equity Instruments</b>	<b>5.57</b>	<b>7.43</b>		
<b>Unquoted equity instruments</b>				
- <b>Equity Share of Modi Asset Management Pvt. Ltd.</b> 14,09,600 (P.Y. 14,09,600) Class 'A' Equity Share of Rs. 10/- each.	140.96	140.96		
63,600 (P.Y. 63,600) Class 'B' Equity Share of Rs. 75/- each.	47.70	47.70		
- <b>Equity Share of Peacon Properties &amp; Encalve Pvt. Ltd.</b> 4,00,755 (P.Y. 4,00,755) Equity shares of Rs. 10/- each.	8.18	8.18		
- <b>Equity Share of Modi Metal &amp; Allied Industries Pvt. Ltd.</b> 3,23,580 (P.Y. 3,23,580) Equity shares of Rs. 10/- each.	45.11	45.11		
- <b>Equity Share of Southern Iron &amp; Steel Co. Ltd.</b> 2 (P.Y. 2) equity shares of Rs. 10/- each.	0.00	0.00		
<b>Total Unquoted Equity Instruments</b>	<b>241.95</b>	<b>241.95</b>		
<b>Quoted Mutual Funds</b>				
	<b>Units</b>	<b>Units</b>		
	<b>(Current Year)</b>	<b>(Previous Year)</b>		
HDFC Equity Fund	29,561.10	29,561.10	298.95	235.74
DSP Small Cap Fund Direct Growth	31,915.17	31,915.17	37.48	26.69
Invesco India Contra Fund Direct Growth	27,572.15	27,572.15	23.47	19.36
Kotak Equity Opportunities Fund Direct Growth	11,066.86	11,066.86	24.00	19.75
HDFC nifty 50 Direct Growth	252.09	-	0.41	-
HDFC nifty 50 Direct Growth	5,399.21	-	0.60	-
Motilal Oswal - Next Trillion Dollar Opportunity Strategy	-	-	47.98	-
<b>Total Quoted Mutual Funds</b>			<b>432.89</b>	<b>301.53</b>
			-	-
<b>Total (i)</b>			<b>680.41</b>	<b>550.91</b>
<b>(ii) Current Investments</b>				
<b>Quoted Mutual Funds</b>				
	<b>Units</b>	<b>Units</b>		
	<b>(Current Year)</b>	<b>(Previous Year)</b>		
Templeton India Ultra Short Bond Fd	26,685.21	5,45,728.68	9.14	162.22
SBI Liquid Fund	2,171.67	1,602.25	72.38	51.62
HDFC Liquid Fund	2,101.64	1,110.71	87.95	44.93
HDFC Liquid Fund - Growth(old)	24.73	24.73	1.03	1.00
ICICI Prudential Nifty Index Fund	27,404.62	27,404.62	48.51	40.45
ICICI Prudential Liquid Fund	19,817.25	23,274.46	62.48	70.93
Estee Advisors Pvt. Ltd.	-	-	-	100.00
HDFC Liquid Fund - Growth	1,161.23	-	48.21	-
SBI Liquid Fund - Growth	1,456.23	-	48.21	-
Motilal Oswal Financial Services Ltd	-	-	4.33	-
<b>Total (ii)</b>			<b>382.25</b>	<b>471.15</b>
			-	-
<b>Total Investments (i) + (ii)</b>			<b>1,062.66</b>	<b>1,022.06</b>



**NOTES TO FINANCIAL STATEMENTS**

Rs. In Lacs

PARTICULARS	As at	
	31-Mar-22	31-Mar-21
<b>5 Other Financial Assets</b>		
Security Deposit	27.42	26.42
Fixed deposit	1,116.20	1,050.00
Margin Money against Overdraft	300.00	300.00
	<b>1,443.62</b>	<b>1,376.42</b>
<b>6 Inventories</b>		
Raw Materials	75.47	60.49
Finished goods	142.19	168.83
Loose Tools	3.51	3.66
Others	42.00	38.12
	<b>263.16</b>	<b>271.09</b>

Physical verification of inventory has been conducted at reasonable intervals by the management. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as

<b>7 Trade receivables</b>		
Trade Receivable considered good - Secured	-	-
Trade Receivable considered good - Unsecured	87.65	126.96
Trade Receivable which have significant increase in credit risk	30.35	30.35
Less : Allowance for doubtful debts	(30.35)	(30.35)
Trade Receivables - credit impaired	-	-
Less : Allowance for doubtful debts	-	-
	<b>87.65</b>	<b>126.96</b>

**AGEING AS AT 31st MARCH, 2022 :**

Particulars	Less than 6 months	6 Months to 1 Year	1 to 2 Year	2 to 3 year	More than 3 Years	Total
Undisputed Trade Receivables- Considered	87.65	-	-	-	-	87.65
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	30.35	30.35
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
Less : Allowance for doubtful debts	-	-	-	-	(30.35)	(30.35)
<b>TOTAL</b>	<b>87.65</b>	-	-	-	<b>0.00</b>	<b>87.65</b>

**AGEING AS AT 31st MARCH, 2021 :**

Particulars	Less than 6 months	6 Months to 1 Year	1 to 2 Year	2 to 3 year	More than 3 Years	Total
Undisputed Trade Receivables- Considered	126.96	-	-	-	-	126.96
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	30.35	30.35
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
Less : Allowance for doubtful debts	-	-	-	-	(30.35)	(30.35)
<b>TOTAL</b>	<b>126.96</b>	-	-	-	<b>0.00</b>	<b>126.96</b>

<b>8 Cash and cash equivalents</b>		
<b>(i) Fixed deposits (With maturity less than 12 months)</b>		
Fixed deposit	-	-
Margin Money against Overdraft	-	-
<b>Total(i)</b>	-	-
<b>(ii) Cash and Banks</b>		
Balances with Banks	14.54	27.75
Cash on hand	0.62	0.22
<b>Total (ii)</b>	<b>15.15</b>	<b>27.97</b>
<b>Total(i+ii)</b>	<b>15.15</b>	<b>27.97</b>
<b>9 Short Term Loans &amp; Advances</b>		
Balance with Statutory / Government Authorities	28.88	41.35
Prepaid Expenses	0.56	0.50
Advance to Suppliers & Others	53.47	2.31
Advance to Staff	1.63	3.88
Withholding Tax	20.00	17.79
Commission Receivable	0.74	-
Income Tax Refundable	21.43	14.47
Amount Receivable from Global Autostar LLP	0.01	-
Interest and Trading income receivable	-	27.08
Interest Receivable on FDR	11.11	10.14
	<b>137.83</b>	<b>117.52</b>



**NOTES TO FINANCIAL STATEMENTS**

PARTICULARS	As at	
	31-Mar-22	31-Mar-21
<b>10 Share Capital</b>		
<b>AUTHORISED SHARES</b>		
12,000,000 ( P.Y. 12,000,000) Equity Shares of Rs.10/- each	-	-
	<b>1,200.00</b>	<b>1,200.00</b>
<b>ISSUED AND SUBSCRIBED SHARES</b>		
5,530,259 ( P.Y. 5,530,259) Equity Shares of Rs. 10/- each	553.03	553.03
	<b>553.03</b>	<b>553.03</b>
<b>PAID UP SHARES</b>		
5,530,259 ( P.Y. 5,530,259) Equity Shares of Rs. 10/- each	553.03	553.03
Less: Call Money unpaid by other than Directors	86.07	86.07
1,147,600 (P.Y.1,147,600) Shares @ Rs. 7.50 each		
	<b>466.96</b>	<b>466.96</b>
<b>a. Reconciliation of the Equity shares outstanding at the beginning and at the end of reporting period</b>		
Outstanding at the beginning of the year	55,30,259	55,30,259
5,530,259 ( P.Y. 5,530,259) Equity Shares of Rs. 10/- each		
Changes in Share capital during the year	-	-
Outstanding at the year end		
5,530,259 ( P.Y. 5,530,259) Equity Shares of Rs. 10/- each	<b>55,30,259</b>	<b>55,30,259</b>

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs 10 per share. The holder of each fully paid equity share is entitled to one vote. Each share is entitled to equal dividend if any declared by the Company and approved by the Share holders of the Company.

In the event of liquidation of the company, holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Details of shareholders holding more than 5% shares in the company**

Name	As at 31st March 2022		As at 31st March 2021	
	Nos.	%	Nos.	%
Modi Asset Management Pvt Ltd	4,99,900	9.04	4,99,900	9.04
Vasu Modi	3,59,745	6.51	3,59,745	6.51
Manhar Modi	4,12,798	7.56	4,12,798	7.56
Madhur Modi	3,68,000	6.65	3,68,000	6.65

**d. Promoter's Shareholding**

Promoter Name	As at 31-Mar-22		As at 31-Mar-21		% Change during the year
	No. of Shares	% of total	No. of Shares	% of total share	
Manhar Modi	4,12,798	7.46	4,12,798	7.46	-
Madhur Modi	3,68,000	6.65	3,68,000	6.65	-
Vasu Modi	3,59,745	6.51	3,59,745	6.51	-
Pawan Kumar Modi	2,71,770	4.91	2,71,770	4.91	-
Ashok Kumar Modi	2,71,770	4.91	2,71,770	4.91	-
Nandini Modi	2,70,977	4.90	2,70,977	4.90	-
Sangeeta Modi	2,70,976	4.90	2,70,976	4.90	-
P K Modi - HUF	1,98,114	3.58	1,98,114	3.58	-
Ashok K Modi - HUF	1,83,253	3.31	1,83,253	3.31	-
Shakuntla Modi	78,810	1.43	78,810	1.43	-
J. P. Modi & Sons HUF	64,098	1.16	64,098	1.16	-
Shivani Modi	320	0.01	320	0.01	-
Saroj Wahi	312	0.01	312	0.01	-
Usha Bharat	288	0.01	288	0.01	-
Anil Wahi	216	0.00	216	0.00	-
Saroj Diddee	200	0.00	200	0.00	-
Manoj Diddee	176	0.00	176	0.00	-
Indra Prakash Wahi	80	0.00	80	0.00	-
Mahendra Jain	16	0.00	16	0.00	-
Sharda Daga	16	0.00	16	0.00	-
Modi Asset Management Pvt	4,99,900	9.04	4,99,900	9.04	-
Pekon Properties & Enclave P	2,40,000	4.34	2,40,000	4.34	-
Modi Metal & Allied Industries	1,37,067	2.48	1,37,067	2.48	-
<b>TOTAL</b>	<b>36,28,902</b>	<b>65.62</b>	<b>36,28,902</b>	<b>65.62</b>	



**NOTES TO FINANCIAL STATEMENTS**

PARTICULARS	As at	
	31-Mar-22	31-Mar-21
<b>11 Other Equity</b>		
<b>Statement of Change in Equity</b>		
<b>Reserves &amp; Surplus</b>		
<b>Capital Reserve</b>		
Balance as per the last financial statements	247.64	247.64
<b>Closing Balance</b>	<b>247.64</b>	<b>247.64</b>
<b>Security Premium</b>		
Balance as per the last financial statements	142.35	142.35
<b>Closing Balance</b>	<b>142.35</b>	<b>142.35</b>
<b>Revaluation Reserve</b>		
Balance as per the last financial statements	10.64	11.60
Less: Depreciation on Revalued Assets	0.96	0.96
<b>Closing Balance</b>	<b>9.68</b>	<b>10.64</b>
<b>General Reserve</b>		
Balance as per the last financial statements	1,260.00	1,010.00
Add: Amount transferred from surplus balance in the statement of Profit & Loss	-	250.00
<b>Closing Balance</b>	<b>1,260.00</b>	<b>1,260.00</b>
<b>Other Comprehensive Income/Loss</b>		
Balance as per the last financial statements	154.78	92.93
Add: Amount transferred from surplus balance in the statement of Profit & Loss	61.46	99.70
Less : Transfer to PL Account- Realized Profit	-	37.85
<b>Closing Balance</b>	<b>216.24</b>	<b>154.78</b>
<b>Balance in Statement of Profit and Loss</b>		
Balance as per the last financial statements	592.03	261.61
Profit for the year	10.18	580.43
	<b>602.21</b>	<b>842.03</b>
Less: Appropriations :		
Transfer to General Reserve	-	250.00
Total Appropriation	-	<b>250.00</b>
Surplus in the Statement of Profit and Loss	<b>602.21</b>	<b>592.03</b>
<b>Total Other Equity</b>	<b>2,478.13</b>	<b>2,407.45</b>
<b>12 Provisions</b>		
<b>Non Current</b>		
Provision for Gratuity	8.69	11.04
	<b>8.69</b>	<b>11.04</b>
<b>Current</b>		
Provision for Gratuity	1.06	0.66
	<b>1.06</b>	<b>0.66</b>





**NOTES TO FINANCIAL STATEMENTS**

PARTICULARS	As at					
	31-Mar-22	31-Mar-21				
<b>13 Deferred tax liabilities (Net)</b>						
<b>Deferred Tax Liability</b>						
On Fixed Assets	19.91	20.46				
On Current Investments	7.94	3.26				
On Non-Current Investments	73.58	52.08				
<b>Deferred Tax Asset</b>						
On provision for Gratuity	2.45	2.95				
<b>Net Deferred Tax Liability</b>	<b>98.97</b>	<b>72.86</b>				
<b>14 Borrowings</b>						
<b>Short term Borrowings</b>						
- <b>Secured Borrowings</b>						
Overdraft from State Bank of India against Fixed Deposit Receipt of Rs 3,00,00,000/- at interest rate of 6.10% p.a. repayable on demand	217.14	219.25				
- <b>Unsecured Borrowings</b>						
Current Maturities of Long term Borrowings	6.43	-				
	<b>223.57</b>	<b>219.25</b>				
<b>Long term Borrowings</b>						
- <b>Unsecured Borrowings</b>						
Inter Corporate Loan from related party	16.43	-				
Less : Current Maturity	6.43	-				
	<b>10.00</b>	<b>-</b>				
	<b>233.57</b>	<b>219.25</b>				
<b>15 Trade Payables</b>						
<b>(a) Total Outstanding, due to MSME</b>	<b>1.00</b>	<b>1.61</b>				
<b>Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company):</b>						
<b>Description</b>						
Principal amount outstanding as at end of year	1.00	1.61				
Principal amount overdue more than 45 days	-	-				
Interest due and unpaid as at end of year	-	-				
Interest paid to the supplier	-	-				
Payments made to the supplier beyond the appointed day during the	-	-				
Interest due and payable for the period of delay	-	-				
Interest accrued and remaining unpaid as at end of year	-	-				
Amount of further interest remaining due and payable in succeeding year	-	-				
<b>(b) Trade Payables, due of creditors other than MSME</b>						
Acceptance	79.89	122.16				
Other than acceptance	-	-				
	<b>79.89</b>	<b>122.16</b>				
<b>AGEING AS AT 31st MARCH, 2022 :</b>						
	<b>Less than 6 months</b>	<b>6 Months</b>	<b>1 to 2 Year</b>	<b>2 to 3 year</b>	<b>More than 3 Years</b>	<b>Total</b>
MSME	1.00	-	-	-	-	1.00
Others	-	79.89	-	-	-	79.89
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>TOTAL</b>	<b>1.00</b>	<b>79.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80.89</b>
<b>AGEING AS AT 31st MARCH, 2021 :</b>						
	<b>Less than 6 months</b>	<b>6 Months</b>	<b>1 to 2 Year</b>	<b>2 to 3 year</b>	<b>More than 3 Years</b>	<b>Total</b>
MSME	1.61	-	-	-	-	1.61
Others	115.63	-	3.39	3.14	-	122.16
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>TOTAL</b>	<b>117.24</b>	<b>-</b>	<b>3.39</b>	<b>3.14</b>	<b>-</b>	<b>123.77</b>
<b>16 Other current liabilities</b>						
Advance from Customers	0.28	0.11				
Salary & Wages Payable	7.96	8.74				
EPF Payable	0.17	0.20				
Other Employee Benefit Liabilities	1.94	1.82				
Other Tax Payable	1.47	0.92				
Expenses Payable	11.20	10.83				
	<b>23.02</b>	<b>22.61</b>				



**NOTES TO FINANCIAL STATEMENTS**

PARTICULARS	Rs. In Lacs	
	For the year ended	
	31-Mar-22	31-Mar-21
<b>17 Revenue from operations</b>		
Sale of Finished Goods	1,215.15	1,522.87
Sale of Services-Conversion Charges	567.84	310.72
Other Operating Revenue	43.25	24.05
<b>Revenue from Operations (Gross)</b>	<b>1,826.25</b>	<b>1,857.64</b>
<b>Details of Finished Goods sold</b>		
Iron & Steel Bar	1,215.15	1,522.87
<b>Details of Sale of Services</b>		
Job Work charges on Re - rolling	567.84	310.72
<b>Details of Other Operating Revenue</b>		
Sale of By Product, viz. Scrap	43.25	24.05
	<b>43.25</b>	<b>24.05</b>
<b>18 Other Income</b>		
Interest and Trading Income on Investment	2.52	13.09
Interest on Fixed Deposit	69.60	13.14
Interest on income tax refund	0.98	0.09
Income from Dividend	0.08	-
STCG on Current Investments	5.87	14.57
LTCG on Current / Trade Investments	42.30	94.49
Investment revalue through FVTPL	(18.39)	(2.31)
Other Income	3.40	1.16
Profit/loss on sale of assets	3.56	558.79
	<b>109.91</b>	<b>693.02</b>



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lacs	
	For the year ended	
	31-Mar-22	31-Mar-21
<b>19 Cost of Raw Material and Components Consumed</b>		
<b>Raw Material Consumed</b>		
Opening Stock	60.49	76.07
Purchases	1,129.61	1,437.60
Total	1,190.10	1,513.67
Less: Closing Stock	75.47	60.49
<b>Raw Material Consumed</b>	<b>1,114.63</b>	<b>1,453.18</b>
<b>Details of raw material and components</b>		
<b>Raw material and components Consumed</b>		
Raw material	1,114.63	1,453.18
	<b>1,114.63</b>	<b>1,453.18</b>
<b>Details of closing inventory of raw material</b>		
Raw material	75.47	60.49
Scrap	-	-
	<b>75.47</b>	<b>60.49</b>
<b>Details of opening inventory of raw material</b>		
Raw material	60.49	76.07
Scrap	-	-
	<b>60.49</b>	<b>76.07</b>
<b>Furnace Oil/LSHS Consumed</b>		
Opening Stock	1.79	-
Add: Purchase/Tfd.during the year	358.72	202.43
	360.51	202.43
Less: Closing Stock	13.59	1.79
	<b>346.92</b>	<b>200.64</b>
<b>Steam Coal Consumed</b>		
Opening Stock	0.01	4.61
Add: Purchase/Tfd.during the year	-	6.66
	0.01	11.27
Less: Closing Stock	0.01	0.01
	-	<b>11.26</b>
<b>Other Manufacturing Expenses</b>		
Power Expenses	92.28	77.36
Engine Expenses	15.23	20.46
Weighing & Stalking	0.31	0.38
Consumable Store	4.88	5.74
	<b>112.71</b>	<b>103.94</b>
	<b>1,574.25</b>	<b>1,769.02</b>
<b>20 (Increase)/Decrease in Inventories</b>		
Opening Stock of FG	208.60	157.37
Closing Stock of FG	174.09	208.60
work-in-progress and Stock-in-Trade	34.51	-51.23





**NOTES TO FINANCIAL STATEMENTS**

PARTICULARS	Rs. In Lacs	
	For the year ended	
	31-Mar-22	31-Mar-21
<b>21 Employee Benefit Expenses</b>		
Salaries & Wages	144.32	99.50
Bonus & Ex-Gratia	2.09	5.00
Employer's Cont.to P.F.	1.13	0.88
Employer's Cont.to E.S.I.	0.77	0.46
Gratuity	1.14	3.20
Staff Welfare	3.06	2.79
Leave encashment	0.50	0.50
	<b>153.01</b>	<b>112.34</b>
<b>22 Financial costs</b>		
Bank Interest	13.42	14.64
Interest on Loan	0.76	-
	<b>14.19</b>	<b>14.64</b>
<b>23 Other expenses</b>		
Travelling & Conveyance		
Including Foreign Travel of Directors C. Y. Nill (P.Y. Nill/-)	3.75	1.70
Printing & Stationary	0.57	0.32
Postage & Telegram	0.53	0.04
Telephone Expenses	0.94	1.06
Electricity Expenses	9.29	9.02
Legal & Professional Charges	15.61	9.76
Listing & Custodial Fees	3.65	3.70
Bank Charges	0.11	0.23
Insurance Charges	1.27	0.73
Rent	-	0.63
Vehicle Running & Maintenance	7.55	4.10
Security & Vigilance	6.60	9.11
Repair & maintenance - Building	1.83	0.07
Repair & maintenance - Plant & Machinery	25.95	25.17
Repair & maintenance - Others	0.78	4.55
Business promotion	5.65	2.87
Rebate, Discount & commission	10.08	15.04
Advertisement Expenses	1.84	1.96
Freight Charges	-	0.07
Income tax demand	-	2.67
Sevice Tax Written off	5.05	-
Miscellaneous Expenses	3.16	3.79
	<b>104.21</b>	<b>96.61</b>
<b>Payment to Auditor</b>		
Audit fee	2.00	2.00
Limited Review	0.48	0.48
	<b>2.48</b>	<b>2.48</b>
<b>24 Earning per Share</b>		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for calculation of basic and diluted EPS (Rs.)	10.18	580.43
Weighted average number of equity shares in calculating basic EPS	55.30	55.30
Weighted average number of equity shares in calculating diluted Eps	46.70	46.70
Basic (In Rs.)	0.22	10.50
Diluted (In Rs.)	0.18	10.50



**25. Segment Information**

**Business Segment:**

The Company operates in three segments i.e. manufacturing of steel, handling services of steel products and investing.

**Geographical Segment:**

The Company operates in India and all assets of the Company are located within India only and hence secondary segment by geographical region is not applicable for the company.

**Segment Information**

Primary Segments Reporting (By Business Segments)

**Segment Revenues, Results and Other Information**

(Rs. In Lacs)

Particulars	Steel Manufacturing		Investments & Others		Services		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>REVENUE</b>								
Sales / Revenue	1,826.25	1,857.64	109.91	693.02	-	-	1,936.16	2,550.66
Less : Inter Segment Sales	-	-	-	-	-	-	-	-
Net Sales / Revenue	1,826.25	1,857.64	109.91	693.02	-	-	1,936.16	2,550.66
Total Revenue	1,826.25	1,857.64	109.91	693.02	-	-	1,936.16	2,550.66
<b>SEGMENT RESULTS</b>								
Operating Profit/(Loss) before interest & tax	-19.70	479.49	48.69	102.45	-	-	28.99	581.94
Less : Interest Expenses	-	-	-	-	-	-	14.19	14.64
Profit/(Loss) from operating activity (Before tax)	-	-	-	-	-	-	14.80	567.30
<b>OTHER INFORMATION</b>								
Segment Assets	946.41	1,046.97	2290.74	1,861.65	-	342.22	3,237.15	3,250.84
Segment Liabilities	102.08	89.11	1.83	67.43	-	0.65	103.91	157.18
Capital Employed	844.33	957.86	2288.91	1,794.22	-	341.57	3,133.24	3,093.66
Capital Expenditure	7.15	109.62	36.23	-	-	-	43.38	109.62
Depreciation / Amortization	30.50	33.50	11.64	8.55	-	0.90	42.15	42.95



**26. Related Party Disclosures**

**A. Parties under common control**

Modi Asset Management Private Ltd.  
Modi Metal & Allied Industries Private Ltd.

J. P. Modi & Sons – HUF

A. K. Modi – HUF

P. K. Modi – HUF

**B. Key Managerial personnel and their relatives**

Mr. Pawan Kumar Modi	Managing Director
Mr. Vasu Modi	Director
Mr. Manhar Modi	Director
Mr. Madhur Modi	Vice President
Mr. Ashok Kumar Modi	Relative of Managing Director
Mrs. Shakuntala Modi	Relative of Managing Director
Mrs. Sangeeta Modi	Relative of Managing Director

**Transactions with related parties during the year**

(Amounts in Lakhs.)

Particulars	Key managerial personnel and their relatives		Parties under common control		Total	
	2022	2021	2022	2021	2022	2021
<b>Rent Paid</b>						
J. P. Modi & Sons HUF	-	-	-	0.24	-	0.24
Shakuntala Modi	-	0.42	-	-	-	0.42
Sangeeta Modi	-	0.60	-	-	-	0.60
<b>Salary Paid</b>						
Pawan Kumar Modi	12.00	-	-	-	12.00	-
<b>Interest Paid</b>						
Modi Asset Management Pvt. Ltd.	-	-	0.76	-	0.76	-
<b>Loan Taken (Net)</b>						
Modi Asset Management Pvt. Ltd.	-	-	20.00	-	20.00	-
<b>Total</b>	<b>12.00</b>	<b>1.02</b>	<b>20.76</b>	<b>0.24</b>	<b>32.76</b>	<b>1.26</b>
<b>Outstanding Payable</b>						
Rent- Shakuntla Modi	0.45	0.45	0.45	0.45	0.45	0.45
Loan- Modi Asset Management Pvt Ltd	-	-	16.43	-	16.43	-

**27. Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Capital advances)**

Particulars	March 31, 2022	March 31, 2021
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Capital advances)	Nil	Nil

**28. Contingent liabilities (not provided for) in respect of:**

Particulars	March 31, 2022	March 31, 2021
Bank Guarantee in favour of Sales Tax Department	Nil	Nil
Bills discounted liability	Nil	Nil



**29. Gratuity and other Post-employment benefit plans:**

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. At the end of accounting year actuarial valuation is done as per the Projected unit credit method and any shortfall is further provided for the following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the Gratuity.

**Profit and Loss account**

**Net employee benefit expense (recognized in Employee Cost)**

(Amounts in Lacs.)

Particulars	March 31, 2022	March 31, 2021
Current service cost	3.99	4.23
Interest cost on benefit obligation	0.78	0.69
Net actuarial (gain)/ loss recognized in the year	(3.63)	(2.28)
Past service cost	-	-
<b>Net benefit expense</b>	<b>1.14</b>	<b>2.64</b>

**Balance Sheet**

**Details of Provision for Gratuity**

(Amounts in Lacs.)

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation	9.75	11.70
Fair value of plan assets	-	-
Surplus/(Deficit)	(9.75)	(11.70)
Less: Unrecognized Past service cost	-	-
Plan asset / (liability)	9.75	11.70

**Changes in the present value of the defined benefit obligation are as follows:**

(Amounts in Lacs.)

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation at the beginning of year	11.70	10.26
Current service cost	3.99	4.22
Interest cost	0.78	0.69
Actuarial (gain)/loss on obligation	(3.63)	(2.28)
Benefits paid	(3.09)	(1.19)
Defined benefit obligation as at the end of the year	9.75	11.70

**The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:**

Particulars	March 31, 2022 %	March 31, 2021 %
Discount rate	7.15	6.70
Increase in Compensation cost	5.50	5.50
Expected rate of return on plan assets	-	-
Employee turnover – Age Group		
Up to 30 years	3	3
31 – 44 years	2	2
Above 44 years	2	2



The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors on long term basis.

**Amounts for the current and previous years are as follows:**

(Amounts in Lacs.)

	March 31, 2022	March 31, 2021
Defined benefit obligation	9.75	11.70
Plan assets	-	-
Surplus / (deficit)	(9.75)	(11.70)
Experience adjustments on plan liabilities (loss)/gain	(3.32)	(2.35)
Experience adjustments on plan assets (loss)/gain	-	-

**Contribution to Defined Contribution plans:**

(Amounts in Lacs)

	March 31, 2022	March 31, 2021
Provident Fund	1.13	0.88

**30.1 Earnings in foreign currency (on accrual basis)**

(Amounts in Lacs.)

Particulars	March 31, 2022	March 31, 2021
Exports at F.O.B. Value	-	-

**30.2 Expenditure in foreign currency (on accrual basis)**

(Amounts in Lacs.)

Particulars	March 31, 2022	March 31, 2021
Travelling	-	-

**30.3 Value of imports calculated on CIF basis (on accrual basis)**

(Amounts in Lacs.)

Particulars	March 31, 2022	March 31, 2021
Raw Materials	-	-

**30.4 Imported and Indigenous Raw Materials, Stores and Spares Consumed**

(Amount in Lacs.)

Raw Materials	% of total consumption For the year ended		Value For the year ended	
	March 31, 2021	March 31, 2020	March 31, 2022	March 31, 2021
Indigenous	100.00	100.00	1114.62	1453.18
Imported	-	-		
	100.00	100.00	1114.62	1453.18
<b>Stores and Spares</b>				
Indigenous	100.00	100.00	5.19	6.12
Imported	-	-		
	100.00	100.00	5.19	6.12





31. COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of property, plant and equipment, investments, inventories, receivables, other current assets. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.

### 32. SOLVENCY – RATIO

Ratios	Numerator/ Denominator	For the year ended		Variance	Remarks (For Variations more than 25%)
		31-Mar-22	31-Mar-21		
Current Ratio (In times)	Current Assets / Current Liabilities	2.70	2.77	2.65%	
Debt Equity Ratio (In times)	Debt ( including Bank OD) / Equity	(0.07)	(0.08)	4.93%	
Debt Service Coverage Ratio (In times)	Earning for Debt Service / Total Debt Service	3.69	43.52	91.52%	Profit on Sale of Fixed Assets in FY 2020-21
Return on Equity (in %)	Profit for the year (PAT) / Average Total Equity	0.35	22.73	98.46%	Profit on Sale of Fixed Assets in FY 2020-21
Inventory Turnover Ratio (In times)	Revenue from Operations / Average Inventory	6.84	7.28	6.09%	
Trade Receivable Turnover Ratio (In times)	Revenue from Operations / Average Trade Receivable	17.02	12.43	(36.94%)	Increase in recovery from Debtors against sales made during COVID 19
Trade Payable Turnover Ratio (In times)	Revenue from Operations / Average Trade Payable	17.85	15.59	(14.45%)	
Net Capital Turnover Ratio(In times)	Revenue from Operations / Working Capital	3.28	2.86	(14.34%)	
Net Profit Ratio (in %)	Profit for the year (PAT) / Revenue from Operations	0.56	31.25	98.22%	Profit on Sale of Fixed Assets in FY 2020-21
Return on Capital Employed (in %)	Earning from Before Interest and Taxes (EBIT) / Net Capital Employed (Shareholders Funds + DTL)	0.95	19.75	95.18%	Profit on Sale of Fixed Assets in FY 2020-21
Return on Investment (in%)	Profit on Sale of Investments / Cost of Investments	3.43	12.61	72.78%	Funds Invested in FDRs in this year for amount received against redemption of Long Term Mutual Funds.

**33. CATEGORIES OF FINANCIAL INSTRUMENTS**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	Financial Assets							
	31-Mar-22			31-Mar-21				
	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value
Investments	738.76	680.41	382.25	1,801.42	802.23	550.91	471.15	1,824.29
Loans	137.83	-	-	137.83	117.52	-	-	117.52
Trade Receivables	87.65	-	-	87.65	126.96	-	-	126.96
Cash and Cash Equivalents	15.15	-	-	15.15	27.97	-	-	27.97
Bank Balances other than Cash and Cash Equivalents	-	-	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-	-	-
Other Financial Assets	1,443.62	-	-	1,443.62	1,376.42	-	-	1,376.42
<b>Total Financial Assets</b>	<b>2,423.02</b>	<b>-</b>	<b>-</b>	<b>3,485.67</b>	<b>2,451.10</b>	<b>-</b>	<b>-</b>	<b>3,473.16</b>
Particulars	Financial Liabilities							
	31-Mar-22			31-Mar-21				
	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value
Long Term Borrowings	10.00	-	-	10.00	-	-	-	-
Lease Liabilities	-	-	-	-	-	-	-	-
Short Term Borrowings	223.57	-	-	223.57	219.25	-	-	219.25
Trade Payables	80.89	-	-	80.89	123.77	-	-	123.77
Derivative Liabilities	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>314.46</b>	<b>-</b>	<b>-</b>	<b>314.46</b>	<b>343.02</b>	<b>-</b>	<b>-</b>	<b>343.02</b>





**34. Other statutory information**

- a) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- b) The company do not have any subsidiary company during the year and previous year.
- c) There is no Scheme(s) of Arrangement pursued by the Company or approved or pending for approval by the Competent Authority during the year and previous year.
- d) The company do not avail any working capital facilities during the year and previous year from Bank and/or financial institution, against stock and debtors, hence reconciliation of the same is not provided.
- e) There company do not have any transactions with struck off company during the year and previous year.
- f) There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, during the year and previous year.
- g) The company have never been declared wilful defaulter by any bank or financial institution or other lender.
- h) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), with the understanding that the Intermediary shall:
  - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i) The company have not received any fund from any person(s) or entity(ies), with the understanding that the company shall:
  - (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- j) The company has not made any loans and advances to Promoters / Directors / relatives of the company during the year and previous year.
- k) The company has no undisclosed income during the year and previous year.
- l) The company does not hold or invest any amount in virtual digital asset including crypto currency, NFT etc.

**35.** The previous period figure have been rearranged/ regrouped wherever necessary to make them comparable with those of current period classification & disclosure.

**36.** The figure's has been rounded off to nearest of rupees in Lakhs.

As per our separate report of even date attached

**For N R & Company**

Chartered Accountants

FRN – 015095C

Sd/-

**Naveen Sawhney**

Partner

Membership NO – 073713

Place: New Delhi

Date : 30/05/2022

UDIN : 22073713AKOSUD1258

**For and on behalf of Board of Directors**

**NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-

**Pawan Kumar Modi**

Managing Director cum CFO

DIN:00051679

Sd/-

**Vandana Gupta**

Company Secretary

Mem. No. ACS24012

Sd/-

**Manhar Modi**

Director

DIN : 00051746

Book - Post

“श्री जी”



If undelivered please return to:

**National General Industries Ltd.**

3rd Floor, Surya Plaza, K-185/1 Sarai Julena,  
New Friends Colony, New Delhi-110025 (INDIA)