"श्री जी"

National General Industries Ltd.

An ISO 9001 : 2015 Certified Company
CIN No. : L74899DL1987PLC026617

8th September, 2021

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 31st March, 2021

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 2020-21 alongwith Notice for 35th Annual General Meeting of the Company to be held on 30th September, 2021.

The above Annual Report has been sent to the shareholders today and uploaded on the Company's website www.modisteel.com

Please take the above on your record.

Thanking You.
Yours faithfully,
For **NATIONAL GENERAL INDUSTRIES LTD.**

Gupta

VANDANA GUPTA
COMPANY SECRETARY
Memb. No. : ACS 24012
Encl.: As above.

"श्री जी"

National General Industries Ltd.

An ISO 9001 : 2008 Certified Company

35th Annual Report

2020-21

Board of Directors

Ashok Kumar Modi	Chairman cum Managing Director
Pawan Kumar Modi	Joint Managing Director cum Chief Financial Officer
Anirudh Vimalkumar Goenka	Independent Director
Anantshri Gupta	Independent Director
Vasu Modi	Non-executive 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
Ph. No. : 011-26829517, 19
Fax No.: 011-26920584
E-mail : cs@modisteel.net

Stockyard : Handling unit

Behind Focal Point,
Vill.: Ajnali, Mandi Gobindgarh,
District : Fatehgarh Sahib,
Punjab - 147301

Registrar & Transfer Agents

D-153 A, 1st Floor,
Okhla Industrial Area,
Phase I, New Delhi - 110020
Tel.: 011-26812682, 26812683
Fax : 011 – 30857575
Email: admin@skylinerta.com

Bankers

State Bank of India
HDFC Bank Limited

Notice	-	**1**
Directors' Report	-	**11**
Management Discussion & Analysis Report	-	**26**
Auditors' Report	-	**32**
Balance Sheet	-	**40**
Statement of Profit & Loss	-	**41**
Cash Flow Statement	-	**42**
Notes to Financial Statements	-	**45**

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NOTICE

NOTICE is hereby given that the **THIRTY FIFTH ANNUAL GENERAL MEETING** of the Members of National General Industries Limited (CIN : L74899DL1987PLC026617) will be held on Thursday, the 30th September, 2021 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 Statements of the Company for the financial year ended 31 March, 2021, the Report of the Board of Directors' and Auditors' thereon.

2. To appoint a Director in place of Mr. Vasu Modi (DIN : 00051696) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Mr. Manhar Modi (DIN : 00051746) as Director and in this regard to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**:

   "RESOLVED THAT pursuant to the provisions of Sections 161, readwith applicable provisions, if any, of the Companies Act, 2013 and rules and regulations made thereunder, Mr. Manhar Modi (DIN : 00051746), be and is hereby appointed as Director of the Company, liable to retire by rotation."

4. To revise the terms and conditions of appointment of Mr. Pawan Kumar Modi (DIN : 00051679), Managing Director and in this regard to consider and if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION**:

   "RESOLVED THAT pursuant to provisions of Section 196, 197, 198 and 203 readwith Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and rules and regulations made thereunder, including any statutory modifications or re-enactment thereof for the time being in force, and in terms of recommendation by Nomination & Remuneration Committee of the Company, consent of the Board be and is hereby accorded, for alteration in the existing terms and conditions of appointment of Mr. Pawan Kumar Modi (DIN : 00051679), Managing Director of the Company, for enabling the Company to pay monthly remuneration of Rs. 1,00,000/- (Rupees One Lakh only) per month, w.e.f. 1st April, 2021, in accordance with such structure and component, as per the remuneration policy of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactments(s) thereof, for the time being in force)."

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

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

Place : New Delhi
Date : 13.08.2021

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. In continuation of MCA General Circular No. 20/2020, dated 05th May, 2020 and after due examination, MCA vide its General Circular No. 02/2021 dated January 13, 2021 has allowed companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue of the AGM shall be the registered office of the Company.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. 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.
4. 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.
5. **Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this notice.**
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.modisteel.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 02/2021 dated January 13, 2021.
8. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos. 3 to 4 above, are annexed hereto.

9. The requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide The Companies (Amendment) Act, 2017 (No. 1 of 2018) readwith notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors of the Company, who were appointed at the Annual General Meeting, held on 26th September, 2017 to hold office from the conclusion of said Annual General Meeting till the conclusion of 36th Annual General Meeting in the year 2022.
10. In terms of Section 152 of the Companies Act, 2013, Shri Vasu Modi, (DIN : 00051696), 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.
11. Details of Directors retiring by rotation and recommended for reappointed as Directors as well as Additional Directors proposed to be appointed as Director, 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.
12. 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.
13. 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.
14. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 25th September, 2021 to Thursday, 30th September, 2021 (both days inclusive).
15. SEBI has in its Board meeting held on March 28, 2018 decided that 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 with effect from 5th December, 2018. In view of the above, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
16. 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.
17. Members who are holding shares in physical form are requested to notify the change in their respective addresses, e-mail ID or Bank details to the Registrar and Transfer Agents (RTA) and always quote their Folio Numbers in all correspondence with the Company and RTA. In respect of holding in electronic form, Members are requested to notify any change in addresses, e-mail ID or Bank details to their respective Depository Participants.

The instructions for shareholders for remote e-voting are as under:

(i) The voting period begins on on Sunday, 26th September, 2021 (10.00 a.m. IST) and ends on Wednesday, 29th September, 2021 (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 24th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(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.

(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	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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 & 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be 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.

Individual Shareholders holding securities in DEMAT mode with NSDL	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: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit DEMAT account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in DEMAT mode) login through their Depository Participants	You can also login using the login credentials of your DEMAT account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in DEMAT mode for any technical issues related to login through Depository i.e. 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 helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in DEMAT mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

1) The shareholders should log on to the e-voting website 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 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) • 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.
Dividend Bank Details **OR** 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. • 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).

(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 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.
- 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 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, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. 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.
3. 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.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. 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.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. 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.

10. 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.

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 / 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 or contact at 022- 23058738 and 022-23058542/43.

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 or call on 022-23058542/43.

18. Other Instructions:
    a. The e-voting period commences on Sunday, 26th September, 2021 (10.00 a.m. IST) and ends on Wednesday, 29th September, 2021 (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, 24th 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. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 24th September, 2021.
    c. 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.
    d. The Scrutinizer shall, immediately after conclusion of voting at the annual general meeting, make, not later than 48 hours 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.
    e. The results declared along with the Scrutinizer's Report shall be placed on the Company's website 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. Vasu Modi	Mr. Pawan Kumar Modi	Mr. Manhar Modi
DIN Number	00051696	00051679	00051766
Date of Birth	11-06-1980	01-10-1957	16-09-1983
Date of Appointment	10-04-2000	08-01-1987	30-06-2021
Expertise in Specific functional area	Experience in business development and marketing.	Wide experience in technical and finance field.	Wide experience in sales and marketing.
Qualification	B.B.A.	B.Sc.(H)	B.BA
Directorship in other Public Limited Company (As on 31.03.2021)	Avlokiteshvar Valinv Ltd.	Not Applicable	Not Applicable
Chairman/Member of Committee in other public limited company (As on 31.03.2021)	Not Applicable	Not Applicable	Not Applicable
Shareholding in the Company (As on 31.03.2021)	3,59,745 (6.51%)	2,71,770 (4.91%)	4,12,798 (7.46%)
Remuneration last drawn from the Company	Nil	Nil	Nil
Remuneration to be paid	Nil	Rs. 1 Lakh per month	Nil
Numbers of Board attended during the year 2020-21	7	7	Nil

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

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

ITEM NO. 3

The Board of Directors of the Company appointed, pursuant to provision of Section 161(1) of the Act and Articles of Association of the Company, Mr. Manhar Modi (DIN : 00051746) as an Additional Director of the Company with effect from 30th June, 2021. In terms of the provisions of Section 161(1) of the Act, Mr. Manhar Modi, would hold office up to the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Manhar Modi, for office of Director of Company. Mr. Manhar Modi, is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

Keeping in view, his vast expertise and knowledge in the field of sales and marketing, it will be in the interest of the Company that Mr. Manhar Modi, is appointed as Director of the Company.

Save and except Mr. Manhar Modi, and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other 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 NOS. 4

Mr. Pawan Kumar Modi (DIN : 00051679) aged 63 years has served the Company as Managing Director of the Company since the year 2000. He is a science graduate having working experience of more than 35 years in the steel and allied industries.

The Board of Directors of the Company at its meeting held on 14th April, 2021 has on the recommendation of Nomination and Remuneration Committee, and subject to approval of shareholders in forthcoming meeting approved alteration in the existing terms and conditions of appointment of Mr. Pawan Kumar Modi (DIN : 00051679), Managing Director of the Company, for enabling the Company to pay monthly remuneration of Rs. 1,00,000/- (Rupees One Lakh only) per month, w.e.f. 1st April, 2021, in accordance with such structure and component, as per the remuneration policy of the Company. In view of expertise and experience of Mr. Pawan Kumar Modi, Managing Director of the Company, it will be in the interest of the Company to make the aforesaid changes in terms of appointment of Mr. Pawan Kumar Modi.

Except Mr. Pawan Kumar Modi, Managing Director of the Company, and holding 2,71,770 numbers of shares equivalent to 4.91 % of voting power, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board commends the resolution for approval of shareholders by ORDINARY RESOLUTION.

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

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

Place : New Delhi
Date : 13.08.2021

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Fifth Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March, 2021.

FINANCIAL RESULTS

The financial performance of the Company for the financial year ended on 31st March, 2021 and 31st March, 2020 are summarized below:-

(Amount in Rupees)

Particulars	For the year ended	
	31-Mar-21	31-Mar-20
INCOME:		
Revenue from operations	**185,763,668**	196,014,089
Other Income	**69,302,485**	3,600,803
	255,066,153	199,614,892
EXPENSES:		
Cost of materials consumed	**176,902,025**	171,369,516
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	**(5,123,165)**	4,294,556
Employee benefit expense	**11,233,873**	15,211,640
Financial costs	**1,463,788**	2,418,708
Depreciation and amortization expense	**4,198,581**	5,025,921
Other expenses	**9,660,793**	10,572,766
	198,335,894	208,893,106
Profit before exceptional items and tax	**56,730,258**	(9,278,214)
Exceptional Items	**-**	-
PROFIT BEFORE TAX	**56,730,258**	(9,278,214)
TAX EXPENSES:		
Current tax	**-**	-
Current tax - Prior Year	**-**	(36,362)
MAT Credit	**-**	-
MAT Credit - Prior Year	**-**	-
Deferred tax	**(1,312,351)**	(333,762)
Profit for the period from continuing operations	**58,042,609**	(8,908,090)
PROFIT AFTER TAX	**58,042,609**	(8,908,090)
Other Comprehensive Income/(Loss)		
(A)Items that will be reclassified to profit or loss	-	-
(B)Items that will not be reclassified to profit or loss	**11,912,872**	(10,206,549)
Income tax relating to this	**1,943,241**	2,653,703
Total Other Comprehensive Income/(loss) for the year	**9,969,631**	(7,552,846)
Total Comprehensive Income/(loss) for the year	**68,012,240**	(16,460,936)

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2021 are as under:

- ⇨ Value of Sales and Services decreased by 5.23% to Rs. 1857.64 lakhs (PY Rs. 1960.14 lakhs).
- ⇨ Value of Other Income increased to Rs. 134.23 lakhs (PY Rs. 36.01 lakhs) apart from Rs. 558.79 lakhs on sale of steel casting unit.
- ⇨ PBDIT increased to Rs. 65.13 lakhs (PY loss of Rs. 18.33 lakhs) apart from Rs. 558.79 lakhs on sale of steel casting unit..
- ⇨ PBT increased to Rs. 8.51 lakhs (PY loss of Rs. 92.78 lakhs) apart from Rs. 558.79 lakhs on sale of steel casting unit.
- ⇨ Net Profit increased to Rs. 21.63 lakhs (PY loss of Rs. 89.08 lakhs) apart from Rs. 558.79 lakhs on sale of steel casting unit.

BUSINESS IMPACT OF COVID – 19

FY 2020-21 started on a difficult note due to the pandemic as lockdowns across the globe led to weakened consumption and decline in economic growth in Q1 FY 2020-21. However, with the synchronised monetary and fiscal policy measures, the Indian and global economy witnessed revival with improving business and consumer sentiment, together with higher demand and pricing. Infrastructure spending being one of the focus areas of governments, led to strong demand for steel and other metals globally. However, global economic recovery slackened in the latter part of CY 2020 and the first quarter of CY 2021, as several countries battled with the second wave of COVID-19 infections, especially the more deadly strains. With massive vaccination drives underway, risks to the recovery are expected to abate and economic activity may regain momentum in the second half of CY 2021.

India's economic growth, too, moderated due to weak domestic consumption, sluggish manufacturing and subdued investments. There was a swift revival of economic activity with the easing of lockdown restrictions in June 2020 and the subsequent opening up of the economy. Several high frequency economic indicators performed better than the initial expectations, pointing to a robust recovery.

In India, the steel industry experienced a weak first quarter of FY 2020-21 due to the COVID-19 induced slowdown that adversely impacted consumption and spending on infrastructure. However, the government implemented a series of measures to revive the economy, and the RBI pitched in with calibrated monetary policies to keep interest rates steady through the year. Together, these measures helped arrest the decline and put the economy back on the growth path. Amidst the fluctuations and uncertainties across the economic landscape in India and the world, the Company was able to deliver strong operational and financial performance during FY 2020-21.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of your company during the year except that Company sold off is steel casting unit located at Bhiwadi with the approval of members of the Company.

DIVIDEND

Your Directors have not recommended dividend for the year ended 31st March, 2021.

TRANFER TO RESERVES

The net movement in the Reserves of the Company is as under:

Particulars	**F.Y. 2020-21**	**F.Y. 2019-20**
General Reserve	**Rs. 2,50,00,000/-**	Rs. Nil
Decrease in Revaluation Reserve	**Rs. 96,288/-**	Rs. 96,288/-
Surplus in Statement of Profit and Loss	**Rs. 3,30,42,609/-**	Rs. (89,08,090/-)
Other Comprehensive Income	**Rs. 61,84,776/-**	Rs. (72,52,846/-)

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.

ANNUAL RETURN

The Annual Return of the Company for the year ended on 31st March, 2021 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

NUMBER OF BOARD MEETINGS & ATTENDACE OF DIRECTORS

During the Financial Year 2020-21, 7 (Seven) Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 02.06.2020, 31.07.2020, 05.09.2020, 12.11.2020, 23.11.2020, 21.01.2021 and 12.02.2021.

The details of composition of the Board, the attendance record of the Directors at the Board Meetings held during the financial year ended on 31.03.2021 and at the last Annual General Meeting (AGM), and the details of their other Directorships and Committee Chairmanships and Memberships are given below:

Category	Name of Director	No. of Board Meeting attended	Attendance at last AGM	No. of Directorships in other Public Limited Companies	No. of Chairmanship / Memberships of Committees in other Public Limited Companies
Executive	Shri Ashok Kumar Modi	7	No	-	-
	Shri Pawan Kumar Modi	7	Yes	-	-
Non-Executive Non-independent	Shri Vasu Modi	7	Yes	1	-
Non-Executive Independent	Shri Anirudh Vimalkumar Goenka	6	Yes	-	-
	Shri Anantshri Gupta	5	No	-	-
	Smt. Sanjana Bharat	5	No	-	-

Number of Equity Shares held by Directors as on 31st March, 2021 are as under:-

Name of Director	Designation	Nos. of Equity Shares held
Shri Ashok Kumar Modi	Chairman & Managing Director	271770
Shri Pawan Kumar Modi	Joint Managing Director	271770
Shri Vasu Modi	Non-Executive Director	359745
Shri Anirudh Vimalkumar Goenka	Independent Director	-
Shri Anantshri Gupta	Independent Director	-
Smt. Sanjana Bharat	Independent Director	-

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Independent Directors of the Company are:

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

The Company has received the declaration under section 149(6) of the Companies Act, 2013 from the Independent Directors of the Company. 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.

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
- Mr. Pawan Kumar Modi, Joint Managing Director cum Chief Financial Officer
- Mr. Vandana Gupta, Company Secretary

In terms of section 196 of the Act, on recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 2nd June, 2020 extended the terms of Mr. Ashok Kumar Modi, Managing Director and Mr. Pawan Kumar Modi, Joint Managing Director of the Company for five year i.e. upto on 3rd July, 2025.

Subsequently, Mr. Ashok Kumar Modi, Managing Director of the Company resigned from the Directorship of the Company w.e.f. 30th June, 2021 and Mr. Manhar Modi was appointed as Additional Director designated as Non-Executive Director of the Company with effect from same date. The Board of Director of the Company has recommended his appointment as Director of the Company in the ensuing Annual General Meeting.

In terms of section 152 of the Act and applicable provisions of Articles of Association of the Company, Mr. Vasu 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.

AUDITORS & AUDITORS' REPORT

A. Statutory Auditors

M/s. N. R. & Company, Chartered Accountants, (Firm Registration No. : 015095C) were appointed as statutory auditors of the Company from the conclusion of the 31st Annual General Meeting (AGM) of the Company held on September 26, 2017 till the conclusion of the 36th Annual General Meeting to be held in the year 2022, subject to ratification of their appointment at every AGM.

Since, the requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide The Companies (Amendment) Act, 2017 (No. 1 of 2018) readwith notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi, no resolution is proposed for ratification of appointment of Statutory Auditors of the Company, who were appointed at the Annual General Meeting held on 26th September, 2017 to hold office from the conclusion of said meeting till the conclusion of Annual General Meeting to be held in the year 2022.

B. Secretarial Auditors

M/s. Deepak Bansal & Associates, Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of records and documents of the Company for financial year 2020-21. The Secretarial Audit Report is annexed to this Report as **Annexure I** and forms part of the Annual Report.

C. Cost Auditors

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 2020-21.

D. Internal Auditors

M/s. B.R.Maheswari & Co., Chartered Accountants, (FRN 001035N), were Internal Auditors of the Company for the financial year 2020-21. Your Company has appointed M/s. B.R.Maheswari & Co., Chartered Accountants, as Internal Auditors of the Company for the financial year 2021-22.

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 :

There are no observations of Secretarial Auditors in their Report which requires any explanation from the Board of Directors of the Company.

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.

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.

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 2020-21, 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.

Four meetings of the Audit Committee were held during the financial year 2020-21, on 31.07.2020, 05.09.2020, 12.11.2020, and 12.02.2021. Further, the member of the Audit Committee as at 31.03.2021 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	4
2	Smt. Sanjana Bharat	Non-Executive Independent	4
3	Shri Vasu Modi	Non-Executive Non-Independent	4

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) 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 2020-21, 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 NRC Committee as at 31.03.2021 and their 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 were held during the financial year 2019-20 on 02.06.2020. 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

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 Member viz. Shri Anirudh Vimalkumar Goenka and Smt. Sanjana Bharat, Independent Directors and Shri Vasu Modi, Non-independent Director. Further, the member of the Stakeholders Relationship as at 31.03.2020 and their attendance of each Member during the year are as given below. The Compliance Officer acts as the Secretary to the Stakeholders Relationship Committee.

During the year Committee met four times on 31.07.2020, 05.09.2020, 12.11.2020 and 12.02.2021 and the attendance of the Members at the meeting was as follows:

Sl. No.	Name of the Member	Category	No. of Meetings Attended
1	Shri Anirudh Vimalkumar Goenka	Non-Executive Independent	4
2	Smt. Sanjana Bharat	Non-Executive Independent	4
3	Shri Vasu Modi	Non-Executive Non-Independent	4

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, 2021 : Nil
No. of complaints not solved to the satisfaction of the shareholders : Nil
No. of pending complaints : Nil

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 and to the Chairman and Managing Director of the Board.
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.

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.

RISK MANAGEMENT COMMITTEE

In terms of regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance under regulations 21 was not applicable to the Company during financial year 2020-21 as paid-up share capital of the Company as on the financial year ended on 31st March, 2020 is less than Rs. 10 crore and net-worth of the Company is also less than Rs. 25 crore, hence Risk Management Committee has not been constituted.

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.

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. Disclosure on details of investments made during the financial years which are covered under provisions of section 186 of the Companies Act, 2013, have been made in the note no. 29 to the Financial Statements.

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. There are no proceedings initiated /pending against your Company under the Insolvency and Bankruptcy Code, 2016. There was no instance of one time settlement with any Bank or Financial Institution.

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.

FORMAL 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.

CONSERVATION OF ENERGY, TECHNOLOGLY 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 31st March, 2021 is annexed to this report as **Annexure II** and forms part of this report.

CORPORATE GOVERNANCE

In terms of provision of regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the Corporate Governance provisions as specified under regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26 , 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V was not applicable to the Company as paid-up share capital of the Company is less than Rs. 10 crore and net-worth of the Company is less than Rs. 25 crore, as on the financial year ended on 31st March, 2020. However, in view of provision of regulation 15(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company continued to make compliances with the applicable provisions under the Companies Act, 2013 during financial year 2020-21.

Subsequently, as on end date of FY 2020-21 i.e. 31st March, 2021 upon publication of Audited Financial Results of the Company for the year ended 31st March, 2021, net-worth of the Company exceeds Rs. 25 crore and therefore exemption under regulation 15(2) of SEBI (LODR), Regulations, 2015 stands withdrawn. In terms of proviso of said regulation, Company is required to comply with the exempted regulation within six months from the date of its applicability. Accordingly, the Company has implemented applicability of Corporate Governance clauses under the said regulation from quarter starting from 1st July, 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of regulation 34(2)(e) and para B of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Management Discussion & Analysis Report is annexed to this report as **Annexure III** and forms part of this Annual 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.

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

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 IV** and forms part of this Annual Report.

During the financial year 2020-21, the company did not pay any remuneration to the Managing Director and other directors of the company.

CORPORATE SOCIAL RESPONSIBILITIES

The provisions of section 135 of the Companies Act, 2013 were not applicable on the Company for the FY 2020-21, 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.

INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost auditors, secretarial auditors and external consultants and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

SECRETARIAL STANDARDS

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

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 31st March, 2021, 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, 2021 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 & ACKNOWLEGEMENT

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 : 13.08.2021

Annexure I

Secretarial Audit Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021
(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
National General Industries Limited
(CIN : L74899DL1987PLC026617)
3rd 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 **31st March 2021 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter alongwith Annexure-A enclosed to this report:

We have examined in the best possible manner, through virtual platform, 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 2021 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;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 were **not applicable** to the Company during the Audit Period;
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014 were **not applicable** to the Company during the Audit Period;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were **not applicable** to the Company during the Audit Period;
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client were **no applicable** as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit period;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 were **not applicable** to the Company during the Audit Period; and
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were **not applicable** to the Company during the Audit Period;
(i) 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. There was change in the composition of the Board of Directors that took place during the period under review.

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 : F003736C000779381
FCS : 3736
C.P. No. : 7433

Place : New Delhi
Dated : 13.08.2021

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)
3rd 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. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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 : F003736C000779381
FCS : 3736
C.P. No. : 7433

Place : New Delhi
Dated : 13.08.2021

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 and no steps were taken for utilizing alternate source 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 EARININGS AND OUTGO

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

Particulars	As on 31st March, 2021	As on 31st March, 2020
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

Annexure III

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 2020-21

National General Industries Limited ('The Company') is engaged in the production and selling of Steel. The Company has manufacturing facilities at Ghaziabad, Uttar Pradesh. During the year under review the Company sold off its casting unit at Bhiwadi..

GLOBAL ECONOMY

The year 2020 was an exceptional one for the world economy, as it grappled with the COVID-19 outbreak and the resultant challenges to public health, lockdowns and a near closure of international borders for an extended period. Trade was massively disrupted, affecting global supply chains, and governments across the world focused on health infrastructure and ancillary priorities. Large-scale stimulus measures were announced by major economies to minimise the economic fallout, support organisations and individuals, save jobs, and provide some succour from the drastic implications of an extended period of economic downturn. However, there was an irreversible change in the way of working, viability of some industries, nature of some jobs and aspects of social life. At the same time, it became clear that the digital transition was not optional anymore, and that e-commerce, connectivity, collaboration solutions were an imperative in the new post-pandemic economy. Strong legacy businesses showed resilience, with consumer demand and confidence rebounding gradually. However, quality of the business, nimble-footedness and ability to adapt became core differentiators

In the second half of CY 2020, as the virus began to lose potency, and its severity dropped, restrictions began to be lifted across the world. Few green shoots became visible across countries and sectors as the world began to embrace the new reality and prepared for business- as-usual. The unprecedented global race to make a vaccine saw inspiring outcomes, and the approval, commercialisation and mass production of multiple vaccines proved to be, quite literally, a shot in the arm. As a result, a decline of 3.3% in global GDP for CY 2020 vs earlier estimate of a contraction of 3.5% and a more severe contraction of 4.4% in October 2020.

INDIAN ECONOMY

FY 2020-21 began on a very weak note for India, as the onset of the pandemic triggered panic and brought most economic activities to a near halt in the first quarter. While annual estimates of contraction varied (and kept improving), the first quarter saw a 23.4% decline in GDP. With the second quarter also being one of decline, albeit at a slower pace than that in the first, the economy entered a technical recession with two successive quarters of contraction. Following fiscal and monetary measures undertaken by the government and the Reserve Bank of India (RBI), India's

economic growth returned to positive territory, with pent-up demand playing out and festive demand coming on stream. Consequently, the full-year GDP saw a net decline of just about 7.3%, far lesser than the initial fears.

Protecting lives and livelihoods became the core priority of the government, while implementing business continuity plans and adapting to the new normal became the priority for industry. India's resilience and ability to bounce back was evident, and this continues to provide confidence to the industry to stay invested in its future. Almost all core sector industries seemed confident of reaching pre-COVID levels of output and revenue.

OUTLOOK

The outlook for CY 2021 is robust as governments across the US, Europe, Japan, Korea, Russia and China are providing strong support to bring the domestic economy engine roaring back to action. A significant part of this support comes in the form of increased infrastructure spend, and liquidity injections, which directly help boost steel demand. As a result, global finished steel demand is expected to recover in CY 2021 to 1,874 MnT, an increase of 5.8% over CY 2020. In CY 2022, this figure is expected to touch 1,924.6 MnT, at a 2.7% yearly increase.

In the developed economies, manufacturing is showing some early signs of recovery and if the second wave of infections can be brought under control progressively, business activities can be expected to stabilise. Evolution of the virus, progress of vaccinations, withdrawal of supportive fiscal and monetary policies and geopolitics pose broad risks to the outlook.

In Q1 FY 2020-21, the steel mills faced shortage of labour, supply chain disruptions and truncated utilisation levels, besides a plummeting of demand. As a result, in the first half, the industry cumulatively produced 43.63 MnT of crude steel, 21% lower compared to H1 FY2020-21 However, the industry did well to increase its exports during this period, in order to offset the soft domestic demand. Nevertheless, as the year progressed, the economy started to gradually open up and the pent-up demand started to materialise, which augured well for the steel segment.

The Indian steel industry is seeing large-scale consolidation, and this presents a conducive operating environment for existing players. Post 2015, investment in the steel sector had hit a roadblock owing to Chinese dumping, which challenged the pricing environment.

The future of the Indian steel industry appears encouraging. Indian steel consumption stood at 94.14 MnT at the end of FY 2020-21, down 6% y-o-y. In FY 2021-22, the demand is expected to touch 110 MnT, presenting an incremental requirement of 16 MnT over that of last year.

The Union Budget 2021-22 has outlined a strong focus on infrastructure development (a 34.5% improvement over the last Budget's estimates) giving significant impetus to steel as an industry. The Budget also announced several initiatives such as affordable housing, expansion of road and railway networks, development of domestic shipbuilding industry and opening up of the defence sector for private participation, all of which are expected to create massive demand for steel in the country.

The Finance Minister in her budget proposal, also mentioned the reduction of customs duty uniformly to 7.5% on semis, flat, and long products of non-alloy, alloy and stainless steel. To provide relief to metal recyclers — mostly MSMEs — duty on steel scrap is exempted until March 31, 2022. The Centre has also removed anti- dumping and countervailing duties levied on certain steel products until September 30, 2021.

In Q4 FY 2020-21, India's finished steel consumption grew by 17.1% as compared to that of Q4 FY 2019-20. Though the domestic market may face pressure owing to the second phase of the pandemic, a gradual recovery in domestic demand is expected in the second half of FY 2021-22. While the timing and trajectory of the reopening of the Indian economy will follow the decline in

cases, the government's pro-growth policies and the Union Budget 2021-22 should help the economy recover to levels prior to the onset of the second wave.

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.

India's growing urban infrastructure and manufacturing sectors indicate that demand for steel is likely to remain robust in the coming years. This will be further supported by government initiatives, such as providing affordable housing, expanding road and rail way networks and developing the domestic shipbuilding industry. In the Union Budget 2021-22, the government proposed a capital expenditure of Rs. 5.54 lakhs crores, with a push for infrastructure. Demand for steel is thus projected to remain robust in the coming years. The Company is in step with the country's aspiration to become one of the fastest growing economies in the world.

SEGMENT-WISE PERFORMANCE

A detailed note on the segment-wise performance is given under note no. 24 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, 2021, 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 31st March, 2021 and 31st March, 2020 are summarized below:-

(Amount in Rupees)

Particulars	For the year ended	
	31-Mar-21	31-Mar-20
INCOME:		
Revenue from operations	**185,763,668**	196,014,089
Other Income	**69,302,485**	3,600,803
	255,066,153	199,614,892
EXPENSES:		
Cost of materials consumed	**176,902,025**	171,369,516
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	**(5,123,165)**	4,294,556
Employee benefit expense	**11,233,873**	15,211,640
Financial costs	**1,463,788**	2,418,708
Depreciation and amortization expense	**4,198,581**	5,025,921
Other expenses	**9,660,793**	10,572,766
	198,335,894	208,893,106
Profit before exceptional items and tax	**56,730,258**	(9,278,214)
Exceptional Items	**-**	-
PROFIT BEFORE TAX	**56,730,258**	(9,278,214)
TAX EXPENSES:		
Current tax	**-**	-
Current tax - Prior Year	**-**	(36,362)
MAT Credit	**-**	-
MAT Credit - Prior Year	**-**	-
Deferred tax	**(1,312,351)**	(333,762)
Profit for the period from continuing operations	**58,042,609**	(8,908,090)
PROFIT AFTER TAX	**58,042,609**	(8,908,090)
Other Comprehensive Income/(Loss)		
(A)Items that will be reclassified to profit or loss	-	-
(B)Items that will not be reclassified to profit or loss	**11,912,872**	(10,206,549)
Income tax relating to this	**1,943,241**	2,653,703
Total Other Comprehensive Income/(loss) for the year	**9,969,631**	(7,552,846)
Total Comprehensive Income/(loss) for the year	**68,012,240**	(16,460,936)

RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2021 are as under:

- ⇨ Value of Sales and Services decreased by 5.23% to Rs. 1857.64 lakhs (PY Rs. 1960.14 lakhs).
- ⇨ Value of Other Income increased to Rs. 134.23 lakhs (PY Rs. 36.01 lakhs) apart from Rs. 558.79 lakhs on sale of steel casting unit.
- ⇨ PBDIT increased to Rs. 65.13 lakhs (PY loss of Rs. 18.33 lakhs) apart from Rs. 558.79 lakhs on sale of steel casting unit..
- ⇨ PBT increased to Rs. 8.51 lakhs (PY loss of Rs. 92.78 lakhs) apart from Rs. 558.79 lakhs on sale of steel casting unit.
- ⇨ Net Profit increased to Rs. 21.63 lakhs (PY loss of Rs. 89.08 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 2020-21. 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 : 13.08.2021

Annexure IV

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 ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year cannot be ascertained as no remuneration was paid to any of the Directors of the company.
ii) There was no percentage increase in the remuneration paid to Director, Chief Financial Officer and Company Secretary in the financial year.
iii) There was approximately 0% increase in the median remuneration of employees in the financial year.
iv) There were 39 (Thirty Nine) permanent employees on the rolls of the Company.
v) Since no managerial remuneration was paid toward, hence information with respect to average percentile increase made in the salaries of employees others than the managerial personnel is not available.

It is hereby affirmed that the remuneration during the year ended 31st March, 2021 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 : 13.08.2021

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, 2021, 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, 2021, 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 33 & 34 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 entire 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 inconsistence 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 agoing 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, 2016 ("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 inagreement with the books of account;
   d) In our opinion, the aforesaid Standalone Ind AS financial statement comply with the Indian Accounting Standards specified underSection 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, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164 (2) of the Act;
   f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in

Annexure 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.

For N R & Company
Chartered Accountants
FRN – 015095C
Sd/-
Naveen Sawhney
Partner
Membership No.073713
UDIN: 21073713AAAAAG4245

Place: New Delhi
Dated: 30.06.2021

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: 21073713AAAAAG4245

Place: New Delhi
Dated: 30.06.2021

ANNEXURE 'B' TO THE AUDITOR'S 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 31st March 2021, 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 and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(2) (a) The inventory has been physically verified during the year by the management in phased manner.

(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification as compared to book records were not material and have been dealt with in the books of account.

(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.

(b) 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, 2021 for a period of more than six months from the date they became payable.

(8) 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.

(9) 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.

(10) 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.

(11) 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.

(12) 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.

(13) 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.

(14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(15) 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.

(16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For N R & Company
Chartered Accountants
FRN – 015095C
Sd/-
Naveen Sawhney
Partner
Membership No.073713
UDIN: 21073713AAAAAG4245

Place: New Delhi
Dated: 30.06.2021

Annexure - C to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of National General Industries Ltd ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N R & Company
Chartered Accountants
FRN – 015095C
Sd/-
Naveen Sawhney
Partner
Membership No.073713
UDIN: 21073713AAAAAG4245

Place: New Delhi
Dated: 30.06.2021

BALANCE SHEET AS AT 31st MARCH, 2021

(Amount in Rs)

Particulars	Note No	As at 31-Mar-21	As at 31-Mar-20
(I) ASSETS			
Non-current assets			
Property,Plant and Equipment	3	**3,82,58,443**	12,11,86,821
Capital Work in Progress		**-**	-
Investment Properties		**-**	-
Intangible Assets		**-**	-
Financial assets			
(i) Investments	4	**5,50,91,028**	4,49,52,677
(ii) Loans	5	**26,41,799**	26,41,799
(iii) Other Financial Assets		**-**	-
Deferred tax assets(net)		**-**	-
Other non-current assets		**-**	-
Current assets			
Inventories	6	**2,71,09,148**	2,39,23,117
Financial Assets			
(i) Trade Receivables	7	**1,26,95,879**	1,71,97,203
(ii) Cash and Cash Equivalents	8	**13,77,97,417**	2,61,859
(iii) Bank balances other than cash and cash equivalents		**-**	-
(iv) Loans	9	**1,17,51,680**	74,77,190
(v) Investments	4	**4,71,14,618**	4,47,58,468
(vi) Other Financial Assets		**-**	-
Current tax assets(net)		**-**	-
Other current assets		**-**	-
Total Assets		**33,24,60,010**	**26,23,99,134**
(II) EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	**4,66,95,590**	4,66,95,590
Other Equity	11	**24,07,44,919**	17,66,13,822
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings		**-**	-
(ii) Other financial liabilities		**-**	-
Provisions	12	**11,04,246**	9,29,690
Deferred Tax Liabilities (Net)	13	**72,85,909**	66,55,019
Other Non Current Liabilities		**-**	-
Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	**2,19,25,333**	1,77,21,281
(ii)(a) Trade Payables (Due of Creditors other than MSME)		**1,22,16,032**	1,13,67,765
(ii)(b) Trade Payables (Due of MSME)		**1,61,495**	80,338
(iii) Other Financial Liabilities		**-**	-
Provisions	12	**65,500**	96,312
Other Current Liabilities	15	**22,60,986**	22,39,317
Current Tax Liability(net)		**-**	-
Total Equity and Liablilites		**33,24,60,010**	**26,23,99,134**

Notes to Financial statement 1 to 37

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 : 30/06/2021
UDIN :21073713AAAAAG4245

For and on behalf of Board of Directors
NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-
Pawan Kumar Modi
Managing Director cum CFO
DIN:00051679

Sd/-
Vasu Modi
Director
DIN : 00051696

Sd/-
Vandana Gupta
Company Secretary
Mem. No. ACS24012

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

(Amount in Rs)

Particulars	Notes	For the year ended	
		31-Mar-21	31-Mar-20
INCOME:			
Revenue from operations	16	**18,57,63,668**	19,60,14,089
Other Income	17	**6,93,02,485**	36,00,803
		25,50,66,153	**19,96,14,892**
EXPENSES:			
Cost of materials consumed	18	**17,69,02,025**	17,13,69,516
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	**(51,23,165)**	42,94,556
Employee benefit expense	20	**1,12,33,873**	1,52,11,640
Financial costs	21	**14,63,788**	24,18,708
Depreciation and amortization expense	3	**41,98,581**	50,25,921
Other expenses	22	**96,60,793**	1,05,72,766
		19,83,35,894	**20,88,93,106**
Profit before exceptional items and tax		**5,67,30,258**	**(92,78,214)**
Exceptional Items		**-**	**-**
PROFIT BEFORE TAX		**5,67,30,258**	**(92,78,214)**
TAX EXPENSES:			
Current tax		**-**	-
Current tax - Prior Year		**-**	(36,362)
MAT Credit		-	-
MAT Credit - Prior Year		-	-
Deferred tax		**(13,12,351)**	(3,33,762)
Profit for the perid from continuing operations		**5,80,42,609**	(89,08,090)
Profit from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit from Discontinuing operations		-	-
PROFIT AFTER TAX		**5,80,42,609**	**(89,08,090)**
Other Comprehensive Income/(Loss)			
(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		**1,19,12,872**	(1,02,06,549)
Income Tax relating to items that will not be reclassified to Profit and Loss		**19,43,241**	(26,53,703)
Total Other Comprehensive Income/(loss) for the year		**99,69,631**	**(75,52,846)**
Total Income/(loss) for the year		**6,80,12,240**	**(1,64,60,936)**
EARNING PER EQUITY SHARE			
(Nominal Value of Share Rs. 10 each)			
Basic and diluted	23	**10.50**	(1.61)

Notes to Financial statement 1 to 37

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 : 30/06/2021

UDIN :21073713AAAAAG4245

For and on behalf of Board of Directors

NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-

Pawan Kumar Modi

Managing Director cum CFO

DIN:00051679

Sd/-

Vasu Modi

Director

DIN : 00051696

Sd/-

Vandana Gupta

Company Secretary

Mem. No. ACS24012

A. EQUITY SHARE CAPITAL

(Amount in Rs)

Particulars	Balance at the end of the reporting period i.e 31st March 2019	Changes in Equity share capital during the 2019-20	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
ISSUED AND SUBSCRIBED SHARES CAPITAL	**5,53,02,590**	-	**5,53,02,590**	-	**5,53,02,590**
LESS: CALLS IN AREARS	**-86,07,000**	-	**-86,07,000**	-	**-86,07,000**
PAID UP SHARES CAPITAL	**4,66,95,590**	-	**4,66,95,590**	-	**4,66,95,590**

B. OTHER EQUITY

(Amount in Rs)

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
AS ON 31st MARCH, 2020							
Balance at the beginning of the reporting period i.e 31st March 2019	2,47,64,460	1,42,35,000	12,56,786	10,10,00,000	1,68,46,119	3,50,68,680	**19,31,71,046**
Depreciation on Revalued Assets	-	-	-96,288	-	-	-	**-96,288**
Profit for the year	-	-	-	-	-	-89,08,090	**-89,08,090**
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	-75,52,846	-	**-75,52,846**
Dividend	-	-	-	-	-	-	**-**
Tax on Dividend	-	-	-	-	-	-	**-**
Transfer to/(from) Profit & loss	-	-	-	-	-		**-**
Balance at the end of the reporting period i.e 31st March 2020	**2,47,64,460**	**1,42,35,000**	**11,60,498**	**10,10,00,000**	**92,93,273**	**2,61,60,590**	**17,66,13,822**

(Amount in Rs)

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
AS ON 31st MARCH, 2021							
Balance at the beginning of the reporting period i.e 31st March 2020	2,47,64,460	1,42,35,000	11,60,498	10,10,00,000	92,93,273	2,61,60,590	**17,66,13,822**
Depreciation on Revalued Assets	-	-	-96,288	2,50,00,000	-	-	**2,49,03,712**
Profit for the year	-	-	-	-	-	5,80,42,609	**5,80,42,609**
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	99,69,631	-	**99,69,631**
Dividend	-	-	-	-	-	-	**-**
Tax on Dividend	-	-	-	-	-	-	**-**
Transfer to/(from) Profit & loss	-	-	-	-	-37,84,855	-2,50,00,000	**-2,87,84,855**
Balance at the end of the reporting period i.e 31st March 2021	**2,47,64,460**	**1,42,35,000**	**10,64,210**	**12,60,00,000**	**1,54,78,049**	**5,92,03,200**	**24,07,44,919**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(Amount in Rs)

Particulars	For the Year Ended 31-Mar-21	31-Mar-20
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	**5,67,30,258**	(92,78,214)
Adjustments for:		
Depreciation and amortisation expense	**41,98,581**	50,25,921
(Profit)/loss on sale of Assets	**(5,58,78,582)**	-
(Profit)/loss on sale of Shares / Mutual Fund	**(1,09,06,561)**	(26,67,938)
Interest & Finance Charges	**14,63,788**	24,18,708
Dividend Income	**-**	(76,500)
Interest and Trading Income on Investment	**(13,09,000)**	(15,31,102)
Investment revalue through FVTPL	**2,30,690**	(1,64,545)
Operating Profit before Working Capital Changes	**(54,70,826)**	**(62,73,670)**
Adjustments for:		
Decrease/(Increase) in Inventories	**(31,86,030)**	1,11,50,725
Decrease/(Increase) in Receivables	**45,01,324**	(28,22,002)
Decrease/(Increase) in other current and non cu	**(42,74,489)**	76,58,344
Increase/(Decrease) in Payables	**9,29,425**	(18,73,258)
Increase/(Decrease) in Other Current Liabilities	**21,669**	(10,91,697)
Increase/(Decrease) in Provision	**1,43,744**	(6,38,924)
Total Adjustment for working capital change	**(18,64,358)**	**1,23,83,189**
Cash generated from operations	**(73,35,184)**	**61,09,519**
Income Tax (paid) refund		36,362
Net Cash flow from Operating activities	**(73,35,184)**	**61,45,881**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	**(1,09,61,600)**	(38,60,438)
Sale of Fixed Assets	**14,20,00,000**	-
Purchase/sale of Mutual Fund	**97,83,078**	8,80,000
Purchase of Fixed Deposit	**(13,50,00,000)**	-
Interest and Trading Income on Investment	**13,09,000**	15,31,102
Dividend income	**-**	76,500
Net Cash used in Investing activities	**71,30,478**	**(13,72,836)**

C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings	-	-
Repayment of Long term Borrowings	-	-
Repayment of Short term Borrowings	-	(22,48,528)
Proceeds from Short term Borrowings	**42,04,051**	-
Interest paid	**(14,63,788)**	(24,18,708)
Net Cash used in financing activities	**27,40,263**	**(46,67,236)**
Net increase in cash & Cash Equivalents	**25,35,556**	**1,05,808**
Cash and Cash equivalents as at beginning	**2,61,859**	**1,56,049**
Cash and Cash equivalents as at end	**27,97,416**	**2,61,859**

Note: Cash Flow Statement is prepared using the indirect method, wherby 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 : 30/06/2021

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/-

Vasu Modi
Director
DIN : 00051696

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

(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 102to 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.

NOTES TO FINANCIAL STATEMENTS

3. PROPERTY , PLANT AND EQUIPMENT.

(Amount in Rs)

PARTICULARS	GROSS BLOCK						DEPRECIATION						NET BLOCK			
	As on 01-04-2020		DURING THE YEAR		As on 31-03-2021		As on 01-04-2020		DURING THE YEAR		DEDUCTION	As on 31-03-2021		As on 31-03-2021		As on 31-03-2020
	ORIGINAL	REVALUED	ADDITION	DELETION	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED		ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED
Capital WIP	31,68,574	-	3,05,118	34,73,692	-	-	-	-	-	-	-	-	-	-	-	31,68,574	-
Land	7,33,67,000	71,60,180	60,67,396	7,58,10,991	36,23,405	71,60,180	-	-	-	-	-	-	-	36,23,405	71,60,180	7,33,67,000	71,60,180
Furniture & Fixture	2,46,487	-	-	-	2,46,487	-	2,28,259	-	870	-	-	2,29,129	-	17,358	-	18,228	-
Building	1,60,96,629	33,56,209	72,320	1,01,48,653	60,20,296	33,56,209	50,33,640	28,20,069	4,44,945	96,288	34,03,332	20,75,253	29,16,357	39,45,043	4,39,852	1,10,62,989	5,36,140
Plant & Machinery	5,19,31,470	69,14,353	39,20,382	96,55,570	4,61,96,282	69,14,353	2,65,92,245	69,14,353	26,96,092	-	60,90,465	2,51,97,872	69,14,353	2,09,98,410	-	2,33,39,225	-
Office Equipment	7,31,044	-	-	-	7,31,044	-	6,88,893	-	12,881	-	-	7,01,774	-	29,268	-	42,149	-
Computer	7,16,567	-	4,19,284	-	11,35,851	-	7,00,506	-	41,210	-	-	7,41,716	-	3,94,135	-	16,061	-
Vehicles	73,39,101	-	-	-	73,39,101	-	48,63,389	-	8,25,158	-	-	56,88,547	-	16,50,554	-	24,75,712	-
F.A.Rolls	1,57,34,644	-	1,77,100	-	1,59,11,744	-	1,57,34,644	-	1,77,100	-	-	1,59,11,744	-	-	-	-	-
Cycle	3,120	-	-	-	3,120	-	2,558	-	325	-	-	2,883	-	237	-	562	-
TOTAL	16,93,34,637	1,74,30,742	1,09,61,600	9,90,88,906	8,12,07,331	1,74,30,742	5,58,44,134	97,34,422	41,98,581	96,288	94,93,797	5,05,48,918	98,30,710	3,06,58,411	76,00,032	11,34,90,501	76,96,320
Previous Year	16,54,74,199	1,74,30,742	38,60,438	-	16,93,34,637	1,74,30,742	5,08,18,213	96,38,134	50,26,921	96,288	-	5,58,44,134	97,34,422	11,34,90,501	76,96,320		

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at 31-Mar-21	As at 31-Mar-20
4 Investments		
(i) Non Current Investments		
Quoted equity instruments		
- Equity Share of Kay Power & Papers Ltd.		
700 (P.Y. 700) equity shares of Rs. 10/- each.	**1,827**	889
2,550(P.Y 2550) equity shares of Rs. 10 each in The Andhra Sugar Ltd.	**7,41,668**	4,51,478
Total Quoted Equity Instruments	**7,43,495**	**4,52,367**
Unquoted equity instruments		
- Equity Share of Modi Asset Management Pvt. Ltd.		
14,09,600 (P.Y. 14,09,600) Class 'A' Equity Share of Rs. 10/- each.	**1,88,66,000**	1,88,66,000
63,600 (P.Y. 63,600) Class 'B' Equity Share of Rs. 75/- each.		
- Equity Share of Peacon Properties & Encalve Pvt. Ltd.		
4,00,755 (P.Y. 4,00,755) Equity shares of Rs. 10/- each.	**8,18,110**	8,18,110
- Equity Share of Modi Metal & Allied Industries Pvt. Ltd.		
3,23,580 (P.Y. 3,23,580) Equity shares of Rs. 10/- each.	**45,10,705**	45,10,705
- Equity Share of Southern Iron & Steel Co. Ltd.		
2 (P.Y. 2) equity shares of Rs. 10/- each.	**76**	76
Total Unquoted Equity Instruments	**2,41,94,891**	**2,41,94,891**

Quoted Mutual Funds	**Units (Current Year)**	**Units (Previous Year)**		
Franklin India Prima Plus-D. Gr.	-	5,923.04	-	26,33,308
HDFC Equity Fund	**29,561.10**	38,607.74	**2,35,73,526**	1,76,72,112
DSP Small Cap Fund Direct Growth	**31,915.17**	-	**26,69,001**	-
Invesco India Contra Fund Direct Growth	**27,572.15**	-	**19,35,565**	-
Kotak Equity Opportunities Fund Direct Growth	**11,066.86**	-	**19,74,550**	-
Total Quoted Mutual Funds			**3,01,52,642**	**2,03,05,420**
Total (i)			**5,50,91,028**	**4,49,52,677**
(ii) Current Investments				
Quoted Mutual Funds	**Units (Current Year)**	**Units (Previous Year)**		
Templeton India Ultra Short Bond Fd	**5,45,728.68**	10,81,233.45	**1,62,22,107**	2,97,40,335
SBI Liquid Fund	**1,602.25**	1,614.06	**51,61,852**	50,18,133
HDFC Liquid Fund-Punjab	**1,110.71**	-	**44,93,418**	-
HDFC Liquid Fund-Delhi	**24.73**	-	**99,996**	-
ICICI Prudential Nifty Index Fund	**27,404.62**	-	**40,44,669**	-
ICICI Prudential Liquid Fund	**23,274.46**	-	**70,92,575**	-
Estee Advisors Pvt. Ltd.			**1,00,00,000**	1,00,00,000
Total (ii)			**4,71,14,618**	**4,47,58,468**
Total Investments (i) + (ii)			**10,22,05,645**	**8,97,11,145**

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at 31-Mar-21	31-Mar-20
5 Long Term Loans & Advances		
Security Deposit	**26,41,799**	26,41,799
	26,41,799	**26,41,799**
6 Inventories		
Raw Materials	**60,48,963**	76,07,467
Finished goods	**1,68,82,813**	1,23,26,412
Loose Tools	**3,65,784**	3,66,584
Others	**38,11,588**	36,22,654
	2,71,09,148	**2,39,23,117**
7 Trade receivables		
(Unsecured, Considered Good)	**1,26,95,879**	1,71,97,203
Unsecured,considered doubtful	**30,35,041**	30,35,041
Less: Provision for doubtful debts	**(30,35,041)**	(30,35,041)
	1,26,95,879	**1,71,97,203**
8 Cash and cash equivalents		
(i) Fixed deposits (With maturity less than 12 months)		
Fixed deposit	**10,50,00,000**	-
Margin Money against Overdraft	**3,00,00,000**	-
Total(i)	**13,50,00,000**	-
(ii) Cash and Banks		
Balances with Banks	**27,74,939**	1,82,162
Cash on hand	**22,478**	79,697
Total(ii)	**27,97,417**	**2,61,859**
Total(i+ii)	**13,77,97,417**	**2,61,859**
9 Short Term Loans & Advances		
Balance with Statutory / Government Authorities	**41,35,026**	31,72,360
Prepaid Expenses	**50,117**	70,367
Advance to Suppliers & Others	**2,30,816**	2,39,207
Advance to Staff	**3,88,003**	2,07,533
Withholding Tax	**17,79,195**	10,79,949
Income Tax Refundable	**14,47,007**	10,41,649
Interest and Trading income receivable	**27,07,640**	16,66,125
Interest Receivable	**10,13,876**	-
	1,17,51,680	**74,77,190**

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at 31-Mar-21	As at 31-Mar-20
10 Share Capital		
AUTHORISED SHARES		
12,000,000 (P.Y. 12,000,000) Equity Shares of Rs.10/- each	**12,00,00,000**	**12,00,00,000**
ISSUED AND SUBSCRIBED SHARES		
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	**5,53,02,590**	5,53,02,590
	5,53,02,590	**5,53,02,590**
PAID UP SHARES		
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	**5,53,02,590**	5,53,02,590
Less: Call Money unpaid by other than Directors	**86,07,000**	86,07,000
1,147,600 (P.Y.1,147,600) Shares @ Rs. 7.50 each		
	4,66,95,590	**4,66,95,590**

a. Reconciliation of the Equity shares outstanding at the beginning and at the end of reporting period

Outstanding at the beginning of the year		
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	**55,30,259**	55,30,259
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	**55,30,259**	**55,30,259**

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 2021		As at 31st March 2020	
	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

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at 31-Mar-21	31-Mar-20
11 Other Equity		
Statement of Change in Equity		
Reserves & Surplus		
Capital Reserve		
Balance as per the last financial statements	**2,47,64,460**	2,47,64,460
Closing Balance	**2,47,64,460**	**2,47,64,460**
Security Premium		
Balance as per the last financial statements	**1,42,35,000**	1,42,35,000
Closing Balance	**1,42,35,000**	**1,42,35,000**
Revaluation Reserve		
Balance as per the last financial statements	**11,60,498**	12,56,786
Less: Depreciation on Revalued Assets	**96,288**	96,288
Closing Balance	**10,64,210**	**11,60,498**
General Reserve		
Balance as per the last financial statements	**10,10,00,000**	10,10,00,000
Add: Amount transferred from surplus balance in the statement of Profit & Loss	**2,50,00,000**	
Closing Balance	**12,60,00,000**	**10,10,00,000**
Other Comprehensive Income/Loss		
Balance as per the last financial statements	**92,93,273**	1,68,46,119
Add: Amount transferred from surplus balance in the statement of Profit & Loss	**99,69,631**	(75,52,846)
Less : Transfer to PL Account- Realized Profit	**37,84,855**	-
Closing Balance	**1,54,78,049**	**92,93,273**
Balance in Statement of Profit and Loss		
Balance as per the last financial statements	**2,61,60,591**	3,50,68,680
Profit for the year	**5,80,42,609**	(89,08,090)
	8,42,03,200	**2,61,60,591**
Less: Appropriations :		
Transfer to General Reserve	**2,50,00,000**	-
Total Appropriation	**2,50,00,000**	-
Surplus in the Statement of Profit and Loss	**5,92,03,200**	**2,61,60,591**
Total Other Equity	**24,07,44,919**	**17,66,13,822**
12 Provisions		
Non Current		
Provision for Gratuity	**11,04,246**	9,29,690
	11,04,246	**9,29,690**
Current		
Provision for Gratuity	**65,500**	96,312
	65,500	**96,312**

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	As at 31-Mar-21	As at 31-Mar-20
13 Deferred tax liabilities (Net)		
Deferred Tax Liability		
On Fixed Assets	**20,45,621**	24,90,011
On Current Investments	**3,26,362**	13,63,885
On Non-Current Investments	**52,08,445**	32,65,204
Deferred Tax Asset		
On provision for Gratuity	**2,94,519**	4,64,081
Net Deffered Tax Liabaility	**72,85,909**	**66,55,019**
14 Borrowings		
Secured Borrowings		
Overdraft from SBI against Fixed Deposit Rs 3,00,00,000/-	**2,19,25,333**	-
Working Capital Loan from SBI Bank	**-**	1,77,21,281
	2,19,25,333	**1,77,21,281**

Working Capital loans from State Bank of India are secured by first charge on all current assets of company, both present & future, including stocks of raw materials, finished and semi-finished goods and book debts of the Company. These facilities are further secured by collateral security of land of the company situated at 9th Milestone, Ghaziabad. The managing director and director have given personnel guarantee to the bank for the facility. The working capital loan are repayable on demand.

15 Other current liabilities		
Advance from Customers	**10,931**	25,446
Salary & Wages Payable	**8,74,085**	10,13,981
EPF Payable	**19,680**	24,772
Other Employee Benefit Liabilities	**1,81,777**	10,474
Other Tax Payable	**91,724**	1,25,032
Expenses Payable	**10,82,789**	10,39,612
	22,60,986	**22,39,317**

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	For the year ended 31-Mar-21	31-Mar-20
16 Revenue from operations		
Sale of Finished Goods	**15,22,86,980**	14,46,28,749
Sale of Services-Conversion Charges	**3,10,72,021**	4,90,64,192
Other Operating Revenue	**24,04,667**	23,21,149
Revenue from Operations (Gross)	**18,57,63,668**	**19,60,14,089**
Details of Finished Goods sold		
Iron & Steel Bar	**15,22,86,980**	14,46,28,749
Details of Sale of Services		
Job Work charges on Re - rolling	**3,10,72,021**	4,90,64,192
Details of Other Operating Revenue		
Sale of By Product, viz. Scrap	**24,04,667**	23,21,149
	24,04,667	**23,21,149**
17 Other Income		
Interest on Security Received	**-**	1,15,193
Interest and Trading Income on Investment	**13,09,000**	15,31,102
Interest on Fixed Deposit	**13,13,897**	**-**
Interest on income tax refund	**8,742**	84,878
Income from Dividend	**-**	76,500
STCG on Current Investments	**14,57,400**	13,80,256
LTCG on Current / Trade Investments	**94,49,161**	-
Rebate & Discount Received	**-**	1,27,008
Investment revalue through FVTPL	**(2,30,690)**	1,64,545
Other Income	**1,16,393**	1,21,321
Profit/loss on sale of assets	**5,58,78,582**	**-**
	6,93,02,485	**36,00,803**

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	For the year ended 31-Mar-21	31-Mar-20
18 Cost of Raw Material and Components Consumed		
Raw Material Consumed		
Opening Stock	**76,07,467**	1,41,00,354
Purchases	**14,37,59,595**	12,67,59,377
	15,13,67,063	14,08,59,731
Less: Closing Stock	**60,48,963**	76,07,467
	14,53,18,100	**13,32,52,263**
Details of raw material and components		
Raw material and components Consumed		
Raw material	**14,53,18,100**	13,32,52,263
	14,53,18,100	**13,32,52,263**
Details of closing inventory of raw material		
Raw material	**60,48,963**	76,07,467
Scrap		
	60,48,963	**76,07,467**
Details of opening inventory of raw material		
Raw material	**76,07,467**	1,37,50,357
Scrap	-	3,49,997
	76,07,467	**1,41,00,354**
Furnace Oil/LSHS Consumed		
Opening Stock	**-**	-
Add: Purchase/Tfd.during the year	**2,02,43,137**	-
	2,02,43,137	-
Less: Closing Stock	**1,79,220**	-
	2,00,63,918	**-**
Steam Coal Consumed		
Opening Stock	**4,61,296**	6,64,859
Add: Purchase/Tfd.during the year	**6,65,912**	2,44,14,467
	11,27,208	2,50,79,326
Less: Closing Stock	**1,086**	4,61,296
	11,26,122	**2,46,18,031**
Other Manufacturing Expenses		
Power Expenses	**77,36,287**	1,00,11,676
Engine Expenses	**20,45,647**	29,09,720
Weighing & Stalking	**38,385**	74,860
Consumable Store	**5,73,566**	5,02,966
	1,03,93,885	**1,34,99,222**
	17,69,02,025	**17,13,69,516**

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	For the year ended	
	31-Mar-21	31-Mar-20
19 (Increase)/Decrease in Inventories		
Opening Stock of FG	**1,57,36,834**	2,00,31,390
Closing Stock of FG	**2,08,59,999**	1,57,36,834
work-in-progress and Stock-in-Trade	**(51,23,165)**	**42,94,556**
20 Employee Benefit Expenses		
Salaries & Wages	**99,50,481**	1,49,55,482
Bonus & Ex-Gratia	**5,00,020**	94,268
Employer's Cont.to P.F.	**88,388**	1,66,046
Employer's Cont.to E.S.I.	**46,082**	1,18,993
Gratuity	**3,20,339**	(5,32,192)
Staff Welfare	**2,78,563**	3,59,043
Leave encashment	**50,000**	50,000
	1,12,33,873	**1,52,11,640**
21 Financial costs		
Bank Interest	**14,63,788**	24,18,087
Interest on Car Loan	-	621
	14,63,788	**24,18,708**

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs)

PARTICULARS	For the year ended 31-Mar-21	31-Mar-20
22 Other expenses		
Travelling & Conveyance		
Including Foreign Travel of Directors C. Y. Nill (P.Y. Nill/-)	**1,70,146**	1,70,644
Printing & Stationary	**32,225**	22,035
Postage & Telegram	**4,148**	1,769
Telephone Expenses	**1,05,930**	1,13,350
Electricity Expenses	**9,02,291**	6,55,295
Legal & Professional Charges	**9,76,382**	8,07,906
Listing & Custodial Fees	**3,70,000**	3,45,000
Bank Charges	**23,496**	1,75,872
Insurance Charges	**72,880**	88,334
Rent	**63,000**	96,000
Vehicle Running & Maintenance	**4,09,871**	8,06,564
Security & Vigilance	**9,11,175**	12,05,761
Repair & maintenance - Building	**6,587**	57,496
Repair & maintenance - Plant & Machinery	**25,17,023**	20,40,229
Repair & maintenance - Others	**4,54,683**	65,682
Business promotion	**2,87,166**	4,76,166
Rebate, Discount & commission	**15,04,292**	12,59,963
Advertisement Expenses	**1,95,504**	1,65,768
Bad debts	**-**	16,20,854
Freight Charges	**7,350**	-
Income tax demand	**2,67,440**	-
Miscellaneous Expenses	**3,79,203**	3,98,078
	96,60,793	**1,05,72,766**
Payment to Auditor		
Audit fee	**2,00,000**	2,00,000
Limited Review	**48,000**	48,000
	2,48,000	**2,48,000**

23 Earning per Share

The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for calcilation of basic and diluted EPS	**5,80,42,609**	(89,08,090)
Weighted average number of equity shares in calculating basic and diluted EPS	**55,30,259**	55,30,259
Basic and diluted earning per share (Rs.)	**10.50**	(1.61)

24. Segment Information

Business Segments :

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

Geographical Segments:

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

Particulars	Steel Manufacturing		Investments & Others		Services		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE								
Sales / Revenue	**18,57,63,668**	19,60,14,089	**6,93,02,485**	36,00,803	-	-	**25,50,66,153**	19,96,14,892
Less : Inter Segment Sales	-	-	-	-	-	-	-	-
Net Sales / Revenue	**18,57,63,668**	19,60,14,089	**6,93,02,485**	36,00,803	-	-	**25,50,66,153**	19,96,14,892
Total Revenue	**18,57,63,668**	19,60,14,089	**6,93,02,485**	36,00,803	-	-	**25,50,66,153**	19,96,14,892
SEGMENT RESULTS								
Operating Profit/ (Loss) before interest & tax	**4,79,48,788**	(64,40,030)	**1,02,45,258**	5,67,751	-	(9,87,227)	**5,81,94,046**	(68,59,507)
Less : Interest Expenses							**14,63,788**	24,18,708
Profit/(Loss) from operating activity (Before tax)							**5,67,30,258**	(92,78,215)
OTHER INFORMATION								
Segment Assets	**10,46,97,061**	15,79,78,437	**18,61,65,219**	7,12,71,272	**3,42,21,889**	2,77,31,604	**32,50,84,169**	25,72,04,420
Segment Liabilities	**89,10,925**	1,47,25,262	**67,42,871**	67,22,724	**64,530**	86,727	**1,57,18,326**	1,88,15,527
Capital Employed	**9,57,86,136**	14,32,53,175	**17,94,22,348**	6,45,48,548	**3,41,57,359**	2,76,44,877	**30,93,65,843**	23,83,88,893
Capital Expenditure	**1,09,61,600**	38,60,437	-	-	-	-	**1,09,61,600**	38,60,437
Depreciation/Amortization	**33,49,790**	41,75,380	**8,55,499**	8,55,499	**89,580**	91,329	**42,94,869**	51,22,207

25. Related Party Disclosures

A. Parties under common control

Modi Asset Management Pvt. Ltd.
Modi Metal & Allied Industries Pvt. 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 Rs.)

Particulars	Key managerial personnel and their relatives		Parties under common control		Total	
	2021	2020	**2021**	2020	**2021**	2020
Rent Paid						
J. P. Modi & Sons HUF		-	**24,000**	24,000	**24,000**	24,000
Shakuntala Modi	**42,000**	72,000	-	-	**42,000**	72,000
Sangeeta Modi	**60,000**	-	-	-	**60,000**	-
Total	**1,02,000**	72,000	**24,000**	24,000	**1,26,000**	96,000

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

Particulars	March 31, 2021	March 31, 2020
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Capital advances)	**Nil**	Nil

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

Particulars	March 31, 2021	March 31, 2020
Bank Guarantee in favour of Sales Tax Department	**Nil**	Nil
Bills discounted liability	**Nil**	Nil

28. There are no Micro, Small and Medium Enterprises to whom company owes dues which are outstanding for more than 45 days as on 31.03.2021. The information as required to be disclosed under MSMED Act, 2006, has been determined to the extent such parties has been identified on the basis of information available with the Company.

29. The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during financial year 2020-21.

30. **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 Rs.)

Particulars	March 31, 2021	March 31, 2020
Current service cost	**4,22,626**	393,261
Interest cost on benefit obligation	**69,460**	127,533
Net actuarial (gain)/ loss recognized in the year	**(2,28,578)**	(1,052,986)
Past service cost	**-**	-
Net benefit expense	**2,63,508**	(5,32,192)

Balance Sheet
Details of Provision for Gratuity

(Amounts in Rs.)

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation	**1,169,746**	1,026,002
Fair value of plan assets	**-**	-
Surplus/(Deficit)	**(1,169,746)**	(1,026,002)
Less: Unrecognized Past service cost	**-**	-
Plan asset / (liability)	**1,169,746**	1,026,002

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

(Amounts in Rs.)

Particulars	March 31, 2021	March 31, 2020
Defined benefit obligation at the beginning of year	**10,26,002**	16,64,926
Current service cost	**4,22,626**	393,261
Interest cost	**69,460**	127,533
Actuarial (gain)/loss on obligation	**(2,28,578)**	(1,052,986)
Benefits paid	**(1,19,764)**	(106,732)
Defined benefit obligation as at the end of the year	**1,169,746**	1,026,002

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

Particulars	March 31, 2021 %	March 31, 2020 %
Discount rate	**6.70**	6.77
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**	1

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 Rs.)

	March 31, 2021	March 31, 2020
Defined benefit obligation	**1,169,746**	1,026,002
Plan assets	**-**	-
Surplus / (deficit)	**(1,169,746)**	(1,026,002)
Experience adjustments on plan liabilities (loss)/gain	**(2,34,888)**	(11,27,729)
Experience adjustments on plan assets (loss)/gain	**-**	-

Contribution to Defined Contribution plans:

(Amounts in Rs)

	March 31, 2021	March 31, 2020
Provident Fund	**88,388**	1,66,046

31.1 Earnings in foreign currency (on accrual basis)

(Amounts in Rs.)

Particulars	March 31, 2021	March 31, 2020
Exports at F.O.B. Value	-	-

31.2 Expenditure in foreign currency (on accrual basis)

(Amounts in Rs.)

Particulars	March 31, 2021	March 31, 2020
Travelling	-	-

31.3 Value of imports calculated on CIF basis (on accrual basis)

(Amounts in Rs.)

Particulars	March 31, 2021	March 31, 2020
Raw Materials	-	-

31.4 Imported and Indigenous Raw Materials, Stores and Spares Consumed

(Amount in Rs.)

Raw Materials	% of total consumption For the year ended		Value For the year ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Indigenous	**100.00**	100.00	**14,53,18,100**	**13,32,52,263**
Imported	**-**	-		
	100.00	100.00	**14,53,18,100**	**13,32,52,263**
Stores and Spares				
Indigenous	**100.00**	100.00	**6,11,951**	**5,77,826**
Imported	**-**	-		
	100.00	100.00	**6,11,951**	**5,77,826**

32. Company has opted 115BAA during the financial year 2020-21 hence MAT is not applicable to the company.

33. Due to COVID-19 Pandemic Situation and lockdown implemented by the Central Government, which is still going on with relaxations in parts, the management was not able to conduct Physical counting of Inventory on regular periodic intervals however the physical counting was conducted post lockdown period from time to time.

34. 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.

35. The Basic and diluted earnings per share is 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. However EPS for F.Y 2020-21 was calculated on the basis of average number equity shares outstanding during the year.

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

37. The figure's has been rounded off to nearest of rupees.

As per our separate report of even date attached

For N R & Company
Chartered Accountants
FRN – 015095C

Sd/-

Naveen Sawhney
Partner
Mem. No.: 073713
Place : New Delhi
Date : 30/06/2021
UDIN : 21073713AAAAAG4245

For and on behalf of the Board Directors
National General Industries Limited

Sd/-	Sd/-	Sd/-
Pawan Kumar Modi	**Vasu Modi**	**Vandana Gupta**
Managing Director cum CFO	Director	Company Secretary
DIN : 00051679	DIN : 00051696	Mem. No. ACS24012

Book - Post

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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)