

“श्री जी”



National General Industries Ltd.

An ISO 9001 : 2015 Certified Company

CIN No. : L74899DL1987PLC026617

7th September, 2023

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, 2023

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 2022-23 alongwith Notice for 37th Annual General Meeting of the Company to be held on Saturday, 30th September, 2023.

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.**

VANDANA GUPTA

COMPANY SECRETARY

Memb. No. : ACS 24012

Encl.: As above.



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

Phone : + 91-11-49872442, 48 • E-mail : cs@modisteel.net

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

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VISIT US AT : www.modisteel.com



EXPANDING HORIZONS WITH QUALITY STEEL

“श्री जी”



National General Industries Ltd.

An ISO 9001 : 2008 Certified Company

37th Annual Report

2022-23

Board of Directors

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

Statutory Auditors

R K Govil & Co.
Chartered Accountants
R-7/177, Raj Nagar,
Ghaziabad – 201002, U.P.

Works : Re-rolling unit

9th Mile Stone, G.T. Road,
Mohan Nagar,
Ghaziabad – 201007, U.P.

Registered Office

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

Registrar & Transfer Agents

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

Bankers

State Bank of India
HDFC Bank Limited

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NOTICE

NOTICE is hereby given that the **THIRTY SEVENTH ANNUAL GENERAL MEETING** of the Members of National General Industries Limited (CIN: L74899DL1987PLC026617) will be held on Saturday, the 30th September, 2023 at 01.30 p.m. through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31 March, 2023, the Report of the Board of Directors' and Auditors' thereon.
2. To appoint 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 Mrs. Kanupriya Gupta (DIN: 09848901) as an Independent Director.**
To consider and, if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Kanupriya Gupta (DIN:09848901) who was appointed as an Additional Independent Director on 14th February, 2023 and who holds office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, being eligible, be and is hereby appointed as an Independent Director, not liable to retire by rotation and to hold office for a first term of 5 (five) consecutive years, that is, up to February, 13, 2028.”

4. **To re-appoint Mr. Anirudh Vimalkumar Goenka (DIN: 00907733) as an Independent Director.**
To consider and, if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Anirudh Vimalkumar Goenka (DIN : 00907733), who was appointed as an Independent Director and who holds office up to March 29, 2024 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member



proposing his candidature for the office of Director, being eligible, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, that is, up to March 29, 2029;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. **To re-appoint Mr. Anantshri Gupta (DIN: 08126520) as an Independent Director.**

To consider and, if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Anantshri Gupta (DIN : 08126520), who was appointed as an Independent Director and who holds office up to March 29, 2024 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, being eligible, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, that is, up to March 29, 2029;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. **To approve Remuneration of Mr. Pawan Kumar Modi, Managing Director (DIN:00051679)**

To consider and, if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and in accordance with the provision of Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded to revise remuneration of Mr. Pawan Kumar Modi (DIN: 00051679) as the Chairman cum Managing Director of the Company for the period from 1st September, 2023 to 3rd July, 2025, upon the terms as set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof and as may be agreed to between the Board of Directors and Mr. Pawan Kumar Modi.



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

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

Place : New Delhi
Date : 05.09.2023

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

NOTES :

1. The Ministry of Corporate Affairs, vide its Circular dated December 28, 2022 read with Circular dated May 5, 2022, December 14, 2021, December 8, 2021, January 13, 2021, May 5, 2020, April 13, 2020 and April 8, 2020 permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“the Act”) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC / OAVM, and physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form and Attendance Slip is not annexed to this Notice. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM by logging on the e-voting website by using their secure login credentials.
4. 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.
5. 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.
6. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, Members have been provided with the facility to cast their vote electronically through the e-voting services provided by Central



Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. The business set out in the Notice can be transacted through such voting.

7. The Company has appointed M/s Skyline Financial Services Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for the conduct of the AGM.
8. In terms of the provisions of Section 152 of the Act, Mr. Vasu Modi, Director of the Company, retire by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company commend his re-appointment.

Mr. Vasu Modi, Directors of the Company, are interested in the Ordinary Resolution set out at Item Nos. 2, of the Notice with regard to his re-appointment. Mr. Vasu Modi, Non-Executive Director, being related to Mr. Pawan Kumar Modi and Mr. Manhar Modi, may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. The relatives of Mr. Pawan Kumar Modi and Mr. Manhar Modi may be deemed to be interested in the resolutions set out at Item Nos. 2 of the Notice, respectively, to the extent of their shareholding, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 2 of the Notice.

9. A statement pursuant to the provisions of Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM, is annexed hereto.
10. Details of Directors retiring by rotation / seeking appointment and/or re-appointment at this Meeting form part of this Notice.
11. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 25th September, 2023 to Saturday, 30th September, 2023 (both days inclusive) for the purpose of this Annual General Meeting.
12. 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.
13. 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.

Dispatch of Annual Report through Electronic Mode

14. In compliance with the MCA Circulars and SEBI Circular dated January 5, 2023, Notice of the AGM along with the Annual Report for the financial year 2022-23 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that the Notice and Annual Report for the financial year 2022-23 will also be available on the Company's website at www.modisteel.com websites of the Stock Exchanges, that is, BSE Limited at www.bseindia.com and on the website of CDSL i.e. www.evotingindia.com
15. **For receiving all communication (including Annual Report) from the Company electronically:** Members holding shares in dematerialized mode are requested to register / update their e-mail address with the relevant Depository Participant. Members holding shares in physical mode are requested to follow the process set out in this Notice.

Other Information:

16. As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred / traded only in dematerialised form. Members holding shares in physical form are advised to avail the facility of dematerialisation.
17. SEBI has vide Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021 and SEBI/ HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 ("SEBI Circulars") mandated furnishing of Permanent Account Number ('PAN'), KYC details viz. Contact Details



(Postal Address, Mobile Number and E-mail), Bank Details, Nomination etc. by holders of physical securities. The Company had sent letters for furnishing the required details

Any service request shall be entertained by RTA/Company only upon registration of the PAN, KYC details and the nomination. Further, in absence of the above information on or after October 1, 2023, the folio(s) shall be frozen by RTA in compliance with the aforesaid SEBI Circulars. If the folio(s) continue to remain frozen as on December 31, 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

18. Members are requested to intimate/update changes, if any, in postal address, e-mail address, mobile number, PAN, nomination, bank details such as name of the bank and branch, bank account number, IFS Code etc.
 - a) For shares held in electronic form to their Depository Participant for making changes
 - b) For shares held in physical form by submitting to RTA following forms along with requisite supporting documents:
 - ISR-1 : Registration of PAN, postal address, e-mail address, mobile number, Bank Account Details or changes /updatation thereof;
 - ISR-2 : Confirmation of Signature of shareholder by the Banker
 - SH-13 : Registration of Nomination
 - SH-14 : Cancellation or Variation of Nomination
 - ISR-3 : Declaration to opt out of Nomination
19. Non-Resident Indian members are requested to inform the Company/RTA (if shareholding is in physical mode) / respective DPs (if shareholding is in demat mode), immediately of change in their residential status on return to India for permanent settlement.
20. Members may please note that the Listing Regulations mandate transfer, transmission and transposition of securities of listed companies held in physical form only in demat mode. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz., issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests for issue of duplicate securities certificate; renewal/ exchange of securities certificate etc., by submitting a duly filled and signed Form ISR-4 along with requisite supporting documents to RTA as per the requirement of the aforesaid circular.

The aforesaid forms can be downloaded from the Company's website at https://modisteel.com/wp-content/uploads/2023/05/Letter_to_Shareholder_KYC_Compliance.pdf and is also available on the website of RTA at www.skylinerta.com. All aforesaid documents/requests should be submitted to Registrar and Share Transfer Agent of the Company, viz, Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi – 110020.



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

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

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

(i) The voting period begins on Tuesday, 26th September, 2023 (10.00 a.m. IST) and ends on Friday, 29th September, 2023 (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 Saturday, 23rd September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cutoff date i.e., Saturday, September 23, 2023.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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

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

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

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

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in DEMAT mode are allowed to vote through their DEMAT account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their DEMAT accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with CDSL	<ol style="list-style-type: none"> 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 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	<ol style="list-style-type: none"> 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 1800 22 55 33.
Individual Shareholders holding securities in DEMAT mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

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

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 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 Physical Shareholders and other than individual shareholders holding shares in DEMAT	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> 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. <ul style="list-style-type: none"> 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 National General Industries Limited 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) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional 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 will be mapped automatically & can be delink in case of any wrong mapping.
- 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:

- a) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- c) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- d) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- e) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, DEMAT account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, DEMAT account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- h) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- i) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- j) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



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 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at 18002255 33.

21. Other Instructions:

- a. The e-voting period commences on Tuesday, 26th September, 2023 (10.00 a.m. IST) and ends on Friday, 29th September, 2023 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Saturday, 23rd September, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- b. M/s. Deepak Bansal & Associates, Practicing Company Secretary (FCS No. : 3736 and C. P. No. : 7433), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c. The Scrutinizer shall, immediately after conclusion of voting at the annual general meeting, make, not later than 2 working days from the conclusion of the meeting, scrutinizer’s report of the total vote cast in favour and against, if any, to the Chairman, or an authorized person by him, of the Company.
- d. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.modisteel.com 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. Anirudh Vimalkumar Goenka	Mr. Anantshri Gupta	Mrs. Kanupriya Gupta
DIN Number	00051696	00907733	08126520	09848901
Date of Birth	11-06-1980	25-05-1982	29-07-1993	10-04-1982
Date of Appointment	10-04-2000	30-03-2019	30-03-2019	14-02-2023
Expertise in Specific functional area	Experience in business development and marketing.	Experience in the area of finance and taxation	Experience in managing the business affairs	Experience in the area of finance and taxation
Qualification	B. B. A.	B. Com	B. Sc.	B. Com (Hons.)
Directorship in other Public Limited Company (As on 31.03.2023)	Not Applicable	Not Applicable	Prachi Chemical & Industries Ltd.	Not Applicable
Chairman/Member of Committee in other public limited company (As on 31.03.2023)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Shareholding in the Company (As on 31.03.2023)	3,59,745 (6.51%)	Nil	Nil	Nil
Remuneration last drawn from Company	Nil	Nil	Nil	Nil
Remuneration proposed to be paid	Nil	Nil	Nil	Nil
Numbers of Board Meeting attended during FY 2022-23	5	5	4	1

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

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

ITEM NO. 3

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, Mrs. Kanupriya Gupta (DIN : 09848901) as an Additional Director in the capacity of Non-Executive Independent Director of the Company with effect from 14th February, 2023. In terms of the provisions of Section 161(1) of the Act, Mrs. Kanupriya Gupta, would hold office up to the date of ensuing Annual General Meeting. As per Regulation 17(1C) of SEBI (LODR) Regulations, 2015, the approval of shareholders was required to be obtained within three months of her appointment i.e. upto 13th May, 2023. However due to inadvertence, the same could not be obtained within the prescribed period and the same is being obtained now at the first general meeting held after her appointment.

The Board, based on the recommendation of the Nomination and Remuneration Committee, considers that, given her professional background and experience, her continuance as Non-Executive Independent Director would be beneficial to the Company. Accordingly, it is proposed to appoint Mrs. Kanupriya Gupta as Non-Executive Independent Director of the Company, not liable to retire by rotation, for a first term of 5 (five) consecutive years on the Board of the Company.

Mrs. Kanupriya Gupta is qualified to be appointed as a Director in terms of Section 164 of the Companies Act, 2013 (the "Act") and has given her consent to act as a Director. The Company has also received declaration from Mrs. Kanupriya Gupta that she meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and that she is not debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India ("SEBI") or any such authority.

In the opinion of the Board, Mrs. Kanupriya Gupta fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mrs. Kanupriya Gupta is independent of the management and possesses appropriate skills, experience, knowledge and capabilities required for the role of Independent Director. Mrs. Kanupriya Gupta has leadership skills and vast experience in the area of finance and taxation. In view of these, the appointment of Mrs. Kanupriya Gupta as an Independent Director is in the interest of the Company.

The requisite details and information pursuant to the provisions of (i) the Listing Regulations; and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, form part of this Notice. She shall be paid remuneration by way of fee for attending the meetings of the Board or Committees, if prescribed by the Board, or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

In accordance with the provisions of Section 149 read with Schedule IV of the Act and other applicable provisions of the Act and in terms of Regulation 25(2A) of the Listing Regulations, appointment of Mrs. Kanupriya Gupta as an Independent Director requires approval of members of the Company by passing a special resolution.

Accordingly, the approval of members is sought for appointment of Mrs. Kanupriya Gupta as an Independent Director.



Draft letter of appointment to be issued to Mrs. Kanupriya Gupta setting out the terms and conditions of her appointment is available for inspection, by the Members, electronically. Members seeking to inspect the same can send an email to cs@modisteel.net.

Mrs. Kanupriya Gupta is interested in the resolution set out at Item No. 3 of the Notice with regard to her appointment. Relatives of Mrs. Kanupriya Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

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

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the Members.

ITEM NO. 4

At the Annual General Meeting held on 30th September, 2019, the Members of the Company had approved the appointment of Mr. Anirudh Vimalkumar Goenka (DIN: 00907733) as an Independent Director of the Company, to hold office up to 29th March, 2024 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of performance evaluation, has recommended the re-appointment of Mr. Anirudh Vimalkumar Goenka as an Independent Director, for a second term of 5 (five) consecutive years, on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his professional background and experience and contributions made by him during his tenure, his continuance as an Independent Director would be beneficial to the Company. Accordingly, it is proposed to re-appoint Mr. Anirudh Vimalkumar Goenka as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Anirudh Vimalkumar Goenka is qualified to be appointed as a Director in terms of Section 164 of the Companies Act, 2013 (the “Act”) and has given his consent to act as a Director. The Company has also received declaration from Mr. Anirudh Vimalkumar Goenka that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and that he is not debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India (“SEBI”) or any such authority.

In the opinion of the Board, Mr. Anirudh Vimalkumar Goenka fulfils the conditions for re-appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Anirudh Vimalkumar Goenka is independent of the management and possesses appropriate skills, experience, knowledge and capabilities required for the role of Independent Director. He has rich and varied experience coupled with thorough insights of finance and taxation. In view of these, the re-appointment of Mr. Anirudh Vimalkumar Goenka as an Independent Director is in the interest of the Company.

The requisite details and information pursuant to the provisions of (i) the Listing Regulations; and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, form part of this Notice. He shall be paid remuneration by way of fee for attending the meetings of



the Board or Committees, if prescribed by the Board, or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

In accordance with the provisions of Section 149 read with Schedule IV of the Act and other applicable provisions of the Act and in terms of Regulation 25(2A) of the Listing Regulations, re-appointment of Mr. Anirudh Vimalkumar Goenka as an Independent Director requires approval of members of the Company by passing a special resolution.

Accordingly, the approval of members is sought for re-appointment of Mr. Anirudh Vimalkumar Goenka as an Independent Director.

Draft letter of re-appointment to be issued to Mr. Anirudh Vimalkumar Goenka setting out the terms and conditions of his re-appointment is available for inspection, by the Members, electronically. Members seeking to inspect the same can send an email to cs@modisteel.net.

Mr. Anirudh Vimalkumar Goenka is interested in the resolution set out at Item No. 4 of the Notice with regard to his re-appointment. Relatives of Mr. Anirudh Vimalkumar Goenka may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

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

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

ITEM NO. 5

At the Annual General Meeting held on 30th September, 2019, the Members of the Company had approved the appointment of Mr. Anantshri Gupta (DIN: 08126520) as an Independent Director of the Company, to hold office up to 29th March, 2024 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of performance evaluation, has recommended the re-appointment of Mr. Anantshri Gupta as an Independent Director, for a second term of 5 (five) consecutive years, on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his professional background and experience and contributions made by him during his tenure, his continuance as an Independent Director would be beneficial to the Company. Accordingly, it is proposed to re-appoint Mr. Anirudh Vimalkumar Goenka as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Anantshri Gupta is qualified to be appointed as a Director in terms of Section 164 of the Companies Act, 2013 (the “Act”) and has given his consent to act as a Director. The Company has also received declaration from Mr. Anantshri Gupta that he meets the criteria of independence as prescribed, both, under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) and that he is not debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India (“SEBI”) or any such authority.

In the opinion of the Board, Mr. Anantshri Gupta fulfils the conditions for re-appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Anantshri Gupta is



independent of the management and possesses appropriate skills, experience, knowledge and capabilities required for the role of Independent Director. He has rich and varied experience coupled with thorough insights of finance and taxation. In view of these, the re-appointment of Mr. Anantshri Gupta as an Independent Director is in the interest of the Company.

The requisite details and information pursuant to the provisions of (i) the Listing Regulations; and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, form part of this Notice. He shall be paid remuneration by way of fee for attending the meetings of the Board or Committees, if prescribed by the Board, or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

In accordance with the provisions of Section 149 read with Schedule IV of the Act and other applicable provisions of the Act and in terms of Regulation 25(2A) of the Listing Regulations, re-appointment of Mr. Anantshri Gupta as an Independent Director requires approval of members of the Company by passing a special resolution.

Accordingly, the approval of members is sought for re-appointment of Mr. Anantshri Gupta as an Independent Director.

Draft letter of re-appointment to be issued to Mr. Anantshri Gupta setting out the terms and conditions of his re-appointment is available for inspection, by the Members, electronically. Members seeking to inspect the same can send an email to cs@modisteel.net.

Mr. Anantshri Gupta is interested in the resolution set out at Item No. 5 of the Notice with regard to his re-appointment. Relatives of Mr. Anantshri Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

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

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

ITEM NO. 6

Mr. Pawan Kumar Modi (DIN: 00051679) 66 years of age, the Chairman & Managing Director of the Company, holds a B.Sc. (Hons.) degree. He is having wide experience in technical and finance field and is responsible for general conduct and management of affairs of the company. He was appointed on the Board of Directors of the Company on 09.01.1987.

Mr. Pawan Kumar Modi, Managing Director of the Company holds the position of Managing Director of the Company for a period upto 3rd July, 2025. The Board of Directors, at their meeting held on 14th August 2023 on the recommendation of the Nomination and Remuneration Committee based on the performance evaluation, educational qualification, skills, experience & exposure in steel industries, have recommended revision of his remuneration for a period from 1st September, 2023 to 3rd July, 2025 and fixed his remuneration payable to him as set out below:

Term of Appointment:

For a period from 1st September, 2023 to 3rd July, 2025.

Remuneration:

- I. Salary: w.e.f. 1st September, 2023 of Rs. 2,00,000/- per month.
- II. Perquisites and allowances: Nil



Minimum Remuneration:

The Minimum Remuneration is subject to the limit of 5% of the Annual Net Profits of the Company and subject to the overall limit of 10% of the Annual Net Profits of the Company on the remuneration of Managing Directors / Whole-Time Director / Manager of the Company taken together as per Section 197 of the Companies Act, 2013 and Rules made thereunder or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). However, where in any financial year, during the currency of the tenure of Mr. Pawan Kumar Modi as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no 6 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Other terms and conditions:

- a. Subject to the superintendence, control and direction of the Board, Mr. Pawan Kumar Modi shall responsible for the general conduct and management of the affairs of the Company.
- b. As long as Mr. Pawan Kumar Modi functions as Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- c. Mr. Pawan Kumar Modi, he continues to hold office of Managing Director; his retirement, if any, will not break his length of service.
- d. Mr. Pawan Kumar Modi shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.
- e. The Office shall be liable to termination with 3 months' notice from either side.
- f. The terms of the remuneration may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit, within the limits prescribed in Schedule V to the Companies Act, 2013 or any subsequent amendments or modifications made thereto, subject to the approval of shareholders."

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

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

The Board recommends the resolution set out at Item No.6 of the Notice for your approval.

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

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

By Order of the Board
For **NATIONAL GENERAL INDUSTRIES LIMITED**
Sd/-

Place : New Delhi
Date : 05.09.2023

Vandana Gupta
Company Secretary
Memb. No. : ACS 24012



Statement containing the information as required under Section-II, Part-II of Schedule V to the Companies Act, 2013

I. GENERAL INFORMATION:

1. Nature of industry The Company is engaged in the business of manufacturing and selling of steel through its rolling unit.
2. Date or expected date of commencement of commercial production Not Applicable
3. In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus Not Applicable

4. Financial performance based on given indicators

Particulars	(₹ Lakhs)	
	2022-23	2021-22
Sales and Other Income	1455.32	1936.16
Profit Before Tax and Depreciation	54.07	55.99
Profit After Tax	45.05	71.64
Paid up Equity Share Capital	467.68	466.96
Reserves and Surplus	2522.21	2478.13
Basic Earnings Per Share (₹)	0.48	0.22
Diluted Earnings Per Share (₹)	0.40	0.18

5. Foreign investments or collaborators if any The Company has not entered into any foreign collaboration and no direct capital investment has been made in the company in the last three financial years.

II. INFORMATION ABOUT THE APPOINTEE:

S.N.	Particulars	Mr. Pawan Kumar Modi
1.	Background details	Mr. Pawan Kumar Modi, 66 years of age, is Chairman & Managing Director of the Company. He is having wide experience in technical and finance field and is responsible for general conduct and management of affairs of the company. He is also Director in Modi Asset Management Pvt. Ltd., Modi Metal & Allied Industries Pvt. Ltd, and Renaissance Asset Management Company Pvt. Ltd.
2.	Recognition or awards	Bachelor of Science (H)
3.	Past Remuneration in FY 2022-23	₹ 12 Lakhs per annum (upto 3 rd July, 2022) ₹ 18 Lakhs per annum (w.e.f 4 th July, 2022)
4.	Job profile and his suitability	He is the Chairman cum Managing Director and Chief Financial Officer of the Company. He is having four decades of invaluable experience in the steel industries and is involved in general conduct and management of the company.
5.	Remuneration proposed	Refer Resolution No. 6
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered on him and the industry bench marks, the remuneration proposed to be paid is commensurate with the remuneration packages paid in comparable companies.



7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	He is Chairman cum Managing Director and Chief Financial Officer of the Company. He is related to Mr. Manhar Modi & Mr. Vasu Modi, Directors of the Company. He holds 2,71,770 equity shares in the Company.
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III. OTHER INFORMATION

1. Reasons of loss or inadequate profits
Currently, the company is into growth phase and is opting for Job Work business which have a temporary impact on current margin. Hence, the profit is inadequate.
2. Steps taken or proposed to be taken for improvement
The Company is taking series of strategic and operational measures to improve the profitability. Steps have been taken to reduce cost of input to increase the productivity and profit.
3. Expected increase in productivity and profits measurable terms
The aforesaid steps being taken by the company would increase the productivity and profits of the company. The company would continue its endeavor to increase the revenue to improve the profitability in coming years.

IV. DISCLOSURES:

1. The requisite disclosures of remuneration package, etc. have been mentioned in the Special Resolution and Explanatory information thereof for the item no. 6 of the AGM Notice. At present, there is no stock option scheme is available in the company. The disclosures are regularly provided in the Annual Report.



DIRECTORS' REPORT

Dear Members,

Your Director's have pleasure in presenting the Thirty Seventh Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March, 2023.

FINANCIAL RESULTS

The financial performance of the Company for the financial year ended on 31st March, 2023 and 31st March, 2022 are summarized below:-

(Rupees in Lakhs)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
INCOME:		
Revenue from operations	1,344.13	1,826.25
Other Income	111.19	109.91
	1,455.32	1,936.16
EXPENSES:		
Cost of materials consumed	1,040.42	1,574.25
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	47.58	34.51
Employee benefit expense	167.38	153.01
Financial costs	13.43	14.19
Depreciation and amortization expense	32.26	41.19
Other expenses	132.44	104.21
	1,433.51	1,921.36
Profit before exceptional items and tax	21.81	14.80
Exceptional Items	-	-
PROFIT BEFORE TAX	21.81	14.80
TAX EXPENSES:		
Current tax	-	-
Current tax - Prior Year	-	-
MAT Credit	-	-
MAT Credit - Prior Year	-	-
Deferred tax	(0.46)	4.62
Profit for the period from continuing operations	22.27	10.18
PROFIT AFTER TAX	22.27	10.18
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	30.49	82.96
Income tax relating to this	7.71	21.50
Total Other Comprehensive Income/(loss) for the year	22.78	61.46
Total Income/(loss) for the year	45.05	71.64



RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2023 are as under:

- ⇒ Value of Sales decreased to Rs. 610.02 lakhs (PY Rs. 1258.41 lakhs)
- ⇒ Value of Job Work Services increased to Rs. 734.11 lakhs (PY Rs. 567.84 lakhs)
- ⇒ Value of Other Income increased to Rs. 111.19 lakhs (PY Rs. 109.91 lakhs)
- ⇒ PBDIT decreased to Rs.54.07 lakhs (PY of Rs. 55.99 lakhs)
- ⇒ PBT increased to Rs. 21.81 lakhs (PY Rs. 14.80 lakhs)
- ⇒ Net Profit increased to Rs. 22.27 lakhs (PY Rs. 10.18 lakhs)

DIVIDEND

The Board has not recommended dividend for the year ended 31st March, 2023.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit in the profit and loss account. Accordingly, the Company has not transferred any amount to the Reserves for the year ended March 31, 2023.

AUDITORS & AUDITORS' REPORT

A. Statutory Auditors

M/s. R K Govil & Co., Chartered Accountants, (Firm Registration No.: 000748C) were appointed as statutory auditors of the Company from the conclusion of the 36th Annual General Meeting (AGM) of the Company held on September 30, 2022 till the conclusion of the 41st Annual General Meeting to be held in the year 2027.

B. Secretarial Auditors

M/s. Deepak Bansal & Associates, Company Secretaries, were appointed as Secretarial Auditors to conduct Secretarial Audit of the Company for financial year 2022-23. The Secretarial Audit Report is annexed to this Report as **Annexure I** and forms part of the Annual Report.

C. Cost Audit

In terms of provision of section 148(1) of the Companies Act, 2013 read with rule 4 of the Companies (Cost Records and Audit) Rules, 2014, the Company was not required to maintain cost records for the financial year 2022-23.

D. Internal Auditors

M/s. B.R.Maheswari & Co., Chartered Accountants, (FRN 001035N), were Internal Auditors of the Company for the financial year 2022-23. The Board has continued their appointment, as Internal Auditors of the Company for the financial year 2023-24.

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 qualifications made by Secretarial Auditors in their Report which requires any explanation from the Board of Directors of the Company and hence it is self-explanatory and do not call for any further comments.

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

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo for the year ended 31st March, 2023 is annexed to this report as **Annexure II** and forms part of this report.

PARTICULARS OF EMPLOYEES

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

CORPORATE GOVERNANCE

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

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2022-23. A declaration to this effect signed by the Managing Director (CEO) of the Company is annexed to this Report.

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Independent Directors of the Company are:

- Mr. Anirudh Vimalkumar Goenka
- Mr. Anantshri Gupta
- Mrs. Sanjana Bharat (upto 14th February, 2023)
- Mrs. Kanupriya Gupta (w.e.f. 14th February, 2023)

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

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

Mrs. Sanjana Bharat, Non-Executive Independent Director of the Company resigned from the Directorship of the Company w.e.f. 14th February, 2023 and Mrs. Kanupriya Gupta, was appointed as Additional Director designated as Non-Executive Independent Director of the Company with effect from same date. The Board of Directors of the Company has recommended her appointment as Independent Director of the Company in the ensuing Annual General Meeting.

Mr. Anirudh Vimalkumar Goenka and Mr. Anantshri Gupta is completing their first tenure as Independent Director on 29th March, 2024 and it is proposed to extend their tenure by another five



years so as to hold their office upto 29th March, 2029. The Board of Directors recommends their re-appointment as Independent Directors 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.

DECLARATION OF INDEPENDENT DIRECTORS

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

BOARD MEETINGS & ATTENDANCE OF DIRECTORS

During the Financial Year 2022-23, 5 (Five) Board Meetings were held and the gap between two meetings did not exceed four months. The Board Meetings were held on 14.04.2022, 30.05.2022, 13.08.2022, 14.11.2022 and 14.02.2023.

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 committee.

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

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

NOMINATION & REMUNERATION POLICY

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

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



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

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

The current policy is to have a balanced mix of executive and non-executive Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As at March 31, 2023 the Board of Directors comprised of six Directors, of which three are non-executive, including one women director. The number of Independent Directors is three.

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

DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTOR’S & KEY MANAGERIAL PERSONNEL ETC.

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

RISK MANAGEMENT

The Company has adopted Risk Management Policy to proactively take care of the internal and external risks of the company and ensure smooth business operations. The company's risk management policy ensures that all its material and compliance risk exposures are properly covered, and the company's business growth and financial stability is assured.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the FY 2022-23 pursuant to SEBI Circular No. CIR/CFD/CMO/I/27/2019 dated February 08, 2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been submitted to the Stock Exchanges on May 30, 2023 which is within 60 days of the end of the financial year ended March 31, 2023.

SECRETARIAL STANDARDS

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



EXTRACT OF ANNUAL RETURN

The Annual Return of the Company for the year ended on 31st March, 2023 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

FRAUD REPORTING

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

INTERNAL FINANCIAL CONTROLS

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

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

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

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

WHISTLE BLOWER/VIGIL MECHANISM

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

CHANGE IN NATURE OF BUSINESS

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

CHANGE IN SHARE CAPITAL

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

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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



DEPOSITS FROM PUBLIC

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

DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

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

PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTY

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

PARTICULARS OF LOAN, GUARANTEES, SECURITIES AND INVESTMENTS

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

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

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

PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

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

ONE TIME SETTLEMENT

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

CORPORATE SOCIAL RESPONSIBILITIES

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

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

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



GREEN INITIATIVE

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

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

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors in respect of the Audited Annual Accounts for the year ended 31st March, 2023, 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, 2023 and of the profit of the Company for the year ended on that date;
- (iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) They have prepared the annual accounts on a going concern basis.
- (v) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPRECIATION & ACKNOWLEDGEMENT

Your Director’s 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 Director’s 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 : 05.09.2023



Annexure I

Secretarial Audit Report
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023
(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
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 2023 (‘Audit Period’)** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter alongwith Annexure-A enclosed to this report:

We have examined in the best possible manner the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March 2023 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;

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

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 were **not applicable** to the Company during the Audit Period;
- (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 were **not applicable** to the Company during the Audit Period;



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

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

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

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

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

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

We further report that:

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

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

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

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



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

For Deepak Bansal & Associates

Company Secretaries

UIN: S2007UP59100

PR-900/2020

Sd/-

(Deepak Bansal)

Proprietor

UDIN: F003736E000939541

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

Place : New Delhi
Dated : 05.09.2023

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. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Deepak Bansal & Associates

Company Secretaries

UIN: S2007UP59100

PR-900/2020

Sd/-

(Deepak Bansal)

Proprietor

UDIN : F003736E000939541

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

Place : New Delhi
Dated : 05.09.2023

Annexure II

Conservation of Energy and Technology Absorption

A. Conservation of Energy

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

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

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

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

(iii) Capital Investment on energy conservation equipment

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

B. Technology Absorption

(i) Efforts made for technology absorption

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

(ii) Benefit derived

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

(iii) Expenditure on Research & Development, if any

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

(iv) Details of Technologies

The Company is using latest techniques for production.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(Rs. In Lakhs)

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Rs. 7.30	Nil

Annexure III

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

2. BOARD OF DIRECTORS

Appointment and Tenure:

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

Board Membership Criteria:

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

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

Board Diversity:

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

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

The Board comprises of members having varied skills, experience and knowledge, are appointed by the shareholders at General Meetings. The Board has a mix of both Independent and Non-independent Directors. As on March 31, 2023, the Board of Directors of the Company comprised of six Directors, with three Independent Directors and three Non-Independent Directors. The Chairman of the Company is Executive, Non-Independent. 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re-appointment. One of the directors is woman director in the Board of the Company. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified under Regulation 26 (1) of SEBI Listing Regulations), across all the companies in which they are Directors. Necessary disclosures regarding Committee positions have been made by the Directors. The Independent Directors are



independent of the management and fulfil the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI Listing Regulations.

The composition of the Board of Directors as on March 31, 2023 is as follows:

Sl. No.	Name of the Director	Category	Age (in years)	Qualifications	Expertise in specific functional areas
1.	Mr. Pawan Kumar Modi (DIN- 00051679)	Managing Director / Non-Independent	65	B.Sc. (H)	Production Planning & Finance
2.	Mr. Vasu Modi (DIN- 00051696)	Non-Executive Director / Non-Independent	43	B.BA	Business Development & Marketing
3.	Mr. Manhar Modi (DIN- 00051696)	Non-Executive Director / Non-Independent	39	B.BA	Sales & Marketing
4.	Mr. Anirudh Vimalkumar Goenka (DIN- 00907733)	Independent / Non-Executive	40	B.Com.	Finance & Taxation
5.	Mr. Anantshri Gupta (DIN- 08126520)	Independent / Non-Executive	30	B.Sc.	General Management, of Business Affairs
6.	Mrs. Sanjana Bharat (DIN- 08407030) (Upto 14-02-2023)	Independent / Non-Executive	44	M.A.	General Management, of Business Affairs
7.	Mrs. Kanupriya Gupta (DIN- 09848901) (Upto 14-02-2023)	Independent / Non-Executive	40	B.Com.	Finance & Taxation

Core Competencies

National General Industries Limited is engaged in the business of manufacturing and selling of steel through its rolling unit. The Board has, taking into consideration the Company's nature of business, core competencies, key characteristics, identified the core skills/ expertise/competencies as required in the context of its business & sector for it to function effectively and which are available with the Board. In the opinion of the Board, all the Directors continue to make effective and valuable contribution towards fulfilling the Board agenda and devote sufficient time to discharge their responsibilities as Directors of National General Industries Ltd. All Directors had high level attendance during FY 2022-23.

Five Board Meetings were held during the year 2022-23 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are 14.04.2022, 30.05.2022, 13.08.2022, 14.11.2022 and 14.02.2023. The necessary quorum was present at all the Board meetings.



The attendance record of the Directors at the Board Meetings held during the financial year ended on 31.03.2023 and at the last Annual General Meeting (AGM), and the details of their other Directorships and Committee Chairmanships and Memberships are given below:

Sl. No.	Name of the Directors	Category	No. of Board Meeting Attended	Whether attended AGM held on 30.09.22	No. of Chairmanships/Directorships in other Boards/ Committees* of public companies**			
					Chairman of the Board	Chairman/ of the Committee	Member of the Board	Member of the Committee
1.	Mr. Pawan Kumar Modi	Promoter / Managing Director	5	Yes	Nil	Nil	Nil	Nil
2.	Mr. Vasu Modi	Non-Independent / Non-Executive	5	Yes	Nil	Nil	Nil	Nil
3.	Mr. Manhar Modi	Non-Independent / Non-Executive	5	Yes	Nil	Nil	Nil	Nil
4.	Mr. Anirudh Vimalkumar Goenka	Independent/ Non-Executive	5	Yes	Nil	Nil	Nil	Nil
5.	Mr. Anantshri Gupta	Independent/ Non-Executive	4	No	Nil	Nil	1	Nil
6.	Mrs. Sanjana Bharat	Independent/ Non-Executive	4	No	Nil	Nil	Nil	Nil
7.	Mrs. Kanupriya Gupta	Independent/ Non-Executive	1	No	Nil	Nil	Nil	Nil

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

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

- Mr. Pawan Kumar Modi, Mr. Vasu Modi and Mr. Manhar Modi are relatives of each other in terms of the definition of 'Relative' given under the Companies Act, 2013 read with the Rules made thereunder. None of other Directors is related to any other Director on the Board.
- Number of Equity Shares held by Directors as on 31st March, 2023 are as under:-

Name of Director	Designation	Nos. of Equity Shares held
Shri Pawan Kumar Modi	Managing Director	271770
Shri Vasu Modi	Non-Executive Director	359745
Shri Manhar Modi	Non-Executive Director	412798
Shri Anirudh Vimalkumar Goenka	Independent Director	-
Shri Anantshri Gupta	Independent Director	-
Smt. Sanjana Bharat	Independent Director	-
Smt. Kanupriya Gupta	Independent Director	-

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



Meeting of Independent Directors: A separate meeting of Independent Directors for the Financial Year 2022-23 as per Clause VII (1) of Schedule IV under Section 149 (8) of the Companies Act, 2013 and Regulation 25 (3) of the SEBI Listing Regulations was held on 20th March, 2023 wherein the Independent Directors reviewed the performance of the Chairman, Managing Director, Non-Independent Directors and other matters. The Independent Directors have confirmed that they satisfy the criteria of Independence as stipulated under Section 149 (6) of the Companies Act, 2013 and Regulation 16 (b) of the SEBI Listing Regulations.

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

Code of Conduct for the Board Members and Senior Management

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

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

As required under Chapter IV of the SEBI Listing Regulations, all Directors and senior management have affirmed compliance with the Code for the financial year ended March 31, 2023. A declaration to the effect, signed by the Chairman and Managing Director, is annexed to and forms part of this Annual Report.

3. AUDIT COMMITTEE

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

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

- a) Reviewing the financial reporting process which includes reviewing the quarterly, half yearly, annual financial results and auditors report thereon, director's responsibility statement.
- b) Reviewing changes, if any, in accounting policies and practices and ensures compliance with legal and statutory requirements and integrity of the Company's financial statements with proper disclosures of related party transactions.
- c) Recommendation for appointment, remuneration and terms of appointment of auditors and approval for their payments and also reviewing and monitoring their independence and performance, and effectiveness of audit process.
- d) Evaluation of internal control systems and its effectiveness and reviewing its adequacy.
- e) Reviewing internal audit and discussion with the internal auditors of any significant findings.
- f) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- g) Review Whistle Blower mechanism and its effectiveness.

- h) Evaluating inter-corporate loans and investments and valuation of assets of the Company and ensuring effective risk management systems.

During the financial year 2022-23, the Audit Committee comprises of 3 Non-executive Directors viz. Shri Anirudh Vimalkumar Goenka, Smt. Sanjana Bharat (Upto 14th February, 2023) and Smt. Kanupriya Gupta (W.e.f. 14th February, 2023), 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 2022-23, on 30.05.2022, 13.08.2022, 14.11.2022 and 14.02.2023. Further, the member of the Audit Committee as at 31.03.2023 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 (upto 14 th February, 2023)	Non-Executive Independent	3
3	Shri Vasu Modi	Non-Executive Non-Independent	4
4	Smt. Kanupriya Gupta (W.e.f. 14 th February, 2023)	Non-Executive Independent	1

4. NOMINATION AND REMUNERATION COMMITTEE

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

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

- 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.
- Formulation of the criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- 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.
- 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 2022-23, the Nomination and Remuneration Committee of the Board comprises of 3 Non-executive Directors viz. Shri Anirudh Vimalkumar Goenka, Smt. Sanjana Bharat, Independent Directors (upto 14th February, 2023), Smt. Kanupriya Gupta, Independent Director (w.e.f. 14th February, 2023) and Shri Vasu Modi, Non-independent Director. Mr. Anirudh Vimalkumar Goenka is the Chairman of the Committee. Further, the member of the Audit Committee as at 31.03.2023 and attendance of each Member during the year are as given below. The Compliance Officer acts as the Secretary to the Nomination and Remuneration Committee.

One meeting of the Nomination and Remuneration Committee was held during the financial year 2022-23 on 13.08.2022. The attendance of each Members of the Committee is as given below:

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

Remuneration Policy

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

Non-Executive Directors (including Independent Directors)

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

Executive Directors

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

On recommendation of Nomination and Remuneration Committee and approval of the shareholders at the Annual General Meeting held on 13th August, 2022, salary payable to Mr. Pawan Kumar Modi, Managing Director of the Company was revised from Rs. 1 Lakh per month to Rs. 1.50 Lakh per month w.e.f. 4th July, 2022.

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

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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



The Stakeholders Relationship Committee, comprised of 3 directors as its members viz. Shri Anirudh Vimalkumar Goenka, Smt. Sanjana Bharat (upto 14th February, 2023), Smt. Kanupriya Gupta (w.e.f. 14th February, 2023) Independent Directors and Shri Vasu Modi, Non-independent Director. Further, the members of the Stakeholders Relationship as at 31.03.2023 and their attendance during the year are as given below. The Compliance Officer acts as the Secretary to the Stakeholders Relationship Committee.

During the year Committee met four times on 14.04.2022, 26.05.2022, 23.06.2022 and 30.07.2022 and the attendance of the Members at the meeting was as follows:

Name of the Members	Status	No. of meetings attended
Shri Anirudh Vimalkumar Goenka	Non-Executive Independent	4
Smt. Sanjana Bharat (upto 14 th February, 2023)	Non-Executive Independent	4
Shri Vasu Modi	Non-Executive Non-Independent	4
Smt. Kanupriya Gupta (w.e.f. 14 th February, 2023)	Non-Executive Independent	-

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, 2023	: 03
No. of complaints not solved to the satisfaction of the shareholders	: Nil
No. of pending complaints	: Nil

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

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

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

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

6. RISK MANAGEMENT COMMITTEE

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

7. GENERAL BODY MEETINGS

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

Financial Year	Date	Venue	Time	Special Resolutions Passed
2021-22	September 30, 2022	Video Conferencing and Other Audio Visual Means	01:30 PM	1
2020-21	September 30, 2021	Video Conferencing and Other Audio Visual Means	01:30 PM	None
2019-20	September 30, 2020	Video Conferencing and Other Audio Visual Means	01:30 PM	None

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

8. DISCLOSURES:

- There are no materially significant Related Party Transactions during the year that have potential conflict with the interests of the Company at large. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The related party transactions during the year under review are mentioned in Note 26 to the “Notes to Accounts”. The Company has formulated a policy on Related Party Transactions and the same is available on the Company's website at www.modisteel.com
- The Company has formulated a policy on determination of materiality of event /information as required under Regulation 30 (1) of Listing Regulations, 2015. The same is available on Company's website at www.modisteel.com
- The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in the preparation of the financial statements of the Company.
- The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances.
- There has been no non-compliance or penalties, or strictures imposed on your Company by any of the Stock Exchanges or SEBI, or any statutory authority on any matter related to capital markets during the last three years.
- None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. Refer to Page No. 46 for the certificate from Practicing Company Secretary.
- The Company adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints under the above Act.
- The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. The policy also ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. No personnel/person has been denied access to the Audit Committee. The said policy is available on the Company's Website at www.modisteel.com
- The Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices along with the Policy on Leak of Unpublished Price Sensitive Information and Policy on determination of legitimate purpose, as mandated by SEBI. The policies are available at Company's website at www.modisteel.com
- There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company
- The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II to the SEBI Listing Regulations, 2015, for the financial year ended March 31, 2023.

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

9. MEANS OF COMMUNICATION

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

10. MANAGEMENT DISCUSSION & ANALYSIS: Your Company's Management Discussion & Analysis of the Business for the year ended March 31, 2023 forms part of the Directors' Report and is given under the section so captioned.

**11. GENERAL SHAREHOLDERS INFORMATION**

- A. AGM Date, Time, and Venue for CY 2023** September 30, 2023, Thursday at 1:30 pm through Video Conference (VC) or Other Audio-Visual Means (OAVM) at Delhi.
- B. Financial Calendar 2023-24** Q1 Results – August, 2023
Q2 Results – November, 2023
Q3 Results – February, 2024
Annual Results – May, 2024
Annual General Meeting : September, 2023
- C. Dates of Book Closure** September 25, 2023 to September 30, 2023 (both days inclusive)
- D. Dividend Payment Date** No Dividend is declared for the FY 2022-23
- E. Listing on stock Exchanges** BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001.
- F. Listing Fee** The listing fee has been paid for the FY 2022-23 & FY 2023-24.
- G. Stock Code / Symbol** BSE: 513651; NATGENI
- H. ISIN Number for NSDL and CDSL** INE654H01011
- I. Company Identification Number** L74899DL1987PLC026617

J. Distribution of Holdings as on March 31, 2023

Category	Number of Shareholders	% to Total Numbers	Share Holding Amount	% to Total Amount
Up to 5,000	1408	71.91	3462360	6.26
5,001 to 10,000	454	23.19	4374160	7.91
10,001 to 20,000	28	1.43	477420	0.86
20,001 to 30,000	22	1.12	643190	1.16
30,001 to 40,000	3	0.15	105000	0.19
40,001 to 50,000	4	0.20	200000	0.36
50,001 to 1,00,000	7	0.36	645000	1.17
1,00,000 and Above	32	1.63	45395360	82.09
Total	1958	100.00	55302590	100.00



K. Shareholding Pattern as on March 31, 2023

Sl. No.	Category of Shareholders	No of Shares held	No of Shares in DEMAT Form	% Shareholding
A.	Promoters and Promoters Group Shareholding			
1. Indian				
a.	Individuals / HUF	2751935	2750631	49.76
b.	Bodies Corporate	876967	876967	15.86
2. Foreign		0	0	0
	Total - (A)	3628902	3627598	65.62
B.	Public Shareholding:			
1. Institutions:				
a.	Mutual Funds	0	0	0.00
b.	Financial Institutions /Banks	0	0	0.00
c.	Foreign Portfolio Investors	0	0	0.00
	Sub-Total – B (1)	0	0	0.00
2. Non-Institutions:				
a.	Bodies Corporate	508929	129	9.20
b.	Individuals	1391127	49180	25.16
c.	Any Other specify:			
i.	Non-Resident Indians	624	124	0.01
ii.	Resident Indian HUF	669	669	0.01
iii.	Trusts	0	0	0.00
iv.	Clearing Member/House	8	8	0.00
v.	NBFC Registered with RBI	0	0	0.00
	Sub-Total – B (2)	1901357	50110	34.38
	Total – B = B (1) + B (2)	1901357	50110	34.38
	Grand Total (A + B)	5530259	3677708	100.00

L. Market Price Data

Monthly's High and Low (based on daily closing prices) and number of equity shares traded during each month in the year 2022-23 on BSE (Source: www.bseindia.com)

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume (No. of shares traded)
April – 2022	645.40	379.45	3,855
May – 2022	540.10	357.00	1,803
June – 2022	429.00	295.80	1,234
July – 2022	310.00	228.00	6,053
August – 2022	252.00	200.00	2,757
September – 2022	244.95	191.45	2,558
October – 2022	206.40	178.00	480
November – 2022	221.35	194.00	152
December – 2022	223.00	189.90	180
January – 2023	202.00	118.25	3,904
February – 2023	118.25	96.40	865
March – 2023	102.00	84.90	193

**M. E-Voting**

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

N. Share Transfer / Transmission System**Share Transfer System**

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

Share Transmission System

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

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

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

O. Registrar and Share Transfer Agents

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

P. SCORES (SEBI Complaints Redressal System)

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

**Q. Nomination Facility**

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

R. KYC Compliances

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

S. Dematerialisation of shares and liquidity

The Company's shares are traded in on BSE and are available for trading on both the depositories, viz. NSDL and CDSL. The connectivity has been established through the Company's Registrars, Skyline Financial Services Pvt. Ltd. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE654H01011. As at March 31, 2023, a total of 36,77,708 Equity Shares of the Company, constituting 66.50% of the paid-up share capital, stands dematerialised. To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their email address and bank accounts with the respective depository participants.

T. Share Capital Reconciliation Report

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

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

There was no amount required to be transferred to the Investor Education and Protection Fund ("IEPF") by the Company during the year ended March 31, 2023.

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

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

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

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

X. Plants Location

9th Mile Stone, G. T. Road,
Mohan Nagar, Ghaziabad - 201007



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF NATIONAL GENERAL INDUSTRIES LIMITED

I, Deepak Bansal, Company Secretary in Practice, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2023, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

Managements' Responsibility

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

Auditor's Responsibility

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

Opinion

In my opinion and to the best of my information and according to the explanations given to us and based on the representations made by Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2023.

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

For Deepak Bansal & Associates

Company Secretaries

UIN: S2007UP59100

PR-900/2020

Sd/-

(Deepak Bansal)

Proprietor

UDIN : F003736E000939517

FCS : 3736

C.P. No. : 7433

Place : New Delhi

Dated : 05.09.2023

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,
The Members,
National General Industries Limited (CIN : L74899DL1987PLC026617)

I, Deepak Bansal, Company Secretary in Practice, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of National General Industries Limited (CIN- L74899DL1987PLC026617) having registered office at 3rd Floor, Surya Plaza, K-185/1, Sarai Julena, New Friends Colony, New Delhi – 110025, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of the Director(s)	DIN	Designation	Date of Initial Appointment
1.	Pawan Kumar Modi	00051679	Managing Director	09.01.1987
2.	Vasu Modi	00051696	Non-Executive Director	10.04.2000
3.	Manhar Modi	00051746	Non-Executive Director	30.06.2021
4.	Anirudh Vimalkumar Goenka	00907733	Independent Director	30.03.2019
5.	Anantshri Gupta	08126520	Independent Director	30.03.2019
6.	Sanjana Bharat	08407030	Independent Director	30.03.2019
7.	Kanupriya Gupta*	09848901	Independent Director	14.02.2023

* The approval of shareholders regarding her appointment is being taken at the AGM of the Company being held on 30th September, 2023 which is beyond the prescribed period of three months from the date of her appointment.

Ensuring the eligibility of for the appointment /continuity of every director on the Board is the responsibility of the management of the company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Deepak Bansal & Associates
Company Secretaries**

UIN: S2007UP59100

PR-900/2020

Sd/-

(Deepak Bansal)

Proprietor

Place : New Delhi
Dated : 05.09.2023

UDIN : F003736E000939440

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



Annual affirmation regarding compliance with the Code of Conduct

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

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

I hereby confirm that all Board members and senior management personnel have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended March 31, 2023.

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 : 05.09.2023

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 2022-23

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

GLOBAL ECONOMY

The world economy maintained a steady growth trajectory at the start of CY 2022, following a gradual recovery from the pandemic, but it was disrupted by the outbreak of the Russia-Ukraine conflict, steadily rising inflation and delayed normalisation of global supply chains. Inflation was on an upswing following the massive stimulus injection to tide over the pandemic. As central banks prepared to squeeze out excess liquidity to rein in inflation, constrained supply chains were further aggravated by economic sanctions on Russia and China’s stringent shutdown to contain the spike in COVID-19 cases. This pushed inflation in advanced economies to multi-decadal highs, led by energy and commodity prices. Accelerated rate hikes by major central banks and slowing demand and investment sentiments impacted economic growth during the year.

Aggressive monetary tightening by central banks started showing the desired effect on Source: IMF World Economic Outlook, April 2023 demand. Tightening financial conditions in most regions and reducing liquidity in global markets led to a strong appreciation of the US dollar, further aided by its ‘safe haven’ status during periods of uncertainty. China’s ‘Zero COVID’ policy weakened local demand, which had a spill-over effect overseas, keeping global supplies under pressure and inflation higher.

However, as global demand weakened, commodity prices started easing in the third quarter. China’s earlier than expected re-opening in end of 2022 paved the way for a rebound in global economic activity and recovery in commodity prices.

INDIAN ECONOMY

The Indian economy stayed on a steady growth path, demonstrating strong resilience to multiple headwinds stemming from elevated inflation and a volatile global macro environment. The Indian economy is estimated to have grown by 7.2% in FY 2022-23, driven by strong private consumption, steady manufacturing and normalisation of contact-intensive services sectors. Although inflation remained above the upper band of the RBI’s comfort range of 4-6% for most part of FY 2022-23, it started easing during the third and fourth quarters, as the central bank hiked its policy rates by 250 basis points cumulatively to contain inflation. In April 2023, the RBI hit a pause to its rate hike cycle, and is widely expected to maintain it, if a benign inflationary environment persists.

The Indian economy growth stems from the resilience seen in the rebound of private consumption, seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government, which brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others.

In FY 2022-23, growth has been principally led by private consumption and capital formation. The capex of the central government, which increased by 26% in FY 2022-23, was another growth driver in the current year. It has helped generate employment, seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. A sustained increase in private capex is also imminent with the strengthening of the balance sheets of the corporates and the consequent increase in credit financing it has been able to generate. The much-improved financial health of well-capitalised public sector banks has positioned them well to increase the credit supply.

OUTLOOK

High inflation curbs demand; supply faces margin pressure Global steel demand was impacted by high inflation and consequent aggressive monetary policy tightening by major central banks, coupled with supply chain bottlenecks. In 2022, the developed economies experienced a significant decline in steel demand due to factors such as monetary tightening and surging energy expenditure. Following a substantial decrease of 6.2% during CY 2022, there is an anticipation of a modest rebound with a projected 1.3% increase in steel demand for CY 2023. Looking ahead to CY 2024, a more substantial recovery of 3.2% is expected. Further, the looming energy crisis in the EU led to weakened sentiment, aggravated by the fear of potential gas rationing in the absence of Russian supplies. China's steel demand contracted by 4% in 2022.

In CY 2022, total crude steel production stood at 1,885 MnT, down 3.9% y-o-y, as steel producers reduced output in response to weak demand and weak margins due to falling steel prices and elevated raw material costs. The world's largest steel producer China recorded production of 1,018 MnT, a 1.6% y-o-y decline and Japan's production fell 7.4% y-o-y to 89.2 MnT. This was partly offset by a 6.0% y-o-y increase in production to 125.3 MnT in India.

India is the second-largest producer of crude steel in the world, with an output of 126.2 MnT in FY 2022-23. Crude steel production rose 5.0% year-over-year while finished steel consumption rose 13.3% to 119.9 MnT. Although production and consumption increased due to robust domestic demand, margins came under pressure due to high raw material and energy costs. The imposition of export duty on steel led to the built-up of domestic inventories, as exports became unviable in the weak global price environment. Further, few low-priced shipments from Russia and duty-free steel from FTA countries made their way to domestic markets, as imports rose sharply putting more pressure on steel prices.

OPPORTUNITIES, THREATS AND RISKS

Commodity prices are likely to remain volatile in 2023, given the ongoing Russia-Ukraine conflict and the expected slowdown in three largest economies in the world—the US, China and the EU. Further, the embargo on energy exports from Russia to the EU could lead to realignment of supply chains. Meanwhile, iron ore prices are likely to soften in the second half of CY 2023 due a seasonally stronger supply environment amid a depressed steel demand environment on the back of China's property market weakness and global manufacturing headwinds.



China's domestic steel demand has fallen 5% year-to-date while potential weakness in exports due to depressed prices could lead to lower steel production targets for CY 2023, and in turn, weigh heavily on iron ore demand as well as prices. Japan, the third largest steel producer, has recorded 16 consecutive months of falling steel production with the majority of output being directed for the Asia market. Further, with Europe now ramping up capacity utilisation, there would be limited scope to increase steel exports. India is likely to remain an outlier with a healthy steel production growth outlook, but the risk of government measures to protect supply of high-grade ore persists, such as the export tariffs imposed in CY 2022.

Against the backdrop of soft global economic outlook, India remains a bright spot with rising demand for steel. India domestic demand grew 13.3% year on year in FY 2022-23, recording consecutive two years of double-digit growth. According to ICRA, domestic steel demand is estimated to grow at 7-8% in FY 2023-24, owing to strong demand from end-user industries such as construction, infrastructure, automobile, real estate, and consumer durables and enabling steel players to maintain high-capacity utilization levels. In addition, the benefits of easing raw material prices are expected to flow through Q2 FY 2023-24 onwards. Further, the rollback of export duty should support exports.

SEGMENT-WISE PERFORMANCE

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

RISKS AND CONCERNS

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

INTERNAL CONTROL SYSTEM

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

The Company has appointed M/s B.R.Maheswari & Co., Chartered Accountants, (FRN 001035N), New Delhi to oversee and carry out internal audit of its activities. The internal audit reports are reviewed by the Audit Committee periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013 and Clause 18 of SEBI Regulations 2015), the audit committee has concluded that as on March 31, 2023, 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, 2023 and 31st March, 2022 are summarized below:-

(Rupees in Lakhs)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
INCOME:		
Revenue from operations	1,344.13	1,826.25
Other Income	111.19	109.91
	1,455.32	1,936.16
EXPENSES:		
Cost of materials consumed	1,040.42	1,574.25
Purchase of Stock-in-Trade		
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	47.58	34.51
Employee benefit expense	167.38	153.01
Financial costs	13.43	14.19
Depreciation and amortization expense	32.26	41.19
Other expenses	132.44	104.21
	1,433.51	1,921.36
Profit before exceptional items and tax	21.81	14.80
Exceptional Items	-	-
PROFIT BEFORE TAX	21.81	14.80
TAX EXPENSES:		
Current tax	-	-
Current tax - Prior Year	-	-
MAT Credit	-	-
MAT Credit - Prior Year	-	-
Deferred tax	(0.46)	4.62
Profit for the period from continuing operations	22.27	10.18
PROFIT AFTER TAX	22.27	10.18
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	30.49	82.96
Income tax relating to this	7.71	21.50
Total Other Comprehensive Income/(loss) for the year	22.78	61.46
Total Income/(loss) for the year	45.05	71.64



RESULTS OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

The Highlights of the Company's performance for the year ended on March 31, 2023 are as under:

- ⇒ Value of Sales decreased to Rs. 610.02 lakhs (PY Rs. 1258.41 lakhs)
- ⇒ Value of Job Work Services increased to Rs. 734.11 lakhs (PY Rs. 567.84 lakhs)
- ⇒ Value of Other Income increased to Rs. 111.19 lakhs (PY Rs. 109.91 lakhs)
- ⇒ PBDIT decreased to Rs.54.07 lakhs (PY of Rs. 55.99 lakhs)
- ⇒ PBT increased to Rs. 21.81 lakhs (PY Rs. 14.80 lakhs)
- ⇒ Net Profit increased to Rs. 22.27 lakhs (PY Rs. 10.18 lakhs)

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 2022-23. 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**

Place : New Delhi
Date : 05.09.2023

Sd/-
Pawan Kumar Modi
Chairman and Managing Director
DIN : 00051679



Annexure V

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

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director / KMP	Remuneration of Director / KMP for FY 2022-23	% Increase in Remuneration in FY 2022-23	Ratio of remuneration	Comparison of remuneration against performance of Company
1.	Pawan Kumar Modi, Managing Director	16.45 Lakhs	37%	100:1	75.42% of Profit before exceptional items and Tax
2.	Vandana Gupta	1.50 Lakhs	Nil	N.A.	

- ii) The median remuneration of employees of the Company during the financial year was Rs. 2.90 Lakhs.
- iii) In the Financial year, there was an increase of 14.06% in the median remuneration of employees other than managerial remuneration.
- iv) There were 52 (fifty-two) permanent employees on the rolls of the Company.

It is hereby affirmed that the remuneration during the year ended 31st March, 2023 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 : 05.09.2023



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, 2023, 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, 2023, 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.

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, Corporate Governance and Shareholder's Information, but does not include the standalone financial statement and our auditor's report thereon.

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

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

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash flows and the Statement of Change in Equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Accounting Standards) Rule, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Standalone Ind AS financial statement by the Directors of the Company, as aforesaid.

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

Auditor’s Responsibility

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

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

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

Other Matter

The Standalone Financial Statements of the Company for the year ended 31st March, 2022, prepared in accordance with Ind AS have been audited by the predecessor auditors. The report of the predecessor auditors dated 30th May, 2022, expressed an unmodified opinion.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure B** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable:
2. As required by section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Standalone Ind AS financial statement;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Standalone Ind AS financial Statement have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Ind AS financial statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure C**; our report express an unmodified opinion on the adequacy and operative effectiveness of the company's internal financial controls over financial reporting and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has no pending litigations having impact on its financial statements.
 - b. The Company did not have any long-term contract including derivative contracts which may lead to any foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

- e. No dividend has been declared or paid during the year by the company.
- f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

Place: New Delhi
Dated: 30.05.2023

For R K Govil & Co.
Chartered Accountants
FRN – 000748C
Sd/-
Ashish Goel
Partner
Membership No.418425
UDIN: 23418425BGTETJ1299

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.

Place: New Delhi
Dated: 30.05.2023

For R K Govil & Co.
Chartered Accountants
FRN – 000748C
Sd/-
Ashish Goel
Partner
Membership No.418425
UDIN: 23418425BGTETJ1299

**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 2023, we report that:

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, the management has physically verified all the fixed assets during the year, in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company. We have been informed that no material discrepancies were noticed on such physical verification during the year.

(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company. However the title deeds of immovable properties have not been produced before us for the verification.

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (2) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. Also it is explained that, no discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

(b) As explained to us, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- (3) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly paragraph 3 (iii) of the order is not applicable.
- (4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments and providing guarantees and securities, as applicable.
- (5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- (6) In our opinion, Company is not required to maintain cost records under section 148(1) of the Companies Act, 2013 read with rule 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014.



- (7) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.
- (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, 2023 for a period of more than six months from the date they became payable.
- (8) According to the information and explanations given by the management, no transactions recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (9) A. Based on our audit procedures and as per the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of loan to any bank or government, debentureholder or any financial institutional borrowing during the year.
- B. According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;
- C. In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained,
- D. In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.
- E. In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- F. In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (10) A. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- B. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (11) A. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- B. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- C. According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- (12) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (13) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (14) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (15) A. According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business;
- B. The reports of the Internal Auditors for the period under audit were considered by us;
- (16) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (17) A. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- B. In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- C. In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- D. According to the information and explanations given by the management, the Group does not have not more than one CIC as part of the Group.
- (18) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (19) The terms of previous statutory auditors M/s. N R & Company ceases on the date of Annual General Meeting held on 30th September, 2022. However, there has been no resignation of the statutory auditors of the Company during the year.



- (20) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (21) Based on our examination, the provision of section 135 are not applicable on the company. Hence this clause is not applicable on the company.
- (22) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

For R K Govil & Co.
Chartered Accountants

FRN – 000748C

Sd/-

Ashish Goel

Partner

Membership No.418425

UDIN: 23418425BGJETJ1299

Place: New Delhi

Dated: 30.05.2023

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 2023 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 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi
Dated: 30.05.2023

For R K Govil & Co.
Chartered Accountants
FRN – 000748C
Sd/-
Ashish Goel
Partner
Membership No.418425
UDIN: 23418425BGTETJ1299



BALANCE SHEET AS AT 31st MARCH, 2023

Rs. In Lakhs

Particulars	Note No	AS AT	
		31/Mar/23	31/Mar/22
(I) ASSETS			
Non-current assets			
Property, Plant and Equipment	3	359.27	381.22
Capital Work in Progress			
Investment Properties			
Intangible Assets			
Financial assets			
(i) Investments	4	693.39	680.41
(ii) Loans			
(iii) Other Financial Assets	5	1,470.40	1,443.62
Deferred tax assets(net)			
Other non-current assets			
Current assets			
Inventories	6	160.23	263.16
Financial Assets			
(i) Trade Receivables	7	129.49	87.65
(ii) Cash and Cash Equivalents	8	2.61	15.15
(iii) Bank balances other than cash and cash equivalents			
(iv) Loans	9	161.38	137.83
(v) Investments	4	375.67	382.25
(vi) Other Financial Assets			
Current tax assets(net)			
Other current assets			
Total Assets		3,352.44	3,391.30
(II) EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	467.68	466.96
Other Equity	11	2,522.21	2,478.12
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	6.93	10.00
(ii) Other financial liabilities			
Provisions	12	10.33	8.69
Deferred Tax Liabilities (Net)	13	106.22	98.97
Other Non Current Liabilities			
Current Liabilities			
Financial Liabilities			
(i) Borrowings	14	153.13	223.57
(ii) Trade Payables	15		
(a) Trade Payables, due to MSME		1.68	1.00
(b) Trade Payables, due of creditors other than MSME		54.00	79.89
(iii) Other Financial Liabilities			
Provisions	12	0.50	1.06
Other Current Liabilities	16	29.76	23.02
Current Tax Liability(net)			
Total Equity and Liabilities		3,352.44	3,391.30

Notes to Financial statement 1 to 35

As per our report of even date

For R K GOVIL & CO.

Chartered Accountants

FRN – 000748C

Sd/-

Ashish Goel

Partner

Membership NO – 418425

Place: New Delhi

Date : 30/05/2023

UDIN : 23418425BGTETJ1299

For and on behalf of Board of Directors

NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-

Pawan Kumar Modi

Managing Director cum CFO

DIN:00051679

Sd/-

Manhar Modi

Director

DIN:00051746

Sd/-

Vandana Gupta

Company Secretary

Mem. No. ACS24012



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

Rs. In Lakhs

Particulars	Notes	For the year ended	
		31/Mar/23	31/Mar/22
INCOME:			
Revenue from operations	17	1,344.13	1,826.25
Other Income	18	111.19	109.91
Total Income		1,455.32	1,936.16
EXPENSES:			
Cost of materials consumed	19	1,040.42	1,574.25
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	47.58	34.51
Employee benefit expense	21	167.38	153.01
Financial costs	22	13.43	14.19
Depreciation and amortization expense	3	32.26	41.19
Other expenses	23	132.44	104.21
Total Expenses		1,433.51	1,921.36
Profit before exceptional items and tax		21.81	14.80
Exceptional Items		-	-
PROFIT BEFORE TAX		21.81	14.80
TAX EXPENSES:			
Current tax		-	-
Current tax - Prior Year		-	-
MAT Credit		-	-
MAT Credit - Prior Year		-	-
Deferred tax		(0.46)	4.62
Profit for the period from continuing operations		22.27	10.18
Profit from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit from Discontinuing operations		-	-
PROFIT AFTER TAX		22.27	10.18
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		30.49	82.96
Income Tax relating to items that will not be reclassified to Profit and Loss		7.71	21.50
Total Other Comprehensive Income/(loss) for the year		22.78	61.46
Total Income/(loss) for the year		45.05	71.64
EARNING PER EQUITY SHARE			
(Nominal Value of Share Rs. 10 each)			
Basic (In Rs.)	24	0.48	0.22
Diluted (In Rs.)		0.40	0.18

Notes to Financial statement 1 to 35

As per our report of even date

For R K GOVIL & CO.

Chartered Accountants

FRN – 000748C

Sd/-

Ashish Goel

Partner

Membership NO – 418425

Place: New Delhi

Date : 30/05/2023

UDIN : 23418425BGTETJ1299

For and on behalf of Board of Directors

NATIONAL GENERAL INDUSTRIES LIMITED

Sd/-

Pawan Kumar Modi

Managing Director cum CFO

DIN:00051679

Sd/-

Manhar Modi

Director

DIN:00051746

Sd/-

Vandana Gupta

Company Secretary

Mem. No. ACS24012



A. EQUITY SHARE CAPITAL

(Rs in Lakhs)

Particulars	Balance at the end of the reporting period i.e 31st March 2021	Changes in Equity share capital during the 2021-22	Balance at the end of the reporting period i.e 31st March 2022	Balance at the end of the reporting period i.e 31st March 2022	Changes in Equity share capital during the 2022-23	Balance at the end of the reporting period i.e 31st March 2023
ISSUED AND SUBSCRIBED SHARES CAPITAL	553.03	-	553.03	553.03	-	553.03
LESS: CALLS IN AREARS	(86.07)	-	(86.07)	(86.07)	(0.72)	(85.35)
PAID UP SHARES CAPITAL	466.96	-	466.96	466.96	-	467.68

B. OTHER EQUITY

(Rs in Lakhs)

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
AS ON 31st MARCH, 2022							
Balance at the beginning of the reporting period i.e 31st March 2021	247.64	142.35	10.64	1,260.00	154.78	592.03	2,407.44
Depreciation on Revalued Assets	-	-	(0.96)	-	-	10.18	9.22
Profit for the year	-	-	-	-	-	-	-
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	61.46	-	61.46
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to/(from) Profit & loss	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e 31st March 2022	247.64	142.35	9.68	1,260.00	216.24	602.21	2,478.12

(Rs in Lakhs)

Particulars	Capital Reserve	Security Premium	Revaluation Reserve	General Reserve	Other Comprehensive Income/Loss	Profit & Loss	Total
AS ON 31st MARCH, 2023							
Balance at the beginning of the reporting period i.e 31st March 2022	247.64	142.35	9.68	1,260.00	216.24	602.21	2,478.12
Depreciation on Revalued Assets	-	-	(0.96)	-	-	22.27	21.31
Profit for the year	-	-	-	-	-	-	-
Total Other Comprehensive Income/(Loss) for the year	-	-	-	-	22.78	-	22.78
Dividend	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-
Transfer to/(from) Profit & loss	-	-	-	-	-	-	-
Balance at the end of the reporting period i.e 31st March 2023	247.64	142.35	8.72	1,260.00	239.02	624.48	2,522.21

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023**

Particulars	Rs. In Lakhs	
	For the Year Ended	
	31/Mar/23	31/Mar/22
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	21.81	14.80
Adjustments for:		
Depreciation and amortisation expense	32.26	41.19
(Profit)/loss on sale of Assets	(1.82)	(3.56)
(Profit)/loss on sale of Shares / Mutual Fund	(8.98)	(48.17)
Interest & Finance Charges	13.43	14.19
Dividend Income	(0.74)	(0.08)
Interest and Trading Income on Investment	(12.75)	(2.52)
Investment revalue through FVTPL	(0.84)	18.39
Operating Profit before Working Capital Changes	42.37	34.24
Adjustments for:		
Decrease/(Increase) in Inventories	102.93	7.93
Decrease/(Increase) in Receivables	(41.84)	39.31
Decrease/(Increase) in other current and non current assets	(23.55)	(20.30)
Increase/(Decrease) in Payables	(25.21)	(42.83)
Increase/(Decrease) in Other Current Liabilities	6.74	0.34
Increase/(Decrease) in Provision	1.08	(1.94)
Total Adjustment for working capital change	20.15	(17.50)
Cash generated from operations	62.52	16.74
Tax (paid) refund - Net	44.86	11.84
Net Cash flow from Operating activities	107.38	28.57
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(13.47)	(43.38)
Sale of Fixed Assets	4.00	6.15
Purchase/sale of Shares/Mutual Fund	36.90	14.10
Purchase of Fixed Deposit	(70.00)	(20.00)
Interest and Trading Income on Investment	12.75	2.52
Security Deposit	(4.61)	(1.00)
Dividend income	0.74	0.08
Net Cash used in Investing activities	(33.69)	(41.52)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	0.72	-
Proceeds from Long term Borrowings	-	16.43
Repayment of Long term Borrowings	(3.07)	-
Repayment of Short term Borrowings	(70.44)	(2.12)
Proceeds from Short term Borrowings	-	-
Interest paid	(13.43)	(14.19)
Net Cash used in financing activities	(86.22)	0.13
Net increase in cash & Cash Equivalents	(12.53)	(12.82)
Cash and Cash equivalents as at beginning	15.15	27.97
Cash and Cash equivalents as at end	2.61	15.15

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

As per our report of even date

For R K GOVIL & CO.
Chartered Accountants
FRN – 000748C

Sd/-
Ashish Goel
Partner
Membership NO – 418425
Place: New Delhi
Date : 30/05/2023
UDIN 23418425BGTETJ1299

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

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

Sd/-
Manhar Modi
Director
DIN:00051746

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

NOTES TO FINANCIAL STATEMENTS

1. Corporate information

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

2. Basis of preparation

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

- a) Certain financial assets and liabilities

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

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

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

2.1 Summary of significant accounting policies and general confirmations

(a) Property, Plant and Equipment

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

(b) Depreciation/Amortization

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

(c) Impairment

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

(d) Use of estimates

The preparation of financial statements 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 estimates are based on the management's best knowledge of current event and action.

(e) Leases

- (i) Lease liability is initially recognized and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
- (ii) Right of use asset is recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee.

- (iii) The lease liability is measured in subsequent periods using the effective interest rate method. The right-of-use asset is depreciated in accordance with the requirements in Ind AS 16, Property, Plant and equipment.
- (iv) Recognition and measurement exemption are available for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.
- (f) **Investments**
Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current investments. Current and Non-Current investments are carried at fair value determined on an individual investment basis. Where Current investment are recognized at fair value its difference with cost is routed through profit and Loss a/c and Where Non-Current investment are recognized at fair value its difference with cost is routed through Other Comprehensive Income/ (Loss).
- (g) **Borrowing Cost**
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.
- (h) **Inventories**
Finished and semi-finished products produced and purchased by the Company are carried at lower of cost and net realizable value. Raw materials purchased are carried at cost. Store and spare parts are carried at cost. Cost has been determined by using the FIFO method.
- (i) **Revenue Recognition**
(i) Sale of goods: Revenue from sale of goods is recognized net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer.
(ii) Income from Services: Revenue from services is accounted for in accordance with the terms of contracts, as and when these services are rendered.
(iii) Interest: Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
(iv) Dividend: Dividend Income is recognized when right to receive is established.
- (j) **Retirement and other benefits**
(i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to respective funds are due.
(ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year.
- (k) **Tax Expenses**
The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.
Current tax
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.
Company has opted 115BAA during the financial year 2020-21 hence that no MAT is applicable to the company.

Deferred tax

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

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

(l) **Earnings Per Share**

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

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

(m) **Contingent liability**

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

(n) **Financial Instruments**

i) Financial Assets

A. Initial recognition and measurement

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

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

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

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

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

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Other Equity Investments

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

D. Impairment of financial assets

In accordance with Ind AS 109, the Company uses ‘Expected Credit Loss’ (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

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

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

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

ii) Financial liabilities

A. Initial recognition and measurement

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

B. Subsequent measurement

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

a) Exemptions from retrospective application

(i) Business combination exemption

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

(ii) Share-based payment transactions

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

(iii) Fair value as deemed cost exemption

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

(iv) Decommissioning liabilities

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

3. PROPERTY, PLANT AND EQUIPMENT.

PARTICULARS	GROSS BLOCK						DEPRECIATION						NET BLOCK				
	As on 01-04-2022		DURING THE YEAR		As on 31-03-2023		As on 01-04-2022		DURING THE YEAR		As on 31-03-2023		As on 31-03-2023		As on 31-03-2022		
	ORIGINAL	REVALUED	ADDITION	DELETION	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	ORIGINAL	REVALUED	
									DEDUCTION								
Capital WIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Land	36.23	71.60	-	-	-	-	-	-	-	-	-	-	-	36.23	71.60	36.23	71.60
Furniture & Fixture	2.46	-	-	-	2.30	0.01	2.30	0.01	-	2.31	-	2.31	-	0.15	0.16	-	-
Building	60.20	33.56	0.73	-	22.63	1.88	30.13	0.96	0.96	24.51	31.09	36.42	31.09	36.42	37.57	3.44	
Plant & Machinery	463.80	69.14	10.24	-	274.18	20.73	69.14	-	-	294.91	69.14	179.13	69.14	179.13	189.62	-	
Office Equipment	7.45	-	2.02	-	7.14	0.12	-	-	-	7.26	-	2.21	-	2.21	0.32	-	
Computer	11.36	-	0.48	-	8.75	1.41	-	-	-	10.16	-	1.68	-	1.68	2.61	-	
Vehicles	84.51	-	-	33.40	44.85	8.11	-	-	-	21.75	-	29.36	-	29.36	39.66	-	
F.A.Rolls	164.28	-	-	-	164.28	-	-	-	-	164.28	-	-	-	-	-	-	
Cycle	0.03	-	-	-	0.03	-	-	-	-	0.03	-	0.00	-	0.00	0.00	-	
TOTAL	830.33	174.31	13.47	33.40	524.16	32.26	99.27	0.96	31.21	525.21	100.23	285.19	100.23	285.19	74.07	306.18	75.04
Previous Year	812.07	174.31	43.38	25.11	505.49	41.19	98.31	0.96	22.51	524.16	99.27	306.18	99.27	306.18	75.04	-	-

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

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

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

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



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lakhs			
	As at			
	31/Mar/23	31/Mar/22		
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.	0.06	0.04		
- Equity Share of Andhra Sugar Ltd. Nil (P.Y. 2550) equity shares of Rs. 10/- each.	0.00	-		
- Equity Share of NMDC Ltd. 3400 (P.Y Nil) equity shares of Rs. 1/- each.	3.79	5.53		
- Equity Share of Indian Oil Corporation Ltd. 1 (P.Y Nil) equity shares of Rs. 10/- each.	-	0.00		
- Equity Share of Revathi 540 (P.Y Nil) equity shares of Rs. 10/- each	6.93	-		
- Equity Share of Satia 3500 (P.Y Nil) equity shares of Rs. 1/- each	3.70	-		
- Equity Share of LIC 700 (P.Y Nil) equity shares of Rs. 10/- each	3.74	-		
- Equity Share of SUN TV 1000 (P.Y Nil) equity shares of Rs. 5/- each	4.16	-		
- Equity Share of REC 4300 (P.Y Nil) equity shares of Rs. 10/- each	4.96	-		
Total Quoted Equity Instruments	27.34	5.57		
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.	140.96	140.96		
63,600 (P.Y. 63,600) Class 'B' Equity Share of Rs. 75/- each.	47.70	47.70		
- Equity Share of Peacon Properties & Encalve Pvt. Ltd. 4,00,755 (P.Y. 4,00,755) Equity shares of Rs. 10/- each.	8.18	8.18		
- Equity Share of Modi Metal & Allied Industries Pvt. Ltd. 3,23,580 (P.Y. 3,23,580) Equity shares of Rs. 10/- each.	45.11	45.11		
- Equity Share of Southern Iron & Steel Co. Ltd. 2 (P.Y. 2) equity shares of Rs. 10/- each.	0.00	0.00		
Total Unquoted Equity Instruments	241.95	241.95		
Quoted Mutual Funds				
	Units (Current Year)	Units (Previous Year)		
HDFC Equity Fund	29,561.10	29,561.10	331.53	298.95
DSP Small Cap Fund Direct Growth	31,915.17	31,915.17	37.23	37.48
Invesco India Contra Fund Direct Growth	27,572.15	27,572.15	24.00	23.47
Kotak Equity Opportunities Fund Direct Growth	11,066.86	11,066.86	25.18	24.00
HDFC nifty 50 Direct Growth	1,307.35	252.09	2.15	0.41
Kotak nifty 50 Direct Growth	21,808.08	5,399.21	2.38	0.60
Motilal Oswal - Next Trillion Dollar Opportunity Strategy (PM	-	-	0.13	47.98
Aditya Birla Sun Life PSU Equity Fund	643.47	-	0.11	-
Axis Long Term Equity Fund	139.09	-	0.09	-
ICICI Pru Value Discovery Fund	37.39	-	0.11	-
Kotak Nifty Next 50	8,053.20	-	0.86	-
Kotak Tax Saver	128.99	-	0.11	-
SBI Contra Fund	47.29	-	0.11	-
SBI PSU Fund	701.21	-	0.11	-
Total Quoted Mutual Funds			424.10	432.89
			-	-
Total (i)			693.39	680.41
(ii) Current Investments				
Quoted Mutual Funds				
	Units (Current Year)	Units (Previous Year)		
Templeton India Ultra Short Bond Fd	-	26,685.21	0.00	9.14
SBI Liquid Fund	3,523.30	3,627.90	105.24	120.59
HDFC Liquid Fund	30,270.83	3,287.60	162.75	137.19
ICICI Prudential Nifty Index Fund	27,404.62	27,404.62	48.67	48.51
ICICI Prudential Liquid Fund	17,710.61	19,817.25	59.01	62.48
Motilal Oswal Financial Services Ltd	-	-	-	4.33
Total (ii)			375.67	382.25
			-	-
Total Investments (i) + (ii)			1,069.06	1,062.66



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lakhs	
	As at	
	31/Mar/23	31/Mar/22
5 Other Financial Assets		
Security Deposit	32.02	27.42
Fixed deposit	1,140.00	1,116.20
Margin Money against Overdraft	298.38	300.00
	1,470.40	1,443.62
6 Inventories		
Raw Materials	28.90	75.47
Finished goods	93.84	142.19
Loose Tools	3.50	3.51
Others	33.99	42.00
	160.23	263.16

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

7 Trade receivables		
Trade Receivable considered good - Secured	-	-
Trade Receivable considered good - Unsecured	129.49	87.65
Trade Receivable which have significant increase in credit risk	28.68	30.35
Less : Allowance for doubtful debts	(28.68)	(30.35)
Trade Receivables - credit impaired	-	-
Less : Allowance for doubtful debts	-	-
	129.49	87.65

AGEING AS AT 31st MARCH, 2023 :

Particulars	Less than 6 months	6 Months to 1 Year	1 to 2 Year	2 to 3 year	More than 3 Years
Undisputed Trade Receivables- Considered Good	129.18	0.31	-	-	-
Undisputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	28.68
Undisputed Trade Receivables- credit impaired	-	-	-	-	-
Disputed Trade Receivables- Considered Good	-	-	-	-	-
Disputed Trade Receivables- Which have significant increase in credit risk	-	-	-	-	-
Undisputed Trade Receivables- credit impaired	-	-	-	-	-
Less : Allowance for doubtful debts	-	-	-	-	(28.68)
TOTAL	129.18	0.31	-	-	-

AGEING AS AT 31st MARCH, 2022 :

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

8 Cash and cash equivalents		
Balances with Banks	2.09	14.54
Cash on hand	0.52	0.62
Total	2.61	15.15
9 Short Term Loans & Advances		
Balance with Statutory / Government Authorities	13.06	28.88
Prepaid Expenses	0.54	0.56
Advance to Suppliers & Others	102.72	53.47
Advance to Staff	0.53	1.63
Withholding Tax	23.04	20.00
Commission Receivable	-	0.74
Income Tax Refundable	3.66	21.43
Amount Receivable from Global Autostar LLP	-	0.01
Interest Receivable on FDR	17.83	11.11
	161.38	137.83



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lakhs	
	As at	
	31/Mar/23	31/Mar/22
10 Share Capital		
AUTHORISED SHARES		
12,000,000 (P.Y. 12,000,000) Equity Shares of Rs.10/- each	-	-
	1,200.00	1,200.00
ISSUED AND SUBSCRIBED SHARES		
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	553.03	553.03
	553.03	553.03
PAID UP SHARES		
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	553.03	553.03
Less: Call Money unpaid by other than Directors	85.35	86.07
1,140,400 (P.Y.1,147,600) Shares @ Rs. 7.50 each		
	467.68	466.96
a. Reconciliation of the Equity shares outstanding at the beginning and at the end of reporting period		
Outstanding at the beginning of the year	55,30,259	55,30,259
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each		
Changes in Share capital during the year	-	-
Outstanding at the year end		
5,530,259 (P.Y. 5,530,259) Equity Shares of Rs. 10/- each	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 2023		As at 31st March 2022	
	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	7.46	4,12,798	7.46
Madhur Modi	3,68,000	6.65	3,68,000	6.65

d. Promoter's Shareholding

Promoter Name	As at 31-Mar-23		As at 31-Mar-22		% Change during the year	% Change during the
	No. of Shares	% of total shar	No. of Shares	% of total sha		
Manhar Modi	4,12,798	7.46	4,12,798	7.46	-	-
Madhur Modi	3,68,000	6.65	3,68,000	6.65	-	-
Vasu Modi	3,59,745	6.51	3,59,745	6.51	-	-
Pawan Kumar Modi	2,71,770	4.91	2,71,770	4.91	-	-
Ashok Kumar Modi	2,71,770	4.91	2,71,770	4.91	-	-
Nandini Modi	2,70,977	4.90	2,70,977	4.90	-	-
Sangeeta Modi	2,70,976	4.90	2,70,976	4.90	-	-
P K Modi - HUF	1,98,114	3.58	1,98,114	3.58	-	-
Ashok K Modi - HUF	1,83,253	3.31	1,83,253	3.31	-	-
Shakuntla Modi	78,810	1.43	78,810	1.43	-	-
J. P. Modi & Sons HUF	64,098	1.16	64,098	1.16	-	-
Shivani Modi	320	0.01	320	0.01	-	-
Saroj Wahi	312	0.01	312	0.01	-	-
Usha Bharat	288	0.01	288	0.01	-	-
Anil Wahi	216	0.00	216	0.00	-	-
Saroj Diddee	200	0.00	200	0.00	-	-
Manoj Diddee	176	0.00	176	0.00	-	-
Indra Prakash Wahi	80	0.00	80	0.00	-	-
Mahendra Jain	16	0.00	16	0.00	-	-
Sharda Daga	16	0.00	16	0.00	-	-
Modi Asset Management Pvt Ltd	4,99,900	9.04	4,99,900	9.04	-	-
Pekon Properties & Enclave P Ltd	2,40,000	4.34	2,40,000	4.34	-	-
Modi Metal & Allied Industries P Ltd	1,37,067	2.48	1,37,067	2.48	-	-
TOTAL	36,28,902	65.62	36,28,902	65.62		



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lakhs	
	As at	
	31/Mar/23	31/Mar/22
11 Other Equity		
Statement of Change in Equity		
Reserves & Surplus		
Capital Reserve		
Balance as per the last financial statements	247.64	247.64
Closing Balance	247.64	247.64
Security Premium		
Balance as per the last financial statements	142.35	142.35
Closing Balance	142.35	142.35
Revaluation Reserve		
Balance as per the last financial statements	9.68	10.64
Less: Depreciation on Revalued Assets	0.96	0.96
Closing Balance	8.72	9.68
General Reserve		
Balance as per the last financial statements	1,260.00	1,260.00
Add: Amount transferred from surplus balance in the statement of Profit & Loss	0.00	-
Closing Balance	1,260.00	1,260.00
Other Comprehensive Income/Loss		
Balance as per the last financial statements	216.24	154.78
Add: Amount transferred from surplus balance in the statement of Profit & Loss	22.78	61.46
Less : Transfer to PL Account- Realized Profit	0.00	-
Closing Balance	239.02	216.24
Balance in Statement of Profit and Loss		
Balance as per the last financial statements	602.21	592.03
Profit for the year	22.27	10.18
	624.48	602.21
Less: Appropriations :		
Transfer to General Reserve	0.00	-
Total Appropriation	0.00	-
Surplus in the Statement of Profit and Loss	624.48	602.21
Total Other Equity	2,522.21	2,478.12
12 Provisions		
Non Current		
Provision for Gratuity	10.33	8.69
	10.33	8.69
Current		
Provision for Gratuity	0.50	1.06
	0.50	1.06



NOTES TO FINANCIAL STATEMENTS

Rs. In Lakhs

PARTICULARS	As at	
	31/Mar/23	31/Mar/22
13 Deferred tax liabilities (Net)		
Deferred Tax Liability		
On Fixed Assets	19.73	19.91
On Current Investments	7.93	7.94
On Non-Current Investments	81.29	73.58
Deferred Tax Asset		
On provision for Gratuity	2.72	2.45
Net Deferred Tax Liability	106.22	98.97
14 Borrowings		
Short term Borrowings		
- Secured Borrowings		
Overdraft from State Bank of India against Fixed Deposit Receipt of Rs 300 Lakhs/- at interest rate of 6.10% p.a. repayable on demand	150.09	217.14
- Unsecured Borrowings		
Current Maturities of Long term Borrowings	3.04	6.43
	153.13	223.57
Long term Borrowings		
- Unsecured Borrowings		
Inter Corporate Loan from related party	9.97	16.43
Less : Current Maturity	3.04	6.43
	6.93	10.00
	160.06	233.57
15 Trade Payables		
(a) Total Outstanding, due to MSME	1.68	1.00
Disclosure pertaining to micro, small and medium enterprises (as per information available with the Company):		
Description		
Principal amount outstanding as at end of year	1.68	1.00
Principal amount overdue more than 45 days	-	-
Interest due and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of year	-	-
Amount of further interest remaining due and payable in succeeding year	-	-
(b) Trade Payables, due of creditors other than MSME		
Acceptance	54.00	79.89
Other than acceptance	-	-
	55.68	80.89

AGEING AS AT 31st MARCH, 2023 :

Particulars	Less than 6 months	6 Months to 1 Year	1 to 2 Year	2 to 3 year	More than 3 Years
MSME	1.68	-	-	-	-
Others	49.87	2.37	0.84	0.91	-
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
TOTAL	51.55	2.37	0.84	0.91	-

AGEING AS AT 31st MARCH, 2022 :

Particulars	Less than 6 months	6 Months to 1 Year	1 to 2 Year	2 to 3 year	More than 3 Years
MSME	1.00	-	-	-	-
Others	-	79.89	-	-	-
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
TOTAL	1.00	79.89	-	-	-

16 Other current liabilities

Advance from Customers	0.20	0.28
Salary & Wages Payable	10.01	7.96
EPF Payable	0.13	0.17
Other Employee Benefit Liabilities	2.01	1.94
Other Tax Payable	2.19	1.47
Expenses Payable	15.22	11.20
	29.76	23.02



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lakhs	
	For the year ended	
	31/Mar/23	31/Mar/22
17 Revenue from operations		
Sale of Finished Goods	583.17	1,215.15
Sale of Services-Conversion Charges	734.11	567.84
Other Operating Revenue	26.85	43.25
Revenue from Operations (Gross)	1,344.13	1,826.25
Details of Finished Goods sold		
Iron & Steel Bar	583.17	1,215.15
Details of Sale of Services		
Job Work charges on Re - rolling	734.11	567.84
Details of Other Operating Revenue		
Sale of By Product, viz. Scrap	26.85	43.25
	26.85	43.25
18 Other Income		
Interest and Trading Income on Investment and Loan	12.75	2.52
Interest on Fixed Deposit	78.27	69.60
Interest on income tax refund	2.04	0.98
Income from Dividend	0.74	0.08
STCG on Current Investments	6.09	5.87
LTCG on Current / Trade Investments	2.89	42.30
Investment revalue through FVTPL	0.84	(18.39)
Other Income	2.25	3.40
Profit/loss on sale of assets	1.82	3.56
Income From Rent	3.50	-
	111.19	109.91



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lakhs	
	For the year ended	
	31/Mar/23	31/Mar/22
19 Cost of Raw Material and Components Consumed		
Raw Material Consumed		
Opening Stock	75.47	60.49
Purchases	525.49	1,129.61
Total	600.96	1,190.10
Less: Closing Stock	28.90	75.47
Raw Material Consumed	572.06	1,114.63
Raw material and components Consumed		
Raw material	572.06	1,114.63
	572.06	1,114.63
Details of closing inventory of raw material		
Raw material	28.90	75.47
Scrap	-	-
	28.90	75.47
Details of opening inventory of raw material		
Raw material	75.47	60.49
Scrap	-	-
	75.47	60.49
Furnace Oil/LSHS Consumed		
Opening Stock	13.59	1.79
Add: Purchase/Tfd.during the year	341.27	358.72
	354.86	360.51
Less: Closing Stock	4.74	13.59
	350.12	346.92
Steam Coal Consumed		
Opening Stock	0.01	0.01
Add: Purchase/Tfd.during the year	0.00	-
	0.01	0.01
Less: Closing Stock	0.01	0.01
	0.00	-
Other Manufacturing Expenses		
Power Expenses	107.61	92.28
Engine Expenses	7.08	15.23
Weighing & Stalking	0.40	0.31
Consumable Store	3.15	4.88
	118.24	112.71
	1,040.42	1,574.25
20 (Increase)/Decrease in Inventories		
Opening Stock of FG	174.09	208.60
Closing Stock of FG	126.51	174.09
work-in-progress and Stock-in-Trade	47.58	34.51



NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Rs. In Lakhs	
	For the year ended	
	31/Mar/23	31/Mar/22
21 Employee Benefit Expenses		
Salaries & Wages	157.02	144.32
Bonus & Ex-Gratia	2.95	2.09
Employer's Cont.to P.F.	0.85	1.13
Employer's Cont.to E.S.I.	0.80	0.77
Gratuity	2.96	1.14
Staff Welfare	2.36	3.06
Leave encashment	0.44	0.50
	167.38	153.01
22 Financial costs		
Bank Interest	12.47	13.42
Interest on Loan	0.96	0.76
	13.43	14.19
23 Other expenses		
Travelling & Conveyance		
Including Foreign Travel of Directors C. Y. 7.30Lakh (P.Y. Nil/-)	10.08	3.75
Printing & Stationary	0.34	0.57
Postage & Telegram	0.01	0.53
Telephone Expenses	1.36	0.94
Electricity Expenses	10.07	9.29
Legal & Professional Charges	19.22	15.61
Listing & Custodial Fees	3.67	3.65
Bank Charges	0.09	0.11
Insurance Charges	0.45	1.27
Rent	5.24	-
Vehicle Running & Maintenance	8.30	7.55
Security & Vigilance	6.54	6.60
Repair & maintenance - Building	2.22	1.83
Repair & maintenance - Plant & Machinery	44.69	25.95
Repair & maintenance - Others	1.11	0.78
Business promotion	8.97	5.65
Rebate, Discount & commission	4.63	10.08
Advertisement Expenses	1.79	1.84
Freight Charges	0.00	-
Income tax demand	0.00	-
Sevice Tax Written off	-	5.05
Miscellaneous Expenses	3.66	3.16
	132.44	104.21
Payment to Auditor		
Audit fee	2.00	2.00
Limited Review	0.48	0.48
	2.48	2.48
24 Earning per Share		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for calculation of basic and diluted EPS (Rs.)	22.27	10.18
Weighted average number of equity shares in calculating basic EPS	55,30,259.00	55,30,259.00
Weighted average number of equity shares in calculating diluted Eps	46,76,759.00	46,69,559.00
Basic (In Rs.)	0.48	0.22
Diluted (In Rs.)	0.40	0.18



25. Segment Information

Business Segment:

The Company operates in three segments i.e. manufacturing of steel and investments.

Geographical Segment:

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

25. Segment Information

Primary Segments Reporting (By Business Segments)

Segment Revenues, Results and Other Information

(Rs. In Lakhs)

Particulars	Steel Manufacturing		Others (Investments)		Total	
	2023	2022	2023	2022	2023	2022
Sales / Revenue	1344.13	1,826.25	111.19	109.91	1,455.32	1,936.16
Less : Inter Segment Sales	-	-	-	-	-	-
Net Sales / Revenue	1344.13	1,826.25	111.19	109.91	1,455.32	1,936.16
Total Revenue	1344.13	1,826.25	111.19	109.91	1,455.32	1,936.16
Operating Profit/ (Loss) before interest & tax	7.23	-19.70	28.02	48.69	35.24	28.99
Less : Interest Expenses	-	-	-	-	13.43	14.19
Profit/(Loss) from operating activity (Before tax)	-	-	-	-	21.81	14.80
Segment Assets	904.65	946.41	1274.92	2290.74	2,179.57	3,237.15
Segment Liabilities	107.20	102.08	6.92	1.83	114.12	103.91
Capital Employed	797.45	844.33	1268.00	2288.91	2,065.45	3,133.24
Capital Expenditure	13.48	7.15	-	36.23	13.48	43.38
Depreciation/Amortization	23.95	30.50	9.27	11.64	33.22	42.15



26. Related Party Disclosures

A. Parties under common control

Modi Asset Management Private Ltd.
Modi Metal & Allied Industries Private Ltd.
Modi Steel 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
Mrs. Shakuntala Modi	Relative of Managing Director

Transactions with related parties during the year

(Rs in Lakhs.)

Particulars	Key managerial personnel and their relatives		Parties under common control		Total	
	2023	2022	2023	2022	2023	2022
Rent Received						
Modi Steel Pvt Ltd	-	-	3.50	-	3.50	-
Salary Paid						
Pawan Kumar Modi	16.45	12.00	-	-	16.45	12.00
Interest Paid						
Modi Asset Management Pvt. Ltd.	-	-	0.96	0.76	0.96	0.76
Loan Taken (Net)						
Modi Asset Management Pvt. Ltd.	-	-	9.97	16.43	9.97	16.43
Outstanding Payable/(Receivable)						
Salary Payable						
Pawan Kumar Modi	4.12	-	-	-	4.12	-
Rent Payable						
Shakuntala Modi	-	-	-	0.45	-	0.45
Loan Payable						
Modi Asset Management Pvt Ltd	-	-	9.97	16.43	9.97	16.43
Rent Receivable						
Modi Steel Pvt Ltd	-	-	(3.78)	-	(3.78)	-

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

Particulars	March 31, 2023	March 31, 2022
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Capital advances)	Nil	Nil

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

Particulars	March 31, 2023	March 31, 2022
Bank Guarantee in favour of Sales Tax Department	Nil	Nil
Bills discounted liability	Nil	Nil

29. Gratuity and other Post - employment benefit plans:

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

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Current service cost	4.36	3.99
Interest cost on benefit obligation	0.70	0.78
Net actuarial (gain)/ loss recognized in the year	(2.10)	(3.63)
Past service cost	-	-
Net benefit expense	2.94	1.14

Balance Sheet

Details of Provision for Gratuity

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Defined benefit obligation	10.82	9.75
Fair value of plan assets	-	-
Surplus/(Deficit)	(10.82)	(9.75)
Less: Unrecognized Past service cost	-	-
Plan asset / (liability)	10.82	9.75

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

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Defined benefit obligation at the beginning of year	9.75	11.70
Current service cost	4.36	3.99
Interest cost	0.70	0.78
Actuarial (gain)/loss on obligation	(2.10)	(3.63)
Benefits paid	(1.89)	(3.09)
Defined benefit obligation as at the end of the year	10.82	9.75

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

Particulars	March 31, 2023 %	March 31, 2022 %
Discount rate	7.35	7.15
Increase in Compensation cost	5.50	5.50
Expected rate of return on plan assets	-	-
Employee turnover – Age Group		
Up to 30 years	3	3
31 – 44 years	2	2
Above 44 years	2	2



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

Amounts for the current and previous years are as follows:

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Defined benefit obligation	10.82	9.75
Plan assets	-	-
Surplus / (deficit)	(10.82)	(9.75)
Experience adjustments on plan liabilities (loss)/gain	(1.96)	(3.32)
Experience adjustments on plan assets (loss)/gain	-	-

Contribution to Defined Contribution plans:

(Rs. in Lakhs)

	March 31, 2023	March 31, 2022
Provident Fund	0.85	1.13

30.1 Earnings in foreign currency (on accrual basis)

(Rs. in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Exports at F.O.B. Value	-	-

30.2 Expenditure in foreign currency (on accrual basis)

(Rs. in Lakhs.)

Particulars	March 31, 2023	March 31, 2022
Travelling	7.30	-

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

(Rs. in Lakhs.)

Particulars	March 31, 2023	March 31, 2022
Raw Materials	-	-

30.4 Imported and Indigenous Raw Materials, Stores and Spares Consumed

(Rs. in Lakhs.)

Raw Materials	% of total consumption For the year ended		Value For the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Indigenous	100.00	100.00	572.06	1114.62
Imported	-	-	-	-
	100.00	100.00	572.06	1114.62
Stores and Spares				
Indigenous	100.00	100.00	3.54	5.19
Imported	-	-	-	-
	100.00	100.00	3.54	5.19



31. Other statutory information

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

32. SOLVENCY – RATIO

Ratios	Numerator/ Denominator	For the year ended		Variance	Remarks (For Variations more than 25%)
		31-Mar-23	31-Mar-22		
Current Ratio (In times)	Current Assets / Current Liabilities	3.47	2.70	28.64%	Current Liabilities reduced compared to current assets
Debt Equity Ratio (In times)	Debt (including Bank OD) / Equity	0.05	0.08	(33.08%)	Borrowings reduced compared to previous year.
Debt Service Coverage Ratio (In times)	Earning for Debt Service / Total Debt Service	3.42	3.69	(7.45%)	NA
Return on Equity (in %)	Profit for the year (PAT) / Average Total Equity	0.75%	0.35%	114.46%	Net Profit increased during the year.
Inventory Turnover Ratio (In times)	Revenue from Operations / Average Inventory	6.35	6.84	(7.13%)	NA
Trade Receivable Turnover Ratio (In times)	Revenue from Operations / Average Trade Receivable	12.38	17.02	(27.26%)	Revenue decreased and Trade Receivables increased compared to previous year.
Trade Payable Turnover Ratio (In times)	Revenue from Operations / Average Trade Payable	19.68	17.85	10.30%	NA
Net Capital Turnover Ratio (In times)	Revenue from Operations / Working Capital	2.34	3.28	(28.50%)	Revenue decreased compared to previous year.
Net Profit Ratio (in %)	Profit for the year (PAT) / Revenue from Operations	1.66%	0.56%	197.17%	Expenses reduced compared to revenue.
Return on Capital Employed (in %)	Earning from Before Interest and Taxes (EBIT) / Net Capital Employed (Shareholders Funds + DTL)	1.14%	0.95%	19.53%	NA
Return on Investment (in%)	Profit on Sale of Investments / Cost of Investments	2.40%	3.43%	(30.14%)	Return of investments reduced as per market fluctuations.

33. CATEGORIES OF FINANCIAL INSTRUMENTS

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

Particulars	31-Mar-23				31-Mar-22			
	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value
Investments	714.43	323.12	31.51	1069.06	738.76	292.38	31.52	1062.66
Loans	161.38			161.38	137.83	-	-	137.83
Trade Receivables	129.49			129.49	87.65	-	-	87.65
Cash and Cash Equivalents	2.61			2.61	15.15	-	-	15.15
Bank Balances other than Cash and Cash Equivalents						-	-	-
Derivative Assets						-	-	-
Other Financial Assets	1470.40			1470.40	1443.62	-	-	1443.62
Total Financial Assets	2478.31			2832.94	2423.02	-	-	2746.92

Particulars	31-Mar-23				31-Mar-22			
	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value	Amortised Cost	Fair Value through other Comprehensive Income	Fair Value through Profit and Loss	Total Carrying Value
Long Term Borrowings	6.93			6.93	10.00	-	-	10.00
Lease Liabilities						-	-	-
Short Term Borrowings	153.13			153.13	223.57	-	-	223.57
Trade Payables	55.68			55.68	80.89	-	-	80.89
Derivative Liabilities						-	-	-
Other Financial Liabilities						-	-	-
Total Financial Liabilities	215.74			215.74	314.46	-	-	314.46



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

35. The figures has been rounded off to nearest of rupees in Lakhs.

As per our separate report of even date attached

For R.K. GOVIL & CO.
Chartered Accountants
FRN – 000748C

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

Sd/-

Sd/-

Sd/-

Sd/-

CA ASHISH GOEL

Partner

Mem. No.: 418425

Place : New Delhi

Date : 30/05/2023

UDIN : 23418425BGTETJ1299

Pawan Kumar Modi

Managing Director cum CFO

DIN : 00051679

Manhar Modi

Director

DIN : 00051746

Vandana Gupta

Company Secretary

Mem. No. ACS24012

Book - Post

“श्री जी”



If undelivered please return to:

National General Industries Ltd.

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