

# **NATIONAL STANDARD (INDIA) LIMITED**

## **58<sup>th</sup> ANNUAL REPORT FINANCIAL YEAR 2020-21**

IN VIEW OF GREEN INITIATIVES INITIATED BY THE GOVT. OF INDIA, MINISTRY OF CORPORATE AFFAIRS, WE REQUEST YOU TO REGISTER YOUR EMAIL ID WITH THE REGISTRAR AND SHARE TRANSFER AGENT, IF YOU ARE HOLDING SHARES IN PHYSICAL MODE AND WITH YOUR DEPOSITORY PARTICIPANT, IF YOU ARE HOLDING SHARES IN DEMATERIALIZED FORM.

SEBI HAS MANDATED THAT SECURITIES OF LISTED COMPANIES CAN BE TRANSFERRED ONLY IN DEMATERIALIZED FORM W.E.F. APRIL 1, 2019. ACCORDINGLY THE COMPANY / ITS RTA HAVE STOPPED ACCEPTING ANY FRESH LODGEMENT OF TRANSFER OF SHARES IN PHYSICAL FORM. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE ADVISED TO AVAIL OF THE FACILITY OF DEMATERIALIZATION.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Ms. Smita Ghag	Chairperson, Non-Executive Director
Mr. Bhushan Shah	Independent Director
Mr. Prakash Vaghela	Independent Director
Mr. K L Arimpur	Non-executive Director
Mr. Manesh Jhunjhunwala	Non-Executive and Non Independent Director
Mr. Vinod Shah	Independent Director

### KEY MANAGERIAL PERSONNEL

Mr. Darshan Multani	Chief Executive Officer
Mr. Rameshchandra Chechani	Chief Financial Officer
Ms. Madhur Mittal	Company Secretary & Compliance Officer

### STATUTORY AUDITORS

MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W)

### REGISTERED OFFICE

412, Floor- 4, 17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle, Fort,  
Mumbai-400 001 Tel.: +91.22. 23024400  
Fax: +91.22.23024550  
Website: www.nsil.net.in  
E-mail: investors.nsil@lodhagroup.com  
CIN L27109MH1962PLC265959

### CORPORATE OFFICE

Lodha Excelus, 10<sup>th</sup> floor,  
Apollo Mills Compound,  
N M Joshi Marg, Mahalaxmi,  
Mumbai 400 011 Tel.: +91.22.  
61334400 Fax: +91.22.2302 4420

### REGISTRAR & TRANSFER AGENT

C B Management Services Private Limited  
P-22, Bondel Road, Kolkata – 700 019  
Telephone:033- 4011- 6728  
Fax: 033- 4011- 6739  
E-Mail: rta@cbmsl.com

### TABLE OF CONTENTS

Contents	Page No.
Notice and Explanatory Statement	1
Directors' Report	16
Corporate Governance Report	34
Management Discussion Analysis	48
Auditor's Report	52
Balance Sheet	60
Statement of Profit & Loss	61
Cash Flow Statement	62
Statement of Changes in Equity	63
Notes forming part of the Financial Statements	64

## **NOTICE**

Notice is hereby given that the 58<sup>th</sup> Annual General Meeting of the Members of National Standard (India) Limited will be held on Friday, September 24, 2021, at 11.00 am through video conferencing / Other Audio Visual Means to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021 together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. K.L. Arimpur (DIN 08265692), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**

#### **Re-appointment of Statutory Auditors of the Company**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and recommendation of the Audit Committee and approval of the Board of Directors of the Company, MSKA & Associates, Chartered Accountants ( Firm Registration No. 105047W) be and are hereby re-appointed as the Statutory Auditors of the Company for a second consecutive term of 5 (five) years to hold office from the conclusion this 58<sup>th</sup> Annual General Meeting until the conclusion of the 63<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2026, on such remuneration and terms and conditions as set out in the explanatory statement to this Notice.”

### **SPECIAL BUSINESS:**

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

#### **Reappointment of Mr. Bhushan Shah (DIN 07484485) as an Independent Director for a second consecutive term of 5 years**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedules IV & V and other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), (including any amendments or modifications thereto from time to time), upon recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Bhushan Shah (DIN 07484485), who was appointed as an Independent Director at the 53<sup>rd</sup> Annual General Meeting of the Company and who holds office up to July 5, 2021 and being eligible, has submitted a declaration that he meets the criteria of independence as required under Section 149(6) of the Act and the Listing Regulations 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, be and is hereby reappointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years from July 6, 2021 to July 5, 2026;

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) 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 consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**

#### **Appointment of Mr. Manesh Jhunjhunwala (DIN 01748413) as a Non-executive and Non-independent Director of the Company.**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedules V and other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), (including any amendments or modifications thereto from time to time) and upon recommendation of the Nomination and Remuneration Committee and approval of the Board of

## NATIONAL STANDARD (INDIA) LIMITED

---

Directors of the Company, Mr. Manesh Jhunjhunwala (DIN 01748413), who was appointed as an Additional Director of the Company in the category of Non-Executive, Non-Independent Director, by the Board of Directors with effect from July 20, 2021 and who holds office up to the conclusion of this 58<sup>th</sup> Annual General Meeting of the Company in terms of section 161 of the Act, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose his candidature for the office of Director be and is hereby appointed as a Non- Executive and Non-Independent Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

### **Appointment of Mr. Vinod Shah (DIN: 00127085) as an Independent Director for a first term of 5 years**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 read with Schedules IV & V and other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), (including any amendments or modifications thereto from time to time) and upon recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Vinod Shah (DIN: 00127085), who was appointed as an Additional Director of the Company in the category of Independent Director, by the Board of Directors with effect from July 20, 2021 and who holds office up to the conclusion of this 58<sup>th</sup> Annual General Meeting of the Company in terms of section 161 of the Act, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose his candidature for the office of Director and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and the Listing Regulations; be and is hereby appointed as a Director of the Company, in the category of Independent Director, for a first term of five years from July 20, 2021 up to July 19, 2026, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board (including any Committee thereof) 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

7. To consider and if thought fit, to pass the following resolution as **Ordinary Resolution**

### **Approval for material Related party Transactions**

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 of the Companies Act, 2013 (‘the Act’), as may be applicable, read together with the relevant Rules (‘the Rules’) including any statutory modification(s), amendment(s) and re- enactment thereof, for the time being in force, the consent of the Shareholders of the Company be and is hereby accorded to approve/ratify the material related party transactions as set out in the explanatory statement annexed to the notice convening this meeting;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be required and necessary and delegate all or any of the powers herein conferred to any Committee of Directors, Director of the Company or any other person as the Board of Directors may deem fit, in order to give effect to the aforesaid resolution.”

Date : July 20, 2021  
Place: Mumbai

#### **Registered Office:**

412, Floor- 4, 17G Vardhaman Chamber, Cawasji Patel Road,  
Horniman Circle, Fort, Mumbai-400001  
CIN: L27109MH1962PLC265959  
Tel.: +91-22-61334400 Fax: +91 -22-23024550  
Website: www.nsil.net.in Email: Investors.nsil@lodhagroup.com

By Order of the Board  
**For National Standard (India) Limited**

**Madhur Mittal**  
Company Secretary  
Membership No: A47976

### NOTES:

- 1) The Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under item nos. 3 to 7 of the Notice is annexed hereto.
- 2) In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively and by General Circular No. 02/2021 dated January 13, 2021 allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before December 31, 2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 (collectively referred to as “MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India (“SEBI”) (collectively referred to as “SEBI Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In compliance with these Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM, which does not require physical presence of members at a common venue. Pursuant to MCA Circulars and SEBI Circulars, this annual report is being sent by email only.
- 3) In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. The resolution authorising for the aforesaid shall be sent to the Company at [Investors.nsil@lodhagroup.com](mailto:Investors.nsil@lodhagroup.com) with a copy marked to [cs.shravangupta@gmail.com](mailto:cs.shravangupta@gmail.com), scrutiniser appointed for the meeting and to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 4) The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation through VC/OAVM provided by NSDL through their platform.
- 5) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 6) Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
- 7) In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at [www.nsil.net.in](http://www.nsil.net.in). The Notice may also be accessed from the websites of the Stock Exchange i.e. BSE Limited and also on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. <https://www.evoting.nsdl.com/>
- 8) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
- 9) All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investors.nsil@lodhagroup.com](mailto:investors.nsil@lodhagroup.com).
- 10) In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the Company or as provided by the depository, provided that the Company shall provide an advance opportunity atleast once in a financial year, to the member to register his e-mail address and changes therein and such request may be made by only those

## NATIONAL STANDARD (INDIA) LIMITED

---

members who have not got their email ID recorded or to update a fresh email ID and not from the members whose e-mail IDs are already registered. In view of the above, the Company hereby requests the members who have not updated their email IDs to update the same with their respective Depository Participant(s) or the C B Management Services Private Limited, the Registrar and Transfer Agent of the Company ("R&T Agent"). Further, the members holding shares in electronic mode are requested to keep their email addresses updated with the Depository Participants. Members holding shares in the physical mode are also requested to update their email addresses by writing to the Registrar and Transfer Agent of the Company quoting their folio number(s).

- 11) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS) and Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's R&T Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes either to the Company or to the Company's R&T Agent.
- 12) The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to R&T Agent of the Company.
- 13) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM and facility for those members participating in the AGM to cast vote through e-voting system during the AGM.

For this purpose, the Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting at the AGM will be provided by NSDL.

- 14) Any person, who acquires shares of the Company and becomes member of the Company after the Company sends notice of the AGM by email and holds shares as on the cut-off date i.e. Friday, September 17, 2021 may obtain their login ID and password by sending a request at [rta@cbmsl.com](mailto:rta@cbmsl.com).
- 15) The voting rights of the members shall be in proportion to the number of equity shares held by them as on the cut-off date i.e. Friday, September 17, 2021.
- 16) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Friday, September 17, 2021 only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- 17) The remote e-voting period will commence on Tuesday, September 21, 2021 at IST 9:00 am and will end on Thursday, September 23, 2021 at IST 5:00 pm. During this period the members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 17, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or vote again.
- 18) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- 19) The Company has appointed Shравan Gupta, (CoP No. 9990), Practicing Company Secretary or failing him Ritul Parmar (CoP No. 14845) , as the scrutinizer (the 'Scrutinizer') for scrutizing the remote e-voting process as well as e-voting at the AGM in a fair and transparent manner.

## NATIONAL STANDARD (INDIA) LIMITED

- 20) During the AGM, the Chairman shall, after responding to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the AGM.
- 21) The Scrutiniser shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report to the Chairman or any person authorised by him within 48 hours from the conclusion of the meeting, who shall then countersign and declare the result of the voting forthwith.
- 22) The results declared along with the report of the Scrutinizer will be placed on the website of the Company www.nsil.net. in and on the website of the NSDL immediately after the declaration of result by the Chairperson or a person authorized by him. The results will also be immediately forwarded to the stock exchanges. .
- 23) The Register of Members and the Share Transfer books of the Company will remain closed from Thursday, September 16, 2021, to Friday, September 24, 2021, both days inclusive.
- 24) In terms of Section 152 of the Act, Mr. K.L. Arimpur (DIN 08265692), retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company has recommended his re-appointment.
- 25) Mr. Bhushan Shah (DIN 07484485) is interested in the Special Business as set out at Item No. 4 of the Notice with respect to his re- appointment as independent Director for a second consecutive term of five years. The relatives of Mr. Bushan Shah may also be deemed to be interested in the said Resolution to the extent of their shareholding interest, 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 Special Resolution set out under Item No. 4.
- 26) Mr. Manesh Jhunjunwala (DIN 01748413) is interested in the Special Business as set out at Item No. 5 of the Notice with respect to his appointment as Non-executive and Non-Independent Director. The relatives of Mr. Manesh Jhunjunwala may also be deemed to be interested in the said Resolution to the extent of their shareholding interest, 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 Resolution set out under Item No. 5.
- 27) Mr. Vinod Shah (DIN: 00127085) is interested in the Special Business as set out at Item No. 6 of the Notice with respect to his re- appointment. The relatives of Mr. Vinod Shah may also be deemed to be interested in the said Resolution to the extent of their shareholding interest, 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 Resolution set out under Item No. 6.
- 28) The additional information in respect of re-appointment and appointments of the Director, along with the Director liable to retire by rotation, pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings are provided as **Annexure 1** to the Explanatory Statement.

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

The remote e-voting period begins on Tuesday, September 21, 2021 at 09:00 A.M. and ends on Thursday, September 23, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Friday, September 17, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 17, 2021.

## NATIONAL STANDARD (INDIA) LIMITED

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

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

#### Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; margin-top: 20px;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div> </div>

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

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

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

- 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.

## NATIONAL STANDARD (INDIA) LIMITED

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
5. Your User ID details are given below :

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

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

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
8. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
9. Now, you will have to click on “Login” button.
10. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.shravangupta@gmail.com](mailto:cs.shravangupta@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card), Mobile no. by email to [investors.nsil@lodhagroup.com](mailto:investors.nsil@lodhagroup.com)

## NATIONAL STANDARD (INDIA) LIMITED

---

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors.nsil@lodhagroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions 48hrs in advance of the AGM mentioning their name demat account number/folio number, email id, mobile number at investors.nsil@lodhagroup.com. The same will be replied by the company suitably.
6. Shareholders who would speak at the AGM shall register themselves as speaker shareholders atleast 48hrs in advance of the AGM mentioning their name demat account number/folio number, email id, mobile number at investors.nsil@lodhagroup.com.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO THE ACCOMPANYING NOTICE

#### Item No. 3: Re-appointment of Statutory Auditors of the Company:

MSKA & Associates, Chartered Accountants (Firm Registration No. 105047W) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on September 29, 2016 for a term of 5 years i.e. to hold office upto the AGM for the financial year 2020-21. Accordingly, their present term gets completed on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, has recommended for the approval of the Members, the re-appointment of MSKA & Associates, Chartered Accountants, as the Auditors of the Company for a further period of five years from the conclusion of this AGM till the conclusion of the AGM for FY 2025-26.

The Audit Committee has considered various parameters like capability to serve a complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found MSKA & Associates to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

MSKA & Associates is a Chartered Accountancy Firm registered with Institute of Chartered Accountants of India with Firm Registration No. 105047W. The firm has presence in 9 cities in India viz Ahmedabad, Bengaluru, Chennai, Kolkata, Hyderabad, Mumbai, New Delhi – Gurugram, Goa and Pune. Apart from statutory audit, the firm also has expertise in other allied areas. The firm has been statutory auditors of large listed companies to cross section of industries and carries a good professional track-record.

The present remuneration of MSKA & Associates for conducting the audit for the financial year 2020-21 is Rs 4,25,000/- plus applicable taxes. It proposed to pay the same statutory audit fees of ₹ 4,25,000/- plus applicable taxes, and reimbursement of expenses to MSKA & Associates for the financial year 2021-22, with power to the Board to decide and finalise the audit fees to be paid to Auditors for the remaining tenure. Fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee as above and will be decided by the management in consultation with the Auditors.

The Auditors have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The Board of Directors recommends the resolution at Item No. 3 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 3 of this Notice.

#### Item No. 4: Re-appointment of Mr. Bhushan Shah (DIN 07484485) as an Independent Director for a 2<sup>nd</sup> term of five years

Mr. Bhushan Shah was appointed as an Independent Director pursuant to Section 149 of the Companies Act 2013 ("Act") read with the Companies (Appointment & Qualification of Directors) Rules 2014, by the shareholders at the Annual General Meeting held on September 29, 2016, to hold office upto July 5, 2021 ("first term" as per the explanation to Section 149 (10) & (11) of the Act).

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors has proposed re-appointment of Mr. Bhushan Shah as Independent Director (not liable to retire by rotation), for a second consecutive term of five years from July 6, 2021 to July 5, 2026.

## NATIONAL STANDARD (INDIA) LIMITED

---

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association with Mr. Bhushan Shah would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the annual performance evaluation of the directors individually. The performance of individual directors including the independent directors was evaluated on parameters such as level of engagement and contribution to the affairs of the Company including by way of attendance in Board and committee meetings, ability to discharge their duties and obligations diligently in the best interest of the Company, ability to provide effective leadership and checks and balances towards sustaining the highest levels of corporate governance, exercising duty of care and skill in the discharge of their functions, level of independence of judgment and safeguarding the interest of the Company and its minority shareholders. Considering the value delivered by the Director, in the opinion of the Board, he fulfills the conditions specified in the Act and Listing Regulations for appointment as an Independent Director and is independent of the management of the Company.

A brief profile of Mr. Bhushan Shah in terms of Regulation 36(3) of the Listing Regulations is detailed in the Annexure to this notice.

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

Except Mr. Bhushan Shah and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

### **Item No. 5 Appointment of Mr. Manesh Jhunjunwala (DIN 01748413) as a Non-executive and Non-independent Director of the Company**

Mr. Manesh Jhunjunwala was appointed as an Additional Non-executive and Non -Independent Director pursuant to Section 149, 152 and 161 of the Companies Act 2013 ("Act") read with the Companies (Appointment & Qualification of Directors) Rules 2014, by Board at its meeting held on July 20, 2021, to hold office of the Additional Director upto the date of the forthcoming AGM.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors have recommended appointment of Mr. Manesh Jhunjunwala as Non-executive and Non -Independent Director (liable to retire by rotation), with effect from July 20, 2021.

The Board, based on the recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association with Mr. Manesh Jhunjunwala would be beneficial to the Company and it is desirable to avail his services as Non-executive and Non -Independent Director.

The Company has received a Notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. Manesh Jhunjunwala, for the office of Non-executive and Non -Independent Director.

A brief profile of Mr. Manesh Jhunjunwala in terms of Regulation 36(3) of the Listing Regulations is detailed in the Annexure to this notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Except Mr. Manesh Jhunjunwala and his relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

### **Item No 6: Appointment of Mr. Vinod Shah (DIN: 00127085), as an Independent Director of the Company**

Mr. Vinod Shah was appointed as an Additional Director in the category of Independent Director by the Board with effect from July 20, 2021, pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Vinod Shah will hold office upto the date of the ensuing Annual General Meeting.

The Company has received a Notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr. Vinod Shah for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. In terms of the provisions of Section 149 of the Act, an independent director shall hold office for a term of up to five consecutive years on the Board and may hold office for up to two consecutive terms.

Section 149 of the Act and the provisions of the Listing Regulations inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. The Company has received a declaration from Mr. Vinod Shah that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. Mr. Vinod Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Board, based on the recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association with Mr. Vinod Shah would be beneficial to the Company and it is desirable to avail his services as Independent Director.

A brief profile of Mr. Vinod Shah in terms of Regulation 36(3) of the Listing Regulations is detailed in the Annexure to this notice.

Considering the rich experience of Mr. Vinod Shah your Board considers that his appointment as a Director of the Company will be in its best interest of the Company. In the opinion of the Board, Mr. Vinod Shah fulfills the conditions for appointment as an independent Director as specified in the Act and the Listing Regulations. He is also independent of the management. A copy of the letter of appointment of Mr. Vinod Shah setting out the terms and conditions of his appointment is available for inspection by the members at the registered office of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than Mr. Vinod Shah is concerned or interested financially or otherwise in the resolution.

Your Directors recommend the resolution as at Item No. 6 for your approval.

### **Item 7: Approval of material Related party Transactions**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 ("the Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules'), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution for approval / ratification of related party transactions entered into the Company with related parties, in case certain transactions with related parties exceeds such sum as is specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm's length basis. However, pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations'), approval of the members through ordinary resolution is required for approval / ratification of material related party transactions entered into between the Company with related parties, even if they are entered into in the ordinary course of business and on arm's length basis. For this purpose, a transaction is considered material, if the transaction/transactions to be entered into individually or taken together with previous transactions during a Financial Year exceed 10% of the annual consolidated turnover as per the last audited financial statements of the Company. All the Related Party Transactions entered into by the Company are on arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained, wherever required. The Company has taken approval of the members in the 57<sup>th</sup> Annual General Meeting held on 30 September, 2020 for sale, purchase, supply of goods or materials or availing/rendering of services directly or through appointment of agent and buying/Leasing of property of any kind with Macrotech Developers Limited, Holding Company for an amount of ₹ 5 crores per year. However, it is required to increase the limits to ₹ 6 crores per year till FY 2022-23 for the existing/ new transactions which requires approval/ratification of the members by way of ordinary resolution.

Regulation 23 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the related parties shall not vote on such resolutions, therefore, none of the Promoter Group entities holding share(s) will vote on the above Resolution.

## NATIONAL STANDARD (INDIA) LIMITED

The Audit Committee and the Board considers that this transaction is in the ordinary course of business and at arm's length basis.

None of the Directors or KMP or their relatives are related or concerned or interested, financially otherwise in the resolution.

The Board of Directors recommends the resolution in Item No. 7 of the accompanying notice for approval of members.

### Annexure 1

Name of the Director	Mr. Bhushan Shah (DIN 07484485)	Mr. Manesh Jhunjhunwala (DIN 01748413)	Mr. Vinod Shah (DIN: 00127085)	Mr. K.L. Arimpur (DIN: 08265692)
Date of Birth	November 8, 1964	March 31, 1972	April 2, 1960	September 11, 1944
Qualification	Bachelor's degree in commerce	Chartered Accountant & Chartered Financial Analyst	Chartered Accountant and a Bachelor's degree in commerce	a Graduate Analyst
Experience	over 25 years' experience in the field of finance.	Nearly 25 years in senior positions; as Controller, Commercial and Legal Head and Chief Financial officer across multiple industries. He has functional experience in M & A, fund raising, investor relations, ERP implementation, business transformation and continuity and risk management.	He has 25 years of extensive experience in strategic financial planning, forex treasury department and general management. Presently he is rendering management consultancy and professional advice to Bombay Gas group.	Over 40 years industrial experience, in area of commercial as well marketing fields
Expertise in specific functional areas	Accounting, Finance and governance	Functional experience in M & A, fund raising, investor relations, ERP implementation, business transformation and continuity and risk management.	strategic financial planning, forex treasury department and general management	Marketing and governance
Terms & Conditions of appointment	Proposed to be re-appointed as an Independent Director for second term of five years from July 6, 2021 to July 5, 2026 not liable to retire by rotation.	Proposed to be appointed as a Non-executive and Non-Independent Director liable to retire by rotation	Proposed to be appointed as an Independent Director for first term of five years from July 20, 2021 to July 19, 2026 not liable to retire by rotation.	Proposed to be re-appointed as a Non-executive and Non-Independent Director liable to retire by rotation.
Remuneration last drawn & sought to be paid	<b>FY 2020-21</b> Sitting fees of Rs 77,500/-  <b>Proposed</b> He will be paid sitting fees.	<b>FY 2020-21</b> Not applicable  <b>Proposed</b> NIL	<b>FY 2020-21</b> Not applicable  <b>Proposed</b> He will be paid sitting fees.	<b>FY 2020-21</b> Nil  <b>Proposed</b> Nil

## NATIONAL STANDARD (INDIA) LIMITED

Name of the Director	Mr. Bhushan Shah (DIN 07484485)	Mr. Manesh Jhunjunwala (DIN 01748413)	Mr. Vinod Shah (DIN: 00127085)	Mr. K.L. Arimpur (DIN: 08265692)
Date of appointment on the Board	July 06, 2016	July 20, 2021	July 20, 2021	November 12, 2018
Directorships held in other companies as on March 31, 2021	Sanathnagar Enterprises Limited	Nil	1. Sanathnagar Enterprises Limited 2. Soumag Electronics Limited 3. Hamilton & Company Limited 4. Capitalistic View Securities Private Limited 5. Palava Dwellers Private Limited 6. Payvin Realtors Private Limited	Nil
Memberships/ Chairmanship of committees of other companies as on March 31, 2021	1. Chairman of Audit Committee of Sanathnagar Enterprises Limited 2. Chairman of Stakeholder Relationship Committee of Sanathnagar Enterprises Limited	Nil	1. Member of Audit Committee of Sanathnagar Enterprises Limited 2. Member of Stakeholder Relationship Committee of Sanathnagar Enterprises Limited	Nil
Shareholding in the Company (Equity)	Nil	Nil	Nil	Nil
Relationship with other Directors/ Key Managerial Personnel	Nil	Nil	Nil	Nil
Number of Board meetings attended during the year 2020-21	4	NA	NA	4

By Order of the Board  
For **National Standard (India) Limited**

Date: 20<sup>th</sup> July, 2021  
Place: Mumbai

**Madhur Mittal**  
Company Secretary  
Membership No: A47976

# NATIONAL STANDARD (INDIA) LIMITED

## DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present the 58<sup>th</sup> Annual Report of the Company along with the audited financial statements for the financial year ended March 31, 2021.

### FINANCIAL HIGHLIGHTS

₹ In Lakhs

Particulars	Financial Year Ended March 31, 2021	Financial Year Ended March 31, 2020
Revenue from operations	1,685.82	538.80
Other income	1,450.99	946.16
<b>Total Income</b>	<b>3,136.81</b>	<b>1,484.96</b>
Finance cost	21.14	13.21
Total Expenditure	1,561.77	656.11
Profit before tax	1,575.04	828.85
Tax Expenses	(469.72)	(176.28)
<b>Net Profit for the year</b>	<b>1,105.32</b>	<b>652.57</b>

### REVIEW OF PERFORMANCE AND FUTURE OUTLOOK

Revenue from operations during the financial year 2020-21 was ₹ 1,685.82 lakhs as against ₹ 538.80 lakhs during the previous financial year. Total revenue increased to ₹ 3,136.81 lakhs for the year ended March 31, 2021 as compared to ₹ 1,484.96 lakhs during the year ended March 31, 2020. The net profit after tax for the financial year 2020-21 was ₹ 1,105.32 lakhs as compared to the ₹ 652.57 lakhs during the financial year 2019-20.

There is no material impact of outbreak of Covid-19 on the business of the Company.

### DIVIDEND AND RESERVES

The Board does not recommend any dividend for the financial year under review. No amount is proposed to be transferred to reserves during the year.

### ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company for the year ended on March 31, 2021 is available on the Company's website at [www.nsil.net.in](http://www.nsil.net.in).

### CHANGES IN SHARE CAPITAL

There was no change in the authorized and paid-up share capital of the Company during financial year 2020-21.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### Retiring by rotation

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. K L Arimpur, Director retires by rotation and being eligible offers himself for reappointment.

### Appointment

Mr. Bhushan Shah was appointed as an Independent Director pursuant to Section 149 of the Companies Act 2013 read with the Companies (Appointment & Qualification of Directors) Rules 2014, by the shareholders at the 53<sup>rd</sup> Annual General Meeting held on September 29, 2016 to hold office upto July 5, 2021 ("First Term as per the explanation to Section 149 (10) & (11) of the Act). The Nomination & Remuneration Committee at its Meeting held on April 26, 2021, after taking into account the performance evaluation of Mr. Bhushan Shah during his first term of five years and considering his knowledge, acumen, expertise and experience in his field and the substantial contribution made by him during his tenure as an Independent Director, has recommended to the Board that re-appointment of Mr. Bhushan Shah as Independent Director on the Board of the Company, to hold office for a second term of five consecutive years commencing from July 6, 2021 to July 5, 2026 (not liable to retire by rotation) would be in the best interests of the Company.

Manesh Jhunjunwala (DIN 01748413) was appointed as an Additional Director of the Company with effect from July 20, 2021 by the Board of Directors on the recommendation of the Nomination and Remuneration Committee (NRC) in accordance with Section 161(1) of the Act and the Articles of Association. He was also appointed as a Non-Executive and Non-Independent Director for a period of 5 years with effect from July 20, 2021 and holds office upto the date of the forthcoming AGM. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose his appointment as a Director.

Mr. Vinod Shah (DIN 00127085) was appointed as an Additional Director of the Company with effect from July 20, 2021 by the Board of Directors on the recommendation of the Nomination and Remuneration Committee (NRC) in accordance with Section 161(1) of the Act and the Articles of Association. He was also appointed as an Independent Director for a period of 5 years with effect from July 20, 2021 and holds office upto the date of the forthcoming AGM. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose his appointment as a Director.

The Nomination and Remuneration Committee has also satisfied itself with regards to integrity, expertise and experience (including the proficiency) of the independent directors.

The Company has received declarations under section 149 of the Act from all independent directors confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

None of the Non-Executive Directors had any pecuniary relationship or transaction with the Company which could potentially conflict with the interests of the Company at large.

### Key Managerial Personnel

#### Cessation

Mr. Chirag Sarvaiya resigned from the post of Chief Executive officer from the close of business hours on September 3, 2020. The Board places on record its appreciation for the services rendered by him during his tenure as Chief Executive officer.

#### Appointment

Mr. Darshan Multani was appointed as a Chief Executive officer, with effect from September 3, 2020

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company as on the date of this report:

- Mr. Darshan Multani, Chief Executive Officer
- Mr. Rameshchandra Chechani, Chief Financial Officer
- Ms. Madhur Mittal, Company Secretary

# NATIONAL STANDARD (INDIA) LIMITED

---

## MEETINGS OF THE BOARD

During the financial year ended March 31, 2021, four Board Meetings were held; on June 9, 2020, September 3, 2020, November 4, 2020, and January 21, 2021

Details on board composition, attendance, evaluation and board committees are available in the Report on Corporate Governance which forms a part of this Annual Report.

## BOARD EVALUATION

The Board carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the Listing regulations. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board, Board Oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Separate exercise was carried out to evaluate the performance of individual Directors on various parameters and procedure as prescribed in Company's "Policy on Evaluation of Performance of Board". Performance of the board was evaluated after seeking inputs from all the directors. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of various parameters as stated.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) Committee has been constituted in accordance with Section 135 of the Companies Act. The contents of the CSR policy and revised format of CSR Report, notified in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 dated January 22, 2021, is attached as **Annexure I** to this report. The Board has adopted a CSR Policy which is available on the Company's website at <http://www.nsil.net.in/investor-relation/policies> Salient features of the Policy are set out in **Annexure II** to this Report.

## POLICY ON NOMINATION & REMUNERATION OF DIRECTORS, KMPS & OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualifications, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to remuneration of Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted a Nomination and Remuneration Policy which is available on the Company's website at [www.nsil.net.in](http://www.nsil.net.in). Salient features of the Policy are reproduced in **Annexure III** to this Report.

## AUDITORS & AUDITOR'S REPORT

### Statutory Auditors & Auditor's Report

MSKA & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at the 53<sup>rd</sup> Annual General Meeting held on September 29, 2016, for a term of five consecutive years and hold office till the conclusion of the forthcoming Annual General Meeting.

The Board of Directors at its meeting held on April 26, 2021, after considering the recommendations of the Audit Committee, has recommended the re-appointment of MSKA & Associate as the Statutory Auditors of the Company, for approval of the Members, to hold office for a period of five consecutive years, from the conclusion of the ensuing 58<sup>th</sup> Annual General Meeting until the conclusion of the 63<sup>rd</sup> Annual General Meeting to be held in the calendar year 2026.

## NATIONAL STANDARD (INDIA) LIMITED

---

The Company has received letter from them to the effect that their appointment is valid and within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are eligible and not disqualified from appointment.

A resolution proposing re-appointment of MSKA & Associates, Chartered Accountants as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

The statutory auditor's report for financial year 2020-21 does not contain any qualifications, reservations or adverse remarks. The Auditor's report is enclosed with the financial statements with this Annual Report. No frauds have been reported by the Auditor during financial year 2020-21.

### **Secretarial Auditor & Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Sharatkumar Shetty, Practicing Company Secretary (Membership No. 31888 and COP No. 18123) was appointed as Secretarial Auditor to conduct a secretarial audit of records and documents of the Company for financial year 2020-21.

The Secretarial Audit Report for financial year 2020-21 does not contain any qualifications, reservations or adverse remarks. The Secretarial Audit Report of the Company is provided in **Annexure IV** to this Report

### **COST AUDITOR & COST AUDIT REPORT**

The provisions of Cost audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company for the financial year 2020-21.

### **PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS**

In terms of Section 134 of the Companies Act, 2013, the particulars of loans, guarantees and investments made by the Company under Section 186 of the Companies Act, 2013 are detailed in Notes to the standalone financial statements.

### **RELATED PARTY TRANSACTIONS**

All related party transactions of the Company are at arm's length basis and are in the ordinary course of business. None of the related party transactions entered into by the Company were in conflict with the Company's interest. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

Members approval for material Related Party Transaction, as defined under Regulation 23 of the Listing Regulations has been obtained at the 57<sup>th</sup> AGM, further one time approval for ratifying Related Party Transaction is recommended for approval of Members at the ensuing Annual General Meeting.

As required under Regulation 23 of the Listing Regulations, the Company has formulated a Related Party Transactions Policy which is available on the website of the Company at <http://www.nsil.net.in/investor-relation/policies>

All Related Party Transactions are placed before the Audit Committee/Board, as applicable, for their approval. There are no related party transactions during the financial year 2020-21 which are required to be reported in Form AOC-2.

### **HOLDING COMPANY, SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES**

The Company is a subsidiary of Ananthnath Constructions and Farms Private Limited, which in turn is a subsidiary of Macrotech Developers Limited. The ultimate holding company is Sambhavnath Infrabuild and Farms Private Limited. During the year, under review, the Company did not have any subsidiary, joint ventures or associate companies.

# NATIONAL STANDARD (INDIA) LIMITED

---

## RISK MANAGEMENT AND INTERNAL CONTROLS

### Risk Management

Your Company has robust process in place to identify key risks and to prioritize relevant action plans to mitigate these risks. Your Company has adopted a Risk Management policy which is based on three pillars: Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

### Internal Controls and their adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These systems are routinely tested and certified by the Statutory as well as the Internal Auditor and cover all offices, sites and key business areas. Significant audit observations and follow up actions thereon are reported to the Board/ Audit Committee. The Board / Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. These systems provide a reasonable assurance in respect of financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies.

## WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company's Whistle Blower Policy is in line with the provisions of Section 177 of the Companies Act, 2013 and as per Regulation 22 of the Listing Regulations. This Policy establishes a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism / Whistle Blower Policy is posted on the Company's website <http://www.nsil.net.in/investor-relation/policies>.

The Company does not have any employees as on March 31, 2021.

## DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) 2014 is not relevant to the Company as the Company has no employees, directors do not draw any remuneration (other than sitting fees) and key managerial personnel have been deputed by the holding company.

The provisions of Section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time do not apply as there are no employees.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are furnished in **Annexure V** to this report.

During the financial year 2020-21, the Company neither earned any foreign exchange in terms of actual inflows nor is there any foreign exchange outgo in terms of actual outflows.

## CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 of the Listing Regulations and relevant sections of the Act, a Management Discussion & Analysis Statement, Report on Corporate Governance and Practicing Company Secretary's Certificate thereon are included in the Annual Report.

### GENERAL

Your Directors state that for the financial year ended March 31, 2021, no disclosure is required in respect of the following items and accordingly confirm as under:

- a. The Company has neither revised the financial statements nor the Board's report.
- b. As there are no employees, the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company.
- c. There are no material changes or commitments affecting the financial position of the Company between March 31, 2021 and the date of this report.
- d. No cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under this Act.
- e. The Company has not accepted any deposits during financial year 2020-21.
- f. No instance of fraud has been reported to Board of Directors of the Company by the Auditors or any other person.
- g. No significant or material orders were passed by the Regulators/Courts/Tribunals which impact the going concern status and Company's operations in future.
- h. During the financial year 2020-21 there was no change in the nature of the business of the Company.
- i. There has been no issue of equity shares with differential rights as to dividend, voting or otherwise during the financial year 2020-21.
- j. No petition/application has been admitted under Insolvency and Bankruptcy code by the Honorable NCLT.
- k. The Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India during the financial year 2020-21.
- l. Business Responsibility Report is not applicable to the company for the financial year ended March 31, 2021.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report forms a part of this Annual Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. in the preparation of the annual accounts the applicable accounting standards had been followed and there are no material departures;

## NATIONAL STANDARD (INDIA) LIMITED

---

- b. Directors had 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 and of the profit of the Company for that year;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ACKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the assistance and support extended by all stakeholders.

For and on behalf of the Board  
**National Standard (India) Limited**

Date : July 20, 2021  
Place: Mumbai

**Smita Ghag**  
Chairperson  
DIN: 02447362

**Bhushan Shah**  
Director  
DIN: 07484485

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

1. A brief outline on Corporate Social Responsibility (CSR) Policy of the Company:

As a socially responsible company, we believe that emphasis should be placed on social and community service. Our CSR initiatives include educating children from low-income families, vocational training for disadvantaged youth and other community welfare measures. We have adopted a Corporate Social Responsibility policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014.

2. Composition of the CSR committee as on March 31, 2021:

Sl No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Smita Ghag	Chairman, Non-Executive Director	1	1
2.	Prakash Vaghela	Member, Independent Director	1	1
3.	Bhushan Shah	Member, Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Composition of the CSR committee along with CSR Policy and CSR Projects is available on the Company's website on <http://www.nsil.net.in/investor-relation/policies>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not Applicable.

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

Sl No.	Financial Year	Amount available for set off from preceding financial years	Amount required to be set off for the financial year, if any.
-	-	Nil	Nil

6. Average net profit of the Company as per Section 135(5): ₹ 1044.54 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5) : ₹ 21.00 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil

(c) Amount required to be set off for the financial year, if any : Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ 21.00 Lakhs

## NATIONAL STANDARD (INDIA) LIMITED

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

Total Amount Spent for the Financial Year. (in ₹ Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
25.00	Nil	-	-	Nil	-

### (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
- Not Applicable -												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹ Lakhs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Contribution to Trust	Various sectors covered by Schedule VII of the Companies Act, 2013	Yes	Palava Dist	Dombivali, Maharashtra	25.00	No	Sitaben Shah Memorial Trust	CSR00006175
<b>Total</b>						<b>25.00</b>			

(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 25.00 Lakhs

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

Sl. No.	Particular	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	21.00
(ii)	Total amount spent for the Financial Year	25.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.00

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

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

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable**

(a) Date of creation or acquisition of the capital asset(s) : None

(b) Amount of CSR spent for creation or acquisition of capital asset : Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

## NATIONAL STANDARD (INDIA) LIMITED

---

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

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

### Our CSR Responsibility

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee Monitors the implementation of the project and activities in compliance with our CSR objectives.

For and on behalf of the Board  
**National Standard (India) Limited**

Date : July 20, 2021  
Place: Mumbai

**Smita Ghag**  
Chairperson  
DIN: 02447362

**Bhushan Shah**  
Director  
DIN: 07484485

**Salient features of the CSR Policy**

**A. Policy Objectives:**

The objective of this Policy is to set out guiding principles for carrying out CSR activities and also to set up process of implementation and monitoring of CSR activities to be undertaken by the Company.

**B. Implementation:**

All CSR projects/activities will be over and above the normal course of the Company's business and will be implemented as permissible under the applicable provisions of the Companies Act.

**C. Governance :**

CSR implementation shall be periodically reviewed and monitored by the CSR Committee of the Board constituted as per the requirements of Section 135 of the Companies Act, 2013.

**D. CSR focus areas:**

The Company may undertake the following activities under the ambit of CSR:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
2. Promoting education, hosting events, performances in pure arts including special education and employment enhancing vocational skills especially among children, women and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; day care centers and such other facilities and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna and conservation of natural resources;
5. Protection of national heritage, art and culture; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. Contributions to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
7. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
8. Rural development projects;

The Company may contribute to other areas of interest as permitted under Schedule VII of the Companies Act and update the above list as per Section 135 and Schedule VII of the Companies Act.

For and on behalf of the Board  
**National Standard (India) Limited**

Date : July 20, 2021  
Place: Mumbai

**Smita Ghag**  
Chairperson  
DIN: 02447362

**Bhushan Shah**  
Director  
DIN: 07484485

Salient features of the Nomination & Remuneration Policy

### A. Policy Objectives

The objectives of the Nomination & Remuneration Policy are:

1. To ensure diversity on the Board of Directors
2. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a director (executive/non-executive/independent) of the Company
3. To recommend policy relating to the remuneration of the Directors, KMP and Senior Management to the Board of Directors of the Company
4. To formulate the criteria for evaluation of performance of Directors

### B. Policy Coverage

#### Part A: Board Composition

##### Board Diversity

The Committee shall periodically review the size and composition of the Board so as to have an appropriate mix of executive and independent Directors, to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company;

##### Succession planning

The Committee shall establish and review Board, KMP and Senior Management succession plans in order to ensure and maintain a continuing balance of relevant skills, experience and expertise on the Board and Senior Management.

#### PART B: Appointment and removal of Directors, KMP and Senior Management

The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend their appointment to the Board.

The Committee may also recommend removal of a Director, KMP or Senior Management with reasons recorded in writing, subject to the provisions and compliance of the said Act, rules and regulations.

#### PART C: Remuneration to Directors, KMP and Senior Management

The overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company

Remuneration / compensation / commission etc. to be paid to Directors will be determined by the Committee and recommended to the Board for approval.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.

## **NATIONAL STANDARD (INDIA) LIMITED**

---

The Company may implement reward & retention schemes from time to time as per organizational needs. These shall be subject to approval of the Committee.

### **PART D: Board Evaluation**

The Committee shall carry out an annual evaluation of performance of the Board and Board Committees and formulate criteria for evaluation of performance of independent directors and the Board.

The Committee shall determine 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.

For and on behalf of the Board  
**National Standard (India) Limited**

Date : July 20, 2021  
Place: Mumbai

**Smita Ghag**  
Chairperson  
DIN: 02447362

**Bhushan Shah**  
Director  
DIN: 07484485

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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

To,  
The Members,  
**National Standard (India) Limited**  
412, Floor - 4, 17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai – 400001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by National Standard (India) Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 officer, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit year covering the financial year ended on 31<sup>st</sup> March, 2021, 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:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;-Not Applicable for the year under review
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;  
-Not Applicable for the year under review
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; -Not Applicable for the year under review
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;-Not Applicable for the year under review
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -- Not Applicable for the year under review and
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;-Not Applicable for the year under review

vi. I further report that, having regard to the compliance system prevailing in the Company and based on the information provided by the Company, the Company has complied with the Real Estate (Regulation and Development) Act, 2016 to the extent applicable.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that, during the year under review:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded. I further report that based on the information provided and on the basis of the Compliance Certificate(s) issued and taken on record by the Board of Directors at their meeting(s), I am of the opinion 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.

I further report that during the audit period, there were no specific events/actions having major bearing on Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Sharatkumar K Shetty & Associates**  
Practising Company Secretary

**Sharatkumar Shetty**  
CP No. 18123  
Membership No.: 31888  
Place: Mumbai  
Date: 29/06/2021  
UDIN: A031888C000543476

Note: This report is to be read with our letter of even date which is annexed as '**ANNEXURE A**' and forms an integral part of this report.

To,  
The Members,  
**National Standard (India) Limited**  
412, Floor - 4, 17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai – 400001

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. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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 laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures 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 Sharatkumar K Shetty & Associates**  
Practising Company Secretary

**Sharatkumar K Shetty**  
CP No. 18123  
Membership No.: 31888  
Place: Mumbai  
Date: 29/06/2021  
UDIN: A031888C000543476

**Details of conservation of energy and technology absorption**

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in below:

**A. Conservation of Energy****i. Steps taken or impact on conservation of energy and use of alternate sources of energy**

- Use of variable frequency drives for all elevators and air-conditioning equipment.
- Extensive use of materials like fly ash, GGBS, etc. resulting in saving of cement thus indirectly saving energy consumed in manufacturing of cement.
- Fine tuning of electrical designs to contain voltage drop to less than 5%.
- Use of low voltage PL lamps
- Installation of waste water equipment plants for treating waste water and utilising it for air-conditioning, watering of green spaces and flushing.

**ii. Capital investment on energy conservation equipment**

The Company has made investments for reduction in consumption of energy. The capital investment on energy conservation equipment cannot be quantified.

**iii. Impact of measures for reduction of energy consumption**

- Reduction in overall maximum demand for the electricity and consequent energy saving benefits to the residents.
- Maintenance of eco system balance on account of provision of extensive green cover, water bodies, waste water treatment and rain harvesting.
- Soil conservation by a complete ban on use of mud bricks in construction and using light weight blocks and reduction in air pollution by utilization of fly ash
- Conservation of forests by use of modern metallic form work instead of timber form work
- Reducing fuel consumption and carbon monoxide pollution by installation of state of the art electronic parking management system

**B. Technology absorption**

Due to completion of the Company's project, no technology absorption measures were taken during the year.

For and on behalf of the Board  
**National Standard (India) Limited**

**Smita Ghag**  
Chairperson  
DIN: 02447362

**Bhushan Shah**  
Director  
DIN: 07484485

Date : July 20, 2021  
Place: Mumbai

# NATIONAL STANDARD (INDIA) LIMITED

## CORPORATE GOVERNANCE REPORT

### The Company's philosophy on Code of Governance

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders viz regulators, employees, customers, vendors, investors and the society at large.

The philosophy of Corporate Governance is a principle based approach as codified in Regulation 4(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), encompassing the fundamentals of rights and roles of various stakeholders of the Company, timely information, equitable treatment, role of stakeholders disclosure and transparency and board responsibility.

### Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board composition is in conformity with Regulation 17 of Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act").

The Company's Board has an optimum combination of Executive and Non-Executive and Independent Directors including a Woman Director. As on March 31, 2021, the Board of Directors of the Company comprised of 4 (Four) Directors, out of which 2 were Non-Executive Directors and 2 were Independent Directors. The Chairman of the Board is a Non-Executive Director.

The composition of the Board as of March 31, 2021 is given below:

Name of Director	Category	DIN
Ms. Smita Ghag	Chairman, Non-Executive Director	02447362
Mr. Bhushan Shah	Independent Director	07484485
Mr. Prakash Vaghela	Independent Director	07768595
Mr. K L Arimpur	Non-Executive Director	08265692

Note:

1. Mr. Manesh Jhunjunwala (DIN 01748413), was appointed as an Additional Director of the Company in the category of Non-Executive, Non-Independent Director w.e.f July 20, 2021
2. Mr. Vinod Shah (DIN: 00127085), was appointed as an Additional Director of the Company in the category of Independent Director w.e.f July 20, 2021

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Director (ID) in more than seven listed entities; and
- who are the Executive Directors serve as IDs in more than three listed entities.
- None of the Directors of the Company are related to each other and there are no inter-se relationships between the Directors.
- As on March 31, 2021, none of the Directors hold equity shares in the Company.
- Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations,

## NATIONAL STANDARD (INDIA) LIMITED

they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under the Listing Regulations.

### Certificate from Company Secretary in practice

A certificate from Sharatkumar Shetty, Practicing Company Secretary in practice stating that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

Any person who becomes Director or Officer, including an employee who is acting in a managerial or supervisory capacity, shall be covered under Directors' and Officers' Liability Insurance Policy.. The Company has provided insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance.

### Board Meetings

The Board meets at regular intervals inter alia to discuss and decide on Company's business policy and strategy. The Board / Committee Meetings are pre-scheduled however, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation which are noted and confirmed in the subsequent Board Meeting or by calling a meeting at shorter notice, as permitted by law.

During the financial year ended March 31, 2021, Four Board Meetings were held; on June 09, 2020, September 3, 2020, November 04, 2020, and January 21, 2021. The maximum interval between any two meetings was well within the maximum permitted gap of 120 days.

### Details about the Company's Directors and meetings attended by the Directors during the financial year 2020-21

Name of Director(s) and DIN	Category of directorship in the Company	No. of Board meetings held during the year: 4	Attendance at last AGM	Attendance at last AGM	As on March 31, 2021		List of directorships in other listed companies & category of directorship	
					No. of Directorships in public companies (including the Company)	Membership and Chairmanship of the committees in public companies (including the Company) *	Name of Listed entity	Category
Smita Ghag (02447362)	Chairperson, Non-Independent, Non-Executive	4	Yes	1	1	1	-	-
Bhushan Shah (07484485)	Independent, Non- Executive	4	Yes	2	2	2	Sanathnagar Enterprises Limited	Independent Director
Prakash Vaghela (07768595)	Independent, Non- Executive	4	Yes	8	3	6	Ducon Infratechnologies Limited	Independent Director
							Roselabs Finance Limited	Independent Director
							SVP Global Ventures Limited	Independent Director
K L Arimpur (08265692)	Non-Independent, Non- Executive	4	Yes	1	-	1	-	-

\* includes only Audit and Stakeholders Relationship Committees

## NATIONAL STANDARD (INDIA) LIMITED

---

### Separate Independent Directors' Meetings

The Independent Directors meet once a year, without the presence of Executive Directors or Management representatives. The Independent Directors met Tuesday, March 16, 2021 for the financial year ended March 31, 2021. The Independent Directors inter-alia discuss the issues arising out of Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

Documentation	expert in the field of Documentation	Ms. Smita Ghag
Direct Tax and corporate matters expert	Expertise in Direct Tax and corporate matters	Mr. Prakash Vaghela
Finance and Accounting Experience	Leadership experience in handling financial management along with an understanding of accounting and financial statements.	Mr Bhushan Shah Mr. Manesh Jhunjunwala Mr. Vinod Shah
Marketing field expert	Marketing in real estate sector	Mr. K L Arimpur

### Criteria for making payments to non-executive/independent directors

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are the persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management.

The remuneration to non-executive directors is benchmarked with the relevant market and performance oriented, balanced between financial and sectoral market based on the comparative scales, aligned to corporate goals, role assumed and number of meetings attended. Performance Evaluation criteria for independent directors are as under:

- Role & Accountability
- Objectivity:
- Leadership & Initiative
- Personal attributes

### Board Committees

The Board has constituted four committees as on March 31, 2021.

#### Audit Committee

The Audit Committee comprises three members including two Independent Directors and one non-executive Director. As on March 31, 2021, the Audit Committee comprised Mr Prakash Vaghela, Chairman Independent Director, Mr Bhushan Shah, Independent Director and Ms Smita Ghag Non Executive Director. The composition of the Audit Committee of the Company is in line with Section 177 of the Companies Act, 2013 read with Regulation 18 of the Listing Regulations.

The Committee met four times during the financial year ended March 31, 2021, i.e., on June 9, 2020, September 3, 2020, November 4, 2020, and January 21, 2021.

All Directors attended all meetings held during the year.

The Audit Committee of the Board of Directors is entrusted with the responsibility of supervising the Company's financial reporting process and internal controls viz.,

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
8. Approval or any subsequent modifications of transactions of the Company with related parties;
9. Scrutinizing of inter-corporate loans and investments;
10. Valuing of undertakings or assets of the Company, wherever it is necessary;
11. Evaluating of internal financial controls and risk management systems;
12. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances
13. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussing with internal auditors on any significant findings and follow up there on;

## NATIONAL STANDARD (INDIA) LIMITED

---

16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/ provided under the Companies Act or the Listing Regulations or by any other regulatory authority.
22. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Information to be mandatorily reviewed by the Audit Committee

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
  - b. annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the Listing Regulations

### Nomination & Remuneration Committee

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter alia, includes:

1. 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;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;

4. 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.
5. 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.
6. recommend to the board, all remuneration, in whatever form, payable to senior management

As on March 31, 2021, the Nomination & Remuneration Committee comprised Mr. Prakash Vaghela, Chairman and Mr. Bhushan Shah, both Independent Directors and Ms. Smita Ghag. The terms of reference of Committee are in line with the provisions of Section 178 of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015. The Committee met twice during the year; on June 9, 2020 and September 3, 2020. All Directors attended all meetings held during the year.

### **Corporate Social Responsibility Committee**

As on March 31, 2021, the CSR committee comprised Ms. Smita Ghag, Chairperson and Mr. Prakash Vaghela and Mr. Bhushan Shah, both Independent Directors. The Committee met once during the financial year; on June 09, 2020. All directors attended all meetings of the Committee held during the year.

The role of the CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities and reviewing the CSR performance of the Company.

### **Stakeholders' Relationship Committee**

As on March 31, 2021, the Stakeholders' Relationship Committee comprised Ms. Smita Ghag, Chairperson, Mr. Bhushan Shah and Mr. K L Arimpur. The Committee met four times during the year; on June 9, 2020, September 3, 2020, November 4, 2020, and January 21, 2021. All directors attended all meetings of the Committee held during the year.

The role of Stakeholders' Relationship Committee inter-alia includes the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, if any and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### **Stakeholders Relationship Committee - other details**

- a. Name, designation and address of Compliance Officer:

**Ms. Madhur Mittal,**

Company Secretary and Compliance Officer 10<sup>th</sup> Floor, Lodha Excelus, NM Joshi Marg,  
Apollo Mills Compound, Mahalaxmi- 400011

## NATIONAL STANDARD (INDIA) LIMITED

---

b. Details of investor complaints received and redressed during financial year 2020-21:

During the financial year 2020-21, no Investor Grievance was received. As on March 31, 2021, no complaints were outstanding.

### Board Evaluation

The Board carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and the Listing regulations. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board, Board Oversight and effectiveness, performance of Board Committees, Board skills and structure, etc. Separate exercise was carried out to evaluate the performance of individual Directors on various parameters and procedure as prescribed in Company's "Policy on Evaluation of Performance of Board". Performance of the board was evaluated after seeking inputs from all the directors. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of various parameters as stated.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### Board Processes

The Board has unrestricted access to all Company related information. At Board / Committee meetings, department heads and representatives who can provide additional insights into the items being discussed are invited. The Company provides inter alia the following information to the Board, which is given either as part of the agenda or by way of presentations during the meetings:

- Annual operating plans and budgets, capital budgets and other updates.
- Quarterly, half-yearly and annual financial results of the Company and its operating divisions or business segments.
- Detailed presentations on business strategy and future outlook of the Company.
- Minutes of meetings of various Committees of the Board.
- Significant sale of investments, subsidiaries or assets which are not in the normal course of business.
- Materially important show cause, demand, prosecution and penalty notices, if any.

### Familiarization Programmes

The Familiarization program aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction / appointment, the Independent Directors are familiarized with their roles, responsibilities and duties. Details of the familiarization programmes imparted to independent directors can be accessed at <http://www.nsil.net.in/investor-relation/policies>

### General Body Meetings

Details of previous three Annual General Meetings and special resolutions if any passed at these meetings:

Financial year	Date & Time	Venue	Special resolutions passed by a special majority
2019-20	30.09.2020	Video Conferencing / Other Audio Visual Means	-
2018-19	24.09.2019	Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400011	-
2017-18	24.09.2018	Lodha Excelus, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai-400011	-

## NATIONAL STANDARD (INDIA) LIMITED

No special resolution was passed by the Company last year through Postal Ballot. No special resolution is proposed to be conducted through Postal Ballot as on the date of this report.

### Disclosures

#### Means of Communication

The quarterly, half-yearly and annual financial results of the Company are published in English newspaper Financial Express and in Marathi Mumbai Lakshadeep. The results are also displayed on the Company's website <http://www.nsil.net.in>. Statutory notices are published in Financial Express and Mumbai Lakshadeep. Financial Results, Statutory Notices, Press Releases etc are submitted to BSE Limited (BSE) through BSE Listing Centre and Calcutta Stock Exchange Limited (CSE) by email as well as uploaded on the Company's website.

**Designated exclusive email-IDs:** The Company has designated the following email-ID [investors.nsil@lodhagroup.com](mailto:investors.nsil@lodhagroup.com) exclusively for investor servicing.

**SEBI Complaints Redress System (SCORES):** The investors' complaints are also being processed through the centralized web base complaints redress system. The salient features of SCORES are availability of centralised data base of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.

#### General Shareholder information

<b>Company Registration Details</b>	The Company is registered in the State of Maharashtra, India. CIN L27109MH1962PLC265959	
<b>58<sup>th</sup> Annual General Meeting</b>	through video conferencing / Other Audio Visual means	
<b>Financial Year</b>	April – March	
<b>Book closure dates</b>	Thursday, September 16, 2021 to Friday, September 24, 2021. (both days inclusive)	
<b>Dividend payment date</b>	No dividend has been declared for the financial year 2020-21	
<b>E-mail address for shareholders</b>	<a href="mailto:Investors.nsil@lodhagroup.com">Investors.nsil@lodhagroup.com</a>	
<b>Listing</b>	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	Calcutta Stock Exchange Limited 7, Lyons Range, Dalhousie, Kolkata-700001
<b>Scrip Code</b>	504882	024063
<b>Annual listing fees</b>	Paid for financial year 2021-22	
<b>Annual Custody Fees</b>	Paid for financial year 2021-22 to NSDL and CDSL	

## NATIONAL STANDARD (INDIA) LIMITED

<b>Market price data and performance in comparison to broad based indices such as BSE Sensex</b>	High, Low and number of equity shares traded during each month in the year 2020-21 on BSE Ltd is as under:																																																							
	<table border="1"> <thead> <tr> <th rowspan="2">Month</th> <th colspan="3">BSE</th> </tr> <tr> <th>High</th> <th>Low</th> <th>Volume of shares traded (Nos)</th> </tr> </thead> <tbody> <tr> <td>Apr-20</td> <td>54.50</td> <td>47.15</td> <td>21</td> </tr> <tr> <td>-20</td> <td>63.05</td> <td>57.20</td> <td>15</td> </tr> <tr> <td>Jun-20</td> <td>88.55</td> <td>66.20</td> <td>46</td> </tr> <tr> <td>Jul-20</td> <td>158.60</td> <td>92.95</td> <td>347</td> </tr> <tr> <td>Aug-20</td> <td>258.00</td> <td>166.50</td> <td>34</td> </tr> <tr> <td>Sep-20</td> <td>462.85</td> <td>270.90</td> <td>254</td> </tr> <tr> <td>Oct-20</td> <td>777.85</td> <td>485.95</td> <td>295</td> </tr> <tr> <td>Nov-20</td> <td>770.25</td> <td>564.00</td> <td>260</td> </tr> <tr> <td>Dec-20</td> <td>552.75</td> <td>402.00</td> <td>715</td> </tr> <tr> <td>Jan-21</td> <td>574.10</td> <td>441.75</td> <td>1,530</td> </tr> <tr> <td>Feb-21</td> <td>556.20</td> <td>487.35</td> <td>541</td> </tr> <tr> <td>Mar-21</td> <td>569.10</td> <td>513.00</td> <td>309</td> </tr> </tbody> </table>	Month	BSE			High	Low	Volume of shares traded (Nos)	Apr-20	54.50	47.15	21	-20	63.05	57.20	15	Jun-20	88.55	66.20	46	Jul-20	158.60	92.95	347	Aug-20	258.00	166.50	34	Sep-20	462.85	270.90	254	Oct-20	777.85	485.95	295	Nov-20	770.25	564.00	260	Dec-20	552.75	402.00	715	Jan-21	574.10	441.75	1,530	Feb-21	556.20	487.35	541	Mar-21	569.10	513.00	309
	Month		BSE																																																					
		High	Low	Volume of shares traded (Nos)																																																				
	Apr-20	54.50	47.15	21																																																				
	-20	63.05	57.20	15																																																				
	Jun-20	88.55	66.20	46																																																				
	Jul-20	158.60	92.95	347																																																				
	Aug-20	258.00	166.50	34																																																				
	Sep-20	462.85	270.90	254																																																				
	Oct-20	777.85	485.95	295																																																				
	Nov-20	770.25	564.00	260																																																				
	Dec-20	552.75	402.00	715																																																				
Jan-21	574.10	441.75	1,530																																																					
Feb-21	556.20	487.35	541																																																					
Mar-21	569.10	513.00	309																																																					
<b>PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES OF BSE SENSEX</b>																																																								
<p>The chart displays the relative performance of the company's share price compared to the BSE Sensex index from April 2020 to March 2021. The BSE Sensex (red line) shows a steady increase from around 30,000 in April 2020 to a peak of 777.85 in October 2020, followed by a decline and then a recovery to 569.10 by March 2021. The NSIL Share Price (blue line) starts at 54.50 in April 2020, peaks at 777.85 in October 2020, and ends at 569.10 in March 2021. The chart indicates that the company's share price closely tracks the BSE Sensex index throughout the period.</p>																																																								
<b>Outstanding GDRs/ADRs/ Warrants/ Convertible Instruments</b>	Not applicable																																																							
<b>Registrar &amp; Transfer agent</b>	C B Management Services (P) Limited P-22, Bondel Road, Kolkata – 700 019 Telephone: 033- 4011- 6728 Fax: 033- 4011- 6739 E – Mail: rta@cbmsl.com																																																							
<b>Share transfer system</b>	Transfers of equity shares which are in electronic form are effected through depositories with no involvement of the Company.  In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f April 1, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the dematerialised form with a depository.																																																							

## NATIONAL STANDARD (INDIA) LIMITED

<b>Shareholding as on March 31, 2021</b>	Categories of shareholding as on March 31, 2021				
	<b>Category</b>	<b>No. of Shares</b>		<b>%</b>	
	Promoters & Promoters group	14,788,099		73.94	
	Mutual Fund & Unit Trust of India	-		-	
	Banks, Financial Institutions & Insurance Companies	90		0.00	
	Foreign Institutional Investors	-		-	
	Bodies Corporate	998,515		5.00	
	Indian Public	4211553		21.06	
	Non-Resident Indians	275		0.00	
	Foreign National	32		0.00	
	Limited Liability Partnership (LLP)	1252		0.00	
	Clearing Member	14		0.00	
	HUF	170		0.00	
<b>Total</b>	<b>20000,000</b>		<b>100.00</b>		
	Distribution of shareholding as on March 31, 2021				
	<b>Range</b>	<b>No. of Shareholders</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
	1- 500	1045	98.12	51671	0.26
	501- 1000	6	0.56	3895	0.02
	1001- 2000	1	0.10	1252	0.01
	2001- 3000	-	-	-	-
	3001- 4000	-	-	-	-
	4001- 5000	-	-	-	-
	5001- 10000	1	0.10	8099	0.04
	10001 - 50000	2	0.18	46309	0.23
	50001- 99999999	10	0.94	19888774	99.44
	<b>Total</b>	<b>1065</b>	<b>100.00</b>	<b>20000000</b>	<b>100.00</b>
	<b>Dematerialization of shares and liquidity</b>	The International Securities Identification Number (ISIN) allotted to Company is INE166R01015. The Company has achieved 100% of promoter's and promoter group's shareholding in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI). The Company has connectivity with National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) for demat facility.			
Details of shares held in Demat form with NSDL and CDSL and physical form as on March 31, 2021 is as given hereunder:					
<b>Particulars</b>		<b>No of Equity Shares</b>		<b>%</b>	
No. of Shares held in demat form NSDL		51,53,755		25.77	
No. of Shares held in demat form CDSL		1,47,89,781		73.95	
Physical Shares		56,464		0.28	
<b>Total</b>	<b>2,00,00,000</b>		<b>100.00</b>		

## NATIONAL STANDARD (INDIA) LIMITED

<b>Commodity price risk or foreign exchange risk and hedging activities</b>	Not applicable
<b>Plant locations</b>	The Company's project is at Plot No. F/4, Road No. 22, Wagle Industrial Estate, Thane 400604, Maharashtra.
<b>Address for correspondence</b>	All Members correspondence should be forwarded to CB Management Services (P) Limited, the Registrar and Transfer Agent at P-22, Bondel Road, Kolkata – 700 019 Telephone: 033- 4011- 6728 Fax: 033- 4011- 6739 E – Mail: rta@cbmsl.com or to the Investor Service Department at the corporate office of the Company at 10 <sup>th</sup> Floor, The Company Secretariat Department, Lodha Excelus, Apollo Mills compound, N.M Joshi Marg, Mahalaxmi, Mumbai 400011 Tel: +9122 6133 4400 Fax : +9122 2302 4550 Email: investors.nsil@lodhagroup.com
<b>Credit ratings</b>	Not Applicable

As required under Regulation 36 (3) of the SEBI Listing Regulations and Secretarial Standard 2, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

### Other disclosures

<b>Material Related Party Transactions</b>	There were no materially significant Related Party Transactions that could potentially conflict with the interests of the Company at large. The details of Related Party Transactions are disclosed in financials section of this Annual Report. The related party transactions policy is available on the website of the Company at <a href="http://www.nsil.net.in">www.nsil.net.in</a> .
<b>Regulatory non compliances and details of penalty, strictures related to capital markets during the last three years</b>	There were no cases of regulatory non-compliance during the last three financial years.
<b>Whistle Blower Policy and Vigil Mechanism</b>	The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about fraudulent act or unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company <a href="http://www.nsil.net.in">www.nsil.net.in</a>
<b>Mandatory and non-mandatory requirements</b>	The Company has complied with all the mandatory requirements of the SEBI Listing Regulations. Adoption of the discretionary requirements by the Company is reviewed by the Company from time to time.
<b>Web links</b>	The Company's Web-site <a href="http://www.nsil.net.in">http://www.nsil.net.in</a> has a separate section for investors 'Investor Relations' where Company policies and other investor related information is available.
<b>Details of utilization of funds raised through preferential allotment or QIB</b>	Not applicable

## NATIONAL STANDARD (INDIA) LIMITED

<b>Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018</b>	Not Applicable
<b>Fees paid to Statutory Auditor and /or other entities in the Auditor's network by the Company</b>	₹ 6,00,000 (including Taxation and other matter)
<b>Extent to which discretionary requirements as specified in Part E of Schedule II have been adopted</b>	The Company has non-executive chairperson. The auditors' report on financial statements of the Company are unmodified.
<b>Internal auditors directly reports to the audit committee.</b>	Yes
<b>Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing regulations</b>	Complied
<b>Compliance with Regulation 39(4) of SEBI Listing Regulations</b>	There are no unclaimed shares. Hence the compliance mechanism laid down under Regulation 39 (4) of the SEBI Listing Regulations read together with Schedule V and VI is not applicable

## NATIONAL STANDARD (INDIA) LIMITED

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of**  
**SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members,  
National Standard (India) Limited  
412, Floor-4, 17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai- 400001

I, Sharatkumar K Shetty, Practising Company Secretary, have examined the relevant records and disclosures received from the Directors of National Standard (India) Limited (hereinafter called "the Company") having CIN: L27109MH1962PLC265959 and registered office at 412, Floor - 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400001, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) and Schedule V Para C SubClause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal) 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 March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Smita Satish Ghag	02447362	24/04/2014
2.	Bhushan Vipinchandra Shah	07484485	06/07/2016
3.	Prakash Lavji Vaghela	07768595	09/02/2018
4.	Kurian Lonappen Arimpur	08265692	12/11/2018

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 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 Sharatkumar K Shetty & Associates  
Practising Company Secretary

Sharatkumar K Shetty  
CP No. 18123  
Membership No.: 31888  
Place: Mumbai  
Date: 29/06/2021  
UDIN: A031888C000543553

## NATIONAL STANDARD (INDIA) LIMITED

---

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

The Company has adopted a Code of Conduct for the Board and the Senior Management in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Compliance with the Code has been confirmed by the CEO on behalf of the Board and Senior Management.

In terms of the Listing Regulations, I hereby confirm that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2021.

Place: Mumbai  
Date: July 20, 2021

**Darshan Multani**  
CEO

---

### CERTIFICATE OF CORPORATE GOVERNANCE

To,  
**The Members,**  
**National Standard (India) Limited**  
**412, Floor-4, 17G Vardhaman Chamber,**  
**Cawasji Patel Road, Horniman Circle,**  
**Fort, Mumbai- 400001**

I, Sharatkumar K Shetty, Practising Company Secretary, have examined the compliance of the conditions of Corporate Governance by National Standard (India) Limited ("the Company") for the financial year ended March 31, 2021, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance report of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the financial year ended March 31, 2021.

I further state that such compliance 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 Sharatkumar K Shetty & Associates  
Practising Company Secretary

Sharatkumar K Shetty  
CP No. 18123  
Membership No.: 31888  
Place: Mumbai  
Date: 29/06/2021  
UDIN: A031888C000543511

## MANAGEMENT DISCUSSION AND ANALYSIS

### Cautionary Statement

Statements in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent development.

### (a) Industry structure and developments:

#### Indian Economic Overview

Due to the onslaught of Covid induced restrictions, the Indian economy is expected to have contracted sharply by -7.3% in FY21 as per the estimates released by MOSPI, Govt. of India. To boost the growth, policy response from RBI and the Government has been swift and coordinated. RBI has continued to maintain ample liquidity in the system. The RBI has reduced Repo rates by 115 bps since the beginning of the Covid shock in March 2020 to 4% which is the lowest in decades. This has continued to keep the interest rates in the benign territory. Similarly, the Government on its part has also taken various initiatives for economic recovery in response to the COVID-19 pandemic through financial packages, tax reliefs, relaxation in interest payments, etc. Aggregate demand conditions after opening up in 2020, have remained resilient. In its first monetary policy statement for 2021-22, the RBI retained its projection of real GDP growth for the year at 10.5%. Some of the green shoots were already visible in the economy in March such as the record GST collections, petrol consumption, electricity generation etc. As per the household survey of the Centre for Monitoring Indian Economy (CMIE), employment conditions brightened in March, with the unemployment rate sliding to 6.5%.

With the second wave of COVID-19 infections forcing authorities to bring back restrictions, economic activity in general and activity in contact intensive sectors particularly is set to suffer again. This puts the nascent recovery under some risk. Continued vaccination momentum remains critical for the eventual opening up of the economy and thus the growth. It is heartening to know that the vaccination in India is progressing well with more than 325 million vaccine doses already administered by end of June 2021. Fulfilment of India's aim to vaccinate the entire eligible population by December will likely yield growth dividend in the second half of the fiscal.

#### Real Estate sector in India

The Indian real estate sector, which includes the residential, office, retail, industrial, logistics and hospitality segments, is a key contributor to GDP growth, and is one of the largest employers in India- second only to agriculture. The sector contributes nearly 6% to the total GDP of the country. According to Anarock Research and various industry sources, with a CAGR of around 10% Real Estate market has grown from US\$ 50 bn in 2008 to US\$ 120 bn in 2017. The sector is expected to reach a market size of US\$ 1 trillion by 2030 clocking a CAGR of 18% and becoming third largest globally.

In the past three to four years, Indian Real Estate has witnessed various change agents including demonetization, implementation of RERA, GST, liquidity crisis, etc, which have cleaned up the sector, brought transparency and have started the process for consolidation of the sector towards the branded developers.

Another key contributor towards the consolidation theme for sector and the cause for its acceleration has been the sharp decline in credit from the formal financial sector to unbranded developers. This coupled with lack of customer trust for this segment has meant that such unbranded players will be unable to bring any meaningful supply in the near future. As per Anarock Research, incremental credit to real estate developers has come down from over an average of ₹ 40,000 crore over FY17-19 to merely ₹ 5000 crore in FY20. As per estimate, this figure would have further dropped in FY21. Clearly the dramatic fall in incremental credit flowing from banks & NBFs to the developers meant that most of the unbranded developers are unable to continue the existing projects as well as launching new projects. These unbranded

developers along with the financial institutions who supported them earlier are now looking at the branded and stronger tier-1 developers to rescue those projects by taking over the existing projects and/or tie-up for their new land parcels. Thus, the sector is currently very favourable for the well-known branded developers.

### **The MMR Residential Real Estate Market**

#### **Overview of the Mumbai Metropolitan Region Real Estate Segment**

MMR due to its high population density has been one of the worst affected cities by the COVID-19 pandemic. Consequently, the lockdown imposed on March 2020 extended to over 9 months in the form of partial lockdowns. Several parts of MMR had to go into a second lockdown after partial reopening in the month of June 2020. Despite the initial set back, the city bounced back in the second half of the year and showed strong growth..

MMR remained the most active real estate market of India which as per Anarock Research accounted for nearly 24% and 32% of the supply and absorption, respectively, during CY2020. The city reported a launch of approximately 30,000 units and sales of over 44,000 units during CY2020. This continuing trend of sales exceeding launches during the last 4 years (since 2017) has led to a significant reduction the unsold inventory by 12%. Q1CY2021 further saw strong growth in absorption both on a QoQ basis as well as YoY basis. As per Anarock Research, absorption increased by 46% Y-o-Y to 20,350 units during Q1CY21 surpassing the pre- COVID levels. New launches also witnessed an increase albeit at a slower pace of 41% Y-o-Y during Q1CY21. Nearly 14,820 units were launched during the current quarter, gradually increasing post-pandemic but still lagging the absorption levels. Available unsold inventory continued its downward trend and decreased by 3% during Q1CY2021 as compared to Q4CY2020 and was recorded at 197,040 units. Based on the annualized Q1CY21 absorption, unsold inventory in MMR is now just over 2 years, now pointing to a situation where supply is getting constrained. As per Anarock Research, the revival of market trends in the Q3CY20-Q1CY21 is an early sign of market recovery. As per industry sources, buyers are interested in buying houses only from established and branded developers even at a premium. The real estate sector of MMR is well structured and corporatized as compared to other cities due to the early implementation of RERA in Maharashtra. This may lead to a further acceleration of revival of the sector in the city.

#### **(b) Opportunities and Threats.**

The Govt. of Maharashtra has realized that rapid urbanization of Mumbai City is of utmost importance and has accordingly drawn up ambitious plans. With the introduction of RERA, rapid urbanization and improved living standard, the demand for housing in affordable sector is robust and your Company would endeavour to derive it by using the free funds available with the Company.

Single window clearance mechanism for approvals would go a long way in minimizing the time schedule for completing projects. Further, constant regulatory changes, recession in economies are the challenges for the Company.

#### **(c) Segment-wise or product-wise performance.**

The Company operates in single segment of real estate development. The Company's project at Thane is almost fully sold out. The Company is evaluating various other business opportunities in the real estate space.

#### **(d) Outlook**

The real estate sector is one of the most globally recognized sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial.

The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. It is also expected that this sector will

## NATIONAL STANDARD (INDIA) LIMITED

incur more non-resident Indian (NRI) investments in both the short term and the long term. Mumbai is expected to be the most favoured property investment destination for NRIs.

**(e) Risks and concerns.**

Apart from the increase in land prices, inputs costs have also been constantly increasing. Higher interest cost would dent margins and may have a direct effect on the customer's cash flow as well. Increase in end product prices coupled with tight liquidity may impact demand. The various taxes and levies would add to the costs and this is likely to squeeze margins as end product prices may not go up correspondingly. The company has a Risk Management Policy, which is being periodically reviewed.

**(f) Internal control systems and their adequacy.**

The internal control commensurate with the activities is supplemented by continuous review by the management. The internal control system is designed to ensure that every aspect of the company's activity is properly monitored.

**(g) Discussion on financial performance with respect to operational performance.**

The details of financial performance and operation performance are given in the directors' report.

**(h) Material developments in Human Resources / Industrial Relations front, including number of people employed.**

The Company does not have any employee. The KMPs are deputed by the holding company. The company has amicable relations with the customer, vendors and borrowers of the Company.

**(i) Details of Significant Changes in key financial ratios:**

Significant Changes in Key Financial Ratios :	2021	2020	Changes
(i) Debtors Turnover:	3.98	0.21	Significant change due to higher revenue.
(ii) Inventory Turnover:	1.09	0.08	
(iii) Interest Coverage Ratio	NA	NA	NA
(iv) Current Ratio:	14.41	16.30	-12%
(v) Debt equity Ratio:	NA	NA	NA
(vi) Operating Profit Margin (%)	51%	57%	-10%
(vii) Net Profit Margin (%)	35%	44%	-20%

**(j) Disclosure of Accounting Treatment:**

In preparation of these financial statements, the Company has followed the prescribed Indian Accounting Standards and no different treatment had been followed.

*This page is left intentionally blank*

## INDEPENDENT AUDITOR'S REPORT

To the Members of National Standard (India) Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **National Standard (India) Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021 and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note 29(iv) to the financial statements which describes the management's assessment of the COVID -19 pandemic on the Company's results and the extent to which it will impact the Company's operations is dependent upon future developments, which remain uncertain.

Our opinion is not modified in respect of above matter.

#### Key Audit Matters

We have determined that there are no Key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and management discussion and analysis but does not include the financial statements and our auditor's report thereon.

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

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

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a 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, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The balance sheet, the statement of profit and loss, the statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

## NATIONAL STANDARD (INDIA) LIMITED

---

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
  - (g) 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:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30(b) to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

### **For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.: 105047W

### **Bhavik L. Shah**

Partner

Membership No.: 122071

UDIN: 21122071AAAADP9431

Place: Mumbai

Date: 26 April 2021

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATIONAL STANDARD (INDIA) LIMITED FOR THE YEAR ENDED MARCH 31, 2021.**

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

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

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

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

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

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

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.: 105047W

**Bhavik L. Shah**

Partner

Membership No.: 122071

UDIN: 21122071AAAADP9431

Place: Mumbai

Date: 26 April 2021

## NATIONAL STANDARD (INDIA) LIMITED

### ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATIONAL STANDARD (INDIA) LIMITED FOR THE YEAR ENDED MARCH 31, 2021.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- (b) All the fixed assets (Property, Plant and Equipment) have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (in the nature of Property, Plant and Equipment). Accordingly, the provision stated in para 3(i)(c) of the Order is not applicable to the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii)(a) to (c) of the Order are not applicable to the Company.
- iv. Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186(1) of the Act. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186[except for sub-section(1)] are not applicable to it.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified for the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues of income tax, goods and service tax have generally been regularly deposited with the appropriate authorities though there have been delays in a few instances. The Company's operations during the year didn't give rise to any liability for value added tax, service tax, custom duty, excise duty or employee's state insurance. Further, no undisputed statutory dues were in arrears, as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax on account of any dispute are as follows:

Name of the Statue	Name of the Dues	Amount (₹ in Lakhs)	Amount paid under protest (₹ In Lakhs)	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax (including Interest)	836.45	248.66	Assessment Year 2014-15	Commissioner of Income Tax(Appeals)
Income tax Act, 1961	Income Tax (including Interest)	0.10	-	Assessment Year 2018-19	Commissioner of Income Tax(Appeals)
Income tax Act, 1961	Penalty u/s 271D	0.62	-	Assessment Year 2015-16	Commissioner of Income Tax(Appeals)

- viii. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, the provisions stated in paragraph 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3(ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination the Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with the related parties are in compliance with the provisions of the section 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 Indian Accounting Standard.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. The Company had temporarily deployed its project surplus which had resulted in it being classified as Non-Banking Finance Company (NBFC) during the year ended March 31, 2020, in terms of the criteria laid down by the Reserve Bank of India (RBI). The RBI had advised the Company to take necessary steps to reduce its financial assets to avoid being classified as NBFC. During the year 31 March 2021, the Company did not meet the Principle Business Criteria that requires it to be classified as NBFC and the same will be informed to RBI by the Company.

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.: 105047W

**Bhavik L. Shah**

Partner

Membership No.: 122071

UDIN: 21122071AAAADP9431

Place: Mumbai

Date: 26 April 2021

## **NATIONAL STANDARD (INDIA) LIMITED**

---

### **ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NATIONAL STANDARD (INDIA) LIMITED FOR THE YEAR ENDED MARCH 31, 2021.**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

We have audited the internal financial controls with reference to financial statements of **National Standard (India) Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with Reference to Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

### **For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.: 105047W

### **Bhavik L. Shah**

Partner

Membership No.: 122071

UDIN: 21122071AAAADP9431

Place: Mumbai

Date: 26 April 2021

# NATIONAL STANDARD (INDIA) LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

	Notes	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	3.22	3.93
Investment Property	3	341.22	481.48
Non- Current Tax Assets	4	217.52	101.21
Other Non- Current Assets	5	239.53	247.92
Deferred Tax Asset (Net)	27	242.38	213.84
<b>Total Non-Current Assets</b>		<b>1,043.87</b>	<b>1,048.38</b>
<b>Current Assets</b>			
Inventories	6	1,407.27	1,672.49
Financial Assets			
Loans	7	18,197.65	16,767.86
Trade Receivables	8	351.43	496.45
Cash and Cash Equivalents	9	63.94	252.35
Bank Balances other than Cash and Cash Equivalents	10	710.06	239.51
Other Financial Assets	11	892.41	912.08
Other Current Assets	12	61.00	37.00
<b>Total Current Assets</b>		<b>21,683.76</b>	<b>20,377.74</b>
<b>Total Assets</b>		<b>22,727.63</b>	<b>21,426.12</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	13	2,000.00	2,000.00
Other Equity			
Share Premium	14	0.02	0.02
Retained Earnings	15	19,126.15	18,020.83
Other Reserves	16	28.11	28.11
<b>Equity attributable to Owners of the Company</b>		<b>21,154.28</b>	<b>20,048.96</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Other Financial Liabilities	17	69.03	126.83
<b>Total Non-Current Liabilities</b>		<b>69.03</b>	<b>126.83</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	18		
Due to Micro and Small Enterprises		-	-
Due to Others		154.17	136.11
Other Financial Liabilities	19	231.46	231.46
Other Current Liabilities	20	1,118.69	882.76
<b>Total Current Liabilities</b>		<b>1,504.32</b>	<b>1,250.33</b>
<b>Total Liabilities</b>		<b>1,573.35</b>	<b>1,377.16</b>
<b>Total Equity and Liabilities</b>		<b>22,727.63</b>	<b>21,426.12</b>
<b>Significant Accounting Policies</b>	1		
<b>See accompanying notes to the Financial Statements</b>	1 - 43		

As per our attached Report of even date

For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Bhavik L. Shah  
Partner  
Membership No. 122071

Place : Mumbai  
Date : 26-April-2021.

For and on behalf of the Board of Directors of  
National Standard (India) Limited

Smita Ghag  
Director  
DIN:02447362

Rameshchandra Chechani  
Chief Financial Officer

Darshan Multani  
Chief Executive Officer

Bhushan Shah  
Director  
DIN:07484485

Madhur Mittal  
Company Secretary  
Membership No.: A47976

**NATIONAL STANDARD (INDIA) LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

Particulars	Notes	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
<b>I INCOME</b>			
Revenue From Operations	21	1,685.82	538.80
Other Income	22	1,450.99	946.16
<b>Total Income</b>		<b>3,136.81</b>	<b>1,484.96</b>
<b>II EXPENSES</b>			
Cost of Projects	23	1,170.10	83.11
Employee Benefits Expense	24	5.91	6.81
Finance Costs	25	21.14	13.21
Depreciation Expense	2	24.16	22.84
Other Expenses	26	340.46	530.14
<b>Total Expense</b>		<b>1,561.77</b>	<b>656.11</b>
<b>III Profit Before Tax (I-II)</b>		<b>1,575.04</b>	<b>828.85</b>
<b>IV Tax Expense</b>			
Current Tax	27	(498.26)	(188.99)
Deferred Tax		28.54	12.71
<b>Total Tax Expense</b>		<b>(469.72)</b>	<b>(176.28)</b>
<b>V Profit for the year (III+IV)</b>		<b>1,105.32</b>	<b>652.57</b>
<b>VI Other Comprehensive Income (OCI)</b>		-	-
<b>VII Total Comprehensive Income for the year (V + VI)</b>		<b>1,105.32</b>	<b>652.57</b>
<b>VIII Earnings per Equity Share (in ₹)</b>	37		
(Face value of ₹ 10 per Equity Share)			
Basic		5.53	3.26
Diluted		5.53	3.26
<b>Significant Accounting Policies</b>	1		
<b>See accompanying notes to the Financial Statements</b>	1 - 43		

As per our attached Report of even date

For MSKA & Associates

Chartered Accountants

Firm Registration Number: 105047W

Bhavik L. Shah

Partner

Membership No. 122071

Place : Mumbai

Date : 26-April-2021

For and on behalf of the Board of Directors of  
National Standard (India) Limited

Smita Ghag  
Director  
DIN:02447362

Rameshchandra Chechani  
Chief Financial Officer

Darshan Multani  
Chief Executive Officer

Bhushan Shah  
Director  
DIN:07484485

Madhur Mittal  
Company Secretary  
Membership No.: A47976

## NATIONAL STANDARD (INDIA) LIMITED

### STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
<b>(A) Operating Activities</b>		
<b>Profit Before Tax</b>	<b>1,575.04</b>	<b>828.85</b>
<b>Adjustments for:</b>		
Depreciation Expense	24.16	22.84
Interest Income	(980.17)	(940.82)
Finance Costs	21.14	13.21
Profit on Sale of Investment Property	(394.90)	-
Sundry Balances/ Excess Provisions written back (net)	-	(1.60)
<b>Operating Profit / (loss) before Working Capital Changes</b>	<b>245.27</b>	<b>(77.52)</b>
<b>Working Capital Adjustments:</b>		
Decrease in Trade and Other Receivables	129.42	272.07
Decrease in Inventories	201.81	83.13
Increase in Trade and Other Payables	196.16	184.04
<b>Cash generated from Operating Activities</b>	<b>772.66</b>	<b>461.72</b>
Income Tax paid	(635.71)	(247.90)
<b>Net Cash Flows from Operating Activities</b>	<b>136.95</b>	<b>213.82</b>
<b>(B) Investing Activities</b>		
Proceeds from Sale of Investment Property	575.13	-
(Investment)/ Divestment in Fixed Deposits with Bank	(470.55)	(239.51)
Loans (Given)/ Received Back (net)	(429.94)	180.51
<b>Net Cash used in Investing Activities</b>	<b>(325.36)</b>	<b>(59.00)</b>
<b>(C) Financing Activities</b>		
Finance Costs paid	-	(3.28)
<b>Net Cash used in Financing Activities</b>	<b>-</b>	<b>(3.28)</b>
<b>(D) Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(188.41)</b>	<b>151.54</b>
Cash and Cash Equivalents at the beginning of the year	252.35	100.81
<b>Cash and Cash Equivalents at year end (Refer Note 9)</b>	<b>63.94</b>	<b>252.35</b>

#### Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS -7 specified under Section 133 of the Companies Act 2013.
- There are no reconciliation item of liabilities arising from financing activities under Ind AS 7.

#### As per our attached Report of even date

For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Bhavik L. Shah  
Partner  
Membership No. 122071

Place : Mumbai  
Date : 26-April-2021

#### For and on behalf of the Board of Directors of National Standard (India) Limited

Smita Ghag  
Director  
DIN:02447362

Rameshchandra Chechani  
Chief Financial Officer

Darshan Multani  
Chief Executive Officer

Bhushan Shah  
Director  
DIN:07484485

Madhur Mittal  
Company Secretary  
Membership No.: A47976

## NATIONAL STANDARD (INDIA) LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

#### (A) EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31-March-21	As at 31-March-20
Balance at the beginning of the reporting year	2,000.00	2,000.00
Issued during the year	-	-
<b>Balance at the end of the reporting year</b>	<b>2,000.00</b>	<b>2,000.00</b>

#### (B) OTHER EQUITY

₹ in Lakhs

Particulars	Reserves and Surplus				Total
	Capital Reserve	Capital Redemption Reserve	Share Premium	Retained Earnings	
<b>As at 1-April -20</b>	<b>11.44</b>	<b>16.67</b>	<b>0.02</b>	<b>18,020.83</b>	<b>18,048.96</b>
Profit for the year	-	-	-	1,105.32	1,105.32
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	1,105.32	1,105.32
<b>As at 31-March-21</b>	<b>11.44</b>	<b>16.67</b>	<b>0.02</b>	<b>19,126.15</b>	<b>19,154.28</b>
<b>As at 1-April -19</b>	<b>11.44</b>	<b>16.67</b>	<b>0.02</b>	<b>17,368.26</b>	<b>17,396.39</b>
Profit for the year	-	-	-	652.57	652.57
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	652.57	652.57
<b>As at 31-March -20</b>	<b>11.44</b>	<b>16.67</b>	<b>0.02</b>	<b>18,020.83</b>	<b>18,048.96</b>

As per our attached Report of even date

For MSKA & Associates  
Chartered Accountants  
Firm Registration Number: 105047W

Bhavik L. Shah  
Partner  
Membership No. 122071

Place : Mumbai  
Date : 26-April-2021

For and on behalf of the Board of Directors of  
National Standard (India) Limited

Smita Ghag  
Director  
DIN:02447362

Rameshchandra Chechani  
Chief Financial Officer

Darshan Multani  
Chief Executive Officer

Bhushan Shah  
Director  
DIN:07484485

Madhur Mittal  
Company Secretary  
Membership No.: A47976

# NATIONAL STANDARD (INDIA) LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### A Company's Background

National Standard (India) Limited (the Company) is a public limited company domiciled and incorporated in India under the Companies Act, 1956 vide CIN - L27109MH1962PLC265959. The Company's registered office is located at 412 , Floor - 4, 17 G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai - 400001. The Company is primarily engaged in the business of real estate development.

#### B Significant Accounting Policies

##### I Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and amendment if any.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs except when otherwise indicated.

##### II Summary of Significant Accounting Policies

###### 1 Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021**

The operating cycle of the Company's real estate operations varies from project to project depending on the size of the project, type of development, project complexities and related approvals. All other assets and liabilities have been classified into current and non-current based on a period of twelve months."

**2 Property, Plant and Equipment**

**i. Recognition and measurement**

All property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisitions of the items. Cost includes freight, duties, taxes, borrowing cost and incidental expenses related to the acquisition and installation of the asset.

**ii. Subsequent costs**

Subsequent expenditure, including cost of the items which can be reliably estimated, is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Company. All other repairs and maintenance are charged to the Ind AS Statement of Profit and Loss during the reporting period in which they are incurred.

**iii. Derecognition**

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

**iv. Depreciation**

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as specified in Schedule II of Companies Act, 2013.

Sr. No.	Property, Plant and Equipment	Useful life (Years)
i)	Plant and Equipment	8 to 15
ii)	Furniture and Fixtures	10
iii)	Office Equipment	5

Depreciation on addition to Property, Plant and Equipment is provided on pro-rata basis from the date of acquisition.

Depreciation on assets sold during the year is charged to the Statement of Profit and Loss up to the month preceding the month of sale.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

**3 Investment Properties**

The Property that is held for long term rental yield or for capital appreciation or both, and that is not occupied by the Company is classified as an Investment Property.

## NATIONAL STANDARD (INDIA) LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

Investment properties are measured initially at cost, including transaction and borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company depreciates investment properties over the useful life of 60 years from the date of original purchase as prescribed under Schedule II to the Companies Act, 2013.

Investment Properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted, if appropriate.

#### 4 Inventories

Stock of Building Materials and Traded Goods is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.

Completed unsold inventory is valued at lower of Cost and Net Realizable Value.

Cost for this purpose includes cost of land, shares with occupancy rights, Transferrable Development Rights, premium for development rights, borrowing costs, construction / development cost and other overheads incidental to the projects undertaken.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated cost necessary to make the sale.

#### 5 Provisions and Contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

A disclosure of contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 6 Impairment of Non-Financial Assets (excluding Inventories and Deferred Tax Assets)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest Group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

7 Financial Instruments

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

**Financial Assets**

Initial recognition and measurement

The Company classifies its financial assets in the following measurement categories.

- those to be measured subsequently at fair value (either through OCI, or through profit or loss)
- those measured at amortised cost

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

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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

Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company does not have any debt instruments which meets the criteria for measuring the debt instrument at FVTOCI.

## NATIONAL STANDARD (INDIA) LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

#### Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch'). The Company has not designated any debt instrument at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

#### Equity investments

All equity investments, except investments in subsidiaries and associates are measured at FVTPL. The Company may make an irrevocable election on initial recognition to present in OCI any subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.

#### **Derecognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of Financial Assets**

The Company assess on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debts instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk. For trade receivables, the Company is not exposed to any credit risk as the possession of residential and commercial units is handed over to the buyer only after all the instalments are recovered.

For financial assets carried at amortised cost, the carrying amount is reduced and the amount of the loss is recognised in the Statement of profit and loss. Interest income on such financial assets continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Financial asset together with the associated

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021**

allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or decreased. If a write-off is later recovered, the recovery is credited to finance costs.

**Financial Liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liability not recorded at fair value through Profit or Loss, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities measured at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

### **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### **Reclassification of Financial Assets and Financial Liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Ind AS Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **8 Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or-
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021**

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

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

**9 Cash and Cash Equivalents**

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

**10 Revenue Recognition**

The Company has applied five step model as set out in Ind AS 115 to recognise revenue in this Standalone Financial Statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time and over a period of time based on the conditions in the contracts with customers.

The specific revenue recognition criteria are described below:

**(I) Income from Property Development**

The Company has determined that the existing terms of the contract with customers does not meet the criteria to recognise revenue over a period of time. Revenue is recognized at point in time with respect to contracts for sale of residential and commercial units as and when the control is passed on to the customers which is linked to the application and receipt of occupancy certificate.

The Company provides rebates to the customers. Rebates are adjusted against customer dues and the revenue to be recognized. To estimate the variable consideration for the expected future rebates the company uses the "most-likely amount" method or "expected value method".

## NATIONAL STANDARD (INDIA) LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

#### (II) Contract Balances

##### Contract Assets

The Company is entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the payment is due, a contract asset is recognized for the earned consideration that is conditional. Any receivable which represents the Company's right to the consideration that is unconditional is treated as a trade receivable.

##### Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

#### ii) Interest Income

For all debt instruments measured at amortised cost. Interest income is recorded using the effective interest rate (EIR).

#### iii) Rental Income

Rental income arising from operating leases is accounted over the lease terms.

### 11 Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profit for the period. The tax rates and tax laws used to compute the amount are those that are enacted by the reporting date and applicable for the period.

#### Deferred Tax

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible and taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction.

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

Deferred tax asset in respect of carry forward of unused tax credits and unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021**

**Presentation of Current and Deferred Tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in OCI, in which case, the current and deferred tax income/ expense are recognized in OCI. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

**12 Borrowing Costs**

Borrowing costs that are directly attributable to long term project development activities are inventorised / capitalized as part of project cost.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

**13 Earnings Per Share**

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

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

**14 Leases**

**Company as a Lessor**

In arrangements where the Company is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

## NATIONAL STANDARD (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

#### 2 Property, Plant and Equipment

₹ in Lakhs

Particulars	Site / Sales Offices and Sample Flats	Plant and Equipment	Furniture and Fixtures	Office Equipments	Total
<b>Gross Carrying Amount</b>					
<b>As at 01-April-19</b>	<b>154.01</b>	<b>21.32</b>	<b>6.80</b>	<b>5.05</b>	<b>187.18</b>
Additions	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-
<b>As at 1-April-20</b>	<b>154.01</b>	<b>21.32</b>	<b>6.80</b>	<b>5.05</b>	<b>187.18</b>
Additions	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-
<b>As at 31-March-21</b>	<b>154.01</b>	<b>21.32</b>	<b>6.80</b>	<b>5.05</b>	<b>187.18</b>
<b>Depreciation and Impairment</b>					
<b>As at 01-April-19</b>	<b>154.01</b>	<b>16.52</b>	<b>6.80</b>	<b>5.05</b>	<b>182.38</b>
Depreciation charge for the year	-	0.87	-	-	0.87
Disposals / Adjustments	-	-	-	-	-
<b>As at 1-April-20</b>	<b>154.01</b>	<b>17.39</b>	<b>6.80</b>	<b>5.05</b>	<b>183.25</b>
Depreciation charge for the year	-	0.71	-	-	0.71
Disposals / Adjustments	-	-	-	-	-
<b>As at 31-March-21</b>	<b>154.01</b>	<b>18.10</b>	<b>6.80</b>	<b>5.05</b>	<b>183.96</b>
<b>Net Carrying Value</b>					
As at 31-March-21	-	3.22	-	-	3.22
As at 31-March-20	-	3.93	-	-	3.93

#### 3 Investment Property

₹ in Lakhs

	Building
<b>(A) Gross Carrying Amount</b>	
<b>Cost as at 1-April-19</b>	<b>399.05</b>
Transfer from Inventory	104.40
<b>As at 31-March-20</b>	<b>503.45</b>
Transfer from Inventory	63.41
Transfer to Inventory	(199.15)
<b>As at 31-March-21</b>	<b>367.71</b>
<b>(B) Depreciation and Impairment</b>	
<b>As at 01-April-19</b>	<b>-</b>
Depreciation charge for the year	21.97
<b>As at 1-April-20</b>	<b>21.97</b>
Depreciation charge for the year	23.45
Disposals	(18.93)
<b>As at 31-March-21</b>	<b>26.49</b>
<b>(C) Net Carrying Amount (A-B)</b>	
<b>As at 31-March-21</b>	<b>341.22</b>
As at 31-March-20	481.48

NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

(i) Income and expenditure of Investment Properties

Particulars	₹ in Lakhs	
	31-March-21	31-March-20
Rental and Facilities Income	133.54	321.46
Less : Direct Operating expenses for property that generate Rental Income	(51.80)	(236.41)
<b>Profit from Investment properties before depreciation</b>	<b>81.74</b>	<b>85.05</b>
Depreciation	23.45	21.97
<b>Profit from Investment Properties</b>	<b>58.29</b>	<b>63.08</b>

(ii) Fair value measurement

As at 31-March -21 and 31-March-20, the fair value of the properties are ₹ 964.91 Lakhs and ₹ 1,291.43 Lakhs respectively. These valuations are based on recent market transactions.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Particulars	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
	<b>4) Non- Current Tax Assets</b>	
Advance Income Tax (Net of Provisions)	217.52	101.21
<b>Total</b>	<b>217.52</b>	<b>101.21</b>
<b>5) Other Non- Current Assets</b>		
Indirect Tax Receivables (Refer note 40)	239.53	247.92
	<b>239.53</b>	<b>247.92</b>
<b>6) Inventories (At Lower of Cost and Net Relizable Value)</b>		
Building Materials	-	2.66
Finished Units	1,407.27	1,669.83
<b>Total</b>	<b>1,407.27</b>	<b>1,672.49</b>
<b>7) Current Loans (Unsecured considered good unless otherwise stated)</b>		
Loans / Inter Corporate Deposits to Related Parties (Refer Note 31)	15,409.95	14,110.40
Other Loans	2,787.71	2,657.46
<b>Total</b>	<b>18,197.65</b>	<b>16,767.86</b>

## NATIONAL STANDARD (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
<b>8) Trade Receivables</b>		
<b>(Unsecured)</b>		
Considered Good	351.43	496.45
<b>Total</b>	<b>351.43</b>	<b>496.45</b>
Trade Receivables are disclosed net of advances as per agreed terms.		
<b>9) Cash and Cash Equivalents</b>		
Balances with Banks	10.39	41.42
Fixed Deposits with original maturity of less than 3 months	53.55	210.93
	<b>63.94</b>	<b>252.35</b>
<b>10) Bank Balances other than Cash and Cash Equivalents</b>		
Fixed Deposits with original maturity of more than 3 months but less than 12 months	710.06	239.51
	<b>710.06</b>	<b>239.51</b>
<b>11) Other Current Financial Assets</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Interest Receivables	892.41	912.08
<b>Total</b>	<b>892.41</b>	<b>912.08</b>
<b>12) Other Current Assets</b>		
<b>(Unsecured, considered good unless otherwise stated)</b>		
Advance to Suppliers/ Contractors	64.69	23.65
Advance to Employee	0.35	0.35
Lease Equalisation	9.96	27.00
	<b>75.00</b>	<b>51.00</b>
Less : Provision for Doubtful Receivables	(14.00)	(14.00)
	<b>61.00</b>	<b>37.00</b>
<b>13) Equity Share Capital</b>		
<b>A) Authorised Share Capital</b>		
<b>Equity Shares of ₹ 10 each</b>		
<b>Numbers</b>		
<b>Balance at the beginning of the year</b>	2,00,00,000	2,00,00,000
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>2,00,00,000</b>	<b>2,00,00,000</b>

NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
<b>Amount</b>		
<b>Balance at the beginning of the year</b>	2,000.00	2,000.00
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>B) Issued Equity Capital</b>		
Equity Shares of ₹10 each issued, subscribed and fully paid up		
<b>Numbers</b>		
<b>Balance at the beginning of the year</b>	2,00,00,000	2,00,00,000
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>2,00,00,000</b>	<b>2,00,00,000</b>
<b>Amount</b>		
<b>Balance at the beginning of the year</b>	2,000.00	2,000.00
Increase/(Decrease) during the year	-	-
<b>Balance at the end of the year</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>C) Terms/ rights attached to Equity Shares</b>		
The company has only one class of equity shares having par value of ₹10 per share.		
Each Shareholder is entitled for one vote per share. The Shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.		
In the event of liquidation, the shareholders will be entitled in proportion to the number of equity shares held by them to receive remaining assets of the Company, after distribution of all preferential amounts.		
<b>D) Shares held by Holding Company</b>		
Anantnath Constructions and Farms Pvt. Ltd.		
Numbers	1,47,88,099	1,47,88,099
Amount	1,478.81	1,478.81
<b>E) Details of shareholders holding more than 5% shares in the company</b>		
Anantnath Constructions and Farms Pvt. Ltd.		
Numbers	1,47,88,099	1,47,88,099
% of Holding	73.94%	73.94%
Gurpreet Kaur Shinh		
Numbers	13,60,427	13,14,118
% of Holding	6.80%	6.57%
<b>F) There are no shares issued for consideration other than cash during the period of five years.</b>		

## NATIONAL STANDARD (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
<b>14) Share Premium</b>		
Balance at the beginning of the year	0.02	0.02
Increase/(Decrease) during the year	-	-
Balance at the end of the year	<b>0.02</b>	<b>0.02</b>
<b>15) Retained Earnings</b>		
Balance at the beginning of the year	18,020.83	17,368.26
Increase/(Decrease) during the year	1,105.32	652.57
Balance at the end of the year	<b>19,126.15</b>	<b>18,020.83</b>
<b>16) Other Reserves</b>		
i) Capital Reserve		
Balance at the beginning of the year	11.44	11.44
Increase/(Decrease) during the year	-	-
Balance at the end of the year	<b>11.44</b>	<b>11.44</b>
ii) Capital Redemption Reserve		
Balance at the beginning of the year	16.67	16.67
Increase/(Decrease) during the year	-	-
Balance at the end of the year	<b>16.67</b>	<b>16.67</b>
Total Other Reserves (i+ii)	<b>28.11</b>	<b>28.11</b>
The nature and purpose of other reserves:		
(i) Capital Redemption Reserve - Amounts transferred from share capital on redemption of issued shares.		
(ii) Capital Reserve - Amount of Share capital issued on merger.		
<b>17) Other Non-Current Financial Liabilities</b>		
Deposits	69.03	126.83
	<b>69.03</b>	<b>126.83</b>
<b>18) Current Trade Payables</b>		
Due to Micro and Small Enterprises	-	-
Due to Others	154.17	136.11
	<b>154.17</b>	<b>136.11</b>

Note: Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and relied upon by the auditor.

## NATIONAL STANDARD (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
<b>19) Other Current Financial Liabilities</b>		
Deposits	12.42	12.42
Payable on Cancellation of Allotted Units	219.04	219.04
	<b>231.46</b>	<b>231.46</b>
<b>20) Other Current Liabilities</b>		
Advances Received from Customers	666.18	633.02
Society Payables	444.40	248.05
Duties and Taxes	8.11	1.69
<b>Total</b>	<b>1,118.69</b>	<b>882.76</b>
Particulars	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
<b>21) Revenue From Operations</b>		
Income From Property Development	575.13	212.80
Sale of Building Materials	977.15	4.54
Other Operating Revenue	133.54	321.46
<b>Total</b>	<b>1,685.82</b>	<b>538.80</b>
<b>22) Other Income</b>		
Interest Income on:		
Loans	962.80	927.62
Fixed Deposits with Banks	17.37	13.20
Customers	-	3.19
Sundry Balances/ Excess Provisions written back (net)	-	1.60
Profit on Sale of Investment Property	394.90	-
Miscellaneous Income	75.92	0.55
<b>Total</b>	<b>1,450.99</b>	<b>946.16</b>
<b>23) Cost of Projects</b>		
Opening Stock		
Finished Units	1,669.83	1,850.19
Add: Expenditure during the year :		
Land, Construction and Development Cost	2.67	-
Purchases of Building Materials	968.28	7.15
	<b>2,640.78</b>	<b>1,857.34</b>
Less: Transferred to Investment Property	(63.41)	(104.40)
	<b>2,577.37</b>	<b>1,752.94</b>
Less: Closing Stock		
Finished Units	(1,407.27)	(1,669.83)
	<b>(1,407.27)</b>	<b>(1,669.83)</b>
<b>Total</b>	<b>1,170.10</b>	<b>83.11</b>

## NATIONAL STANDARD (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
<b>24) Employee Benefits Expense</b>		
Salaries and Wages*	5.91	6.81
<b>Total</b>	<b>5.91</b>	<b>6.81</b>
*Salaries and Wages of ₹ 4.46 Lakhs (31-March-20 ₹ 6.81 Lakhs) reimbursable to Holding Company.		
<b>25) Finance Costs</b>		
Interest Expense on Borrowings and others	21.14	13.21
<b>Total</b>	<b>21.14</b>	<b>13.21</b>
<b>26) Other Expenses</b>		
Rates and Taxes	8.06	103.97
Postage / Telephone / Internet	0.08	0.29
Printing and Stationery	-	0.39
Donation	25.00	65.00
Legal and Professional	1.75	9.16
Travelling and Conveyance	-	11.75
Payment to Auditors as:		
Audit Fees	4.25	6.00
Taxation Matters	0.75	0.25
Other Services	1.25	-
Advertising expenses	1.28	1.17
Lease Equalisation	20.20	-
Brokerage	7.00	30.97
Repairs and Maintenance-Others	269.68	298.87
Miscellaneous Expenses	1.16	2.32
<b>Total</b>	<b>340.46</b>	<b>530.14</b>
<b>27 Tax Expense:</b>		
<b>a. The major components of Income Tax Expense are as follows:</b>	<b>For the Year ended 31-March-21 ₹ in Lakhs</b>	<b>For the Year ended 31-March-20 ₹ in Lakhs</b>
Income Tax expense recognised in Statement of Profit and Loss		
Current Income Tax:		
Current Income Tax	(352.58)	(312.00)
Adjustments in respect of current income tax of previous year	(145.68)	123.01
<b>Total</b>	<b>(498.26)</b>	<b>(188.99)</b>
<b>Deferred Tax:</b>		
Origination and reversal of Temporary Differences	28.54	12.71
<b>Total</b>	<b>28.54</b>	<b>12.71</b>
<b>Income Tax Expense recognised in the Statement of Profit and Loss</b>	<b>(469.72)</b>	<b>(176.28)</b>

NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

b. Reconciliation of Tax Expense and the Accounting Profit multiplied by India's tax rates:

	For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
<b>Accounting Profit before Income Tax</b>	1,575.04	828.85
<b>Income tax expense calculated at corporate tax rate</b>	(396.44)	(208.62)
Income Tax expense:		
<b>Deductible expenses for tax purposes:</b>		
Other deductible expenses	137.18	73.70
<b>Non-deductible expenses for tax purposes:</b>		
Non-deductible expenses	(34.66)	(122.60)
Conversion of Inventory into Investment Property	(30.12)	(41.77)
Adjustments in respect of current tax of previous year	(145.68)	123.01
<b>Total</b>	<b>(469.72)</b>	<b>(176.28)</b>

Balance Sheet

c. The major components of Deferred Tax Assets arising on account of temporary differences are as follows:

Deferred tax relates to the following:

Accelerated depreciation and amortisation for tax purposes

Conversion of Inventory to Investment Property

**Net Deferred Tax Assets**

As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
25.02	15.52
217.36	198.32
<b>242.38</b>	<b>213.84</b>

Profit and Loss

Accelerated depreciation and amortisation for tax purposes

Conversion of Inventory to Investment Property

**Deferred Tax Benefit**

For the Year ended 31-March-21 ₹ in Lakhs	For the Year ended 31-March-20 ₹ in Lakhs
9.50	(4.47)
19.04	17.18
<b>28.54</b>	<b>12.71</b>

Balance Sheet

d. Reconciliation of Deferred Tax:

**Opening balance**

Tax Income during the year recognised in Statement of Profit and Loss

**Closing balance**

As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
213.84	201.13
28.54	12.71
<b>242.38</b>	<b>213.84</b>

## NATIONAL STANDARD (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

#### 28 Category wise classification of Financial Instruments

	As at 31-March-21 ₹ in Lakhs	As at 31-March-20 ₹ in Lakhs
<b>Financial Assets carried at Amortised Cost</b>		
Loans	18,197.65	16,767.86
Trade Receivables	351.43	496.45
Cash and Cash Equivalents	63.94	252.35
Bank Balances other than Cash and Cash Equivalents	710.06	239.51
Other Financial Assets	892.41	912.08
<b>Total Financial Assets carried at Amortised Cost</b>	<b>20,215.49</b>	<b>18,668.25</b>
<b>Financial Liabilities carried at amortised cost</b>		
Trade Payables	154.17	136.11
Current Other Financial Liabilities	300.49	358.29
<b>Total Financial Liabilities carried at amortised cost</b>	<b>454.66</b>	<b>494.40</b>

#### 29 Significant Accounting Judgements, Estimates and Assumptions

##### Judgements, Estimates And Assumptions

The Company makes certain judgement, estimates and assumptions regarding the future. Actual experience may differ from these judgements, estimates and assumptions. The estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

##### (i) Useful Life Of Property, Plant And Equipments

The Company determines the estimated useful life of its Property, Plant and Equipments and Investment Property for calculating depreciation. The estimate is determined after considering the expected usage of the assets or physical wear and tear. The company periodically review the estimated useful life and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

##### (ii) Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. An assessment is carried to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

##### (iii) Income Taxes

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

(iv) Estimation uncertainty due to coronavirus (COVID-19) pandemic

The Company's operations were impacted by the Covid-19 pandemic. In preparation of these financial statements, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets and the impact on revenues. Based on current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets. Considering the evolving nature of the pandemic, its actual impact in future remain uncertain and could be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

(v) Valuation of Inventories

The determination of net realisable value of inventory includes estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling cost.

30 Commitments and Contingencies

a. Leases

Operating lease commitments — Company as lessor

The Company has entered into non-cancellable operating leases on its commercial premises. These leases have terms of five years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The Company has received ₹133.54 lakhs (31- March-20: ₹321.46 lakhs) during the year towards minimum lease payment in respect of non - cancellable operating lease.

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

Particulars	31-March-21 ₹ in Lakhs	31-March-20 ₹ in Lakhs
Within one year	47.47	239.03
After one year but not more than five years	68.78	744.55
	<b>116.26</b>	<b>983.58</b>

b. Contingent liabilities

Claims against the company not acknowledged as debts

Particulars	31-March-21 ₹ in Lakhs	31-March-20 ₹ in Lakhs
Disputed Taxation Matters	221.43	221.33
Disputed Demand of customers excluding Amounts not ascertainable	18.48	16.08
Claims not acknowledge as debts- Others	126.19	126.19
	<b>366.10</b>	<b>363.60</b>

The Contingent Liabilities exclude undeterminable outcome of pending litigations.

# NATIONAL STANDARD (INDIA) LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

The Company has assessed that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

### 31 Related party transactions

Information on Related Party Transactions as required by Ind AS 24 - 'Related Party Disclosures'

#### A. List of other related parties: (As identified by the management)

##### I Person having Control or joint control or significant influence

- 1 Mangal Prabhat Lodha (upto 24-July-2020)
- 2 Abhishek Lodha

##### II Close family members of person having Control \*

- 1 Mangal Prabhat Lodha (w.e.f. 24-July-2020)
  - 2 Manjula Lodha
  - 3 Vinti Lodha
- \* Pursuant to an arrangement

##### III Ultimate Holding Company

Sambhavnath Infrabuild and Farms Pvt. Ltd.

##### IV Holding Company

- 1 Macrotech Developers Ltd. (Holding Company of ACFPL)
- 2 Anantnath Constructions and Farms Pvt. Ltd. (ACFPL)

##### V Subsidiaries of Holding Company (with whom the Company had transactions)

Cowtown Infotech Services Pvt. Ltd.  
Palava Dwellers Pvt. Ltd.

##### VI Entities controlled by person having control or joint control (Others) (with whom the Company had transactions)

Sitaben Shah Memorial Trust

##### VII Key Management Person (KMP)

- 1 Chirag Sarvaiya (Chief Executive Officer) (upto 3-September-20)
- 2 Rameshchandra Chechani (Chief Financial Officer)
- 3 Smita Ghag (Director)
- 4 Bhushan Shah (Director)
- 5 Prakash Vaghela (Director)
- 6 K L Arimpur (Director)
- 7 A L Ananthnarayanan (Director) (upto 9-May-19)
- 8 Darshan Multani CEO (from 3-September-20)

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021**

**B. Transactions during the year ended and Balances Outstanding with related parties are as follows:**

**(i) Outstanding Balances:**

(₹ in Lakhs)

Sr. No.	Nature of Transactions	As on	Ultimate Holding Company	Holding Company
1	Loan and Advances Given	31-March-21	14,851.89	558.06
		31-March-20	12,139.99	1,970.41
2	Interest Receivables	31-March-21	681.42	67.41
		31-March-20	663.41	108.90

**(ii) Disclosure in respect of material transactions with parties:**

(₹ in Lakhs)

Sr No	Nature of Transactions	Particulars	Relationship	For the year ended	
				31-March-21	31-March-20
1	Purchase of Building Materials	Cowtown Infotech Services Pvt. Ltd.	Subsidiary of Holding Company	1.01	0.35
2	Sale of Building Materials	Macrotech Developers Ltd.	Holding Company	568.43	5.37
		Cowtown Infotech Services Pvt. Ltd.	Subsidiary of Holding Company	9.93	-
		Palava Dwellers Pvt. Ltd.	Subsidiary of Holding Company	175.26	-
3	Interest Income	Sambhavnath Infrabuild and Farms Pvt. Ltd	Ultimate Holding Company	736.68	663.41
		Macrotech Developers Ltd.	Holding Company	72.87	108.90
4	Loans and Advances given/(Returned)(Net)	Macrotech Developers Ltd.	Holding Company	(1,412.35)	461.52
		Sambhavnath Infrabuild and Farms Pvt. Ltd.	Ultimate Holding Company	2,711.90	389.99
5	Salaries and Wages <sup>#</sup>	Macrotech Developers Ltd.	Holding Company	5.27	6.42
6	Donation	Sitaben Shah Memorial Trust	Others	25.00	65.00

<sup>#</sup> Including taxes as applicable

**C. Terms and conditions of outstanding balances with related parties**

**a) Receivables from Related parties**

The trade receivables from related parties arise mainly from sale transactions and services rendered and are received as per agreed terms. The receivables are unsecured in nature. No provisions are held against receivables from related parties.

## NATIONAL STANDARD (INDIA) LIMITED

---

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

#### b) Payable to Related Parties

The payables to related parties arise mainly from purchase transactions and services received and are paid as per agreed terms.

#### c) Loans to Related Parties

The loans to related parties are unsecured and receivable on demand bearing effective interest rate.

### 32 Segment information

For management purposes, the Company has only one reportable segments namely, Development of real estate property. The Board of Directors of the Company acts as the Chief Operating Decision Maker (“CODM”). The CODM evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators.

### 33 Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

### 34 Financial risk management objectives and policies

The Company’s principal financial liabilities comprise mainly of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company’s operations. The Company’s principal financial assets include loans and advances, trade and other receivables, cash and cash equivalents and Bank Balances other than Cash and Cash Equivalents and Other Balances with Bank.

The Company is exposed through its operations to the following financial risks:

- Market risk
- Credit risk, and
- Liquidity risk.

The Company has evolved a risk mitigation framework to identify, assess and mitigate financial risk in order to minimize potential adverse effects on the company’s financial performance. There have been no substantive changes in the company’s exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated herein.”

#### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

#### (b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less influence on the credit risk.

The Company has entered into contracts for the sale of residential and commercial units on an installment basis. The installments are specified in the contracts. The Company is exposed to credit risk in respect of installments due. However, the legal ownership of residential and commercial units are transferred to the buyer only after all the installments are recovered. In addition, installment dues are monitored on an ongoing basis with the result that the Company's exposure to credit risk is not significant. The Company evaluates the concentration of risk with respect to trade receivables as low, as none of its customers constitutes significant portions of trade receivables as at the year end.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 years	1 to 5 years	> 5 years	Total
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>As at 31-March -21</b>				
Trade Payables	154.17	-	-	154.17
Other Financial Liabilities **	231.46	69.03	-	300.49
	<b>385.63</b>	<b>69.03</b>	-	<b>454.66</b>
<b>As at 31-March-20</b>				
Trade Payables	136.11	-	-	136.11
Other Financial Liabilities **	231.46	126.83	-	358.29
	<b>367.57</b>	<b>126.83</b>	-	<b>494.40</b>

\*\* Payable on Cancellation of Allotted Units liabilities included in Other financial liabilities are stated at nominal value.

35 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and other equity reserves attributable to Shareholders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

## NATIONAL STANDARD (INDIA) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021

#### 36 Details of CSR Expenditure

(₹ in Lakhs)

Particulars	31-March-2021	31-March-2020
Gross Amount required to be spent for CSR Activity	21.00	63.25
Amount Spent during the year*	25.00	65.00

\* The amount spent during the year has been incurred for the purpose other than construction / acquisition of any asset.

#### 37 Basic and Diluted Earnings Per Equity Share:

S. No.	Particulars		For the Year ended 31-March-21	For the Year ended 31-March -20
(a)	Profit for the year	(₹ in Lakhs)	1,105.32	652.57
(b)	Weighted average no. of Equity Shares outstanding during the year		2,00,00,000	2,00,00,000
(c)	Face Value of Equity Shares	(₹)	10	10
(d)	Basic and Diluted Earnings Per Equity Share	(₹)	5.53	3.26

#### 38 Details of dues to Micro, Small and Medium Enterprises :

There are no dues outstanding to Micro, Small and Medium Enterprises as at the Balance Sheet date.

#### 39 Disclosure under Ind AS 115 -Revenue from Contracts with Customers

Disclosures with respect to Ind AS 115 are as follows:

##### (a) Contract Assets and Contract Liabilities

₹ in Lakhs

Particulars	As at	
	31-March-21	31-March-20
Trade receivables (Refer Note 8)	351.43	496.45
Contract Assets- Accrued revenue	-	-
Contract Liabilities-Advance from customers (Refer Note 20)	666.18	633.02

##### (b) Movement of Contract Liabilities

(₹ in Lakhs)

Particulars	As at	
	31-March-21	31-March-20
Amounts included in contract liabilities at the beginning of the year	633.02	570.38
Amount received during the year	608.29	275.44
Performance obligations satisfied in current year	(575.13)	(212.80)
Amounts included in contract liabilities at the end of the year	666.18	633.02

40 The Company is evaluating Business Options which will ensure utilization of the unutilised input tax credit of ₹ 239.53 Lakhs as on 31-March-21. Further, the Company has assessed that there is no time limit prescribe for utilization/ recoverability of Indirect Tax Credit under the law. Accordingly no Provision / write off of part or full balance of input tax credit is considered necessary by the Company.

**NOTES TO THE FINANCIAL STATEMENTS AS AT 31<sup>ST</sup> MARCH, 2021**

- 41** The Company has temporarily deployed its project surplus which has resulted in it being classified as Non-Banking Finance Company (NBFC) during the year ended 31-March-20 in terms of the criteria laid down by the Reserve Bank of India (RBI). The RBI had advised the Company to take necessary steps to reduce its financial assets to avoid being classified as NBFC. During the year 31-March-21, the Company did not meet the Principle Business Criteria that requires it to be classified as NBFC and the same will be informed to RBI.
- 42** During the previous year, the Company received a LBT (Local Body Taxes) demand of ₹ 37.79 Lakhs and equal amount of penalty under Rule 40 of the Local Body Tax Rules. The Company has deposited the LBT demand of ₹ 37.79 Lakhs with the relevant authorities. An appeal has also been filed by the Company with the Thane Municipal Corporation against the demand order. No provision has been made for the penalty, as the management is confident that the outcome would be favourable and no further liability is likely to occur.
- 43** The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current years classification.

---

**As per our attached Report of even date**

**For MSKA & Associates  
Chartered Accountants**

**Firm Registration Number: 105047W**

**Bhavik L. Shah  
Partner**

**Membership No. 122071**

**Place : Mumbai**

**Date : 26-April-2021**

**For and on behalf of the Board of Directors of  
National Standard (India) Limited**

**Smita Ghag  
Director  
DIN:02447362**

**Rameshchandra Chechani  
Chief Financial Officer**

**Darshan Multani  
Chief Executive Officer**

**Bhushan Shah  
Director  
DIN:07484485**

**Madhur Mittal  
Company Secretary  
Membership No.: A47976**





If Undelivered, please return to:

The Secretarial Department  
**NATIONAL STANDARD (INDIA) LIMITED**  
412, Floor-4, 17G Vardhaman Chamber,  
Cawasji Patel Road, Horniman Circle,  
Fort, Mumbai - 400 001