

NAVA BHARAT VENTURES LIMITED

NAVA BHARAT CHAMBERS, RAJ BHAVAN ROAD, HYDERABAD-500082, TELANGANA, INDIA

NAVA BHARAT

NBV/SECTL/ 286 /2021-22

August 4, 2021

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
MUMBAI – 400 051

NSE Symbol : 'NBVENTURES'

Dept.of Corp.Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
MUMBAI – 400 001

Scrip Code: '513023'/'NBVENTURES'

Dear Sir,

**Sub: Submission of Annual Report along with notice of Annual General Meeting
(AGM) of the Company for FY 2020-21.**

-o0o-

Pursuant regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed copy of annual report of the Company FY 2020-21, together with notice for the 49th AGM to be held on Friday, August 27, 2021, at 10.00 a.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

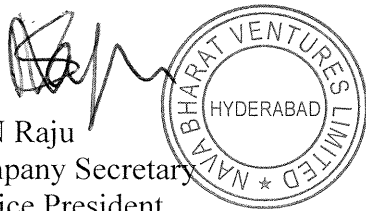
The Annual Report for FY 2020-21 is uploaded on the website of the Company at <https://www.nbventures.com/>

Kindly take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,
for Nava Bharat Ventures Limited

VSN Raju
Company Secretary
& Vice President



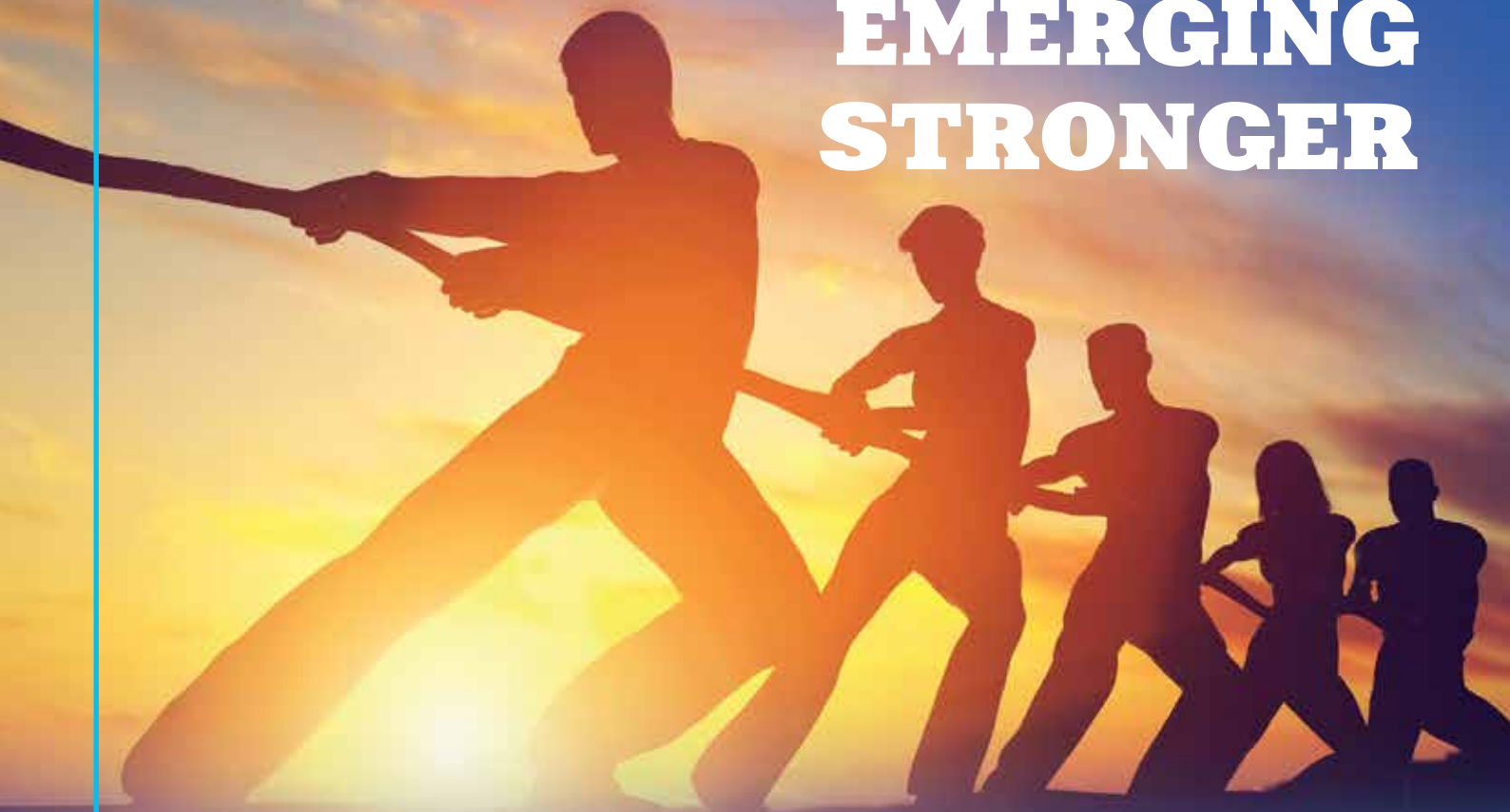
CC : National Securities Depository Limited - Mumbai
Central Depository Services (India) Limited – Mumbai
KFin Technologies Private Limited - Hyderabad

End: as above



NAVA BHARAT

EMERGING STRONGER



NAVA BHARAT VENTURES LIMITED

ANNUAL REPORT 2020-21

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CORPORATE INFORMATION

BOARD OF DIRECTORS

WHOLE TIME DIRECTORS

Mr D Ashok *Chairman*

Mr P Trivikrama Prasad *Managing Director*

Mr Ashwin Devineni *Chief Executive Officer*

Mr GRK Prasad *Executive Director*

Mr CV Durga Prasad *Director (Business Development)*

INDEPENDENT DIRECTORS

Dr D Nageswara Rao

Mr K Durga Prasad

Mr GP Kundargi

Mr A Indra Kumar

CA (Mrs) B Shanti Sree

Mr Balasubramaniam Srikanth *(w.e.f. June 17, 2021)*

BOARD COMMITTEES

AUDIT

Dr D Nageswara Rao *Chairman of the Committee*

Mr K Durga Prasad

Mr A Indra Kumar

NOMINATION AND REMUNERATION

Dr D Nageswara Rao *Chairman of the Committee*

Mr K Durga Prasad

Mr A Indra Kumar

CORPORATE SOCIAL RESPONSIBILITY

Mr D Ashok *Chairman of the Committee*

Dr D Nageswara Rao

Mr K Durga Prasad

STAKEHOLDERS RELATIONSHIP

Mr K Durga Prasad *Chairman of the Committee*

Mr P Trivikrama Prasad

Mr GP Kundargi

RISK MANAGEMENT

Mr Ashwin Devineni *Chairman of the Committee*

Mr GRK Prasad

CA (Mrs) B Shanti Sree

CHIEF FINANCIAL OFFICER

Mr Sultan A. Baig

COMPANY SECRETARY

Mr VSN Raju

STATUTORY AUDITORS

M/s Walker Chandio & Co LLP

Chartered Accountants, Hyderabad

COST AUDITORS

M/s Narasimha Murthy & Co

Cost Accountants, Hyderabad

SECRETARIAL AUDITORS

M/s PS Rao & Associates

Company Secretaries, Hyderabad

REGISTERED OFFICE

6-3-1109/1,

'Nava Bharat Chambers',

Raj Bhavan Road,

Hyderabad - 500 082

Telangana, India

WORKS

FERRO ALLOY DIVISION

Ferro Alloy Plant (Telangana)

Paloncha - 507 154

Bhadradi Kothagudem District, Telangana

Ferro Alloy Plant (Odisha)

Kharagprasad Village - 759 121

Dhenkanal District, Odisha

POWER DIVISION

Power Plant (Telangana)

Paloncha - 507 154

Bhadradi Kothagudem District, Telangana

Power Plant (Odisha)

Kharagprasad Village - 759 121

Dhenkanal District, Odisha

SUGAR DIVISION

(Ceased operations w.e.f March 31, 2020)

Samalkot - 533 440

East Godavari District, Andhra Pradesh

MACHINE BUILDING DIVISION

Nacharam, Hyderabad - 500 076, Telangana

BANKERS

State Bank of India

Union Bank of India

Bank of India

UCO Bank

ICICI Bank Limited

REGISTRARS & SHARE TRANSFER AGENTS

KFin Technologies Private Limited

Selenium Tower B

Plot 31-32, Financial District, Nanakramguda

Serilingampally Mandal

Hyderabad - 500032, Telangana, India



EMERGING **STRONGER**

WE HAVE EVOLVED AND ADVANCED.
WE HAVE APPROACHED ALL OBSTACLES AS
CHALLENGES AND EMERGED STRONGER.

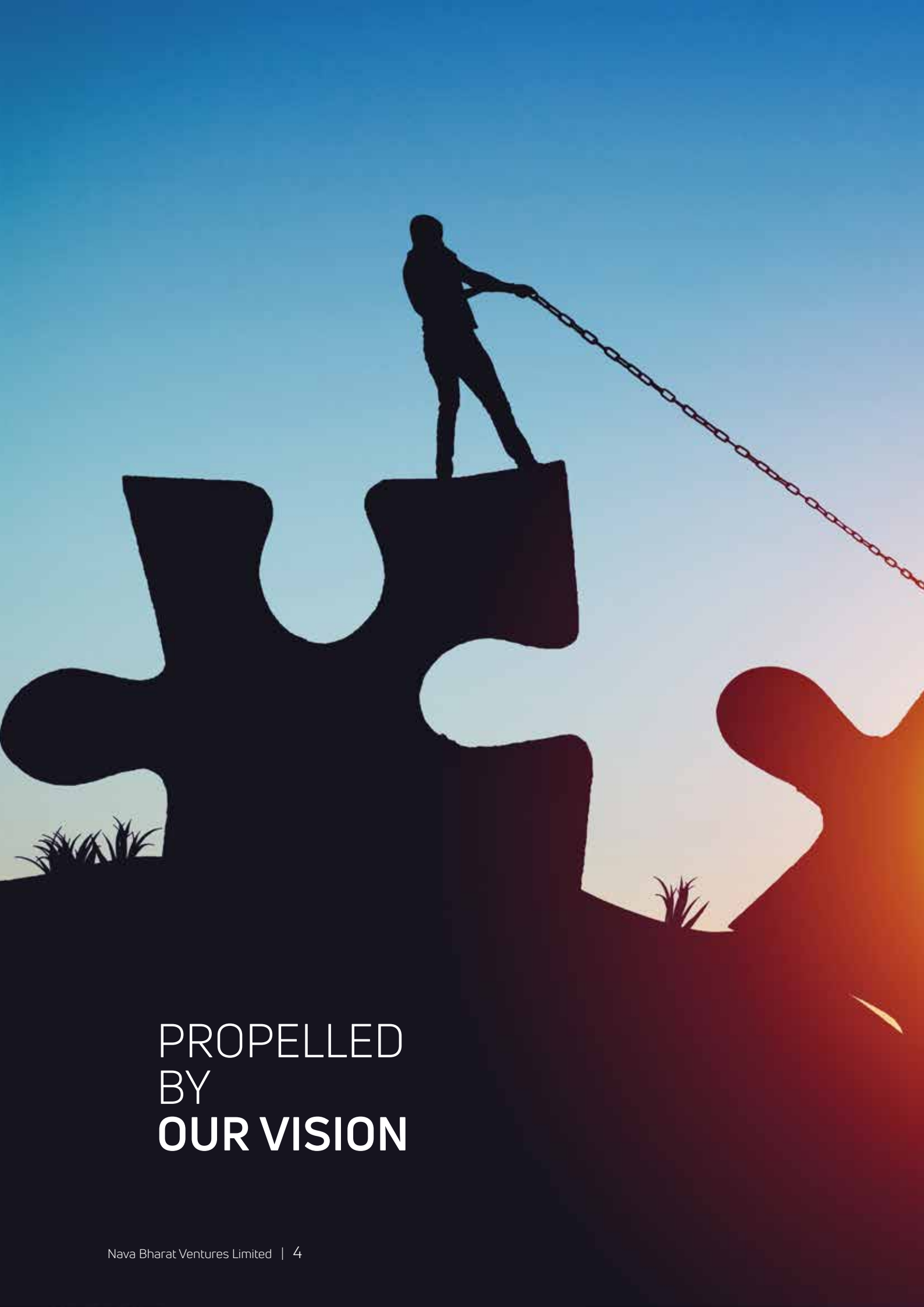
For nearly five decades, Nava Bharat has continuously evolved and advanced on multiple fronts. The Group has looked at all obstacles as challenges and only emerged stronger from them. Every challenge we faced pushed us outside the boundaries of our comfort zones, enabling us to adapt to new environments. We have remained steadfast in our commitment to propel our growth, through every kind of turbulence and disruption.

In the same vein, COVID-19 has been just another challenge for us, although quite a formidable one. It occupied our minds throughout the previous year and continues to rankle in our thoughts this year too. But one of the great keys to Nava Bharat's growth has been its willingness and determination to meet such challenges head-on. Nava Bharat now has good leadership positioned at every level in its business segments, perfected over decades of organizational streamlining, as well as the right balance between business continuity in all its forms.

Our business model has been built to perceive new gaps, inefficiencies, and under-realized opportunities. We identify unique value propositions the company can pursue, new channels to deliver value, potential new revenue streams and customer segments, and cost-effective means of generating new value for the organization.

Keeping our organizational vision intact and undiluted, we have driven ourselves relentlessly forward, and have remained intensely focused on emerging smarter and stronger year after year. The challenges and changes that we have faced in the recent past have made us emerge even better and stronger. If anything, these unexpected obstacles have only served to propel our organization toward a much stronger tomorrow.

We remain focused. And, we are determined to meet the challenges of today and tomorrow, and emerge stronger.



PROPELLED
BY
OUR VISION



We will be a diversified Company with operations in different geographies and adding the best value to the available natural resources.



We will ensure that our operations benefit the local community and the nation, while rewarding the stakeholders.



Minimizing the impact on the environment shall be a guiding principle in all our business endeavours.

ENTRENCHED IN INDIA EXPANDING GLOBALLY

ASIA

India: Ferro Alloys, Power
Malaysia: Healthcare
Singapore: Healthcare



OUR
BUSINESSES
STRADDLE
TWO
CONTINENTS



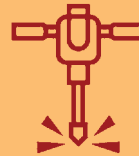
AFRICA

Zambia: Power and
Coal Mining

We at Nava Bharat...



...are engaged in
metals manufacturing,
power, mining and
healthcare



...have the capacity to
produce and supply

2,00,000 MTPA
of ferro alloys every year

operate several power
plants with a collective
installed capacity of

734 MW



...have a

low debt-equity ratio

Standalone **0.06x**

Consolidated **0.77x**



...employ about

1,000 people

across our offices
worldwide



...listed on both of
India's major stock
exchanges - the NSE
and the BSE

Nava Bharat started its journey nearly a half-century ago fueled by the ambition to chart a new path in the Indian industrial economy. The initial beginning we made with ferro alloys quickly catapulted us to make successful forays into Power, Mining and Healthcare related industries with footprints straddling India, South-East Asia and Africa. Nava Bharat is today a truly multinational group with operations across the globe.

Our international assets have grown to include Maamba Collieries Limited (MCL), Zambia's largest coal mine concessionaire, which has also led to the development of a 300 MW power plant in Zambia. Our group envisions expansion plans across several regions in India, Africa and South-East Asia by leveraging its core expertise. Driven by the innovative spirit and competence gained over the years, Nava Bharat is set for a new growth trajectory in its growth journey.

OUR SUBSIDIARIES

IN INDIA...

Nava Bharat Projects Limited

Nava Bharat Energy India Limited

Brahmani Infratech Private Limited

...And, ABROAD

Nava Bharat (Singapore) Pte. Limited

Maamba Collieries Limited

Nava Energy Pte. Limited

Nava Energy Zambia Limited

Nava Agro Pte. Ltd.

Kawambwa Sugar Ltd.

Nava Holding Pte. Ltd.

Tiash Pte. Limited

Compai Pharma Pte. Ltd.

Compai Healthcare SDN. BHD.

TIS Pte. Limited

The Iron Suites Pte. Ltd.



Largest Independent Power Producer in Zambia – Providing energy security and diversity to the energy mix





• Women miner at work –
inclusive work environment



• Together... we can

STRONGER TOGETHER



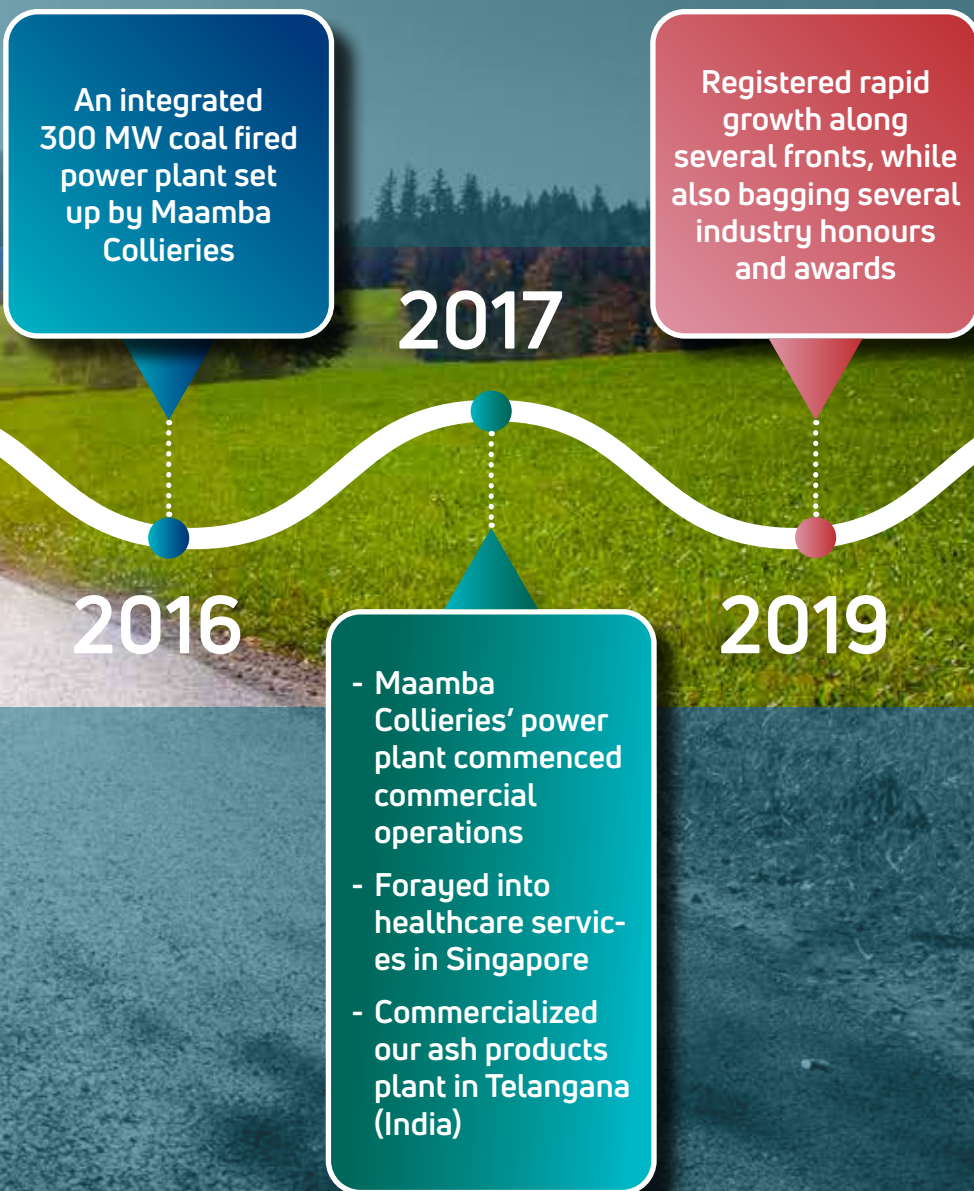
CREATING NEWER **MILESTONES** ALONG OUR WAY TO TODAY...

Maamba Collieries
(Zambia's largest
coal mine conces-
sionaire) added to
our international
asset base

2015

2010

Effectuated financial
closure for
integrated coal and
power projects of
Maamba Collieries



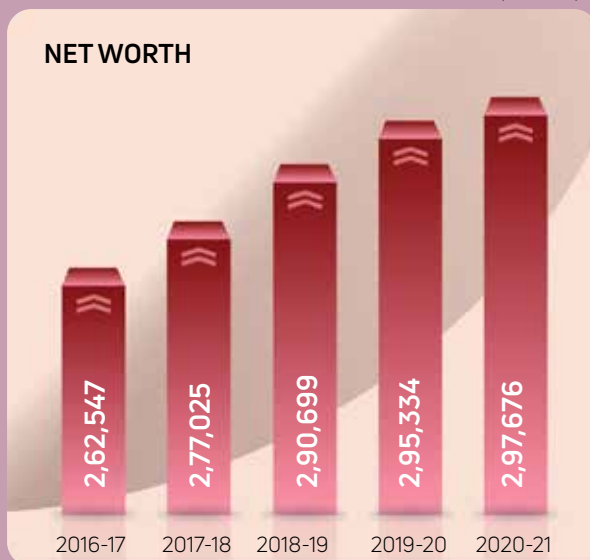
Emerging Stronger by the year...

Standalone Financials for the FY 2020-21



* excluding the revenue & expenses of sugar operations discontinued during FY 2019-20.

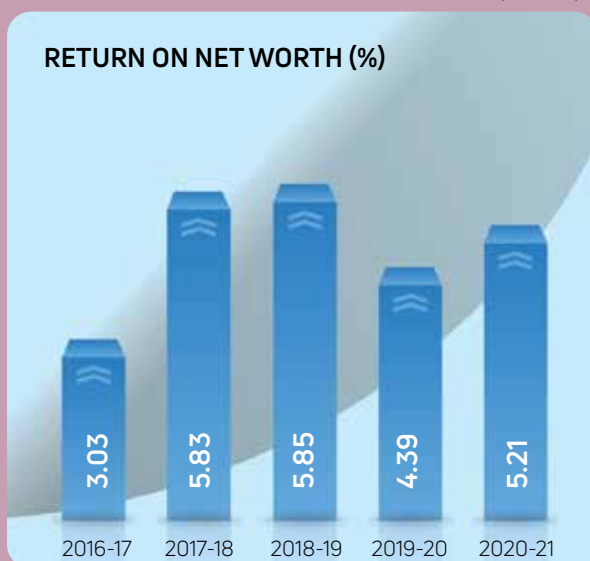
(₹ Lakhs)

NET WORTH

(₹ Lakhs)

DEBT EQUITY (X)

(₹ Lakhs)

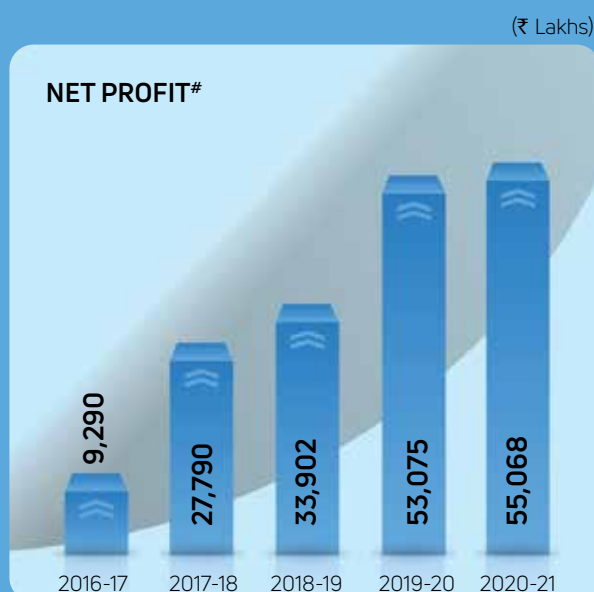
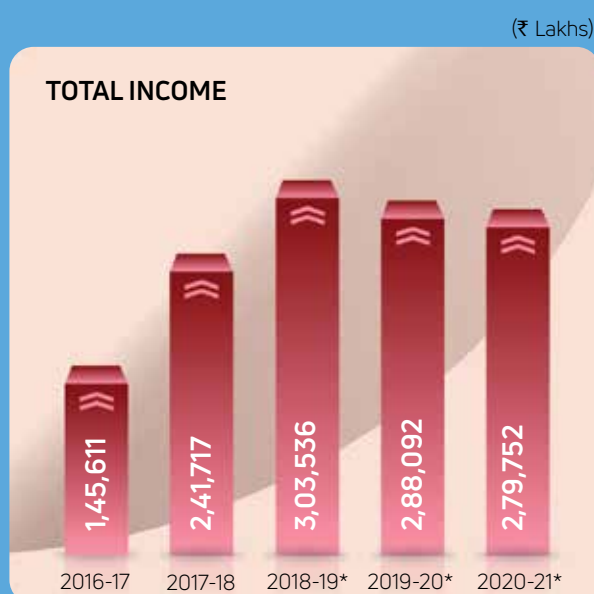
RETURN ON NET WORTH (%)

(₹ Lakhs)

DIVIDEND (%)

Emerging Stronger by the year...

Consolidated Financials for the FY 2020-21

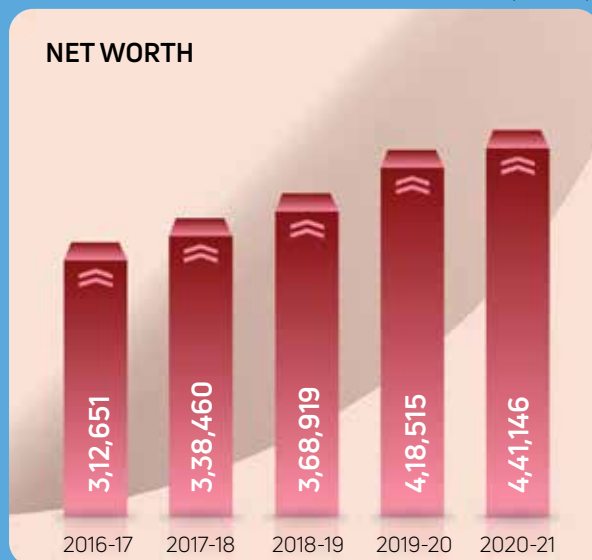


* excluding the revenue & expenses of sugar operations discontinued during FY 2019-20.

Net Profit – attributable to both equity shareholders and non-controlling interest.

(₹ Lakhs)

NET WORTH



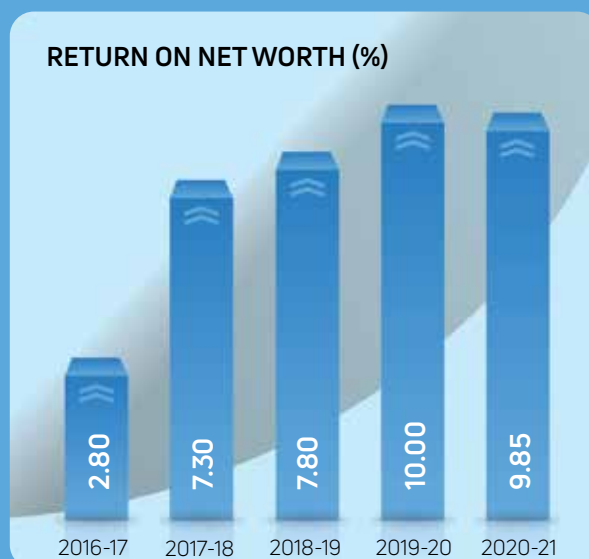
(₹ Lakhs)

DEBT EQUITY (X)



(₹ Lakhs)

RETURN ON NET WORTH (%)





**FERRO
ALLOYS**



POWER

MINING



**HEALTHCARE
SERVICES**





SUSTAINING THE **GROWTH** MOMENTUM IN OUR **BUSINESSES**

Strong working fundamentals guided our robust performance during the year, with all business verticals registering industry-leading growth.

Despite mounting operational challenges due to unexpected events this year, including the impact of the pandemic, we responded with speed and agility to fulfil the larger organizational goals and emerged stronger, keeping our long-term growth trajectory intact.

Ferro Alloys Plant at Paloncha



FERRO
ALLOYS



Nava Bharat Ventures Limited is a leading manufacturer and exporter of Manganese and Chromium Alloys. We make bulk Ferro Alloys (both Chromium and Manganese) for consumption by steel producers.

OUR UNITS

PALONCHA, Telangana

Installed Capacity: 1,25,000 MTPA

Products: Manganese alloys

(Silico Manganese and High Carbon Ferro Manganese).

Markets: Big and medium scale steel mills in India. Also exported to countries in Asia and Europe.

KHARAGPRASAD, Odisha

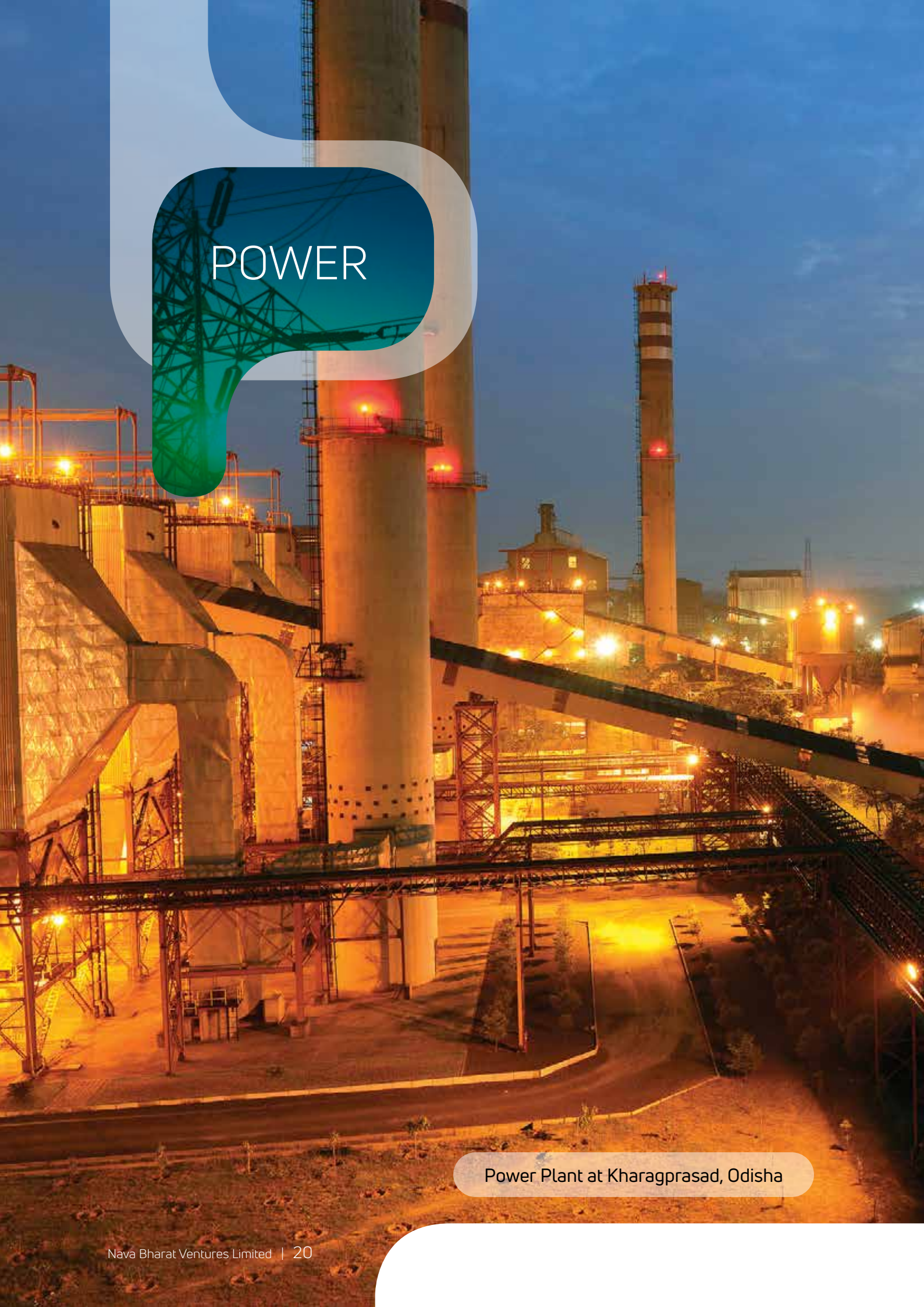
Installed Capacity: 75,000 MTPA

Products: Conversion of Chrome Ore to High Carbon Ferro chrome.

Markets: We have an exclusive conversion arrangement with TATA Steel Mining Limited, a wholly-owned subsidiary of TATA Steel Limited where Tata Steel provides us chrome ore and reductants for conversion purposes and we produce High Carbon Ferro chrome. The Conversion arrangement for chrome alloys with Tata Steel is renewed till 2025.

The current capacity utilization of over 80% (excluding the production loss during lockdown from March 2020 to May 2020) is considered above par by industry standards.

Our Company's Ferro Alloys capacities are supported by captive power giving them an edge in terms of power availability, enabling control on costs. Advance procurement of Manganese ore, committed orders with reputed steel Companies augurs well for sales and profitability.



POWER

Power Plant at Kharagprasad, Odisha



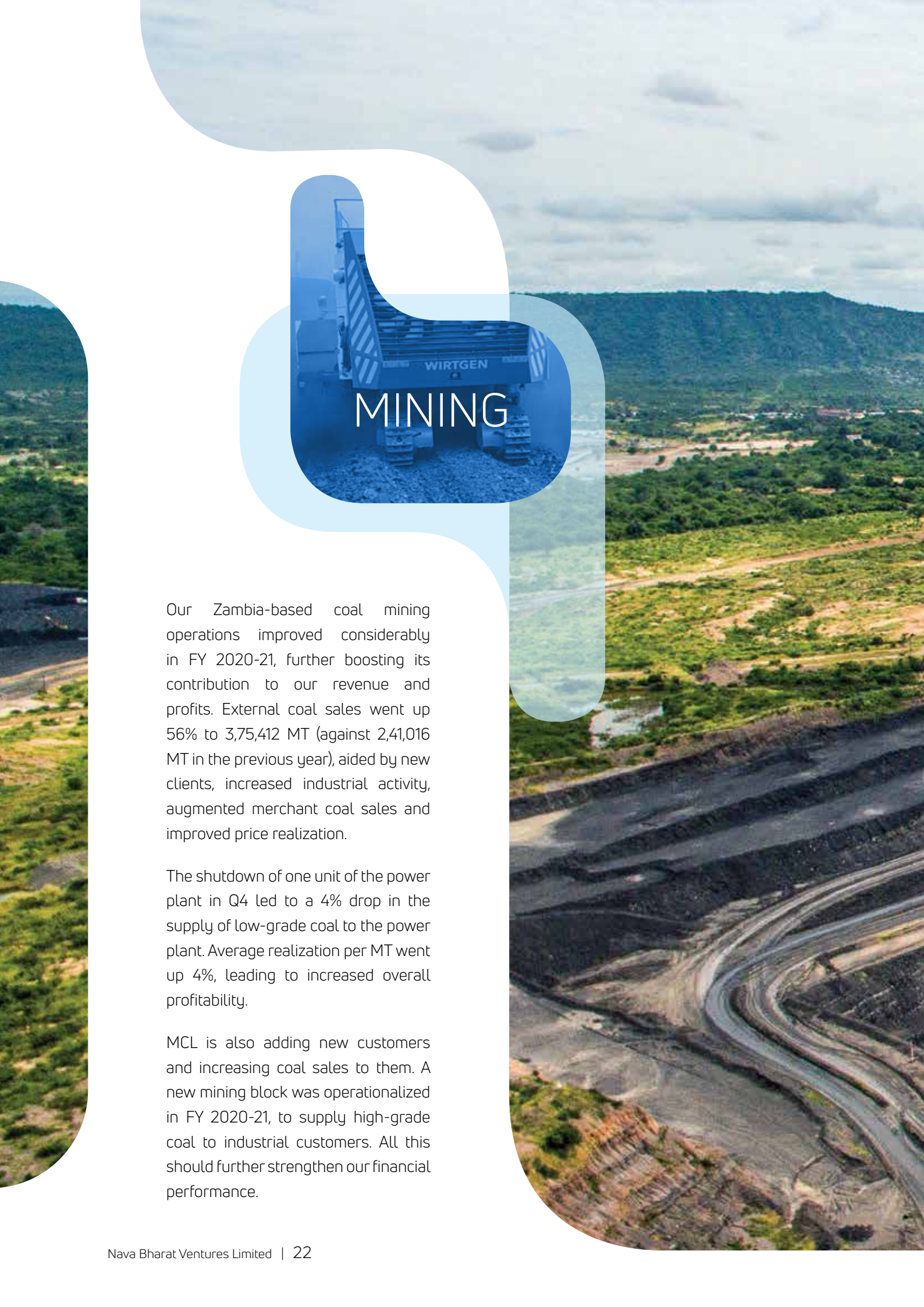
Nava Bharat's power business is driven by its industrial captive power plants aggregating to 204 MW capacity. These cater to the entire power requirement of the ferro alloy production besides merchant sale of surplus power.

On a consolidated basis the Company has capacity aggregating to 434 MW in India including 60 MW IPP in Odisha which has been operationalized from May 2021 and 300 MW in Zambia.

The 150 MW IPP of NBEIL was shut down during the entire FY 2021 predominantly on account of COVID-19 induced industrial slowdown, lower power consumption in a decelerating economy and complete absence of alternative markets to support the IPP cost structure. The Company's efforts to switch to group captive mode were thwarted due to non-cooperation by the State Power Utility(ies) in providing Open Access. The matter is before the Hon'ble High court of Telangana for appropriate reliefs following which a long term solution could emerge.

Though our plants are constrained by high 'plant heat' rates, their relatively small size and superior boiler technology lend adequate flexibility and resilience to overcome sectorial volatility. Our profitability also stems from the pricing of power on par with the Government's Grid tariff, and from our ability to obtain maximum coal at lower costs.

Our captive power plants are able to benefit from periodic spurts in merchant power rates for surplus power, while their core captive consumption continues.



MINING

Our Zambia-based coal mining operations improved considerably in FY 2020-21, further boosting its contribution to our revenue and profits. External coal sales went up 56% to 3,75,412 MT (against 2,41,016 MT in the previous year), aided by new clients, increased industrial activity, augmented merchant coal sales and improved price realization.

The shutdown of one unit of the power plant in Q4 led to a 4% drop in the supply of low-grade coal to the power plant. Average realization per MT went up 4%, leading to increased overall profitability.

MCL is also adding new customers and increasing coal sales to them. A new mining block was operationalized in FY 2020-21, to supply high-grade coal to industrial customers. All this should further strengthen our financial performance.



Coal Mine at Maamba, Zambia





HEALTHCARE SERVICES

Our foray into international healthcare services reflects our optimism of the long-term potential of the healthcare sector. Spurred by the tailwinds of rapid advancements in diagnostic services and treatment, this sector remains one of the fastest-growing globally.

The Company's investments in this business are routed through a Singapore subsidiary Company. The subsidiary has been making significant progress in strengthening its healthcare marketing operations in the Asia-Pacific region, particularly in Malaysia.

The revenues of the healthcare division grew by a healthy 80% year over year, overcoming the COVID-19 lockdowns in Singapore and Malaysia.

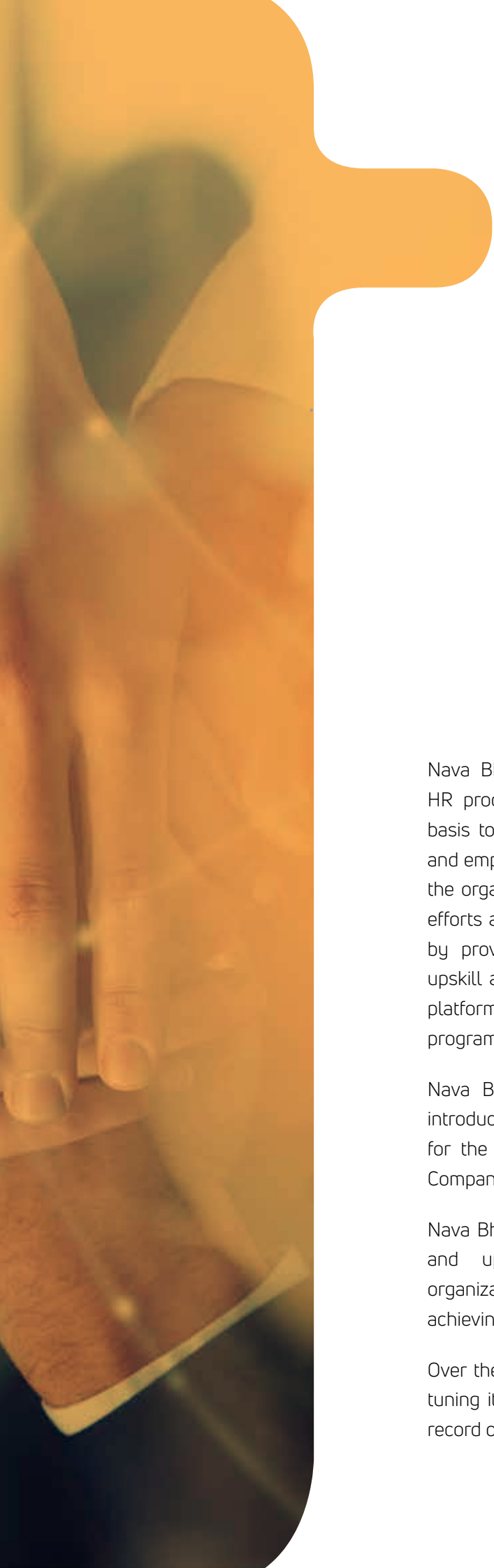
With the spread of increased awareness about the iron deficiency and the strengthening of the sales team, this business is expected to record robust growth in the coming years.

OUR THREE PILLARS OF HUMAN RESOURCES

TALENT
BUILDING

EMPLOYEE
EXPERIENCE &
ENGAGEMENT

OPERATIONAL
EXCELLENCE -
IMPROVISE SYSTEMS
& PROCESSES



Nava Bharat firmly believes in upgrading its HR processes and systems on a continuous basis to renew the quality of work, efficiency and employees' engagement. In this endeavour, the organization has been consistently making efforts and built in a high-performance culture by providing opportunities to employees to upskill and reskill themselves through various platforms including E-Learning and on-the-job programs.

Nava Bharat has always taken the lead in introducing various new engagement initiatives for the employees to fully connect with the Company's vision, values, goals, and principles.

Nava Bharat enabled a wide range of learning and upgrading opportunities within the organization that would assist the employees in achieving and leveraging their full potential.

Over the years, Nava Bharat has succeeded in tuning its people policy to build an exemplary record of harmonious employee relations.

A full-page background image featuring a warm, orange-toned sunset sky. In the foreground, the dark silhouette of a person's head and shoulders is visible on the right side. Several white dotted lines are overlaid on the image, forming abstract, rounded shapes that frame the central text and extend towards the bottom left and right edges.

WE SHALL
STAY STRONG.
WE SHALL
EMERGE STRONGER.



Nearly five decades since its inception, Nava Bharat has progressively emerged stronger, year after year, challenge after challenge.

Armed with strong working fundamentals in every aspect of our business, and with good leadership positioned at every echelon, we have been working our way past all contingencies and turbulences.

We have been sensing opportunities behind every obstacle, however daunting it may have seemed at first. We have successfully chalked out new strategies and action plans with a thorough-going professional approach and created effective means of creating new value for the organization.

We look at the ongoing COVID-19 challenge in the same defiant, determined spirit. We shall overcome it with our single-minded sense of purpose and an unwavering quest for nothing but the best. We shall come out on top at the end of this ordeal and ahead of the competition and Emerge Stronger!



**CSR
Report
2020-21**





Nava Bharat Ventures Limited (NBVL) is committed to the betterment of society and the environment with constant efforts to build and nurture long-lasting relationships with members of the society in general, and the communities around its manufacturing facilities in particular.

NBVL strongly believes in giving back to society and being an equal partner in the growth of the communities to which it owes its success. Its CSR activities are driven towards achieving sustainable development goals, such as good health and well-being, clean water and sanitation, quality education, decent work, economic growth and gender equality.





LIVELIHOOD



OTHER PROGRAMS





LIVES TOUCHED OVER 20 LAKHS SO FAR

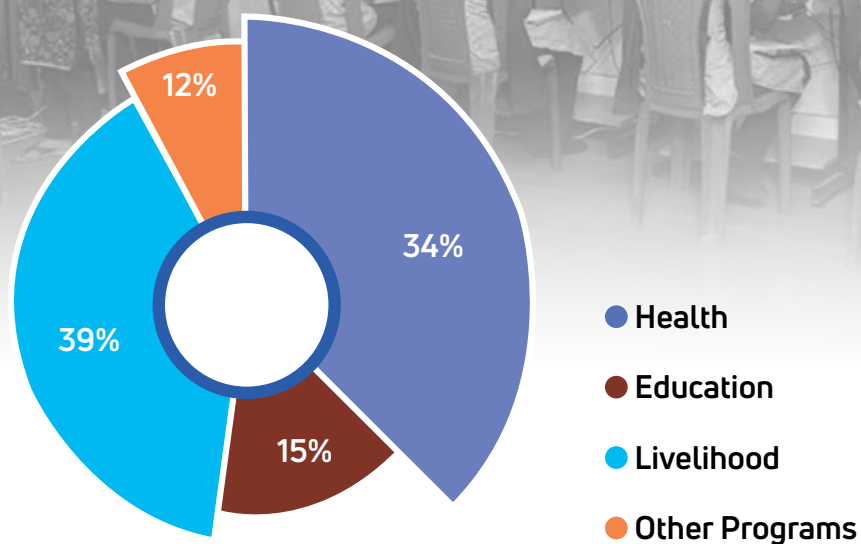
NBVL works primarily in the areas of Health, Education, Livelihood and other Programs (HELP) for the holistic development of communities surrounding its manufacturing facilities located in rural and tribal belts.

Amount
spent for
FY 2020-21

₹433
Lakhs



Break-up of CSR Spending in FY 2020-21



(₹ in lakhs)

Division / Plant location	Health	Education	Livelihood	Other Programs	Total
Paloncha, Bhadradi Kothagudem District, Telangana	100	38	128	49	315
Kharagprasad, Dhenkanal, Odisha	47	26	40	5	118
Total	147	64	168	54	433



**NAVA BHARAT
EYE CENTER**

Spent
₹147
Lakhs

HEALTH



In its endeavour to extend primary healthcare to everyone, Nava Bharat regularly organizes various health camps in slums and poor neighbourhoods for complete preventive and corrective health check-ups of the inhabitants surrounding its facilities.

The following healthcare projects / programs were undertaken in FY 2020-21:

NAVA BHARAT EYE CENTRE

To provide equitable and efficient eye care to all sections of society, NBVL set up Nava Bharat Eye Centre (NBEC) at Paloncha, Bhadradi-Kothagudem District (Telangana) in 2011, in association with LV Prasad Eye Institute (LVPEI), a world-renowned eye care organization.

NBEC is equipped with modern eye care facilities, such as Retina Diagnosis, Optical Coherence Tomography (OCT), Fundus Camera, etc. It works in conjunction with 10 rural Vision Centres of LVPEI located at Yellandu, Kallur, Manuguru, Aswapuram, Dammipeta, Thallada, Chandrugonda, Tekulapally, Charla and Sujatha Nagar in Bhadradi-Kothagudem District.

Through LVPEI's Vision Centres, NBEC reaches out to nearly a million underprivileged tribal people within a radius of 50-60 km from Paloncha. Its services include: non-paying, out-patient, in-patient, surgical support, community-based eye care, primary eye care and rehabilitation programs.

In FY 2020-21, NBEC was equipped with a modern General Anesthesia facility, with step-down recovery beds, monitors, Ellman Cautery equipment and a gas bank, at a total cost of ₹42.50 Lakhs, thereby enabling efficient administration of various medical procedures / surgeries to patients.

Patient Care Data during the year:

Out Patient Data			Surgical Data		
Paying (%)	Non-paying (%)	Total	Paying (%)	Non-paying (%)	Total
24,888 (87%)	3,719 (13%)	28,607	2,372 (81%)	569 (19%)	2,941

Specialty diagnostic services were provided to 7,209 patients (36% of them are free)

Ellman
Cautery



General
Anesthesia



Recovery
beds



ECG



Specialty Surgeries

Surgical Procedure	Total Surgeries	Free Surgeries
Oculoplasty	9	4
Retina	12	3
Cornea	3	1
Retinopathy of prematurity on infant babies	12	12
Total	36	20



Interventions of NBEC since inception

Particulars / Description	Non-Paying	Paying	Total
Total number of surgeries	17,010	12,821	29,831
Total number of out-patients	1,06,473	1,86,497	2,92,970

Screening Services	No. of Patients
Screened through vision centres	1,54,400
Screened through community screening programs	2,25,664
Rehabilitation provided through community-based programs	502
Children screened	17,424
Low vision services	276

PREVENTIVE HEALTHCARE

NBVL conducts awareness programs on healthcare in slum areas around its facilities. Medical teams conduct medical examinations and provide counselling / free medicines to the needy.

(a) Health Campaigns

In FY 2020-21, the following medical equipment worth ₹3.10 Lakhs was procured to conduct free medical campaigns in and around Paloncha.

- **BiPAP Machine:** To assist patients with breathing difficulty
- **ECG Machine:** To check the heart's rhythm and electrical activity
- **Multi-Parameter Monitor:** To continuously monitor the patient's vital parameters like heart rate, BP, respiration rate, oxygen saturation and temperature.

Medical Camp
at Kharagprasad
(Odisha)

Total
patients examined
and treated:
1,301

IMPACT: Created awareness on primary healthcare and brought a positive behavioural change in people's attitude towards adopting preventive measures from various diseases.

In Odisha, health campaigns were conducted at Kharagprasad, Charadagadia, Sana Ranibania and Nadhara villages (Odapada Block, Dhenkanal District) at a total cost of ₹3.90 Lakhs, including provision of medicines to the needy.

b) Other Preventive Measures

Apart from the above, with a view to prevent malaria and dengue, we carried out fogging and larvacidal treatment, followed by disinfection of drainage systems and water-points (tube-wells, etc) in villages near Kharagprasad, Masania, Semilipatna, PHC Meramandali and PS Motanga (Odapada Block, Dhenkanal, Odisha) at a cost of ₹3.38 lakhs, covering about 8,200 villagers.

c) Oxygen Facility

A 'central oxygen' facility was provided for 50 beds at Community Health Centre (Area Hospital, Paloncha), at a cost of ₹7.81 lakhs. This life supporting system greatly benefitted patients with medical emergencies, especially from severe COVID-19 infection.





d) Safe Drinking Water

To minimize the incidence of water-borne diseases due to the inferior quality of ground water in rural areas, NBVL has so far set up 29 safe drinking water plants, including five that came up in FY 2020-21: three near Paloncha (Karivarigudem, Jagguthanda and Erragunta villages) and one in Ranjasingha village (Dhenkanal, Odisha) at a total cost of ₹37.04 Lakhs. These four plants cater to the needs of nearly 9,500 villagers.

NBVL has also provided flooring to a water plant at Mederabasti (Kothagudem) at a cost of ₹55,000/-.



Safe drinking
water plant at
Erragunta



Safe drinking
water plant
at Karivarigudem

e) Provision of Infrastructure

Renovation at Government Primary Health Centre (PHC), Meramadali, Dhenkanal, Odisha

The Company officials as part of evaluation and selection of CSR activities visited the Government PHC located at Meramandali near our Plant in Odisha and assessed the situation including the difficulties faced by the patients.

The PHC caters to about 50,000 people from 12 different Gram Panchayats. Everyday they provide services to about 120 out-patients and 6 in-patients on an average. In a month about 40 child births take place.



Common space of patient hall



Sunstroke room after placement of patient beds



Front view of doctors chamber & portico of Govt. Hospital - Meramandali



Inside view of new patient hall after placement of patient bed & side table

As part of our assessment, we identified the deficiencies causing difficulties to the patients and staff at the PHC:

- Has only one Doctor's chamber
- Common patient ward for both male and female
- Only One labour room with toilet
- Only One diarrhoea patient room
- No separate room to accommodate mother & child after birth
- Common toilet for patients and staff

Accordingly, NBVL has undertaken various renovation activities such as construction of (i) additional patient rooms in the Female Ward, (ii) toilet blocks, (iii) patients' waiting hall; and (iv) procurement of medical equipment (ECG machine, patient monitor, oxygen concentrator, otoscope, stretcher, baby crib, ambulatory BP monitor, radiant warmer, and trolleys for medicines / instruments / linen / buckets, etc.).

The total cost was ₹30.36 Lakhs towards the aforesaid renovation. This has improved the accessibility to healthcare for residents of nearby villages to PHC, Meramandali.



Before Renovation of Primary Health Centre



Renovated Primary Health Centre

Provision of Toilet Block



Community Toilet Block
Tahsildar Office Complex
(Paloncha)

To improve sanitation, NBVL constructed a 'Community Toilet Block' at the Tahsildar Office Complex (Paloncha) at a cost of ₹6.74 Lakhs.

Separate washrooms for men and women (senior citizens) have been provided, with modern western-style commodes.

COVID-19 Relief Measures

NBVL undertook the following relief measures for people in the vicinity of its factories and offices:

- PPE kits (670 Nos) worth ₹1.96 Lakhs were handed over to frontline warriors of Area Hospitals of Paloncha, Kothagudem, Bhadrachalam and Paloncha Municipality (Bhadradri-Kothagudem District, Telangana).
- Over 16,000 face-masks (worth ₹0.75 Lakhs) were distributed to about 8,000 Class X students appearing for public examinations.
- Distributed face-masks to community members (during health camps and social meetings) and school students in Kharagprasad (Dhenkanal, Odisha) at a cost of ₹2.73 Lakhs. Four villages and one school were covered.
- Similar measures were also carried out at our Hyderabad Offices.



Stitching of
PPE kits

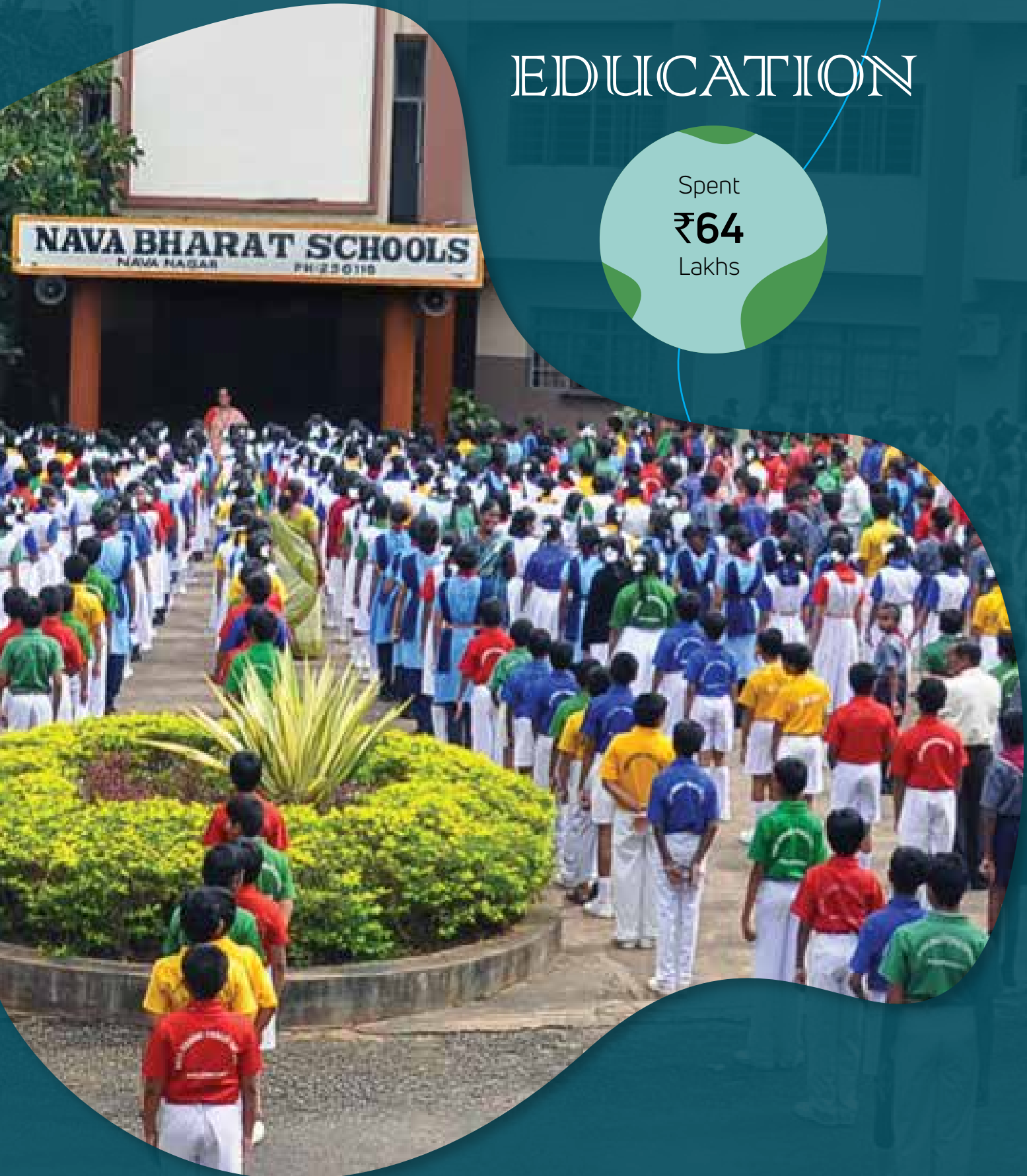
Stitching of
face masks

EDUCATION

Spent

₹64

Lakhs





Driven by its strong belief that every child must have access to education, NBVL strives to ensure quality education to children in rural and semi-urban areas by:

- Extending financial assistance and grants-in-aid to educational projects / programs
- Supplying educational equipments
- Creating adequate infrastructure for schools

NAVA BHARAT HIGH SCHOOL (Paloncha, Telangana)

This school caters to about 300 socially / economically backward children of villages and hamlets around NBVL facilities. Affiliated to the Telangana Board of Secondary Education, the school is provided with good amenities, playgrounds, library, IT / science laboratories to enable students to be at par with their urban counterparts.

In 2020-21, NBVL spent ₹27.80 lakhs towards: 1) salaries / perks to unaided teachers, 2) providing teaching aids and 3) nutritional requirements to the children.

BRAHMANI PUBLIC SCHOOL (Kharagprasad, Odisha)

This co-educational Secondary School is affiliated to Central Board of Secondary Education (CBSE). NBVL's contribution in 2020-21 included: 1) construction of additional classrooms, 2) provision of chairs / tables, and 3) grants-in-aid for teachers' salaries.

Grant-in-aid was also provided to Nimidha School at PS Motanga Village. The aggregate expenditure on these programs in the year was about ₹13.93 Lakhs.

DEVELOPMENT PROGRAMS

NBVL undertook the following programs in government schools around its business facilities:

Nava Bharat Vignana Dayini

This is a mobile science laboratory set up by NBVL for children to perform science experiments and enjoy 'experiential education' under proper guidance. During FY 2020-21, NBVL spent ₹6.71 Lakhs to provide teaching aids for this project, as well as for sponsoring fuel charges and teachers' salaries at Paloncha and Kharagprasad.

Number of schools covered	22 (through online audio-visual classes)
Number of students covered	4,400
Classes covered	From VI to X (recorded audio-visual classes through headmasters)
	Online classes on YouTube Channel (Nava Bharat Mobile Science Lab). Over 80 recorded 'practicals' were explained by our resources.
Impact	Good understanding of science theory through experiments by students



*Faculty explaining
the science
experiments to
students*

Spoken English

As rural students, in particular, lack proficiency in English – which is essential for their success and growth – NBVL organizes special 'Spoken English' programs in government schools around its operating facilities.

Number of schools covered	10 (through online audio-video classes)
Number of students covered	1,690
Classes covered	From VI to IX
	Videos of virtual classes uploaded on YouTube Channel (NBVL SSE)
Impact	Improved English communication skills in students
Amount spent	₹4.00 Lakhs



INFRASTRUCTURE IN GOVERNMENT SCHOOLS

Good school infrastructure significantly improves student attendance and also enhances their interest in learning.

Dual Desks

NBVL provided 250 dual desks and playing equipments at a cost of ₹9.12 Lakhs to government schools in Bada Ranibania and Ashram School Sibapur villages of Dhenkanal (Odisha), benefitting 1,134 students.



Dual Desks

Drainage and Fencing Facilities

NBVL constructed a drainage system and a fence at MPUP School, Sekharambanjara (Bhadradi-Kothagudem District, Telangana) at a cost of ₹4.45 Lakhs.



Nava Bharat Vocational Institute, Paloncha



*Skill Development Centre,
Kharagprasad, Odhisa*



Women Empowerment Centre, Paloncha

Spent
₹168
Lakhs

LIVELIHOOD



To promote sustainable employment opportunities to unemployed youth, NBVL provides training through various skill development programs at:

- Nava Bharat Vocational Institute,
- Skill Development Centre, and
- Women Empowerment Centre.

NAVA BHARAT VOCATIONAL INSTITUTE (NBVI)

Located at Paloncha (Telangana), NBVI imparts vocational training (of about six months duration) to unemployed youth in various trades including, 1) Welding, 2) Electrician, 3) Fitter, 4) Refrigeration & Air Conditioning and 5) Automobile Mechanic. NBVI's well-trained trainees find good placements.



NBVL contributes to NBVI by sponsoring 1) staff salaries, 2) trainees' stipends, 3) housekeeping charges, 4) electricity bills and 5) consumables (gas, electrodes, tools, etc.). A compound wall was also built recently. Aggregate expenditure in FY 2020-21 was ₹82.67 Lakhs.

Trained during the year 2020-21

Welding	Electrical	Fitting	Two-wheeler technicians	Refrigerator & AC Technicians
27	32	12	7	7

83 of the 85 trainees have been placed so far.

Trained and Placed since Inception

Total Trained	:	1,228
Total Placed so far	:	1,008
Self-employed	:	110

NAVA BHARAT SKILL DEVELOPMENT CENTRE

Located in Kharagprasad (Odisha), the 'Skill Development Centre' provides skill training programs to local youth and women to help them get better livelihood opportunities. Training is conducted in 1) Tailoring, 2) Driving (4-wheeler) and 3) Basic Computer Skills.

NBVL provided a total of ₹40.37 Lakhs to the 'Skill Development Centre' in FY 2020-21.

Those who completed their Tailoring course, prepared face-masks under NBVL's COVID-19 relief efforts. Over half of these women are engaged in stitching dresses in their villages. After knowing the success of this 'Skill Development Centre' model, more people from local communities are coming forward to acquire skills and thereby mitigate their unemployment.

NAVA BHARAT WOMEN EMPOWERMENT CENTRE (WEC)

Located in Paloncha, WEC is a social enterprise that empowers local women through skill development. WEC helps local women realize their creative potential, gain confidence and obtain steady employment. The WEC trainees are also members of 'Navayuga Mahila Thrift Mutually Aided Cooperative Society', through which they are able to market their products.

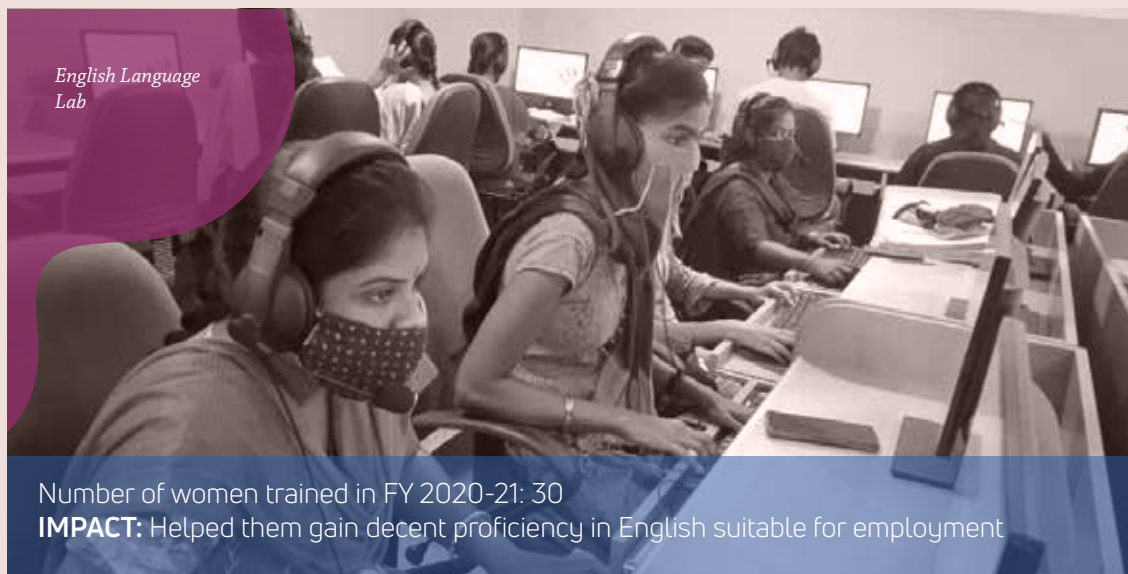
Housed in an exclusive building, WEC offers training in: 1) garment making, 2) tailoring & embroidery, 3) jute product making, 4) sanitary napkin making, 5) beautician 6) DTP & Tally and 7) palm leaf weaving.

Palm leaf woven products are biodegradable and environment-friendly, as the inputs primarily comprise locally sourced palm leaves and organic dyes.

In FY 2020-21, NBVL spent ₹45.53 Lakhs towards training, faculty salaries, stipends, software and other consumables at the WEC.



*Women making embroidery work at
WEC, Paloncha*



English Language
Lab

Number of women trained in FY 2020-21: 30

IMPACT: Helped them gain decent proficiency in English suitable for employment

Impact

- Created self-employment opportunities for women with earnings of ₹4000-5000 per month.
- Achieved turnover of ₹15 Lakhs through sales and marketing of its products and services.
- 90 women trained in FY 2020-21 in DTP and Tally courses.
- 200 women trained in tailoring, beautician and garment-making, 75% of them are self-employed.

NBVL has also set up a new English language lab (with requisite software / headsets / microphones) at a cost of ₹3.27 Lakhs to impart proficiency in spoken English. This initiative will help the trainees gain better employment opportunities.

To make livelihood opportunities accessible to women residing far away from Nava Bharat WEC, a new 'Nava Bharat Women Empowerment Extension Centre' was set up in FY 2020-21 at Machinenipeta (Paloncha), to provide training in tailoring and embroidery. NBVL has procured the necessary tailoring machines and other equipment, in addition to sponsoring staff salaries and stipends.



Nava Bharat WEC
Extension Centre

Number of women trained in FY 2020-21: 40

IMPACT: Improved the trainees' livelihood / self-employment opportunities.

OTHER PROGRAMS

Spent
₹54
Lakhs





Apart from the focus areas detailed above, NBVL also undertook the following activities during FY 2020-21:

'PALLE PRAKRUTHI VANAM' (Mala Banjar village)

This State Government initiative seeks to improve the condition of people living in rural areas, as well as increasing their green cover. Under this project, NBVL has developed a 'Palle Prakruthi Vanam' (Village Natural Park) at Mala Banjar village (Sujathanagar Mandal, Bhadrachalam District) at a cost of ₹5.86 Lakhs, along with a bore-well, submersible motor, diamond-mesh fencing with entrance gate, over 1000 assorted saplings, name board, cement benches and a walking track.



SOLAR LIGHTING (Charadagadia, Kharagprasad)

During FY 2020-21, NBVL spent ₹1.16 lakhs on maintenance for the solar lighting provided last year at this village, benefitting its 6,000 residents.

WATER DISTRIBUTION FACILITY (Masania Chowk bus stop, Kharagprasad)

NBVL set up water distribution facility at a cost of ₹1.50 Lakhs, to provide cool drinking water to about 10,000 passersby.

FLOOD-RELIEF EFFORTS (Hyderabad)

Heavy rains had battered Hyderabad in August 2020, submerging several low-lying areas in the city. To provide relief to the affected inhabitants, NBVL supplied portable DG sets and water pumps, and also contributed to some rehabilitation-cum-reconstruction activities, at a cost of ₹1.51 Lakhs.

GAS CREMATION UNIT AT GRAVEYARD (Paloncha)

NBVL has set up a gas cremation unit with a 7.5 KVA generator at a graveyard near Paloncha at a cost of ₹12.38 Lakhs, to enable proper performance of cremation rites.



MANAVASEVA OLD AGE HOME (Bhadrachalam)

NBVL constructed a new toilet block and provided 20 cots (with mattresses) and safety-locks for the 90 elderly people of this old age home, at a cost of ₹10.50 Lakhs.



*New Toilet Block for
Manavaseva Old Age Home
(Bhadrachalam)*



'KNOWLEDGE CENTRE' AT DISTRICT EMPLOYMENT OFFICE (Dhenkanal)

NBVL has set up a 'Knowledge Centre' (comprising a library-cum-competitive examination study centre) at the Model Career Centre, District Employment Office, Dhenkanal (Odisha) at a cost of ₹1.40 Lakhs, benefitting about 3,000 students.



NEW ROAD AT RANIBANIA VILLAGE (Kharagprasad)

NBVL took up a road-laying project in this village with an outlay of ₹16 Lakhs during FY 2020-21. However, owing to unforeseen delays in obtaining clearances from local authorities, the project could not be completed before the year-end and has been carried forward as a 'continuing project'. After completion of the road, the road will greatly benefit the residents in and around the village.

DISTRIBUTION OF RICE DURING LOCK-DOWN:

Over 500 quintals of rice (worth ₹16.63 Lakhs) were distributed to about 10,000 economically backward families who had lost their livelihoods in the pandemic.

THE CSR COMMITTEE

NBVL's CSR Committee consists of three Board members:

- Mr D Ashok (Chairman)
- Dr D Nageswara Rao (Member)
- Mr K Durga Prasad (Member)

Role of CSR Committee

- Finalises and approves the CSR budget for each financial year
- Reviews and approves programs / projects for each financial year as per allocated budgets
- Oversees the execution of NBVL's CSR Policy and ensures that it is firmly embedded across all the operations of the company

All the CSR activities of NBVL and its group are implemented under the guidance and support of the CSR Committee and the Board. The monitoring mechanisms include meetings / visits / status reports by project teams, company personnel, or any other agencies entrusted with specific assignments.



STATUTORY REPORTS

Directors' Report

Dear Members,

Your directors are pleased to present the 49th annual report and the Company's audited financial statements (standalone and consolidated) for the financial year ended March 31, 2021.

Financial summary

The financial performance of the Company (standalone and consolidated) for the financial year ended March 31, 2021 is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year ended			
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Total income for the year	1,06,721	1,13,221	2,79,752	2,88,092
Profit before finance charges, depreciation & tax	28,686	25,138	1,31,831	1,20,029
Less: Finance charges	1,362	2,052	34,815	31,877
Profit before depreciation and taxation	27,324	23,086	97,016	88,151
Less : Depreciation	3,220	3,188	29,978	28,865
Profit before exceptional items but after depreciation	24,104	19,898	67,039	59,287
Exceptional items, net	116	-	116	-
Profit before tax	24,221	19,898	67,155	59,287
Less : Current tax	8,643	6,913	15,312	9,715
- Deferred tax expense	(261)	(116)	(3,602)	(3,749)
Profit after tax from continued operations	15,838	13,101	55,446	53,321
Profit after tax from discontinued operations	(378)	(245)	(378)	(245)
Profit after tax for the year	15,460	12,856	55,068	53,075
Non-Controlling interest	-	-	12,744	13,530
Net profit attributable to shareholders of the Company	15,460	12,856	42,324	39,545
Appropriations				
Dividend on equity share capital	-	4,995	-	4,995
Corporate dividend tax	-	1,027	-	1,027

The Company registered an improved standalone and consolidated EBITDA of 26.9% and 47.1% respectively for FY 2021 relative to 22.2% and 41.7% for the previous year. Considering the de-growth in the Indian economy due to Covid-19 and disruptions in production and logistics, the standalone financials reflect strong resilience in the Ferro Alloy operations of the Company to seize upon the spurt in demand from the dependent steel industry. The consolidated financials are marked by a dip in Indian power revenue, provision for expected credit loss and maintenance outages at the Zambian entity level, which impacted the Revenue and EBITDA, though partly offset by forex gains and higher interest income.

The Company's Ferro Alloy operations have been at their optimum level in both Telangana and Odisha plants. At the same time, the latter secured the long term conversion arrangement with TATA Group assuring itself of stability in the near term. The power business has benefitted by sustained captive consumption and relatively better value addition despite the severe weakness in the merchant power trade throughout FY 2020-21.

The Company considers the exit from Sugar operations in the previous year to be timely with an improved return on overall capital employed and is taking necessary steps to divest the equipment's in the Sugar division during the FY 2022.

The Company's foray into healthcare enabled services and commercial agriculture through overseas subsidiaries is set to obtain traction notwithstanding the severe impact on timelines owing to the COVID-19 pandemic.

Review of Operations

During the year under review, notwithstanding the disruption caused by the pandemic, your Company's performance significantly improved over the previous year.

Ferro Alloys

Manganese Alloy business has driven the revenue and profitability during FY 2020-21 aided by better cost management and sustained realisations. The market witnessed a progressively improved trend for manganese alloys, especially in exports, after the lockdown in April and May 2020. We are happy that the positive trend continued in the current financial year reflecting a higher degree of sustainability, ably supported by firming up demand in the dependent steel industry. The Company's long term procurement plan for a significant volume of ore and its policy of index-based export contracts as well as firm supply contracts in the domestic market helped it overcome the volatility to a great extent.

Chromium Alloy operations have received a fillip with the renewal of conversion arrangement with TATA Group up to March 2025. Despite the cost dynamics arising out of TATA's new mining concessions, the conversion arrangement ensures firm captive consumption and requisite value addition therefrom aside insulating the Company from the market vagaries associated with the sourcing of chromium ore, reductant and volatile finished goods prices. The Company is, however, mindful of emerging opportunities in the Ferro Alloy business and formulate appropriate business plans from time to time.

The Company produced 96,036 MT and sold 95,711 MT of manganese alloys during FY 2021 relative to 1,00,803 MT and 97,998 MT respectively in the previous year.

The Company converted 57,109 MT of HCFC for Tata Steel Limited for the FY 2021, corresponding to 68,657 MT in the previous year.

Power

The power business operations and profitability were dictated by the captive consumption of power in the production of manganese and chromium alloys. The alternative market for merchant trade of power was impacted by sector weakness and was accentuated by the disruption in industrial and other power consumption due to the Covid-19 pandemic during most part of FY 2020-21.

It is heartening to report that the Company has been able to persuade the local power utility in Odisha to synchronize the 60 MW IPP which has remained stranded for almost seven years, paving the way for its operations from the current financial year. Certain legal issues which were major impediments for operationalizing this IPP unit are in the process of resolution.

The Company generated 938.96 MU of power and

after auxiliary consumption or transmission losses, consumed 648.23 MU of power in the production of Ferro Alloys and sold 174.24 MU of power to Discoms and through IEX for the financial year 2021 relative to 1,146.60 MU, 705.69 MU and 306.64 MU respectively in the previous year.

Sugar

Pursuant to the cessation of operations of Sugar Plant situated at Samalkot, East Godavari District, Andhra Pradesh in the previous year, the Company has initiated the sale of equipment in the Sugar Division comprising sugar plant and distillery which could go on during most of the FY 2021-22 as well. In parallel, the inventory overhang of sugar stocks should get addressed through regular sales. The Company is evaluating various options for monetizing the land area forming part of Sugar Division assets.

Dividend

Your Board of Directors are pleased to recommend dividend on the equity shares at the rate of 125% (₹2.50) per share of ₹2/- each for the FY 2020-21, after having considered various corporate actions, ongoing capex and debt repayments for the FY 2021-22, subject to shareholders' approval at the ensuing annual general meeting (AGM). The aggregate dividend payout amounts to ₹3,627.64 Lakhs.

Buy-Back of Shares

Pursuant to the decision of the Board of Directors on Buy-back of equity shares of the Company in the open market from members other than promoters and persons acting in concert with them, up to an amount of ₹15,000 Lakhs (maximum buyback size) in February 2021 in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 and the Companies Act, 2013, the Company commenced buyback of shares from the open market on March 3, 2021. As on the date of this report, the Company has bought back and extinguished 1,83,64,351 equity shares at an average price of ₹70.38 per equity share. The Company deployed a sum of ₹12,924 Lakhs (excluding buyback tax, securities transaction tax, brokerage and other expenses), representing about 86.16% of the maximum buyback size.

Selective Reduction of Share Capital

During the financial year 2019-20, your Board of directors approved a Scheme of Selective Reduction of share capital (the Scheme) to extinguish / cancel 99,47,020 and 28,00,000 equity shares of the Company held by Nav Energy Private Limited and Nava Bharat Ventures Employees Welfare Trust, respectively and the same was approved by the shareholders through a special resolution by postal ballot dated December 17, 2019, and was taken on record by the stock exchanges (BSE-designated stock exchange for this purpose and NSE). Thereafter, an application was filed with the Hon'ble NCLT, Hyderabad Bench.

The Hon'ble NCLT, Hyderabad Bench, on January 19, 2021 allowed the Scheme of Reduction of Capital of the Company and passed the Order after giving an opportunity of being heard on the Competent Authorities such as SEBI, Regional Director (SER) and ROC-Telangana. The scheme was taken on record and given effect by the Registrar of Companies, Hyderabad, Telangana on February 12, 2021. Consequent to the implementation of the aforesaid order, the paid-up equity share capital of the Company was reduced from 17,62,17,020 equity shares of ₹ 2/- each to 16,34,70,000 equity shares of ₹ 2/- each.

Reserves

No amounts were proposed to be transferred to Reserves for the year ended March 31, 2021.

Fixed Deposits

The Company has not accepted any deposits from the public, and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.

Listing of Equity Shares

The securities of the Company are listed at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Further, the Company has no equity shares carrying differential rights.

Subsidiary Companies

The Company has direct and step-down subsidiaries in India and overseas. Consolidated financial statements have been prepared by the Company in accordance with the requirements of Ind AS 110 "Consolidated Financial Statements" as specified under the provisions of Section 133 of the Companies Act, 2013 ("the Act").

As per the provisions of Section 136 of the Act, separate audited financial statements of subsidiaries are placed by the Company on its website at www.nbventures.com and a report on the performance and financial position of each of the subsidiaries included in the consolidated financial statement pursuant to Rule 8(1) of Companies (Accounts) Rules, 2014, is enclosed as **Annexure - 1** to this report.

Statement containing the salient features of the financial statement of subsidiaries for the year ended March 31, 2021 in Form AOC-1 (Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) is enclosed as **Annexure - 2** to this report.

Nava Bharat (Singapore) Pte. Limited (NBS)

NBS, a wholly-owned subsidiary of the Company, is the investment arm and holding company of the overseas strategic investments in coal mining and power generation, principal investment being in Zambia.

Maamba Collieries Limited (MCL)

MCL is a step-down subsidiary of the Company in Zambia with NBS holding 64.69% of the equity stake while 35% is held by ZCCM Investments Holdings PLC., a Government of Zambia undertaking. MCL pursues twin businesses of coal and power sale in Zambia and holds a strategic financial and operational position in the consolidated financials of the Company. The Group's exposure to MCL is about ₹1,82,005 Lakhs (US\$ 247.6 Million) as at March 31, 2021 and is represented by the Equity Share capital and Shareholder loans, including interest accrued thereon.

Power Generation

MCL's predominant business is the sale of power to the local power utility, ZESCO, under a long term PPA on "take or Pay" based on the availability of the 300 MW integrated coalfired power plant. MCL generated 1,896.10 MU of power and after auxiliary consumption and transmission losses, sold 1678.50 MU to ZESCO registering an availability of 77.7% and PLF of 72.1% for FY 2021 while the corresponding numbers in the previous year were 2,010.45 MU, 1,781.25 MU, 76.6% and 76.4% respectively.

The Plant availability was impacted with the major maintenance schedule of one unit during Q4 of FY 2021 and which outage has continued in the current year as certain critical parts of the turbine needed replacement involving a long lead time.

Coal Mining Operations

The coal mining operations of MCL have contributed to the overall profitability exceptionally with an increased merchant coal sales and improved price realization. The Company made external sales of 3,75,412 MT of coal, up by 55.8% in FY 2021 compared to 2,41,016 MT in the previous year. As the Company has operationalized a new coal pit during FY 2021, the volume of coal sales should sustain at higher levels in the coming years.

Debt Payment Default & Restructuring

Members are aware, that MCL has contracted a long-term debt aggregating to ₹433,678 Lakhs (US\$ 590.0 Million) to part-fund its Coal and Power project. This debt was obtained based on the project assets and its contractual arrangements for power sale to the local utility, the payment obligations of which are guaranteed by the Government of Zambia.

The debt, however, has no recourse to the shareholders / sponsors of MCL except for the limited purpose aggregation in the consolidated financials and therefore does not affect the Standalone operations of your Company in India.

MCL commenced repayment of the long-term debt and the current outstanding debt is about ₹303,501 Lakhs (US\$412.9 Million) as at March 31, 2021. MCL has been facing payment shortfalls against its monthly power bills to ZESCO, the local power utility. As the outstanding receivables from ZESCO have accumulated to about ₹317,640 Lakhs (US\$

432.1 Million) as at March 31, 2021 on account of the cumulative payment shortfall, MCL's cash flows were severely impacted. As a consequence, MCL could not pay three half-yearly principal instalments of the debt and, so, breached the Financing Documents on several covenants and the Lenders have served Notices of Reservation of Rights against these Payment Defaults.

The Power Purchase arrangement postulates International Arbitration at London as dispute resolution process. Following the huge payment shortfall from ZESCO and, as there was no firm payment plans forthcoming, MCL and the Lenders instituted the International Arbitration against ZESCO at London and the proceedings are underway.

In parallel, MCL has been engaging with ZESCO for a prospective tariff reduction so as to ensure full secured payment of its monthly bills and to provide for debt service as well as envisaged equity returns, subject to certain critical changes in the contracts with ZESCO and the Lenders.

MCL envisages that the Arbitration could help it pursue the historical outstanding receivables up to a point in time and prospective tariff adjustment could help it avoid cash flow mismatches from thereon. MCL expects the outcome of both the pursuits during the later part of FY 2021-22.

Following the agreement on prospective tariff reduction and secured payment arrangement for monthly bills, MCL hopes to have the outstanding debt restructured and has been engaging with the Lenders accordingly. With this restructuring, the payment defaults against the loans should get addressed.

Legal case with ZCCM-IH

MCL has a subsisting litigation with ZCCM-IH, the Co-Sponsor and Shareholder for an amount of ₹7,350 Lakhs (US\$ 10.0 Million). This amount was advanced by ZCCM-IH to MCL and is considered as a Shareholder Loan requiring compliance with subordination thereof to long term debt. However, ZCCM-IH has been disputing the said stand and instituted a legal case for recovery. The matter is sub-judice in a Zambian Court.

Nava Energy Pte. Limited, Singapore (NEPL)

Nava Energy Pte. Limited, Singapore, the Wholly Owned Subsidiary (WOS) of the Company continues to render quality O&M services to MCL for its 300 MW power plant in Zambia. The O&M operations leveraged upon the technical support extended by the Company and its Indian subsidiaries to ensure trouble-free operations in Zambia.

For MCL, O&M Operations form part of critical operational costs and so has been regular in payments of O&M Fee as per contract.

NEPL hopes to expand the customer profile in this service offering as well as related technical services, if any, and keeps this as a thrust area for growth.

NEPL made a distribution of a final dividend of ₹758 Lakhs (US\$1.0 Million) to the Company during the year under review which formed part of other income.

Nava Energy Zambia Limited, Zambia (NEZL)

Nava Energy Zambia Limited is a Zambian Step-down subsidiary and a WOS of NEPL. NEZL has engaged qualified and experienced personnel and sub-contractors in Zambia to carry out on-site works at the power plant. NEZL has etched a good name as the onsite service provider by engaging with the owner and subcontractors for day to day operations of the power plant in all its facets.

Nava Agro Pte. Limited, Singapore (NAPL)

NAPL is a Wholly Owned Subsidiary of the Company and is intended to be the intermediate holding company in Singapore to pursue investments in commercial agriculture and related businesses, initially in Zambia through Kawambwa Sugar Limited.

Kawambwa Sugar Limited, Zambia (KSL)

Kawambwa Sugar Limited (formerly Kariba Sugar Limited) (KSL) is a Zambian Company (step-down-subsidiary) which has been allocated 10,000 ha of land by the Government of Zambia to pursue commercial agri-ventures including processing thereof. NAPL holds 100% shareholding of KSL.

KSL has set up the site infrastructure comprising pilot plantation site, internal roads, site office and staff residences etc. It has been pursuing with the Government for proper approach road and proper power connectivity to the site, critical needs to take up any kind of project activities.

Nava Holding Pte. Limited, Singapore (NHPL)

Nava Holding Pte. Limited, Singapore (NHPL) was incorporated in Singapore, to hold investments in emerging areas of growth including the healthcare enabled services being undertaken by the Group.

Healthcare Enabled Services in APAC Region

TIASH Pte. Limited, Singapore (TPL)

Nava Holding Pte. Ltd. holds a 65% equity stake in Tiash Pte. Ltd. and the balance 35% is held by Mr. Timothy Robert Cushway, CEO as Sweat Equity. The healthcare enabled services under TIASH, and its operating subsidiaries in Singapore and Malaysia entail low capital outlay, principally for marketing, distribution and administration of the intravenous iron medicine in the APAC region, known for premium lifestyle healthcare. TIASH has made good marketing strides in Malaysia and Singapore where exclusive distribution rights exist for the world's leading medicine in this space.

Owing to the disruption due to the Covid-19 pandemic revenue take off under these services has been delayed, but is catching up in the current year.

Indian Subsidiaries

Nava Bharat Energy India Limited (NBEIL)

NBEIL is a step-down, but wholly-owned subsidiary of the Company with 26% of equity directly held by the Company and 74% being held through Nava Bharat Projects Limited (NBPL).

As the power sector was reeling under severe slow down during the pandemic times, the 150 MW power plant of NBEIL was under shutdown through FY 2021 except for the last week of March 2021 due to unremunerative tariffs over the power exchanges. NBEIL received offtake compensation from the Utility pertaining to earlier contracts, thus mitigating the strain on the cash flow front. NBEIL extends back end and supervisory service to NEZL, Zambia under a contractual arrangement.

NBEIL also runs an Ash Products Plant for part utilization of bed Ash and fly Ash to produce premium quality bricks and pavers. Income from Ash Products Plant forms part of the other operating income of the Company. Recently the Company has added production of Manganese Bricks to the array of products under a conversion arrangement with the Company, being the holding Company of NBEIL. A second batching plant with a capex outlay of ₹800 Lakhs is under construction which will allow production of Ash products and Manganese Bricks simultaneously.

Nava Bharat Projects Limited (NBPL)

NBPL is a Wholly Owned Subsidiary of the Company and is engaged in extending technical and commercial services to the group Companies. It plans to expand its foray of services outside the Group. Part of the service offering relates to back end critical technical and commercial support under the O&M contract that NEPL has with MCL.

NBPL holds 74% of the Equity Share capital of NBEIL making it a step-down subsidiary to the Company. This shareholding is subject to an attachment by the Enforcement Directorate of the government of India following a CBI case against an associate company called Navabharat Power Private Limited (NPPL) as detailed below.

The Central Bureau of Investigation (CBI) and the Enforcement Directorate (ED), of GOI, instituted cases making allegations of misrepresentation pertaining to the allotment of coal block to NPPL. The cases were instituted in 2013 against the erstwhile Directors of NPPL, one of them being the Managing Director of the Company and against NBPL. Based on the non-involvement of the Company's MD in the alleged offences, it is felt that a favorable outcome should ensue in due course.

While the CBI case is proceeding, ED had attached the NBPL's shareholding in NBEIL and further sought transfer which was contested by NBPL and a stay was obtained.

Brahmani Infratech Private Limited (BIPL)

BIPL is a subsidiary of the Company with a 65.74% equity stake and has principal objects to pursue infrastructure and related projects. In this pursuit it had been allocated a 250 acres land by the erstwhile Andhra Pradesh Government to establish an IT SEZ and support infrastructure. BIPL entered into a Joint Development Agreement (JDA) with Mantri Group. The project had to be abandoned upon Mantri Group reneging on the JDA and a dispute has arisen between the two parties. BIPL had since surrendered the land to the Government and obtained most of the consideration paid.

The case involving Mantri Group went through protracted litigation through Arbitration at first and is before the Hon'ble High Court of Telangana.

BIPL is also facing a legal case alleging oppression by one of the shareholders and the matter is presently pending before NCLT, Hyderabad.

BIPL has invested in select properties in and around Hyderabad and is awaiting the disposal of the case before NCLT to engage in the stated objects.

Kinnera Power Company Pvt Ltd (KPCPL)

The Company is holding 26% of equity shares in KPCPL, which is continued as specified by the National Highway Authority of India (NHAI). As per the professed intention and there being no economic interest, the Company plans to fully off-load its stake in KPCPL in favor of Meenakshi Infra Group as per the regulations. Accordingly, no economic interest from KPCPL is being factored in the consolidated financials nor the accounts of KPCPL appended in the Annual report of the Company.

Outlook and Future Plans

"Management Discussion and Analysis" contains a section on the Company's outlook and future plans and members may please refer the same on this.

Change in the Nature of Business

There has been no change in the nature of business of the Company during the year under review.

Conservation of Energy, Technology Absorption and Foreign Exchange

In accordance with the provisions of Section 134 (3)(m) of the Act, the required information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo has been enclosed as **Annexure – 3** to this report.

Corporate Social Responsibility (CSR)

The annual report on CSR activities, in terms of Section 135 of the Act, and the details about the policy developed and implemented by the Company on CSR initiatives taken during the year are enclosed as **Annexure – 4** to this report. A detailed policy on CSR is placed on the Company's website under the web link: <https://www.nbventures.com/policies-code-of-conduct/>.

Annual Return

In accordance with Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company shall be placed on the Website of the Company at <https://www.nbventures.com/financials/>.

Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in Form AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are enclosed as **Annexure – 5** to this report.

The policy on materiality of related party transactions and also on dealing with the related party transactions as approved by the Audit Committee and the Board of Directors was placed on the website of the Company at www.nbventures.com.

Particulars of Loans, Guarantees or Investments

The details of loans given, guarantees provided and investments made, if any, during the Financial Year ended on March 31, 2021 are enclosed in

Annexure – 6 to this Report in compliance with the provisions of Section 186 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014. The particulars of aggregate loans, guarantees and investments under Section 186 of the Act are disclosed in Financial Statements which may be read as part of this Report.

Management Discussion and Analysis

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is enclosed as **Annexure – 7**.

Business Responsibility Report

The Business Responsibility Report (BRR) as stipulated under Regulation 34(2)(f) of the Listing Regulations is applicable to your Company for FY 2020-21 and is enclosed as a separate section to this Annual Report.

Corporate Governance

A separate report on Corporate Governance as required under the Listing Regulations is provided as a separate section to this Annual Report.

Disclosures Under Regulation 34(3) read with Schedule V of the Listing Regulations

(₹ in Lakhs)

Sl. No.	In the accounts of	Particulars	Amounts at the year ended 2020-21	Maximum amount of loans / advances / investments outstanding during the year 2020-21
1	Nava Bharat Ventures Limited (NBVL) (Holding Company)	Loans given to: Nava Bharat Energy India Ltd. (Subsidiary of NBVL)	12,787.48	15,364.38
2	Nava Holding Pte. Ltd. (NHPL) (Wholly owned subsidiary of NBVL)	Loans given to: TIASH Pte. Ltd. (Subsidiary of NHPL)	2,528.84 (US\$ 3,440,385)	2,528.84 (US\$ 3,440,385)
3	Nava Bharat Projects Limited (NBPL) (Wholly owned subsidiary of NBVL)	Loans given to: Nava Bharat Energy India Ltd. (Subsidiary of both NBPL and NBVL)	Nil	5,000.00
4	Nava Bharat (Singapore) Pte. Ltd. (NBS) (Wholly owned subsidiary of NBVL)	Loans given to: Maamba Collieries Ltd. (Subsidiary of NBS)	65,983.47 (US\$ 89,767,687)	65,983.47 (US\$ 89,767,687)

Directors

The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent Director.

Independent and Non-Executive Directors

As prescribed under SEBI (LODR) Regulations, 2015 and as per Section 149(6) of the Companies Act, 2013, the particulars of Non-Executive and Independent Directors are as under:

Dr. D. Nageswara Rao, Mr. K. Durga Prasad, Mr. GP Kundargi, Mr. A Indra Kumar, Mrs. B. Shanti Sree and Mr. Balasubramaniam Srikanth.

Except for Mr. Balasubramaiaam Srikanth, who was co-opted as an additional (non-executive and independent) director on June 17, 2021 and Mrs. B. Shanti Sree, who was appointed as an independent director by the shareholders at 48th AGM held on September 2, 2020 all were appointed as independent directors by the shareholders at 47th AGM held on August 8, 2019.

Changes in Directors and Key Managerial Personnel (KMP):

During the year under review, Mr. CV Durga Prasad has been re-appointed as Director – Business Development with effect from April 1, 2021 by the Board at its meeting held on February 8, 2021 subject to the shareholders' approval in the ensuing AGM.

Further, Mr. Balasubramaiaam Srikanth has been co-opted as an additional (non-executive and independent) director on June 17, 2021 to hold the office up to the ensuing AGM. In the opinion of the Board, with regard to integrity, expertise and experience, Mr. Balasubramaiaam Srikanth fulfils all the criteria and other conditions for appointing him as an Independent Director of the Company as specified in the Act and the Listing Regulations. Hence, the Board of directors, based on the recommendations of the Nomination and Remuneration Committee, considered and approved the appointment of Mr. Balasubramaiaam Srikanth as an Independent director for a period of two (2) years w.e.f June 17, 2021, subject to the approval of shareholders in the ensuing AGM.

Wholetime Directors

The following are the whole-time directors of the Company.

Mr. D. Ashok, Chairman Mr. P. Trivikrama Prasad, Managing Director, Mr. Ashwin Devineni, Chief Executive Officer, Mr. GRK Prasad, Executive Director and Mr. C.V. Durga Prasad, Director – Business Development.

Declarations of Independent Directors

All independent directors of the Company have given a declaration that they meet the criteria of independence as provided in sub-section (6) of section 149 of the Act. The Company also received a declaration of compliance of sub-rule (1) and sub-rule (2) of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Directors Retiring By Rotation

Pursuant to the provisions of the Act, Mr. Ashwin Devineni retires at the AGM and, being eligible, offers himself for re-appointment.

Number of Meetings of the Board

During the financial year, five Board meetings were held on June 26, August 3, November 11, 2020; February 8 and February 26, 2021 in compliance with provisions of the Companies Act, 2013, the Listing Regulations and Secretarial Standards.

Performance Evaluation of the Board

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out annual performance evaluation of its own, the individual directors as well as the Board committees (Audit committee, Nomination and Remuneration committee, Corporate Social Responsibility committee and Stakeholders Relationship committee). A structured set of criteria was adopted after taking into consideration the inputs received from the directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Evaluation of the Board members is conducted on an annual basis by the Board, Nomination and Remuneration Committee and Independent Directors with a specific focus on the performance and effective functioning of the Board and individual directors.

The Nomination and Remuneration Committee had specified criteria for performance evaluation of Directors, Committees and Board as a whole and recommended the same to the Board for evaluation.

Performance indicators for evaluation of independent directors:

Independent directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated are:

- Ability to contribute to and monitor corporate governance practices.
- Ability to contribute by introducing international best practices to address top management issues.
- Active participation in long term strategic planning.
- Commitment to the fulfillment of a Director's obligations and fiduciary responsibilities.

Attendance: The performance evaluation of Independent or non-executive directors is done by the Board annually based on criteria of attendance and contributions at Board/Committee meetings as also the role played other than at meetings.

The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

Policy on Directors' Appointment, Remuneration & Other Details

The Company adopted a policy relating to the remuneration. This Policy covers the remuneration and other terms of employment for the Company's Executive Team. The remuneration policy for members of the Board and management, aims at improving the performance and enhancing the value of the Company by motivating and retaining them

and to attract the right persons to the right jobs in the Company. The object of this Remuneration Policy is to make your Company a desirable workplace for competent employees and thereby secure competitiveness, future development and acceptable profitability. In order to achieve this, it is imperative that the Company is in a position to offer competitive remuneration in all its operational locations.

A detailed policy on remuneration of the Directors and Senior Management is placed on the Company's website under the web link: <https://www.nbventures.com/policies-code-of-conduct/>.

Policy for Selection of Directors and Determining Directors' Independence

The Nomination and Remuneration committee identifies 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 for their appointment and removal.

The Criteria for the Appointment of Directors, KMPs and Senior Management

A person for appointment as director, KMP or in senior management should possess adequate qualifications, expertise and experience for the position considered for appointment. The Nomination and Remuneration committee decides whether qualification, expertise and experience possessed

by a person are sufficient for the concerned position. The Committee ascertains the credentials and integrity of the person for appointment as director, KMP or senior management level and recommends to the Board his / her appointment.

The Committee, while identifying suitable persons for appointment to the Board, will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

The Nomination and Remuneration Committee shall assess the independence of directors at the time of appointment, re-appointment and the Board shall assess the same annually. The Board shall re-assess determination of independence when any new interests or relationships are disclosed by a Director.

The criteria of independence are as prescribed in the Act and the listing regulations. The independent directors shall abide by the Code specified for them in Schedule IV of the Act.

Committees of the Board

Currently, the Board has five committees: The Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee.

The composition of the committees in compliance with the applicable provisions of the Act, Rules and Regulations are as given below.

Name of the Committee	Composition of the Committee	Remarks
Audit Committee	Dr. D. Nageswara Rao, Chairman Mr. K. Durga Prasad, Member Mr. A. Indra Kumar, Member	The Audit Committee of the Board of Directors was constituted in conformity with the requirements of Section 177 of the Act and regulation 18 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above. All recommendations made by the Audit Committee during the year were accepted by the Board.
Nomination and Remuneration Committee	Dr. D. Nageswara Rao, Chairman Mr. K. Durga Prasad, Member Mr. A. Indra Kumar, Member	The Nomination and Remuneration Committee of the Board of Directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.
Corporate Social Responsibility Committee	Mr. D. Ashok, Chairman Dr. D. Nageswara Rao, Member Mr. K. Durga Prasad, Member	The Corporate Social Responsibility Committee of the Board of Directors was constituted in conformity with the requirements of Section 135 of the Act. The Committee monitored the implementation of the CSR Policy from time to time.

Name of the Committee	Composition of the Committee	Remarks
Stakeholders' Relationship Committee	Mr. K. Durga Prasad, Chairman Mr. P. Trivikrama Prasad, Member Mr. GP Kundargi, Member	The Stakeholders' Relationship committee of the Board of Directors was constituted in conformity with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.
Risk Management Committee	Mr. Ashwin Devineni, Chairman Mr. GRK Prasad, Member Mrs. B. Shanti Sree, Member	Risk Management Committee is not applicable to the Company for FY 2020-21. However, as per the amended Listing Regulations, it is applicable to the Company for FY 2021-22. The Risk Management Committee of the Board of Directors was constituted by the Board at its meeting held on June 17, 2021 in conformity with the requirements of Regulation 21 of the Listing Regulations with its role as stipulated in the Act and the Listing Regulations.

A detailed note on the Board and its Committees is provided in the report on Corporate Governance Report.

Particulars of Employees

The names and other particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed as **Annexure - 8** to this Report.

Names of the top ten employees in terms of remuneration drawn and the name of every employee employed throughout the financial year and in receipt of remuneration of ₹ 1.02 cores or more or employed for part of the year and in receipt of ₹ 8.50 lakhs or more per month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are enclosed as **Annexure - 9** to this Report.

Nava Bharat Ventures General Employees Benefits Scheme

The Board at its meeting held on August 8, 2019 inter-alia approved the selective reduction of paid-up equity share capital of the Company by cancellation and extinguishment of the total shares held by Nava Bharat Ventures Employee Welfare Trust (NBVEWT) through its Trustee- Barclays Wealth Trustees India Pvt. Ltd. along with the outstanding loan owed by the Trust to the Company, subject to the requisite sanctions from shareholders and others. Further, the Company accorded the approval of the members through special resolution for the same vide postal ballot dated December 18, 2019 and subsequently, the Honorable NCLT, Hyderabad Bench, on January 19, 2021 allowed the Scheme of Reduction of Capital of the Company and passed the Order after giving an opportunity of being heard on the Competent Authorities such as SEBI, Regional Director (SER) and the scheme was taken on record and given effect by the Registrar of Companies, Hyderabad, Telangana on February 12, 2021.

Thereafter, the Company filed successfully the required corporate action forms with the Depositories to extinguish / cancel the shares held by Nava Bharat Ventures Employee Welfare Trust through its Trustee - Barclays Wealth Trustees India Pvt. Ltd and completed the extinguishment / cancellation of the above said shares, post which the shares held by NBVEWT were reduced to Zero.

Employees' Stock Option Scheme

There is no employees' stock option scheme being implemented by the Company.

Directors' Responsibility Statement

Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- they 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 and loss of the Company for that period;
- they took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they prepared the annual accounts on a going concern basis;
- they laid down internal financial controls to be followed by the company and that such internal financial controls were adequate and operating effectively; and
- they devised proper systems to ensure compliance with the provisions of all applicable

laws and that such systems were adequate and operating effectively.

Statutory Auditors & Auditor's Report

M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration Number: 001076N / N500013) has been appointed as the statutory auditors of the Company for a period of 5 years i.e., till the conclusion of 50th AGM to be held in the FY 2022-23 by the members of the Company at their meeting held on August 9, 2017.

The Auditors' Report on the financial statements of the Company for the financial year ended March 31, 2021 does not contain any reservation, qualification or adverse remarks and their report together with notes to financial statements are self-explanatory and hence do not call for any further comments under Section 134 of the Act.

Cost Audit

The Board appointed M/s. Narasimha Murthy & Co., Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for Sugar, Industrial Alcohol, Steel (Ferro Alloys) and Electricity for the Financial Year 2020-21 on the recommendations of the Audit Committee. The same was ratified by the Members at the 48th AGM held on September 2, 2020.

The Cost Audit reports for FY 2019-20 were filed with Ministry of Corporate Affairs on December 8, 2020.

Further, the Board of Directors based on the recommendations of the Audit Committee, appointed M/s. Narasimha Murthy & Co., Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for Steel (Ferro Alloys) and Electricity for the FY 2021-22, subject to ratification of members at the ensuing AGM.

Internal Auditors for Costing Systems and Cost Accounting Records

M/s. Sagar & Associates, Internal Auditors conducted an internal audit of cost records for the Financial Year 2020-21.

The Board appointed M/s. Sagar & Associates, as Internal Auditors for the conduct of the internal audit of cost records for the Financial Year 2021-22.

Maintenance of Cost Records

During the year under review, Section 148(1) of the Act is applicable to your Company and accordingly such accounts and records are made and maintained by the Company as specified.

Secretarial Audit

During the year under review, the Company has complied with the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations.

The Secretarial Audit Report for the financial year ended March 31, 2021 issued by Practicing Company Secretary is enclosed as **Annexure – 10** to this Report and does not contain any reservation, qualification or adverse remarks.

Further, the Board has appointed M/s. P.S. Rao & Associates, Practicing Company Secretaries to conduct secretarial audit pursuant to the recommendations of the Audit Committee for the FY 2021-22.

The Secretarial Audit report of Nava Bharat Energy India Limited (NBEIL), a material subsidiary of the Company, is also available on the Company's website at <https://www.nbventures.com/financials/>.

Material Changes and Commitments

There have been no material changes and commitments in the business operations of the Company from the financial year ended March 31, 2021 to the date of signing of the Directors' Report.

Material Orders Passed by the Regulators

No significant and material orders were passed by the Regulators or courts or tribunals impacting the going concern status and company's operations in future, except as stated otherwise.

INSURANCE

All the properties of the Company including buildings, plant and machinery and stocks have been adequately insured.

Adequacy of Internal Financial Controls with Reference to the Financial Statements

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company maintains all its records in the SAP system and the workflow and approvals are routed through SAP.

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

The Board of Directors of the Company has adopted various policies like related party transactions policy, whistle blower policy, policy to determine material subsidiaries and such other procedures for ensuring orderly and efficient conduct of its business for safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

Transfer of Amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 124(5) of the Act (section 205A of the Companies Act 1956), an amount of ₹32,97,280/- relating to FY 2012-13, which remained unclaimed for a period of 7 years was transferred by the Company in September 2020 to the Investor Education and Protection Fund.

Transfer of Unclaimed Shares to Investor Education and Protection Fund Authority

All shares in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares) up to and including the financial year 2012-13 were transferred by the Company in the name of IEPF from time to time and the statement containing such details as prescribed is placed on Company's website at www.nbventures.com.

Vigil Mechanism

The Company established a vigil mechanism for directors and employees to report genuine concerns pursuant to Section 177 of the Act. The vigil mechanism provided for adequate safeguards against victimisation of employees who use such mechanism and for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The policy lays down the mechanism for making enquiry into whistleblower complaint received by the Company. Employees who may become aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee.

The details of such mechanism are communicated to all the directors and employees and it was also disclosed on the website of the Company at <https://www.nbventures.com/policies-code-of-conduct/>.

Risk Management Policy

The Board formulated and implemented Risk Management Policy for the Company which identifies various elements of risks which in its opinion may threaten the existence of the Company and measures to contain and mitigate risks. The Company has adequate internal control systems and procedures to combat the risk. The Risk Management procedures are reviewed by the Audit Committee and the Board on a periodical basis.

Dividend Distribution Policy

The Dividend Distribution policy as stipulated under Regulation 43A of the Listing Regulations is applicable to your Company for FY 2020-21 and is enclosed as **Annexure -11** to the annual report and is also placed on the Company's website under the web link: <https://www.nbventures.com/policies-code-of-conduct/>.

Industrial Safety and Environment

Utmost importance continues to be given to the safety of personnel and equipment in all the plants of the Company. The Company reviews thoroughly the various safety measures adopted and takes effective steps to avoid accidents. Safety drills are also conducted at regular intervals to train the employees for taking timely and appropriate action in case of accidents.

Awards

Your Company received **"The Corona Warrior"** International award from the Viswa Guru World Records in recognition of the work that was done by the Company during the Pandemic in FY 2020-21.

Green Initiative in Corporate Governance by Hon'ble Ministry of Corporate Affairs

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance by allowing paperless compliances by the Companies and permitted the service of Annual Reports and documents to the shareholders through electronic mode subject to certain conditions and the Company continues to send Annual Reports and other communications in electronic mode to the members having email ids.

Industrial Relations

Industrial relations have been cordial during the year under review and your Directors appreciate the sincere and efficient services rendered by the employees of the Company at all levels towards the successful working of the Company.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has zero-tolerance towards sexual harassment at the workplace and the details of sexual harassment complaints as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder are as follows:

No of Complaints Received	: Nil
No of Complaints disposed off	: NA

During the year under review, the Company has complied with the provisions related to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Compliance with Secretarial Standards on Board and Annual General Meetings

During the year under review, the Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

Acknowledgement

Your Directors would like to express their grateful appreciation for the assistance, patronage and co-operation received from the Financial Institutions, the Company's Bankers, Insurance Companies, the Govt. of India, Governments of various countries, Govt. of Telangana, Govt. of Andhra Pradesh and Govt. of Odisha, the State utilities, Shareholders and employees and other stakeholders, during the year under review.

For and on behalf of the Board

P. Trivikrama Prasad
Managing Director
DIN : 00006887

D. Ashok
Chairman
DIN : 00006903

Place : Hyderabad
Date : June 17, 2021

Annexure - 1

Performance and financial information of each of Subsidiaries under Rule 8 of Companies (Accounts) Rules, 2014 for the year ended March 31, 2021

₹ in lakhs

S. No.	Name of Subsidiary Company	Share Capital	Turnover / Total Income	Profit / (loss) after taxation
1	Nava Bharat (Singapore) Pte. Limited	183,568.33	4,095.17	3,106.81
2	Maamba Collieries Limited	142,259.05	178,446.55	36,577.83
3	Nava Energy Pte. Limited	735.78	15,758.51	1,291.11
4	Nava Energy Zambia Limited	0.99	8,785.99	841.79
5	Nava Holding Pte. Ltd.	2,646.90	113.96	63.11
6	Tiash Pte. Limited	0.07	222.23	38.26
7	Compai Pharma Pte. Ltd.	0.07	87.63	(119.39)
8	Compai Healthcare SDN. BHD.	0.02	253.92	(318.65)
9	TIS Pte. Limited	202.54	10.79	(10.82)
10	The Iron Suites Pte. Ltd.	5.16	372.85	19.53
11	Nava Agro Pte. Ltd.	1,213.56	0.00	(3.51)
12	Kawambwa Sugar Ltd.	577.67	1.39	(210.44)
13	Nava Bharat Projects Limited	9,080.40	1,483.79	955.25
14	Nava Bharat Energy India Limited	20,000.00	4,594.15	(2,061.36)
15	Brahmani Infratech Private Limited	6,312.50	322.47	68.11

Note: Indian Rupee equivalent figures have been arrived at by applying at the year end interbank exchange rate of US\$ @ ₹73.5047 (for share capital) and ₹74.2694 (for others).

For and on behalf of the Board

P. Trivikrama Prasad
Managing Director
DIN : 00006887

Place : Hyderabad
Date : June 17, 2021

D. Ashok
Chairman
DIN : 00006903

Annexure - 2

Form AOC-1

Form AOC-I: Statement containing salient features of the financial statements of Subsidiaries and Associate Companies for the year ending March 31, 2021 (Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiaries

Name of the subsidiary	Report- ing Currency	Exchange rate for the Balance sheet figures for the rele- vant financial year	Share Capital ₹ in lakhs	Reserves and surplus ₹ in lakhs	Total Assets ₹ in lakhs	Total Liabilities ₹ in lakhs	Investments ₹ in lakhs	Exchange rate for the P/L A/c figures for the relevant financial year	Total Income ₹ in lakhs	Profit/ (Loss) before Taxation ₹ in lakhs	Provision for taxa- tion ₹ in lakhs	Profit after taxation ₹ in lakhs	Proposed Dividend ₹ in lakhs	% of Share holding
Nava Bharat Projects Limited			9,080.40	18,232.49	27,520.58	207.69	27,032.26		1,483.79	1,130.28	175.03	955.25	-	100.00
Nava Bharat Energy India Limited			20,000.00	29,917.07	65,288.11	15,371.04	-		4,594.15	(2,910.24)	(848.88)	(2,061.36)	-	100.00
Brahmani Infratech Private Limited			6,312.50	2,673.68	12,129.71	3,143.53	6,401.22		322.47	93.57	25.46	68.11	-	65.74
Nava Bharat (Singapore) Pte. Limited	US \$	73.5047	1,83,568.33	(1,159.29)	1,82,579.34	170.30	95,023.54	74.2694	4,095.17	3,862.58	755.77	3,106.81	-	100.00
Maamba Collieries Limited	US \$	73.5047	1,42,259.05	39,443.88	6,90,340.04	5,08,637.11	-	74.2694	1,78,446.55	39,114.69	2,536.86	36,577.83	-	64.69
Nava Energy Pte. Limited	US \$	73.5047	735.78	2,887.31	5,607.63	2,719.58	0.99	74.2694	15,758.51	1,548.68	257.57	1,291.11	1,115.16	100.00
Nava Energy Zambia Limited	US \$	73.5047	0.99	1,502.96	3,409.53	1,905.59	-	74.2694	8,785.99	1,252.80	411.01	841.79	-	100.00
Nava Holding Pte. Ltd.	US \$	73.5047	2,646.90	180.62	2,829.63	2.11	0.05	74.2694	113.96	70.08	6.97	63.11	-	100.00
Tiash Pte. Limited	US \$	73.5047	0.07	(377.08)	2,432.17	2,809.17	213.71	74.2694	222.23	38.26	-	38.26	-	65.00
Compai Pharma Pte. Ltd.	US \$	73.5047	0.07	(321.31)	1,361.36	1,682.59	0.02	74.2694	87.63	(119.39)	-	(119.39)	-	65.00
Compai Healthcare Sdn. Bhd.	US \$	73.5047	0.02	(907.24)	480.87	1,388.09	-	74.2694	253.92	(318.65)	-	(318.65)	-	65.00
TIS Pte. Limited	US \$	73.5047	202.54	(202.54)	-	-	-	74.2694	10.79	(10.82)	-	(10.82)	-	65.00
The Iron Suites Pte. Ltd.	US \$	73.5047	5.16	(477.39)	125.70	597.93	-	74.2694	372.85	19.53	-	19.53	-	58.50
Nava Agro Pte. Ltd.	US \$	73.5047	1,213.56	(15.64)	1,199.98	2.06	1,131.97	74.2694	0.00	(3.51)	-	(3.51)	-	100.00
Kawambwa Sugar Ltd.	US \$	73.5047	577.67	(1,023.69)	899.27	790.98	-	74.2694	1.39	(203.11)	7.33	(210.44)	-	100.00

Notes:

- Names of subsidiaries which are yet to commence operations : Kawambwa Sugar Ltd
- Names of subsidiaries which have been liquidated or sold during the year : Kinta Valley Mining Resources Sdn Bhd

Annexure - 3

Particulars of Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo pursuant to the Provisions of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

A) CONSERVATION OF ENERGY:

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

I) Power Division:

Power Plant (Telangana)

- Replaced Unit-1 CT Fan-C, existing FRP fan blades with energy efficient FRP fan blades to reduce power consumption. Due to this, the energy saving is 1,17,360 kWh per year.
- As a part of refurbishment of aged equipment, Boiler-2 Air pre-heater PA-1 & SA-1 Module tubes were replaced and also installed sonic soot blowers to the replaced tubes. Due to this Boiler efficiency is increased by about 0.48 % and thereby coal saving is 3.43 MT/day.

Power Plant (Odisha)

- i. Replacing 97 nos. of 28 W T5 Lights With 18 W LED lights in Unit-1 & 2 resulted in lighting energy savings.
- ii. Replacing 12 nos. of 400 W HPSV Lights With 125 W LED lights and 60 nos. of 75 W HPSV lamps with 42 W LED lights in Unit-1 & 2 resulted in lighting energy savings.
- iii. Reducing the running hours of Boiler blow down pit, Filter back wash pit and clarifier sludge pit pumps by providing Float switches resulted in energy savings.
- iv. Reducing the running hours of conveyors by optimizing the operation of CHP in Unit-2 resulted in energy savings.
- v. Replacing the damaged LP & HP Heaters in Unit-2 resulted in improved heat rate and thermal energy savings.

The total estimated savings on account of various measures taken at PP (O) Units put together were 9,76,380 kWh per year in energy and 6600 MT of coal.

II) Ferro Alloy Division

Telangana

Replacement of 168 nos of various types of conventional luminaires with LED luminaires at Admn. office area and colony, by which 78,960 kWh could be saved per year approximately.

Odisha

- i. Replacement of 88 numbers of Conventional lights with Energy Efficient LED lights in plant.
- ii. Bypassing and mixing one dryer wet material with other operating dryer out put (dried) material in dry season

- iii. Replacement of Furnace-1 Direct granulation pump with new pump and with change in design & MOC of impeller

The total estimated savings on account of replacement of lights is 63,400 kWh per year, 5475 Kwh / annum due to pump replacement in electrical energy and reduction in specific LPG consumption from 6.52Kg/MT to 6.16 Kg/MT at dryer (Net saving on LPG consumption from May-2020 to Feb-2021 is 39,060 Kgs).

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

I) Power Division / Ferro Alloy Division (O) Nil.

II) Ferro Alloy Division – Telangana

- i. Installation of 5 nos. of Solar based traffic signal lights at Company gate, Colony gate and Jaggutanda road to enhance the safety on National Highway.
- ii. Installation of 200 LPD solar water heater at canteen building for utensils cleaning by which 2160 kWh saved per year.

III) Power Division – Telangana

Nil.

(iii) The capital investment on energy conservation equipments

I) Power Division:

Power Plant (Telangana)

- ₹3.52 Lakhs on procurement of FRP fan blades.
- ₹30 Lakhs on procurement of Boiler-2 Air pre-heater PA-1 & SA-1 Module tubes.

Power Plant (Odisha)

- i. ₹1.61 lakhs towards procurement of LED lighting Luminaires.
- ii. ₹236.5 lakhs towards procurement of LP and HP Heaters.

II) Ferro Alloy Division:

Telangana

- i. ₹4.27 lakhs on procurement of LED lighting Luminaires.
- ii. ₹1.13 lakhs on procurement of Solar based traffic signal lights and 200 LPD solar water.

Odisha

- i. ₹3.07 Lakhs towards replacement of lights.
- ii. ₹3.00 Lakhs towards replacement of pump.

B) TECHNOLOGY ABSORPTION:**(i) The efforts made towards technology absorption****I) Power Division:****Power Plant (Telangana)**

1. For STG-2 Boiler feed pump-2B, auto recirculation valve is procured indigenously.
2. Unit-3 cooling tower Fan drive shafts replaced with composite shafts and Fan Hub replaced with SS assembly. Thereby Service life of the drive shaft and hub is increased.
3. In Boiler-3&4 Fuel feeding system, Cast iron Convergent nozzle is split into 2 parts and 1 part is replaced with SS 304 (erosion part) after that both are assembled as single piece. Thereby Service life is increased.
4. In wet bed ash handling system, replaced 2 MS pipe lines with single and high capacity HDPE pipe. Thereby Service life is increased.
5. CHP-1 Secondary crushers Impact blades are procured from a new vendor other than regular OEM vendor. Thereby material procurement cost is saved.
6. Boiler-2 Coal feeder-1&2 MS Liners are replaced with SS liners. Thereby service life is increased.
7. A logic is incorporated in Boiler-2 DCS for monitoring unbilled units in 15 min block by keeping power export control in manual mode as per Plant configuration and safety of the equipment.
8. Boiler-4 PA Fan VFD, M/s. Danfoss make common mode filters-04 no's are installed at VFD O/P side. To reduce the circulating currents impact on bearing thereby equipment availability is increased.
9. Spray water pump in APP PRDS system recirculation line is provided for spray water piping and connected to UCFT-1. Thereby avoided the frequent failure of pump stroke adjustment.
10. Chlorine leak detecting alarm is provided on DCS in CPP control room. This is provided in addition to local alarm at DM Plant.
11. Installation and commissioning of Limestone handling system is completed. System is kept ready for operation as per the requirement.
12. Erection and commissioning of Steam pipe line to APP is completed and kept in operation.

Power Plant (Odisha)

1. Installation of Fall arrestor system for chimney in Unit-2
2. Installation of Truck Tarping system near ash silos in Unit-2
3. Installation and Commissioning of Lime handling System in Both Unit-1 & 2.

II) Ferro Alloy Division:**Telangana**

1. Installed Manganese Brick sizing plant at sinter plant for crushing the Manganese Ore bricks. The system is in operation on continuous basis from 30-07-2020 and approximately ₹30.00 Lakhs saved during this year.
2. Installed 625kVA Diesel Generator at Pump house to operate the 2nos of Furnace water circulation pumps during emergencies.
3. Installed new 6 ton single girder EOT crane at Finished Product Processing shed.
4. Replaced outdated version of HT Vacuum Circuit Breaker (25kA rating) of Furnace-3 with latest model of higher short circuiting rating of 40kA.
5. Replaced outdated version of Furnace-4 Batch weighing instruments with latest model.
6. Developed the program and graphic screens in Gas Cleaning Plant-4 PLC & SCADA for sequential operation of purging solenoid valves.
7. Arranged 20 nos of Zero speed switches for GCP-1 dust conveying system drives.
8. Replaced carbon paste with special refractory bricks and castable for lining of ladles.
9. Imported Carbon blocks are replaced with special type refractory castable for CCM launders.

Odisha

1. Upgradation of PLC programming to the extended day bunkers at Raw material handling system.
2. Modification and operation of Manual Jig machine
3. Achieved 100% bottom pouring with MS ladles
4. Construction of Double layer toe wall for entire Chrome ore stock yard
5. Re-lining of Furnace no.1 shell with fire bricks and carbon tamping paste

6. Installation of additional weigh Hopper for idle bunker at batch weighing system.
7. Refurbishment of briquetting press 1 & 2 Segment Roller shafts with new key ways.
8. In house fabrication of heavy-duty double diaphragm (5 MT/Hr manual jiggling machine) for Jiggling of hutch reject sludge and enrichment of Chromium in off grade pit material collected from MRP Apic Jig machine.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

I) Power Division:

Power Plant (Telangana)

1. Boiler-2 SA Fan-D existing TB Woods make DVVI series VFD panel replaced with AMTECH make AXPART EAZY+ series VFD panel at LHS Control room and Power JB's provided with flexible copper cables at motor side for ease of maintenance and better service & spares support.
2. To regulate the 11kV bus voltage, Furnace-1&3 11kV VCB "OFF" to respective Capacitor bank VCB "OFF" interlock selector switch provided. Thereby avoided the prolonged bus over voltage condition in island mode operation.
3. AHP Compressor-7 VCB, under voltage protection assigned to ABB SPAM 150C motor protection relay for ease of fault finding and fault analysis.
4. For AHP Compressor-10, Alstom make MCHNM MOTPRO relay replaced with Schneider make MICOM P122 relay.
5. Various modification & miscellaneous works are carried out during annual overhaul with AMC Manpower. Service cost is saved by ₹13.79 Lakh.
6. Boiler-4 Under bed feeding system is repaired and reused. Material cost is saved by ₹4.79 Lakh.
7. For STG-2 Boiler feed pump – 2B, auto recirculation valve is procured indigenously. Material cost is saved by ₹4.07 Lakh.
8. Siemens & YIL DCS Annual maintenance contract period is extended by 5 & 3 months respectively as the plant operations are stopped due to countrywide lockdown. Service cost is saved by ₹4.0 Lakh.
9. In Boiler-3&4 Fuel feeding system, Cast iron Convergent nozzle is split into 2 parts and 1 part is replaced

with SS 304 (erosion part) after that both are assembled as single piece. Thereby Service life is increased and Material cost is decreased by ₹3.72 Lakh.

10. Boiler-4 HP Valves servicing works are postponed based on the healthy condition of the valves. Service cost is saved by ₹2.14 Lakhs.
11. CHP-1 Secondary crushers Impact blades are procured from a new vendor other than regular OEM vendor. Thereby Material procurement cost is saved by ₹1.10 Lakh.
12. In wet bed ash handling system, replaced 2 MS pipe lines with single and high capacity HDPE pipe. Thereby Service life is increased and Material cost is saved by ₹1.06 Lakh.
13. Boiler - 1&2 PA Nozzles are repaired and reused. Material cost is saved by ₹1.00 Lakh.
14. Extension of CHP-1 crushed coal storage shed to one more bay to meet TSPCB requirement i.e. all the coal should be stored in closed sheds only & to avoid air pollution. Also to avoid wet coal feeding to Boilers and additional benefit is requirement of tarpaulins for one open bay is eliminated / reduced.
15. Boiler-3 is in continuous operation for 333 days.

Power Plant (Odisha)

- i. Improved safety and reduced unsafe condition during maintenance of Lighting Arrestors, Opacity monitor and other monitoring instruments installed on Chimney.
- ii. Improved safety and reduced unsafe condition during tarping of Fly ash trucks.
- iii. Control of SO_x emission during combustion of coal in Boilers.

II) Ferro Alloy Division:

Telangana

1. Reduction in manpower and improved working environment.
2. Immediate restoration of Furnace water circulation pumps during total power supply failure.
3. Uninterrupted dispatches of Finished goods.
4. Increased reliability of the equipment.
5. Increased reliability of the equipment.
6. Periodical clearing of ash jamming in Gas cleaning Plant bag chamber hoppers.

7. Reduction in equipment down time.
8. Environmental conditions improved
9. Cost reduced and dependency on bulk imports reduced.

Odisha

1. Raw material handling system is more user friendly with minimized breakdowns and eliminated manual interference in operation with upgraded PLC program.
2. 160 MT of HCFC metal have been recovered from sludge through Manual Jig machine.
3. With 100% bottom pouring with MS ladles, prime metal recovery is increased from 70% to 92%.
4. With construction of double layer toe wall for entire Chrome ore stock yard, saved substantial chrome ore during rainy season.
5. With re-lining of furnace-1 shell, ensured safety to the furnace and production process, facilitated to increase production capacity.
6. With addition of Weigh hopper at batch weighing system, one idle day bunker (bunker-11) could integrated to the feeding system and provided more flexibility to operate 2 skips simultaneously.

7. Refurbishment of briquetting press segments, perfect matching of pockets is achieved and trouble free operation is ensured.
8. Fabrication & installation of inhouse heavy-duty double diaphragm (5 MT/Hr manual jiggling machine) is facilitated infrastructure for recovery of 160 MT of metal from sludge as mentioned against point no.(ii).

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

I. Power Division/Ferro Alloy Division:

- (a) The details of technology imported : Nil
- (b) The year of import : Not Applicable
- (c) Whether the technology been fully absorbed : Not Applicable
- (d) If not fully absorbed, areas where absorption has not taken place, and : Not Applicable the reasons thereof

(iv) The expenditure incurred on Research and Development

- I. Power Division – Telangana and Odisha
Nil
- II. Ferro Alloy Division – Telangana and Odisha
Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in lakhs)

Particulars	Current Year 31.03.2021	Previous Year 31.03.2020
Foreign Exchange Outgo:		
i. CIF value of Imports	9,209.40	17,726.62
ii. Interest	75.98	472.87
iii. Others	63.37	59.11
Foreign Exchange Earnings at FOB Value		
i. Export of Goods	26,618.67	23,931.49
ii. Others	12,896.94	9,334.35

For and on behalf of the Board

Place : Hyderabad
Date : June 17, 2021

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

Annexure - 4

Annual Report on Corporate Social Responsibility (CSR) Activities for Financial year 2020-21 (Pursuant to Rule 8 of Companies [Corporate Social Responsibility Policy] Rules, 2014)

1. Brief outline on CSR Policy of the Company.

- Improving quality of life of the communities and stakeholders in general and communities around the Company's manufacturing facilities, in particular; and
- Contributing to economic development of the society from which the Company draws resources for its operations.
- The Company endeavours to
 - provide learning and imparting knowledge through formal schools;
 - provide health care services through measures such as eye care & preventive health camps; and
 - provide livelihood through vocational training

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship
1	Mr. D Ashok	Chairman of the Company
2	Dr. D. Nageswara Rao	Independent Director
3	Mr. K Durga Prasad	Independent Director

During the year CSR committee met on July 31, 2020 and all members attended the meeting.

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.

Web-link: <https://www.nbventures.com/csr-programmes/>

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 (attach the report). – Not Applicable.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - NIL

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Amount in ₹)	Amount required to be set-off for the financial year, if any (Amount in ₹)
	NA	NA	NA

6. Average net profit of the company as per section 135(5) – ₹22,328.00 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5) – ₹446.56 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) – ₹446.56 lakhs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	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
432.96	13.60	April 29, 2021	NA	NA	NA

(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)	Name	CSR Registration number
1	Village Road at Ranibania village including maintenance and other miscellaneous works.	(x)	Yes	Odisha	Dhenkanal	Multi year	14,15,000	55,548	13,60,000	Yes	NA	NA
	Total							55,548				

(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 ₹)	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
	HEALTH								
1	Safe drinking water plant, Mederabasti, Kothagudem.	(i) making available safe drinking water	Yes	Telangana	Bhadradi Kothagudem	55,221	Yes	NA	NA
2	Provided ECG, Multi Parameter Monitor & Bi-PAP MACHINE to Mobile medical campaign project in surrounding areas.	(i) Promoting health care	Yes	Telangana	Bhadradi Kothagudem	310,040	Yes	NA	NA
3	Safe drinking water plant at Karivarigudem.	(i) making available safe drinking water	Yes	Telangana	Bhadradi Kothagudem	10,50,777	Yes	NA	NA

(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 ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
4	Safe drinking water plants at Jagguthanda & Erragunta.	(i) making available safe drinking water	Yes	Telangana	Bhadradi Kothagudem	19,68,500	Yes	NA	NA
5	Provided central oxygen system at community health centre(Area Hospital) Paloncha.	(i) Promoting preventive health care	Yes	Telangana	Bhadradi Kothagudem	7,81,261	Yes	NA	NA
6	Provided PPE Kits to Corona Warriors, preventive and COVID-19 relief measures.	(i) Promoting preventive health care	Yes	Telangana	Bhadradi Kothagudem	8,91,568	Yes	NA	NA
7	Provided General Anaesthesia, Step-down Recovery – Beds with Monitors Elemen Cautery Equipment and Gas Bank to Nava Bharat Eye centre, Paloncha.	(i) Promoting health care	Yes	Telangana	Bhadradi Kothagudem	42,49,604	Yes	NA	NA
8	Community Toilet block at Tashildar office Complex, Paloncha.	(i) promoting sanitation	Yes	Telangana	Bhadradi Kothagudem	6,74,404	Yes	NA	NA
9	Prevention of Malaria & Dengue in periphery villages.	(i) Promoting preventive health care	Yes	Odisha	Dhenkanal	3,38,070	Yes	NA	NA
10	Preventive Medical Health Camp.	(i) Promoting preventive health care	Yes	Odisha	Dhenkanal	3,90,000	Yes	NA	NA
11	Construction of additional Patient Room (Female ward), Patient Toilet blocks, Patient Waiting Hall & Other Misc. work at Govt. Hospital-Meramadali.	(i) Promoting health care	Yes	Odisha	Dhenkanal	24,96,601	Yes	NA	NA
12	1000 LPH safe drinking water (RO) plant at Ranjasingha village.	(i) making available safe drinking water	Yes	Odisha	Dhenkanal	6,29,305	Yes	NA	NA
13	Preventive and COVID-19 relief measures in periphery areas.	(i) Promoting preventive health care	Yes	Odisha	Dhenkanal	2,73,365	Yes	NA	NA

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation - Direct (Yes/ No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
14	Supply of medical equipment's.	(i) Promoting preventive health care	Yes	Odisha	Dhenkanal	3,36,572	Yes	NA	NA
15	Additional work & Supply of Pavers to Govt. Hospital at Meramandali.	(i) Promoting health care	Yes	Odisha	Dhenkanal	2,01,128	Yes	NA	NA
	EDUCATION								
16	Nava Bharat High School, Paloncha.	(ii) Promoting education	Yes	Telangana	Bhadradi Kothagudem	27,32,001	Yes	NA	NA
17	Nutritious food to students of Nava Bharat High School.	(ii) Promoting education	Yes	Telangana	Bhadradi Kothagudem	30,007	Yes	NA	NA
18	Supplementary Spoken English Programme, Paloncha.	(ii) Promoting education	Yes	Telangana	Bhadradi Kothagudem	3,99,885	Yes	NA	NA
19	Mobile Science Laboratory for Govt. schools in Kothagudem area.	(ii) Promoting education	Yes	Telangana	Bhadradi Kothagudem	4,15,919	Yes	NA	NA
20	Fencing at MPUP School, Sekharambanjara.	(ii) Promoting education	Yes	Telangana	Bhadradi Kothagudem	1,11,293	Yes	NA	NA
21	Construction of drainage at MPUP School, Sekharambanjara.	(xi) slum area development	Yes	Telangana	Bhadradi Kothagudem	1,49,308	Yes	NA	NA
22	Grant in Aid to Brahmani Public School & Nimidha School.	(ii) Promoting education	Yes	Odisha	Dhenkanal	5,93,220	Yes	NA	NA
23	Construction of Class rooms at Brahmani Public School.	(ii) Promoting education	Yes	Odisha	Dhenkanal	8,00,000	Yes	NA	NA
24	Mobile Science Laboratory for Periphery Schools at Dhenkanal.	(ii) Promoting education	Yes	Odisha	Dhenkanal	2,55,120	Yes	NA	NA
25	Supply of Dual desk Benches, Playing equipment & other Development works at Ranibania School at Ranibania village.	(ii) Promoting education	Yes	Odisha	Dhenkanal	2,04,076	Yes	NA	NA
26	Supply of Dual Desk Benches & Playing equipment for Ashram School at Sibapur.	(ii) Promoting education	Yes	Odisha	Dhenkanal	3,14,712	Yes	NA	NA

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation - Direct (Yes/ No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
27	Supply of Dual Desk Bench and chair-table to Brahmani Public School for new class room.	(ii) Promoting education	Yes	Odisha	Dhenkanal	3,93,377	Yes	NA	NA
	LIVELIHOOD								
28	Construction, Maintenance & Operation of Skill Development Centre - towards organising training programs.	(ii) Promoting employment enhancing vocational skills	Yes	Odisha	Dhenkanal	40,36,913	Yes	NA	NA
29	Nava Bharat Vocational Institute (NBVI), Paloncha.	(ii) Promoting employment enhancing vocational skills	Yes	Telangana	Bhadradi Kothagudem	72,28,049	Yes	NA	NA
30	Women Empowerment Centre, Paloncha.	(iii) Empowering women	Yes	Telangana	Bhadradi Kothagudem	37,81,471	Yes	NA	NA
31	Construction of compound wall South side of Nava Bharat Vocational Institute, Paloncha.	(ii) Promoting employment enhancing vocational skills	Yes	Telangana	Bhadradi Kothagudem	10,39,038	Yes	NA	NA
32	English language lab at Nava Bharat Women Empowerment Centre, Paloncha.	(ii) Employment enhancing skills	Yes	Telangana	Bhadradi Kothagudem	3,26,767	Yes	NA	NA
33	Extension centre for women Empowerment at Machinenipeta - Cost of general sewing machines & stools.	(iii) Empowering women	Yes	Telangana	Bhadradi Kothagudem	2,41,625	Yes	NA	NA
34	Extension centre for women Empowerment at Machinenipeta - Salary of instructor, stipend etc.,	(iii) Empowering women	Yes	Telangana	Bhadradi Kothagudem	2,04,182	Yes	NA	NA

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation - Direct (Yes/ No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
	OTHER PROGRAMS								
35	Provide cots and mattresses to Manavaseva Old age home, Bhadrachalam.	(iii) setting up home and such other facilities for senior citizens	Yes	Telangana	Bhadradi Kothagudem	1,66,760	Yes	NA	NA
36	Construction of Toilet block to Manavaseva Old age home, Bhadrachalam.	(iii) setting up home and such other facilities for senior citizens	Yes	Telangana	Bhadradi Kothagudem	8,80,832	Yes	NA	NA
37	Provide Gas cremation unit with 7.5 KVA Generator to grave yard at Paloncha.	(xi) slum area development	Yes	Telangana	Bhadradi Kothagudem	12,37,721	Yes	NA	NA
38	Pallepragathi vanam (park) development at Mala Banjar (V), Sujathanagar (MD), Bhadradi Kothagudem.	(x) Rural development	Yes	Telangana	Bhadradi Kothagudem	5,86,319	Yes	NA	NA
39	Equipment's to flood effected area, Hyderabad.	(xii) disaster management, including relief, rehabilitation and reconstruction activities.	Yes	Telangana	Hyderabad	1,50,937	Yes	NA	NA
40	Rice distribution to the people affected due to COVID-19.	(xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Telangana	Bhadradi Kothagudem	16,63,400	Yes	NA	NA
41	Masks for X class students appearing for public examinations.	(xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Telangana	Bhadradi Kothagudem	75,400	Yes	NA	NA

(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 ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
42	Maintenance of existing Solar Lights from Masania Chowk to Nava Bharat Plant site & Charadagadia village and Installation of Two Lights at Skill Development Centre.	(x) Rural Development Projects	Yes	Odisha	Dhenkanal	1,15,816	Yes	NA	NA
43	Summer Water Distribution facility at Bus stop, Masania Chowk.	(i) making available safe drinking water	Yes	Odisha	Dhenkanal	1,50,000	Yes	NA	NA
44	Development of the Knowledge Centre (Library cum Competitive Examination Study Centre) at Model Career Centre at District Employment office Dhenkanal.	(v) setting up public libraries	Yes	Odisha	Dhenkanal	1,39,587	Yes	NA	NA
	Total:-					4,30,70,152			

- (d) Amount spent in Administrative Overheads – ₹1,70,389/-
- (e) Amount spent on Impact Assessment, if applicable – Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹4,32,96,301/-
- (g) Excess amount for set off, if any – NIL

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(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)]	NIL

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 ₹)	Date of transfer	
1	NIL	NIL	NIL	NA	NIL	NA	NIL
	Total	NIL	NIL		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

NA

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 - **Not applicable since no capital asset was created or acquired. (asset-wise details).**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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).

The Company has CSR obligation of ₹446.56 lakhs, out of which ₹432.96 lakhs was spent and the balance of ₹13.60 lakhs remain unspent as at March 31, 2021. The Company opened a bank account titled "UNSPENT CSR ACCOUNT 2020-21" and deposited ₹13.60 lakhs on April 29, 2021 in relation to on-going project at Odisha Unit which could not be completed owing to delay in getting clearances from local authorities for the village road project as detailed below:

S. No.	Details of the projects	Amount unspent (₹ in lakhs)
1	Village Road project at Ranibania village including maintenance and other miscellaneous works	13.60

Place : Hyderabad
Date : June 17, 2021

Sultan A. Baig
Chief Financial Officer

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman of C.S.R Committee
DIN: 00006903

ANNEXURE - 5

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sl. No	Name of the Related Party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
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Nil

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No	Name of the Related Party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Nava Energy Pte. Ltd. (NEPL) Wholly owned subsidiary	Guarantee Commission on Corporate and Bank Guarantees @ 2.00%	Upto 30.06.2027	The Company provided performance Guarantees on behalf of NEPL in favour of MCL as required under the O&M Contract of 300 MW Power Plant. The income on account of guarantees provided for FY 2020-21 is ₹785.44 lakhs.	08.05.2015	NIL
2	Nava Energy Pte. Ltd. (NEPL) Wholly owned subsidiary	Rendering technical support (O&M) services to NEPL	N.A.	The Company is providing Technical Support Services to NEPL in respect of O&M of 300 MW Power Plant of MCL. The income earned for FY 2020-21 is ₹1,353.84 lakhs.	08.05.2015	NIL
3	Nava Bharat Energy India Limited (NBEIL) Subsidiary	Interest accrued on Inter-corporate Loan given to Company's subsidiary NBEIL.	Upto 31.03.2026	Inter-corporate Loan given to Company's subsidiary was ₹18000 lakhs and the interest earned for FY 2020-21 ₹1,312.12 lakhs.	09.08.2017	NIL

For and on behalf of the Board

Place : Hyderabad
Date : June 17, 2021

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

ANNEXURE - 6

Particulars of Loans, Guarantees or Investments during the FY 2020-21 under Section 186 of the Companies Act, 2013

Nature of transaction (whether loan / guarantee / security / acquisition)	Purpose	Date of making loan / acquisition / giving guarantee / providing security	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (listed/unlisted entities)	Amount of loan/security/ acquisition / guarantee ₹ in lakhs	Time period for which it is made/ given	Date of passing of Board Resolution	For Loans	
							Rate of Interest	Date of maturity
Acquisition of equity shares	For making investments in ongoing projects, taken up by the subsidiaries	23.10.2020	Nava Holding Pte. Limited 18 Duxton Hill Singapore - 089601	368.10	--	18.08.2017	--	--
Acquisition of equity shares		19.10.2020	Nava Agro Pte. Limited 18 Duxton Hill Singapore - 089601	146.74	--	30.01.2017 & 03.11.2018	--	--
Acquisition of equity shares	New acquisition of a body corporate*	22.02.2021	Nava Resources C.I. Abidjan Cocody Riviera 2, Residence Les versants, lot 37, ilot 3, section AZ, plot 115, 25 Post box 328, Abidjan 25 – Ivory Coast (Cote D'Ivoire)	26.86	--	11.11.2020	--	--
Corporate Guarantee	For the O&M contract performance on behalf of subsidiary - Nava Energy Pte. Ltd.	30.06.2020	Maamba Collieries Limited PO Box 99, Maamba, Zambia	13,899.38 (US\$ 18,403,187)	30.06.2027	26.06.2020	--	--

*As on 31.03.2021 the shares of Nava Resources C.I. were yet to be transferred in the name of the Company.

Note: The aggregate investments made as on March 31, 2021 has been provided in the financial statement vide note no.6

For and on behalf of the Board

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

Place : Hyderabad
Date : June 17, 2021

Annexure - 7

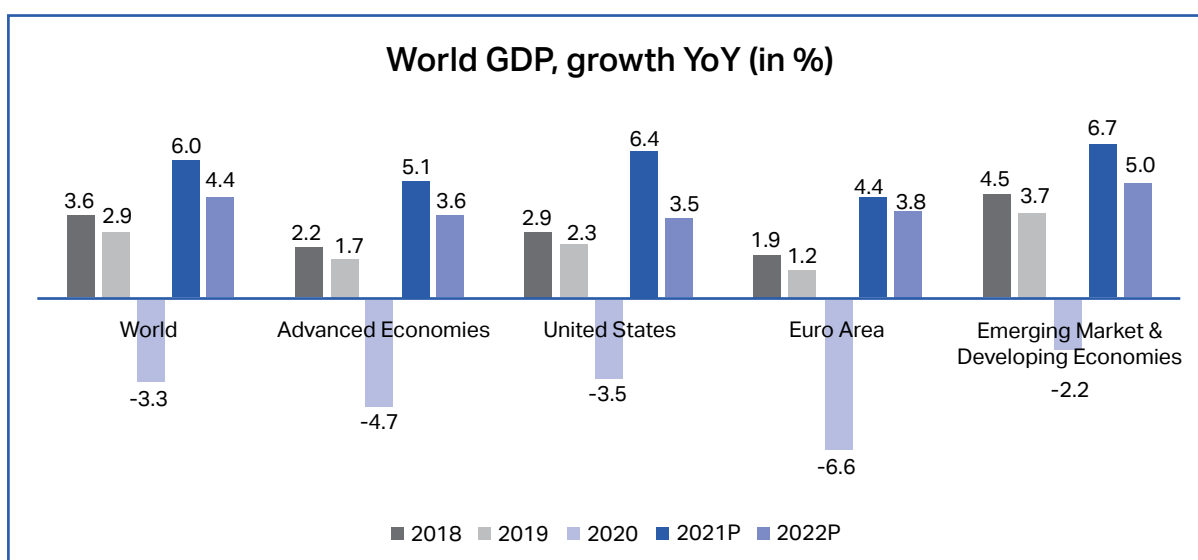
Management Discussion and Analysis

Industry Structure and Developments

The Global Economy

The trajectory of growth during Calendar Years 2018 and 2019 at 3.6% and 2.9% respectively, was brought to a grinding halt by the COVID-19 pandemic. As per World Economic Outlook – April 2021, the world's output contracted by 3.3% in 2020. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support from the Governments.

The outlook presents a daunting overall picture. The UN Annual Report on the World Economic Situation and Prospects 2020 showed that growth slid in virtually all the major economies and in almost all geographies. Owing to rising tariffs and rapid shifts in trade policies, business confidence has deteriorated, dampening investment growth across most regions. A strong recovery was observed in the second half of 2020 thanks to the prompt policy implementation by major countries, additional fiscal support, and vaccination drive.



Adaptation to the 'new normal' has enabled the global economy to do well despite subdued overall mobility, leading to a stronger-than-anticipated rebound. Much will depend on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented setback to the world's economy.

The UN recently raised its projection of global economic growth to 5.4% for 2021 (from the January level of 4.7%), based on some signs of revival as well as a quick rollout of vaccines in the Advanced Economies. The recovery in Advanced Economies is anticipated to be faster than that in Emerging & Developing Economies. They are projected to record 5.1% and 3.6% growth in 2021 and 2022 respectively. The Emerging & Developing Economies on the other hand, are estimated to grow at 6.7% and 5.0% in 2021 and 2022 respectively. China is forecasted to continue its rapid growth in 2021.

The economic activity is expected to begin to normalize from this year's third quarter, helped along by vigorous policy initiatives and lifting of pandemic-control measures. This should, in turn, bolster consumer-cum-investor confidence, improve financial conditions and push up demand by end-2021.

The Indian Economy

In FY20, the economic growth rate in India stuttered to 4.0% after recording higher growth for a larger part of the decade. Due to the unprecedented COVID-19 pandemic and the imposed lockdowns, this crashed down to a contraction of 7.3% in FY21. While the Nominal GDP was recorded at ₹203.5 trillion in FY21, it contracted by 3.0% in FY21 to ₹197.5 trillion. India's per capita income is estimated at ₹85,929 in FY21 as compared to ₹94,566 in FY20.

India adopted a four-pillar strategy of containment, fiscal, financial and long-term structural reforms to overcome the COVID-19 led economic setback. This resulted in the government's 'Atma Nirbhar Bharat Abhiyaan', a stimulus package of ₹29.8 trillion, equivalent to 15% of India's GDP.

After significant unlocking of the economy and many businesses resuming operations, Q3 of FY 2020-21 witnessed a slight growth. Economic activity gathered some momentum, with people stepping out and spending confidently. Despite some operational hiccups, the vaccination drive made good progress too, with a sizable portion of the vulnerable segment of the country's population getting inoculated within just a few months. The sentiment was dampened by the 'second wave', which led to a re-imposition of restrictions on mobility and trade operations across the country.

The UN has raised India's growth forecast to 7.5% for Calendar Year 2021 (up 0.2% from its estimate in January), and also projected the GDP growth rate at 10.1% in 2022. The UN expects India's economic outlook for the years ahead to be good, but also warns that it still remains highly fragile, with the scars of the pandemic likely to last very long. Despite the high rate of infections, economists are optimistic about growth, based on the strong rebound in manufacturing and several services sectors. Capital investments are seeing a good revival after a long lull. This momentum will also see held-up or postponed investment decisions being implemented soon.

Despite this quick rebound, output levels will be far below the potential GDP (had there been no COVID-19). It will take a while for the trajectory to reach full potential. The Government provisionally suspended the Fiscal Responsibility and Budget Management Act's fiscal deficit goals, to chart a new

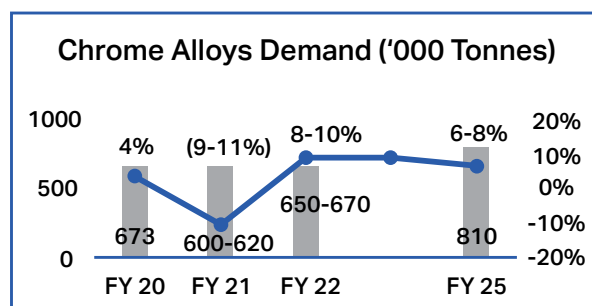
path to support the nascent recovery and launch the economy on a sustainable growth path. High spending coupled with a disinvestment strategy will boost the economy. Assuming the impact of this 'second wave' to be transient, the Reserve Bank of India has forecast a GDP growth of 9.5% for Fiscal 2021-22.

Opportunities and Threats

The Ferro Alloys Sector

Demand from the steel making industry drives the global bulk ferro alloys market. Bulk ferro alloys are produced in large quantities in electric arc furnaces; they are also used exclusively in iron foundries. The Indian ferro alloys market is around 5 million MT, with silico-manganese gaining currency over ferro-manganese.

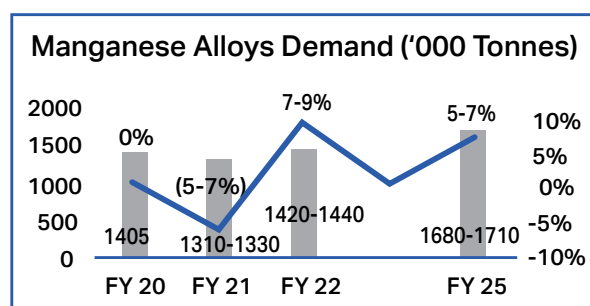
Domestic demand growth of chrome alloys is estimated to have grown at 5% between 2015-16 and 2019-20. This was led by strong growth in stainless steel production, approximately 6% CAGR during the same period. Domestic ferro-chrome demand is expected to pick up in Fiscal 2022 with 8% to 10% growth with improved demand from stainless steel industry and castings segment. Ferro-manganese demand has witnessed a muted growth by approximately 0.1% in Fiscal 2020 due to weak domestic steel demand. Going forward, the demand to pick up by 7% to 9% in Fiscal 2022 as the crude steel production to improve on the back of healthy steel demand.



Potential Challenges for the Industry

State-specific lockdowns and the diversion of oxygen for medical usage during the 'second wave' have deepened the sector's problems, with production stagnating due to a slowdown in overall economic activity. The Indian Government's recent decision to allow the ferro alloy industry to use oxygen for plant operations is likely to boost production capacity and ease the supply crunch of bulk alloys in the domestic market in FY 2021-22.

According to Indian Bureau of Mines, India has manganese ore resources of 430 million MT (including reserves of 142 million MT). Odisha alone contains 40% of these; it also has 93% of India's 203 million MT of chromite (including reserves of 54 million MT), resulting in the hub of India's ferro alloys industry being in Odisha. Leases for the chromite deposits are held by the State-owned Odisha Mining



Corporation Limited (OMC). Private ferro alloys units without mine linkages depend on OMC for their chrome ore; they are unhappy with the OMC's chromite distribution and pricing policies. If India is to raise capacity utilization and achieve higher exports, the Government must provide access to chromite and manganese ore deposits to the producers via auctions. Exploration also needs a major push.

China forms 45% of India's export of chrome alloys. Weak demand amid the COVID pandemic till Nov 2020 and limited production in India due to non-availability of ore, resulted in 9%-11% drop in exports. For ferro-manganese, in Fiscal 2020, India's exports declined by a sharp 9% primarily owing to the subdued global crude steel demand. Global crude steel production registered a muted growth of 3% resulting in fall in demand for ferro-manganese alloy.

The Steel Sector

Disruption in both demand and supply resulted in global steel demand in 2020 to fall by 0.2% against a growth of 3.7% in 2019. The total demand in 2020 was 1,772 million MT against 1,775 million MT in 2019. The impact of COVID-19 has been much more benign for the steel industry due to resurgent demand in China and better-than-expected post-lockdown recovery globally in the second half of 2020. China and Turkey were two key countries that saw an increase in finished steel demand of 9% and 13% respectively in 2020. North America and the European Union (EU) have experienced strong decline in steel demand owing to the COVID-19 pandemic. Both regions experienced demand decline of around 11%-16%. India also contributed to global decline as steel consumption in India declined in 2020.

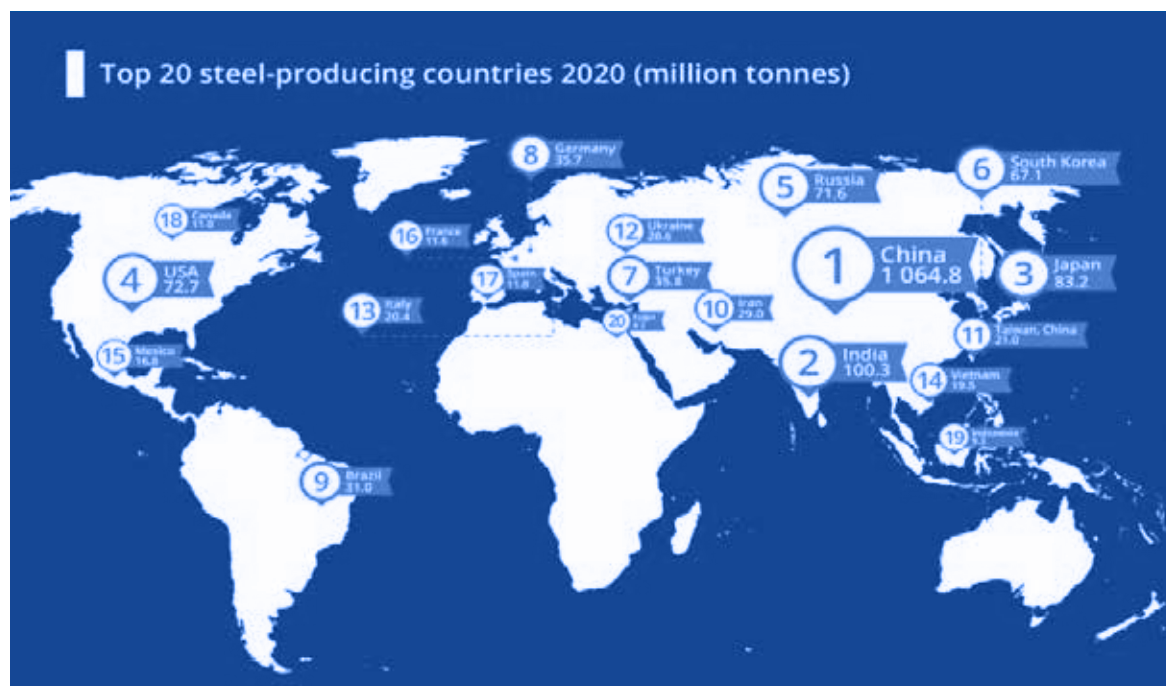
The Indian steel industry has grown at a CAGR of 14% over two decades and 4% in the last decade to ~101 MT in FY20. According to Indian Steel Association (ISA), consumption of finished steel was 102.6 million MT in 2019 and declined to 81.9 million MT in 2020. There was a good rebound in 2021, with steel demand going up to 100 million MT, the contributing sectors

being capital goods, construction machinery, mining equipment and electrical machinery.

India's FY21 finished steel production declined by 8% YoY to 94.7 million MT. Production for Mar'21 registered a growth of 26% YoY (+4% MoM) to 9.0 million MT. Mar'21 domestic finished steel consumption registered a growth of 41% YoY (down 6% MoM) to 8.7 million MT on a lower base (lockdown in last week of Mar'20) along with healthy automotive/construction demand. India's per capita consumption of steel is 69 kg, against the global average of 214 kg. In 2019, India was the world's second-largest crude steel producer with 111.2 million MT. By comparison China, the largest producer with 996.3 million MT, has a per capita consumption of 590 kg.

The pandemic has only aggravated three chronic challenges faced by the steel industry:

- Dependence on imported coking coal
- High logistics costs with rise in petroleum products
- Import of high-grade steel (used in power, Defense and automobiles)



The Indian Government has rolled out a set of reforms to bring about economic revival; these reforms should hopefully bear fruit soon. Some more support is also required for the Micro, Small and Medium Enterprises (MSMEs), which constitute 40% of the stainless steel industry. Another priority is to boost market growth by increasing infrastructure spending. Political and geopolitical developments, such as a reduction in government stimulus programs, policies to cut emissions and trade wars, could increase pressure on the steel sector.

Opportunities for Growth

The Government's National Steel Policy seeks to make our steel industry globally competitive by promoting technological advancements. There is also a focus on domestically manufactured iron and steel products, in order to boost consumption. The policy envisages a steel capacity of 300 mtpa and finished steel output of 200 mtpa by FY2031, including 24 mtpa of net exports, with per capita consumption of 160kgs. To help the sector cope with the pandemic, the Government has brought 'specialty steel' under the Production Linked Incentive (PLI) scheme, which provides financial incentives and support. The sector is also attracting private

players, investments and modernization. Modern units are coming up now, encouraged by a) removal from compulsory licensing and b) changes in the Intermediate Bulk Container (IBC) process.

China's renewed focus on de-carbonization leading to steel capacity cuts, strong domestic demand and muted global coking coal costs are likely to sustain high steel margins globally over FY 22-23. Lower Chinese export rebate as suggested can discourage Chinese steel exports further. This provides a significant opportunity for Indian companies to capitalize and expand their sales as well as enjoy better margins.

The key opportunities boosting the steel demand are as follows:

- Government's focus on strengthening the domestic manufacturing base under the flagship "Atma Nirbhar Bharat Abhiyaan" program.
- The PLI scheme introduced to boost the manufacturing sector in industries like consumer durables, automobile & auto components, solar equipment, telecom, etc. These are expected to boost steel consumption.
- Government's new thrust on investment in infrastructure.
- Emergence of new trends after Covid-19 such as personal mobility, preference to physical distancing would create additional demand for furniture, bigger houses, etc.

The Power Sector

India's power sector is one of the most diversified in the world. Sources of power generation include:

- Conventional sources (coal, lignite, natural gas, oil, hydro and nuclear power).
- Viable non-conventional sources (wind, solar, agricultural and domestic waste).

With an installed capacity of 375.32 GW (as of March 2021), India is the third-largest producer – and the second-largest consumer – of electricity in the world. With a total production of 1,252.61 Billion Units (BU) in FY 2019-20, India was ranked 5th in wind power, 5th in solar power and 4th in renewable power installed capacity. On the World Bank's 'Ease of Doing Business (Getting Electricity)' Global Ranking, India rose from the 137th rank in 2014 to the 22nd rank in 2019.

The total generation for FY 2020-21 was 1381.8 BUs compared to 1,389.1 BUs for FY 2019-20 witnessing a de-growth by 2.49% mainly on account of Covid-19 induced lockdowns and reduced economic activity. The Plant Load Factor (PLF) % of coal and lignite-based power plants has come down to 53.4% from the previous year figure of 56.0% (the lowest in a decade).

India's current total installed capacity is 382.15 GW (with the private sector's share being 47%). But the peak demand in FY 2020-21 was only 190.2 GW (barely 50% of the total installed capacity). The unutilized ~50% reserve capacity is leading to reduced use of base-load capacities (especially in the

thermal power segment). For FY 2021-22, the peak demand is projected to decline further to 182.9 GW. Nearly 262 thermal power plants (with a total capacity of 65.1 GW) in India are currently shutdown, for want of demand. The thermal power plants could look for a steady supply of coal at a reasonable cost in the short to medium-term. The tariffs under short-term markets and Power Exchanges remained subdued throughout FY 2020-21 except for the later part of the Jan-Mar 2021 quarter.

The Government's plans to significantly boost the share of renewable energy (especially solar) from the current 24% of the total energy mix, could impact the business of thermal power plants.

Measures needed for the Power Sector

India's per capita consumption of power is approximately 1,181 units. There is significant room to grow the consumption over the next few years. The need of the hour is for a sound plan to boost retail consumption and power-intensive manufacturing. Tariff rationalization is also an urgent requirement, as industrial consumption has reduced and domestic / agricultural (low-paying customers) demand has shot up in recent months, especially in the pandemic. Tariff rationalization will mitigate the cash flow problems of power generators, who deserve the right price for their produce. Sections of society that get preferential rates should be covered under the Government's Direct Benefit Transfer.

The Indian Government has drawn up a roadmap to achieve 227 GW capacity in renewable energy (including 114 GW of solar power and 67 GW of wind power) by FY 2021-22. It is preparing a 'rent a roof' policy to generate 40 GW through solar rooftop projects. Coal-based power-generation capacity, which stands at 199.5 GW now, will get an addition of 47.86 GW by 2022. By 2030, the Government plans to double renewable energy's share of installed capacity, to 40%. Renewable energy is fast emerging as a major power source in India. In February 2021, India had an installed renewable energy capacity of 92.97 GW. Aiming to increase it to 227 GW by FY 2021-22, the Government has launched several large-scale tenders in phases.

Company Overview

Ferro Alloys

Nava Bharat Ventures Limited (NBVL) is a leading manufacturer and exporter of manganese and chromium Alloys. NBVL makes bulk ferro alloys (both chromium and manganese) for consumption by steel producers. The Company has operating capacities to produce 125,000 TPA of Manganese Alloys and 75,000 TPA of Chromium Alloys. The current capacity utilization of more than of 80% (excluding the production loss during lockdown of March-May 2020) is considered above par as per industry standard.

The Company's ferro alloys capacities are supported by captive power giving them certain

inherent advantages in terms of availability of power and control on costs. Advance procurement of manganese ore, committed orders with reputed steel companies including the 5-year extension of the conversion arrangement with Tata Steel Mining Ltd augurs well for a steady cash flow for the company.

The quantitative performance of the ferro alloy business in 2020-21 is comparable to that in 2019-20 after considering the lockdown affect in March 2020.

Ferro Alloy Volumes:

Year	Production MT	Sales MT
2019-20	1,69,460	1,66,655
2020-21	1,53,145	1,52,820

Power

The power business of the Company is driven by its captive power plants located at Paloncha (Telangana) and Kharagprasad (Odisha) aggregating to 204 MW capacity. These cater to the entire power

requirement of the ferro alloy production besides merchant sale of surplus power.

On a consolidated basis the Company has capacity aggregating to 434 MW in India. The 60 MW IPP plant in Odisha has been operationalized during May 2021 after reaching an agreement on the long-pending metering issue with the utility. Overall PLFs registered by the operational Power Plants were lower during the year due to lower demand for power, very weak realizations in spot markets through power exchanges and non-availability of bilateral short-term contracts.

The 150 MW independent power plant of Nava Bharat Energy India Ltd (NBEIL) in Telangana was under shutdown throughout the year except for a few days for lack of PPA and unremunerative realizations in spot markets through power exchanges. The conversion of this plant into a captive power plant is getting delayed with the reluctance by Transco to grant open access permission, filed a writ petition in Telangana High Court against Transco.

Power Business – India

Location	Nava Bharat Ventures Limited (Standalone)			NBEIL (Subsidiary)
	Paloncha, Telangana	Kharagprasad, Odisha	Dharmavaram, Andhra Pradesh	Paloncha, Telangana
Capacity	114 MW (1 x 50 MW, 2 X 32 MW)	150 MW (1 x 30 MW, 2 X 60 MW)	20 MW (1 x 20 MW)	150 MW (1 x 150 MW)
Plant Type	CPP	CPP - 90 MW IPP - 60 MW	IPP	IPP
Fuel	Coal	Coal	Coal & Bagasse	Coal
Source Mix	Linkage	Linkage	E-Auction	E-Auction

Overview of the Power and Coal business of Mamba Collieries Limited (MCL) – Zambia

MCL operates Zambia's only integrated coal fired power plant with installed capacity of 300 MW representing about 10% of Zambia's total installed power generation capacity. MCL has a long-term 20-year PPA for net capacity of 267 MW with the state utility (ZESCO), backed by Sovereign Guarantee. The PPA is based on Declared Availability under a 'Take or Pay' arrangement.

Receivables against power sales to ZESCO continue to remain outstanding. MCL has chalked out a multi-pronged action plan to set right the cash flow concerns due to payment shortfalls by ZESCO. This involved:

- Arbitration for the delayed payments and non-compliance of conditions by ZESCO as set out in PPA.
- Prospective adjustment of power tariff and matching the monthly receipts for the revised tariff.
- Restructuring of the remaining long-term debt of ₹3,03,501 Lakhs (US\$ 412.9 Mn) based on the revised tariff.

MCL is at various stages of the processes involved in the above set-out action plan and accordingly engaging with all the stakeholders. Covid-19 travel restrictions, Presidential elections in Zambia are delaying some of the activities involved under the above plans. MCL's debt is secured by Project Assets of the Company and has no recourse to its shareholder Nava Bharat (Singapore) Pte. Limited or the ultimate parent company NBVL.

The government of Zambia is currently in negotiations with the International Monetary Fund (IMF) to secure further funding to service its sovereign debt. The progress and eventual bail-out (if any) could augur well and may further expedite the receivables.

Healthcare Enabled Services

Our foray into international healthcare reflects our assessment of the long-term potential of the healthcare sector which, spurred by rapid advancements in diagnostic services and treatment, is one of the fastest-growing sectors globally.

The Company's investments in this business are routed through a Singapore Joint Venture Company – Tiash Pte. Ltd. with a 65% stake. Overcoming the Covid-19 lockdowns imposed by Singapore and

Malaysia Governments, the revenue of healthcare division grew by 80% compared to the previous year. With the strengthening of the sales team and increased awareness of iron deficiency, the sales are estimated to increase by leaps and bounds in the coming years.

Operations & Maintenance Services

The Company's foray into 'Operations & Maintenance' (O&M) services for power plants took genesis with the service offering to MCL. These services have been delivered in accordance with the O&M Contract which underwent thorough scrutiny of the lenders as well as the other shareholder in Zambia. Nava Bharat Group Companies have pursued a risk matrix based on onsite and offsite deliverables under the Contract and have helped MCL maintain an optimum performance of its 300 MW power plant subject to local grid and other limitations.

The Company plans to leverage upon its experience of running medium-sized industrial and independent power plants in India, ideally supplemented by its O&M experience in Zambia, to pursue other business opportunities in this space.

Outlook

Ferro Alloys

The Company expects to have the present demand momentum for ferro alloys continue till Q2 and then see a slight softening in the demand and the price realizations. The demand for steel from China will have an impact on the demand and the prices of ferro alloys in the later part of the year. Overall, the Company expects to surpass the previous year's highest sale quantity and increase in profitability.

The manganese alloy production could keep up its pace for the full year, although there might be some risks to the demand with the Covid-19 disruptions. The working capital involved in the manganese alloys division is projected to be lower with faster realizations.

The Conversion arrangement for chrome alloys with Tata Steel is renewed with its subsidiary, Tata Steel Mining Limited (TSML) w.e.f. December 1, 2020 till March 31, 2025 for mutual advantage. The Company projects to receive additional margin for a few months on conversion in line with the spurt in ferro chrome prices. TSML is supplying sufficient chrome ore for conversion and the Company projects to produce highest quantity with no planned major maintenance scheduled during the year.

Steel demand is expected to be strong due to recovery in manufacturing businesses around the world and global fiscal stimulus supporting infrastructure projects. While it is expected that steel prices will consolidate closer to historical levels, prices are likely to remain high supported by (i) strong iron ore prices, (ii) rebound in coking coal

prices, (iii) positive impact from stimulus plans, and (iv) improved business confidence from the roll-out of vaccines. Strong rebound of demand in 2021, in addition to supply-side reforms in China could lead to higher steel prices globally.

Power Sector

Indian Power Operations

The Company expects captive consumption to remain the significant driver of business in 2021-22 with merchant sale of power in the spot market through Power exchanges improving some extent compared to the last financial year.

For FY 2021-22 the (PLF of independent power plants is projected to improve with the slight increase in the tariffs over the power exchanges, although there is no expectation of bilateral short-term contracts. The 60 MW IPP at Odisha, made operational in May 2021, is expected to operate throughout the year with the coal linkage under Shakti B (III) scheme. For the 150 MW Nava Bharat Energy India Ltd plant and 60 MW IPP, the Company is working on a 'Group Captive Scheme' within the regulatory framework which shall guarantee the off-take by industrial consumers.

The 20 MW multi fuel-based process power plant and the huge tract of industrial land appurtenant thereto are planned to be monetized and the Company is exploring various options.

Zambia Coal & Power Operations

MCL envisages coal mining at its optimum scale with a new mining block operationalized in 2020-21 for supplying high-grade coal to industrial customers and so expects to deliver strong financial performance under this segment. Year-on-year, MCL is adding new customers and increasing the coal sales to outside customers.

The major overhaul of one unit of the power plant which started in Jan 2021 is taking longer with a deformation observed in turbine's diaphragms and carrier, repairs to which was not possible. MCL had to get a new set of diaphragms manufactured, as these are not off-the-shelf items. Post operational of this unit, the major overhaul of another unit will be taken up during FY 2021-22. With the prolonged major overhaul, the plant availability will be significantly lower for FY 2021-22 impacting the revenues and profitability.

Discontinued operations

The sugar manufacturing operations were discontinued in March 2020 and accordingly classified the revenues and expenses to 'Profit or Loss pertaining to discontinued operations'. The available sugar stocks are expected to be sold off by August 2021 and the plant and machinery of the sugar, distillery and ethanol plant are being sold on a piecemeal basis. The Company is evaluating the available business options for monetizing the land bank.

Risks and Concerns

The Company's business verticals are primarily engaged in commodities. The associated risks and concerns can be attributed to the stage of trade cycles, volatility in input costs leading to pressure on margins. Since most of our products and services involve exports and revenue generated abroad, foreign currency fluctuations may make our export products less competitive or negatively affect the margins.

1) Ferro alloys

Demand for ferro alloys has a high correlation with the prospects of the steel industry. Moreover, the fortunes of the steel industry mirror the economic climate prevalent across the globe. The alloy manufacturing industry is highly fragmented with the presence of many unorganized players. This is because the entry barriers to the ferro alloy industry are low on account of low technology intensity.

The Company expects that there will not be greater risk for steel and ferro alloys in 2021-22 with the demand and prices still near all-time high. Steel prices globally have risen to record highs in FY21, much more so in the US and Europe. This has largely been driven by a supply-demand mismatch; while the advent of the pandemic led to mills rationalizing supply, demand, however, bounced back faster than expected across regions with mills struggling to catch up with demand. Political and geopolitical developments, such as a reduction in government stimulus programs, policies to cut emissions and trade wars, could increase pressure on the steel sector and, in turn, the ferro alloys industry.

The Company has pursued procurement of a third of annual manganese ore requirement on a firm long-term contract, which, along with certain process innovations, shall help it obtain reasonable control on the costs in this year. This facilitates the Company to guard against volatile market developments and ensure that quantitative parameters are duly kept up at an optimum level. The Conversion arrangement with Tata Steel, though not devoid of margin changes, largely insulates the Company from the volatility in high-carbon ferro chrome prices.

2) Power generation

The thermal power generation sector, although accounting for more than 55% of the power generation in India, continues to be plagued with multifarious issues, principal issues being the dependence on monopolistic State-owned coal suppliers, spiralling coal costs and drastic fall of industrial power consumption in the country. A certain overweight on renewable energy through solar power bids, made thermal power generation a costlier proposition. The cumulative effect of all these factors are seen in power dispatches through exchanges at marginal costs which are highly unviable in the long term for the sector. The cash-strapped power distribution companies

have been relying more on spot markets at these low prices of exchange giving merchant power market a short shrift. Thanks to Covid-19, Distribution Companies have stopped pursuing bilateral tenders in both short and medium terms.

45% of the Company's installed capacity (210 MW) in India is untied and subject to short-term market risks without stable domestic fuel supply. The conversion of this capacity into a 'Group Captive Scheme' shall help in overcoming the operational hardships being faced.

Risk profile of International Investments

The Company has investment exposure for the integrated Coal and 300 MW power project of MCL in Zambia, development cost of the commercial agriculture and processing in Zambia, seed capital for healthcare enabled services in the Asia Pacific (APAC) region.

The investment in MCL through Nava Bharat (Singapore) Pte. Ltd. (NBS) comprises equity share capital (65%), Shareholder Loans and interest accrued thereon. The Company considers that the Enterprise Value (EV) of MCL adequately covers this exposure and that the suite of internationally enforceable financing and project documents including Sovereign Guarantee provide the requisite safeguards to the investment exposure. With the expected resolution under the arbitration proceedings in favour of MCL and restructuring of the project loans for a longer tenure, non-recourse of the project debt to the Parent Company, the Company expects due returns on this investment to commence in about two years, spurring up the EV further.

The development cost of commercial agriculture and processing project is at a nascent stage and is confined to base infrastructure development at the project site of 25,000 acres. There will be marginal expenditure towards care and maintenance of the project site infrastructure till such time as the Government fulfils its committed obligations of proper approach road and power connectivity to the project site which is expected by end of the year 2021. The Company, in the interim, has been evaluating the technical and economic feasibility of various project options and will launch an appropriate scheme thereafter.

The seed capital investment in the Healthcare Enabled Services in APAC region has obtained reasonable traction year-on-year. While the outbreak of Covid-19 pandemic is affecting the sales calls, the envisaged business objectives of this service offering will receive a boost following Bluebook listing (Government hospitals) in Malaysia. The business spurs up attendant opportunities to distribute other lifestyle medical devices, diagnostic services so as to deliver an EV commensurate with the investment.

Typical of multi-geographical investments, the consolidated financials are subjected to market changes of reported currencies resulting in wide

changes in Other Comprehensive Income. As all the investments are without recourse to the Parent Company, the Company does not consider the long-term debt of MCL as risk, other than to the extent of changes in reported financial positions.

Internal Control Systems and their Adequacy

Adopting stringent Internal Control Mechanisms are vitally important in a dynamic and competitive environment that witnesses frequently shifting paradigms. Our Internal Control Mechanisms seek to safeguard the organization's assets as well as authorize, record and report all transactions correctly and in a timely manner. They ensure that we not only conform to local statutory requirements, but meet the highest global standards and practices as well.

Our carefully structured Internal Control Framework constantly monitors and assesses all aspects of risks associated with current activities and corporate profile, including scientific and development risks, partner interest risks, commercial and financial risks. Our Control Processes 1) safeguard the organization's assets, 2) prevent / detect frauds and errors, 3) ensure accurate and complete accounting, and 4) facilitate timely preparation of reliable financial information. They see to it that manual and automated processes for transaction approval and recording are adequately and effectively reviewed. They also ensure compliance with various policies, practices and statutes in keeping with the organization's growth and business complexity.

Our Internal Control Systems are reinforced by regular Management Reviews and verification by Internal Auditors. Further, all internal control functions and its entire gamut of activities are covered by independent audit whose findings are reviewed

regularly by the Audit Committee and Management of the Company. A Board-appointed Audit Committee is entrusted with the task of 1) reviewing the Internal Audit Plan, 2) verifying the adequacy of the Internal Control System, 3) marking its Audit Observations and 4) monitoring the sustainability of the remedial measures.

Discussion on financial performance with respect to operational performance

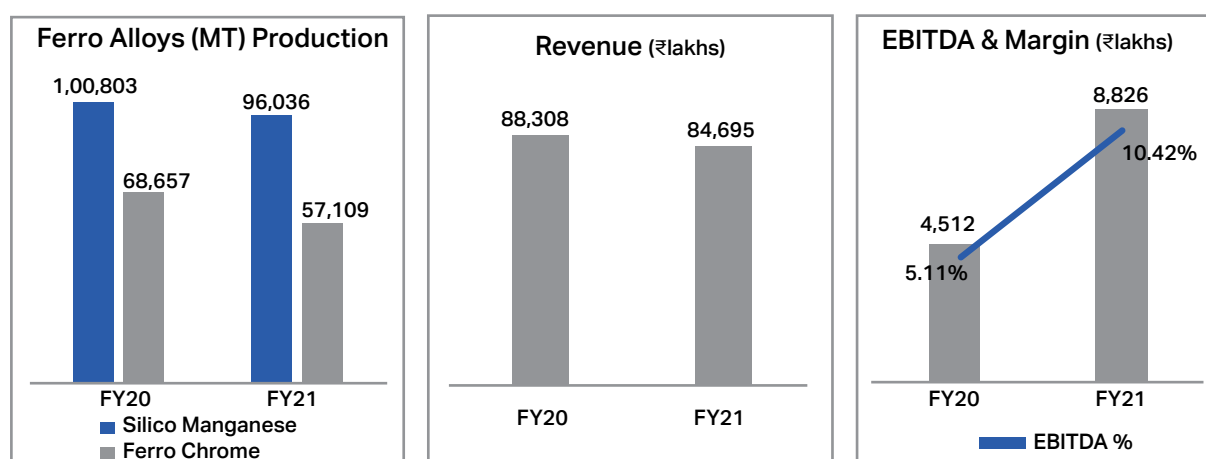
Indian Operations

Ferro Alloys

Ferro chrome conversion business has a consistent track record of providing steady, predictable cash flow to the company. The Conversion arrangement with Tata Steel, which expired in December 2020, has been extended for a duration of 5 years until March 2025. In FY 2021, the conversion volumes at 57,109 MT were lower by 16.8% year-on-year. This was mainly attributable to the Covid-19 induced national lockdown during March-May 2020 and shutdown of one furnace for lining works during the interim period between deal expiry and extension. Conversion revenues for the year at ₹ 18,119 lakhs were lower by 14.1%.

Post lockdown in May 2020, silico-manganese business started the year on an uncertain note due to the pandemic. Demand for steel was sluggish over the last two years and continued till November 2020. However, as the year progressed, the segment saw an impressive turnaround and demand boosted significantly led by exports and the increased demand for steel products. The revenues from this business were ₹ 65,973 lakhs with an EBITDA margin of 10.7%.

Ferro Alloys Division Performance



Power:

NBVL has four power plants in India with a total capacity of 434 MW. Standalone Power Operations have an installed capacity of 284 MW, of which 204 MW are primarily used for captive consumption in ferro alloys. Additionally, the captive power plants remain opportunistic and export surplus power whenever the merchant rates are remunerative bringing in incremental revenue. Aside from this, the company's subsidiary 'Nava Bharat Energy India Limited (NBEIL)' operates a 150 MW merchant power unit at Telangana.

As the year started with a nationwide lockdown, the demand for electricity plummeted across the nation. As the months passed, with gradual easing of lockdowns and opening of the economy, the demand recovered well.

The company's captive power operations continued to deliver consistent performance through the year along with healthy profitability. In Q4, NBEIL's 150 MW unit at Telangana resumed operations towards the end of the year and the long-pending metering issue of 60 MW unit at Odisha was resolved. Indian Power operations reported a Revenue of ₹44,434 Lakhs with an EBITDA of ₹10,009 Lakhs (EBITDA Margin 22.53%).

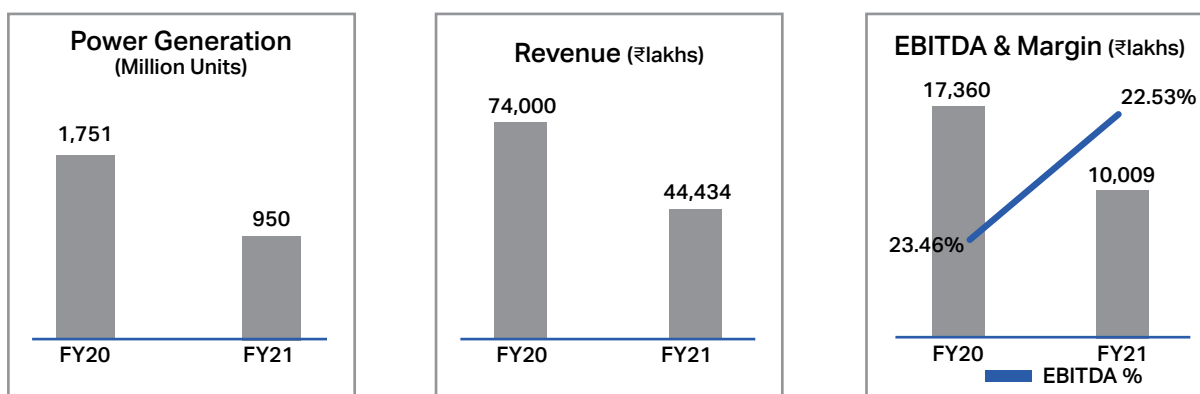
Standalone Power Operations: The parent company's operational power plants at Telangana and Odisha having a combined capacity of 204 MW continued to operate profitably and achieved an average PLF of 53% during the year. Standalone power operations generated a Revenue of ₹41,430 Lakhs, and EBITDA of ₹9,298 Lakhs (before inter-segment eliminations).

Telangana: The 114 MW power plant at Paloncha had challenges to achieve merchant sales due to lower demand in the initial quarters of the year. Captive consumption of power continued to ensure stable operations.

Odisha: The power plant at Odisha, continues to deliver stable performance, backed by the captive consumption of power. The second 60 MW IPP Unit remained available for use through the year and the metering issue was cleared in March 2021 and merchant sales commenced in May 2021 post the reporting date.

The 150 MW unit of the subsidiary 'NBEIL' reported a Revenue of ₹4,604 Lakhs and EBITDA of ₹1,836 Lakhs.

Power Business Performance – India



International Operations

Mamba Collieries Ltd

NBVL's step-down subsidiary 'Maamba Collieries Limited (MCL)' is engaged in 'power' and 'coal mining' operations in Zambia. NBVL has a 65% equity stake in MCL through its wholly owned subsidiary based in Singapore.

Maamba Collieries reported revenue of ₹1,60,065 Lakhs (US\$ 215.5 Million), and EBITDA of ₹99,759 Lakhs (US\$ 134.3 Million) in this financial year. Net profit for the year was ₹36,578 Lakhs (US\$ 49.3 Million). Overall debt of MCL stands at ₹3,03,501 Lakhs (US\$ 412.9 Million). MCL has cash and cash equivalents of ₹22,772 Lakhs (US\$ 31.0 Million) as of March 31, 2021.

Power Operations

The integrated 300 MW coal-fired power plant at MCL operated with 77.7% availability and 72.1% PLF in the financial year 2020-21. Through these operations, it generated a revenue of ₹1,44,893 Lakhs (US\$ 195.1 Million) and EBITDA of ₹70,733 Lakhs (US\$ 95.2 Million).

While the revenue was flat on a year-on-year basis, EBITDA was lower from ₹96,070 Lakhs (US\$ 135.5 Million) recorded in the previous year. This was largely due to the major maintenance shutdown of

one unit during Q4 and higher expected credit loss provision of ₹33,427 Lakhs (US\$ 45.0 Million). Due to deformation observed in turbine's diaphragms and carrier, repairs to which was not possible, major maintenance got extended beyond the initial schedule. This unit is expected to be operational in July 2021. Notwithstanding the extended shutdown, the power division continued to deliver a strong operational performance. Since MCL commenced billing for power in July 2016 onwards, it has cumulatively realized ~58% of the amounts billed, as of March 31, 2021.

MCL has serviced interest on loans in full till March 25, 2021 and has to pay the principal instalments totaling to ₹65,052 Lakhs (US\$ 88.5 Million) which fell due on March 25, 2020, September 25, 2020 and March 25, 2021. Owing to receivables outstanding from ZESCO, MCL made a request to the project lenders for restructuring the outstanding loan amount keeping in mind the revised prospective tariff which is under negotiation. MCL expects the lenders to take up restructuring positively post the settlement of revised prospective power tariff with ZESCO and the increased payment plan against each month bill. In FY21, MCL has initiated the international arbitration proceedings against ZESCO for recovery of dues arising out of power purchase agreements executed with it for sale of power. An Arbitration tribunal has been appointed and proceedings are underway.

Coal Mining Operations

Mining operations received a boost from growing volumes and new client additions. Over the last financial year, coal sales to outsiders grew by 55.8% to 3,75,412 MT. Consequently, the division registered an impressive 16.2% growth in Revenue, which grew from ₹ 29,018 Lakhs (US\$ 41.1 Million) last year to ₹35,444 Lakhs (US\$ 47.7 Million). EBITDA grew by 33% year-on-year to ₹ 24,260 Lakhs (US\$ 32.7 Million).

Particulars	2019-20 ₹ in Lakhs	2020-21 ₹ in Lakhs	Growth (%)
Turnover	1,51,539 (US\$ 213.8 Mn)	1,60,065 (US\$ 215.5 Mn)	5.62
EBITDA	92,781 (US\$ 130.9 Mn)	99,759 (US\$ 134.3 Mn)	7.52
PAT	38,913 (US\$ 54.9 Mn)	36,578 (US\$ 49.3 Mn)	-6.00
External Coal Sales (MT)	2,41,016	3,75,412	55.76
Power Production (Mn kWh)	2,010	1,896	-5.67
Average Availability (%)	77%	77%	-
Average PLF (%)	76%	72%	-5.26

Asia Pacific

NBVL forayed into the healthcare sector by acquiring 65% stake in TIASH Pte. Ltd. (a holding company based in Singapore). TIASH has operations in Malaysia and Singapore via two of its subsidiaries – 'The Iron Suites-Medical Center (Singapore)' and 'Compai Pharma (Singapore)'.

The Iron Suites-Medical Center is a medical clinic in Singapore specializing in the treatment of iron deficiency predominantly with IV iron.

Compai Pharma is a medical distribution company with the operations in Malaysia and Singapore. It has exclusive distribution rights for Monofer in Malaysia and Singapore.

Despite the pandemic and lockdown, thanks to good marketing strides made, the healthcare division's revenue increased by 80% and loss contained by 40% compared to the previous year. The division is aiming to break-even in the next 1-2 years and looking to other products of reputed manufacturers for marketing in the APAC region.

Financial Performance (Based on Consolidated Financial Statements)

Although the year started with a full-blown global pandemic raising uncertainty across industries, NBVL reported an encouraging performance for the

year, aided by gradually improving industry dynamics and perseverance of the entire team.

Statement of Profit & Loss and change in Return on Net Worth as compared to the immediately previous financial year

Despite the domestic and global economies being in lockdown for several months, Revenue from operations for the year was relatively flat and lower by 8% at ₹ 2,54,850 lakhs compared to ₹ 2,75,872 lakhs in 2019-20. Our prudent efforts to manage costs, improved domestic performance, increased exports and higher realization for ferro alloys led to Adjusted EBITDA growth of 7%, from ₹ 1,34,489 lakhs in 2019-20 to ₹ 1,43,825 lakhs in 2020-21. The Adjusted EBITDA margin improved from 48.8% to 56.4%. Net Profit improved slightly during the year, Profit After Tax for the year stood at ₹ 55,068 lakhs, higher by 4% as against ₹ 53,075 lakhs in 2019-20.

Balance Sheet

Shareholders' Fund increased from ₹4,18,515 lakhs as on March 31, 2020 to ₹4,41,146 lakhs as on March 31, 2021 led by ploughing of operational surplus into the business. Net debt stood lower at ₹2,91,633 lakhs as on March 31, 2021, a testimony to the company's deleveraging efforts. Net debt-to-equity ratio improved to 0.62x in 2020-21 (0.74x in 2019-20).

Key Ratios (based on Standalone & Consolidated Financial Statements)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
EBITDA Margin	26.88%	22.20%	47.12%	41.66%
PAT Margin	14.49%	11.39%	19.68%	18.42%
Return on Average Capital Employed	7.96%	6.77%	12.21%	11.80%
Return on Average Equity	5.21%	4.39%	11.23%	12.50%
Debt to Equity Ratio	0.06x	0.10x	0.77x	0.90x
Debtors Turnover Ratio	5.87x	5.63x	1.02x	1.54x
Inventory Turnover Ratio	2.06x	1.85x	1.56x	2.60x
Current Ratio	3.84x	2.57x	1.13x	1.93x
Interest Coverage Ratio	21.73x	11.89x	2.96x	2.84x

Details of significant changes (i.e., change of 25% or more as compared to the previous financial year) in key financial ratios, along with detailed explanations:

Standalone

- Net profit for the year came in higher at ₹15,460 lakhs (+20.3% YoY) as the ferro alloys segment's profitability was boosted by the performance of the silico-manganese business driven by higher exports and realizations per unit.
- Debt-equity ratio as on 31.03.2021 is at 0.06x; improvement aided by the repayment of the corporate loans availed for the investment made in MCL and increase in shareholders' equity value.
- Current ratio improved to 3.84x as on 31.03.2021, with the reduction in current portion of the long-term debt and the increased investments made in mutual funds, bonds, etc.

Consolidated

- Debt-equity ratio as on 31.03.2021 is at 0.77x with the repayment of the corporate loans availed by the Company and increase in shareholders' equity value.
- Debtors' turnover ratio got deteriorated to 1.02x as on 31.03.2021 with the steep increase in receivables by MCL from ZESCO.
- Decrease in current ratio to 1.13x is mainly due to reclassification of the receivables of MCL, expected to be realized beyond 12 months to non-current portion.

Material developments in Human Resources / Industrial Relations front, including number of people employed

Nava Bharat, with its continued and firm belief in its human resources, has been creating a conducive and challenging atmosphere for its employees, leading to sustainable performance growth. The Company's reliability on its proven pillars of Human Resources, viz., culture of high performance and cross-functional learnings, employee engagement, organization capability development clubbed with and maintaining cordial industrial relations has provided the platform for the above belief and led to further embrace the contemporary practices of HR.

Orientation of High-Performance Culture

The employee performance has remained the fulcrum in driving the culture of learning and high performance. The endeavor to identify and reward exceptional performers towards enabling the high-performance culture did not stop with performance management and variable-pay programs, but through various cross-functional and locational employee engagement initiatives.

Employee Engagement

Talent engagement, a bridge between the performance and the employees' aspirations, has been a pivot for the Company's growth. The Company has been constantly focusing on building the systems and processes for developing a committed, engaged and efficient employee base. For the financial year gone by, various new engagement initiatives had been initiated for the employees to fully engage and connect with the Company's values, goals and principles. One of them being 'Unlock Your Potential' aimed at providing multiple platforms to employees to focus on Sharing & Learning, Contribution & Strengths and Realizing the best of oneself.

An engaging culture pervades at all our Offices and Units, which is reiterated by conducting regular activities as part of Annual Day celebrations and on occasions like New Year, Republic Day, Safety Week, World Environment Day, International Women's Day, etc. The employees are also recognized through rewards and prizes for meritorious performance in various sports activities, competitions conducted and for their long service. Continuous improvement of the existing facilities and creation of new facilities being taken up regularly at the workplace and in residential colonies for creating conducive work environment and improving work-life balance.

Capability Development

The Company believes in skilling and re-skilling its employees through various programs, spanning technical and behavioral competencies. The competencies are built through on-the-job, internal trainings / workshops, guest lectures, etc., by engaging internal and external expert faculty.

The Company believes in the process of review of its HR processes and systems on an ongoing basis to optimize costs, time and labour. Further, to bring prudence, to the outcome of the review and to remain contemporary, the Company has initiated more measures viz., digitization of HR administrative transactions, Anubhuti (online induction), etc.

Concern and Care

A new initiative 'Helping Hands – Task Force' driven by cross-functional team members, has been established to engage with employees and their families members to extend support in the event of challenges due to COVID-19 situation.

Industrial Relations

The Company has an impeccable record in terms of maintaining harmonious industrial relations. The year gone by too did not lose a single man day on account of any industrial strife / disturbance.

The number of permanent employees on the rolls of the Company stood at 608 (990 across all the Companies of the Group globally) as on March 31, 2021.

Cautionary Statement: This document contains statements about expected events and financial and operational results of Nava Bharat Ventures Limited which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant chance that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, and actual results and events to differ materially from those expressed here.

ANNEXURE - 8

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Requirements	Disclosure	
		Name of the Director	Ratio
I	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Mr. D. Ashok, Chairman	127.76x
		Mr. P. Trivikrama Prasad, MD	127.86x
		Mr. GRK Prasad, ED	63.43x
		Mr. CV Durga Prasad, Director (BD)	52.61x
		Mr. Ashwin Devineni, CEO & Whole-time Director	Not applicable
		Dr. D. Nageswara Rao, Director	1.37x
		Mr. Kode Durga Prasad, Director	1.39x
		Mr. GP Kundargi, Director	1.14x
		Mr. A. Indra Kumar, Director	1.34x
		Mrs. B. Shanti Sree, Director	1.14x
II	The Percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	Name of Director	% increase in remuneration
		Mr. D. Ashok, Chairman	Nil
		Mr. P. Trivikrama Prasad, MD	Nil
		Mr. GRK Prasad, ED	Nil
		Mr. CV Durga Prasad, Director (BD)	Nil
		Mr. Ashwin Devineni, CEO & Whole-time Director	Not applicable
		Dr. D. Nageswara Rao, Director	Nil
		Mr. Kode Durga Prasad, Director	Nil
		Mr. GP Kundargi, Director	Nil
		Mr. A. Indra Kumar, Director	Nil
		Mrs. B. Shanti Sree, Director	Nil
		Mr. Sultan A. Baig, CFO	Nil
		Mr. VSN Raju, CS & VP	Nil
III	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees increased by 0.57%	
IV	The number of permanent employees on the rolls of the Company	There were 608 permanent employees on the rolls as on March 31, 2021.	
V	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average percentage increase already made in the salaries of employees other than managerial personnel was 0.25% in FY 2020-21. The comparison between the above mentioned average percentage increase already made in the salaries of employees (other than managerial personnel) with the percentile increase in the managerial remuneration is not applicable for FY 2020-21 as there was no increase in salaries of the managerial personnel in FY 2020-21.	
VI	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed that the remuneration is as per the remuneration policy of the Company	

For and on behalf of the Board

Place : Hyderabad
Date : June 17, 2021

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

ANNEXURE - 9

Statement of Particulars of Employees pursuant to the Provisions of Rule 5(2) of the Companies (Appointment and Remuneration) Rules, 2014

Sl. No.	Name & Designation	Remuneration received (₹ in lakhs)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of Commencement of employment	Age	The last employment held before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule(2) of Rule 5	Whether the employee is a relative of any director or manager of the company
1	Mr. P. Trivikrama Prasad Managing Director	701.84	Contractual	M.B.A. (U.S.A.) 39 years	01.08.1981	67	...	7.47	No
2	Mr. D. Ashok Chairman	701.28	Contractual	M.B.A. (U.S.A.) 39 years	28.08.1981	64	...	1.89	Yes *
3	Mr. GRK Prasad Executive Director	348.18	Contractual	B.Sc., F.C.A. & F.C.S. 40 years	16.08.1995	63	General Manager, DCL Polysters Ltd.	0.05	No
4	Mr. C.V. Durga Prasad Director (Business Development)	288.77	Contractual	B.Com. 48 years	01.07.1973	69	...	0.18	No
5	Mr. T Hari Babu Vice President (Finance)	127.00 [#]	As per Company's Rules till 30.06.2020 Contractual Since 01.07.2020	B.Com., A.C.A. 32 years	08.07.1993	60	Manager - Accounts Suchitra Components Ltd	0	No
6	Mr. D. Nikhil Sr. Vice President	120.00	As per Company's Rules	MBA (Barcelona) 7 years	07.02.2019	31	Manager - Business Development Kobe Green Power Co. Ltd., Laos	1.76	Yes **
7	Mr. Y Sreenivasa Murthy Vice President	85.36 ^{\$}	As per Company's Rules till 30.06.2020 Contractual Since 01.07.2020	B.E., MBA (Finance), MBA (Marketing) 34 years	12.09.2016	58	Director Operations & GM Pentair Valves & Controls India Pvt Ltd.	Nil	No
8	Mr. VSN Raju Company Secretary & Vice President	71.13	As per Company's Rules	B.Com., A.C.S. 25 years	28.04.2016	51	CS & VP Gati Limited	Nil	No
9	Mr. Sultan A. Baig Chief Financial Officer	63.30	As per Company's Rules	B.Com., A.C.A. 22 years	30.01.2020	42	Vice President Finance Biological E Limited	0.02	No
10	Mr. P Ramesh Chief General Manager (PP - O&M)	62.60	As per Company's Rules	B.Tech (Mechanical) 33 years	01.08.1996	55	Resident Engineer Indwell Constructions	0	No

Notes: 1. Gross remuneration includes salary, taxable allowances, commission, value of perquisites as per the Income-Tax Rules, 1962 and Company's contribution to Provident and Superannuation Funds.

2. The experience shown above refers to the total period in years of career.

* Mr. D. Ashok is father of Mr. Ashwin Devineni, CEO and whole-time director of the Company.

**Mr. D. Nikhil is son of Mr. D. Ashok, Chairman of the Company and brother to Mr. Ashwin Devineni, CEO and whole-time director of the Company.

The remuneration includes retiral benefits of ₹44.24 lakhs

\$ The remuneration includes retiral benefits of ₹7.80 lakhs

For and on behalf of the Board

Place : Hyderabad
Date : June 17, 2021

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

ANNEXURE - 10

Form No. MR-3 SECRETARIAL AUDIT REPORT

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

To
The Members
Nava Bharat Ventures Limited
Hyderabad

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Nava Bharat Ventures Limited**, (hereinafter referred to as "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of 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 officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2021**, complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

- (i) The Companies Act, 2013 ("the Act") (applicable sections as on date) 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 by the Securities and Exchange Board of India ("SEBI") thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) Provisions of the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the Financial Year under review:-
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- (vii) The industry specific laws that are applicable to the Company are as follows:
 - a. The Electricity Act, 2003;
 - b. The Mines Act, 1952;
 - c. The Mines and Mineral (Regulation and Development) Act, 1957;
 - d. The Explosives Act, 1884;
 - e. The Indian Boilers Act, 1923;
 - f. The Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010;
 - The Central Electricity Authority (Safety Requirements for Construction, Operation and Maintenance of Electrical Plants and Electric Lines) Regulations 2011;
 - g. The Water (Prevention and Control of Pollution) Act, 1974;
 - h. The Air (Prevention and Control of Pollution) Act, 1981; and
 - i. The Environment Protection Act, 1986.
 - j. The Public Liability Insurance Act 1991

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

- (i) Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors

and General Meetings, respectively, issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

We report that, during the period under review, the Company has duly complied with the provisions of the Companies Act, 2013, the regulations of SEBI and other Acts, as specified above, applicable to the industry of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, the following changes took place in the composition of the Board of Directors:

Sl. No.	Name of the Director	Appointment / Cessation / Reappointment	Our Comments
1	Mr. GRK Prasad	Reappointment	Reappointed as a director at the AGM held on September 02, 2020 upon the retirement by rotation in accordance with the provisions of section 152 of the Act.
2	Mrs. Shanti Sree Bolleni	Appointment	Shareholders approved at the AGM held on September 02, 2020 the appointment as an Independent Director for a period of 5 years w.e.f. October 30, 2019.

Adequate notice was given to all the 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.

We further report that based on our verifications and the declarations received from the respective directors, the directors are not disqualified to act as such under the provisions of the Companies Act, Orders/ Circulars/ Regulations issued by SEBI or such other acts for the time being enforceable.

We further report that no prosecutions were initiated and no fines or penalties were imposed during the year under the Companies Act, the SEBI Act, the SCRA or other SEBI Regulations on the Company or its directors and officers.

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

We further report that during the year under review, the petition filed by the Company u/s. 66 of the Act, seeking approval for the Scheme of Reduction of Share Capital for extinguishing 99,47,020 equity shares held under Trust by Nav Energy Private Limited and 28,00,000 equity shares held by Nava Bharat Ventures Employee Welfare Trust from the total paid-up equity share capital of the Company, has been approved by the Hon'ble National Company Law Tribunal, Hyderabad Bench. Upon the implementation of scheme the paid-up share capital of the Company stands at ₹32,69,40,000/-

We further report that during the year under review, the Company has bought back 1,55,48,172 equity shares from the open market and extinguished 70,76,203 equity shares

up to March 31, 2021 in accordance with the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and Section 68 of the Companies Act, 2013. Upon extinguishment of these shares, the paid-up share capital of the Company stands at ₹31,27,87,594/-

We further report that in terms of the provisions of section 124(6) of the Act, 2,47,225 equity shares belonging to 423 shareholders were transferred to the Investor Education and Protection Fund (IEPF). After affecting this transfer and claims settled 6,14,749 shares were lying in the IEPF account as on March 31, 2021.

We further report that in terms of the provisions of Regulation 39(4) of Listing Regulations, during the year under review the Company has transferred 5,530 shares from the Unclaimed Suspense Account to the 3 claimants as well as IEPF and the balance shares lying in such account as on March 31, 2021 were 5,65,140.

We further report that in terms of provisions of section 135 of the Act, the Company has spent ₹432.96 lakhs as against the amount of ₹446.56 lakhs required to be spent for the year and the balance amount has been deposited in a special bank account titled as Unspent Corporate Social Responsibility Account.

For **P.S.Rao & Associates**
Company Secretaries

P.S. Rao
Company Secretary
FCS No.: 10322
C.P. No.: 3829
UDIN: F010322C000478856

Date : June 17, 2021
Place : Hyderabad

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

'Annexure A'

To,
The Members,
Nava Bharat Ventures Limited
Hyderabad

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the 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.
7. Owing to the lockdown measure imposed by the Government in the wake of the Covid-19 pandemic, for certain verifications and cross checks, we have relied on the information/ documents and assurances received from the respective officials of the Company for forming our opinion and for eventual reporting thereof.

For **P.S.Rao & Associates**
Company Secretaries

P.S. Rao
Company Secretary
FCS No.: 10322
C.P. No.: 3829
UDIN: F010322C000478856

Date : June 17, 2021
Place : Hyderabad

ANNEXURE - 11

Dividend Distribution Policy

This policy applies to the distribution of dividend by Nava Bharat Ventures Limited (the "Company") in accordance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations).

Definitions:

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, and the SEBI Regulations.

Background:

SEBI has, vide its notification dated July 8, 2016 issued Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 and amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to insert Regulation 43A after the Regulation 43. As per Regulation 43A, the top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) are required to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

This Policy sets out the parameters that shall be taken into account by the Board of Directors of the Company to determine the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Board of directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

Parameters:

- a. The circumstances under which the shareholders may or may not expect dividend;
The Company shall comply with the relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, and other parameters described in this policy.
- b. The financial / internal parameters that shall be considered while declaring dividend;
The Board of directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:
 - Capital allocation plans including:
 - Expected cash requirements of the Company towards working capital, capital expenditure in technology and Infrastructure etc.;

- Investments required towards execution of the Company's strategy
 - Funds required for any acquisitions that the Board of directors may approve; and
 - Any share buy-back plans.
- Minimum cash required for contingencies or unforeseen events;
 - Funds required to service any outstanding loans;
 - Liquidity and return ratios;
 - Any other significant developments that require cash investments.
- c. External factors that shall be considered for declaration of dividend;
The Board of directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:
 - Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
 - Any political, tax and regulatory changes in the geographies in which the Company operates;
 - Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
 - Any changes in the competitive environment requiring significant investment.
 - d. Policy as to how the retained earnings shall be utilized;
The consolidated profits earned by the Company can either be retained in the business and used for various purposes as outlined above or it can be distributed to the shareholders.
 - e. Provisions in regard to various classes of shares.
The provisions contained in this policy shall apply to all classes of Shares of the Company. It may be noted that currently the Company has only one class of shares, namely, equity shares.

Review:

This policy will be reviewed and amended as and when required, by the Board.

Limitation and Amendment:

In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments ("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L27101TG1972PLC001549
2	Name of the Company	Nava Bharat Ventures Limited
3	Registered address	Nava Bharat Chambers, 6-3-1109/1 Raj Bhavan Road, Hyderabad-500082, Telangana
4	Website	www.nbventures.com
5	E-mail id	investorservices@nbv.in
6	Financial Year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	
NIC Code		Description
35102		Power
24104		Ferro Alloys
8	List three key products / services that the Company manufactures / provides (as in balance sheet)	Power and Ferro Alloys
9	Total number of locations where business activity is undertaken by the Company (Provide details of major 5)	
	(a) Number of International Locations	The major international locations where NBVL has operational business activities through its subsidiaries and step-down subsidiaries are Singapore, Zambia, Malaysia & Cote d' Ivoire, Abidjan.
	(b) Number of National Locations: Nava Bharat Ventures has 2 locations as mentioned below:	
Key Products		Location
Ferro Alloys		1. Paloncha, Telangana 2. Kharagprasad Village, Odisha
Power		1. Paloncha, Telangana 2. Kharagprasad Village, Odisha
10	Markets served by the Company – Local / State / National / International	Domestic : Big and medium scale steel mills in West Central and South India International : South- East Asia

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹2,959.70 Lakhs
2	Total Turnover (INR)	₹1,02,699.31 Lakhs
3	Total profit after taxes (INR)	₹15,460.16 Lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company's total spending on CSR for the year ended March 31, 2021 was ₹432.96 Lakhs, (1.94% of the profit after tax-of FY 2020-21).
5	List of activities in which expenditure in 4 above has been incurred:- Health Education Livelihood & Other Programs: Environmental sustainability and Rural development	

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company / Companies? Yes	
Indian Subsidiaries		
Nava Bharat Projects Limited		Nava Bharat Energy India Limited
Brahmani Infratech Private Limited		
Foreign Subsidiaries		
Nava Bharat (Singapore) Pte. Limited, Singapore		Maamba Collieries Limited, Zambia
Nava Energy Pte. Limited, Singapore		Nava Energy Zambia Limited, Zambia

Nava Agro Pte. Limited, Singapore		Kawambwa Sugar Ltd, Zambia
Nava Holding Pte. Limited, Singapore		Tiash Pte. Limited, Singapore
Compai Pharma Pte. Limited, Singapore		Compai Healthcare SDN. BHD, Malaysia
The Iron Suites Pte. Limited, Singapore		TIS Pte. Limited, Singapore
2	Do the Subsidiary Company / Companies participate in the Business Responsibility (BR) Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	The parent Company undertakes majority of the BR initiatives
3	Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]	Our suppliers are not directly involved with the 'Business Responsibility' initiatives. However, our agreements address areas like Health, Safety and Environment (HSE), Ethics and Human Rights that our suppliers, distributors etc. are obliged to comply with.

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR

- a) Details of the Director / Directors responsible for implementation of the BR policy/policies
1. DIN Number : 00006887
 2. Name : Mr. P. Trivikrama Prasad
 3. Designation : Managing Director
- b) Details of the BR head –

No.	Particulars	Details
1	DIN Number (if applicable)	00006887
2	Name	Mr. P. Trivikrama Prasad
3	Designation	Managing Director
4	Telephone number	040 67283333/23607922
5	e-mail id	investorservices@nbv.in

List of Principles

Principles	Description
Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the wellbeing of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and Consumers in a responsible manner

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies

(a) Details of compliance

No	Questions	P1 Ethics, Transparency and accountability	P2 Product Life Cycle sustainability	P3 Employment Well-being	P4 Stakeholders Engagement	P5 Human Rights	P6 Environment	P7 Advocacy Policy	P8 Community Development	P9 Customer Value
1.	Do you have a policy/ policies for....?	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	NA	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	All the policies are in compliant with respective principles of National Voluntary Guidelines (NVGs)					The HSE policy is approved by Managing Director	NA	Y	Statutory policies are placed before Board for consideration and approval
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6.	Indicate the link for the policy to be viewed online?	#	#	#	#	#	#	NA	#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8.	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	N	N	N	N	N	N	Y	N

Details of information and links provided below

- P1:** Refer to Whistle Blower Policy, Code and Conduct Policy and Policies under Prohibition of Insider Trading (available on www.nbventures.com)
- P2:** Available internally, view restricted to respective stakeholder
- P3:** Available internally, view restricted to respective stakeholder
- P4:** Refer CSR Policy (available on www.nbventures.com)
- P5:** Code of Conduct, Whistle Blower Policy (available on www.nbventures.com) and Prohibition of Sexual Harassment of Women Employees at work place available internally to all employees.
- P6:** Available internally, view restricted to respective stakeholder
- P7:** Not Applicable
- P8:** Refer to the CSR committee charter, CSR Policy (available on www.nbventures.com)
- P9:** Available internally, view restricted to respective stakeholder

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	*	-	-

*The company does not have a separate policy on advocacy. For advocacy on policies, the Company works through / is a member of SISSTA and IFAPA, etc.

1. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Company's Annual Report includes a Business Responsibility Report as per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015 which can be accessed on the website of the Company at <https://www.nbventures.com/financials/>.

The Company has adopted a Code of conduct policies applicable to the Board of Directors and senior management personnel of the Company and also covers subsidiaries. The members of the Board of Directors and the members of the Senior Management of the Company are required to affirm compliance of this code annually.

The Company further ensures compliance of ethical standards by its vendors and contractors through appropriate clauses in its work contracts addressing areas like HSE, Ethics, and Human Rights which they are obligated.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has not received any significant complaints from stakeholders in the previous financial year, however the Company has received 6 (Six) complaints from the shareholders which are general in nature like non-credit of unclaimed dividends & shares and non-receipt of dividend warrants which were well resolved satisfactorily and no complaint was pending for resolution as on March 31, 2021.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company is committed in building a strong ethical organisation. Our policies on ethics, bribery and corruption cover the Company, its subsidiaries and associates.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

a. Ferro Alloys: We produce manganese and chromium alloys which are essential part of steel. Manganese is a stronger deoxidizer and which also helps to improve some mechanical properties of steel like strength, toughness and wear resistance etc. Our products are used in several heavy industries – such as automotive, railways and constructions- as well as in manufacture of stainless steel consumer goods.

b. Power: We have coal fired power plants in Paloncha and Kharagprasad, comprising 114 MW and 150 MW respectively. The fly ash generated from thermal power plant is utilised for manufacturing of fly ash bricks. 114 MW CPP at Paloncha supply electrical power consistently to Ferro Alloy Plant – Telangana (FAP-T) as per the demand and surplus power to grid as and when external demand arises. For Ferro Alloys plant production, electrical power is a major cost component.

For all the above mentioned products environmental concerns have been incorporated in the design and business by adopting criteria for site selection and conducting Environmental Impact Assessment. The units have incorporated in its design/production planning to address the internal and external issues including Compliance Obligations of Health, Safety, Environmental and considered the related Risks and Opportunities in the business through BSI certified ISO-Integrated Management System (comprising Quality Management System-QMS, Environmental Management System-EMS, -OHSMS and Energy Management System-EnMS).

The Company also has Risk Identification and management framework across all operations and corporate office. It has installed and commissioned limestone handling system to meet the environment norm of SO_x level in Boiler exit flue gas. Dust suppression and dust extraction systems are installed at various locations in the plant to control the fugitive dust emissions. Pollution Control Equipment like all 4 Boilers are connected to individual Electro static precipitator to control the SPM (Suspended Particulate Matter) level to meet the latest MoEF norm and Boilers are designed to operate at low furnace temperature thereby NO_x level in exit flue gas is less than MoEF norms.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company's operations are energy efficient. We recognise the impact of our operations on the environment and adopt strategies to minimise our resources use in all our processes. To further channelize our endeavours, we consciously track usage of these resources – water, energy and raw materials, throughout our operations. Emissions from all operations are monitored and controlled as per design. There are various initiatives such as:

- Fly ash generated from thermal power plant is utilised for manufacturing of fly ash bricks.
- There was reduction in consumption of water and chrome ore, reductant & fluxes as compared to previous year and Flue Gas cleaning residue generated from Gas Cleaning Plant (GCP) is recycled.
- Extension of CHP-1 crushed coal storage shed to one more bay to meet TSPCB requirement i.e. all the coal should be stored in closed sheds only and to avoid air pollution.
- The specific consumption of inputs required for Ferro Chrome production like coke consumption reduced from 428 Kg/MT to 420 Kg/MT, and have used alternate reductant upto 50% in coke blending.
- Waste heat recovery systems are in place for Furnace No: 03 & 04 to recover the waste heat available in exit flue gas. This waste heat is utilized for heating feed water in STG-02 & 03 regenerative system.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Raw materials for the production are sourced through reputed Organizations in both indigenous and through imports. Vendors are selected through supplier evaluation process mechanism. MOUs with the suppliers will be concluded from time to time basing on business plan. Apart from these, one quarter inventory is being maintained to avoid impact on Company's operations due to shortage of raw materials. Standard Procedures are laid down for sourcing of raw materials and transportation of the same to Plant. Adequate measures are taken to control spillage of raw materials / dust emissions during transportation from source like coverage with tarpaulins, etc. The transporters are well educated with our policies towards environmental protection. The coal is an important raw material in the production

process. The Company located its Plants at the nearest possible distance from coal mines, so that emissions from transportation can be reduced to the minimum possible extent.

The Company ensured all precautionary measures to protect the environment at unloading points (RM yards) with the systems implemented like dust suppression, dust extraction equipment and coverage with tarpaulins on stocks. Spillages if any at yards will be cleared off immediately once the truck is unloaded. All four furnaces are individually connected to pollution control equipment (Gas Cleaning Plant). So that, no emissions are let out into atmosphere from production activities. The generated waste from the production is 100% recycled.

The Company's product is being delivered in packed bags along with coverage of the truck with tarpaulin. Hence, there will not be any spillages/dust emissions during transportation.

The applicable legal and other requirements and its compliance are being monitored regularly by the Company. Being accredited with four ISO systems (ISO 9001, ISO 14001, ISO 45001, ISO 50001), Company ensures all the sustainable measures for maintaining Quality of the product, protection of environment, health & safety of employees/equipment and conservation of energy.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company encourages procurement of raw material and avail services from the local vendors who are in close proximity to the Company's plants and region, which helps us to reduce cost, lead time. The Company is in continuous communication with the local and small vendors to improve their capacity to meet the procurement requirements of the Company. To improve the business of its vendors; it provides technical know-how inputs to small vendors for improving product quality and operational efficiency.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, the Company is committed to recycle waste that is being generated from the production process. The initiatives around recycling are:

- Total ash generated from Boilers is being supplied to Brick making & Cement plants.
- Blowdown water in CW system and Boilers is being reused for ash conditioning, gardening & housekeeping.
- The dust from filter bag house collected is utilized along with ore fines and converting the same into lumpy and consuming in the process (100%)
- Remelting contaminated slag for extracting

Principle 3

1. Please indicate the Total number of employees.

The total number of employees is 2,252 as on March 31, 2021 which includes 89 employed in Indian subsidiaries and 1,555 employees hired on temporary basis.

2. Please indicate the Total number of employees hired on temporary / contractual / casual basis.

The total number of employees hired on temporary / contractual / casual basis is 1,555 as on March 31, 2021

3. Please indicate the Number of permanent women employees.

The total number of permanent women employees are six (6) as on March 31, 2021 which includes 2 women employees hired in its subsidiaries.

4. Please indicate the Number of permanent employees with disabilities – 0

5. Do you have an employee association that is recognized by management?

Yes, the Company does have employee associations for workmen at Paloncha Unit as follows:

- Nava Bharat Workers Union – Affiliated to INTUC
- Nava Bharat Ferro Alloys Employees Union – Affiliated to AITUC

6. What percentage of your permanent employees is members of this recognized employee association?

51 nos. i.e. 8.40% of permanent employees, who are workmen are the members of the above mentioned recognized employee associations.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees	– 85.5%
(b) Permanent Women Employees	– 100%
(c) Casual / Temporary / Contractual Employees	– 97.6%
(d) Employees with Disabilities	– NA

Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes, we recognise stakeholders relevant to the Company's operations.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its operation sites, which forms the basis of the Company's CSR initiatives design to make it more focused towards improving life quality of villagers in general and women and marginalised in particular.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has taken various initiatives to engage with marginalised stakeholders in the areas of community health care, making available safe drinking water, promoting education, promoting employment and enhancing vocational skills, women empowerment, rural developments projects promoting preventive health care, environment sustainability. For details of projects undertaken during the FY 2020-21, please refer the Annual report on Corporate Social Responsibility (CSR) activities (Annexure-4 to the Directors' report).

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company remains committed to respect and protect human rights and the policy on human rights extends across the Nava Bharat Ventures Limited group of Companies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has received 6 (Six) complaints from the shareholders as mentioned in Principle-1 but haven't received any complaint with respect to Human Rights violation.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others:

The Company has well defined policies in place relating to Health, Safety and Environment. The Policy extends to the subsidiary, branches and manufacturing locations within the group. For suppliers and contractors, we include HSE, Ethics requirements as part of the contract and service agreement. We also ensure that contractor staff deployed on our premises is part of safety training. While sourcing critical raw materials, we select suppliers keeping in perspective their environmental compliance

2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company's policy is available internally which is accessible only to employees. It requires conduct of operations in such manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources. In line with Company's commitment towards conservation of energy, all its manufacturing units continue with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption such as:

- Plantation programme carried out in periphery areas.
- Free seedling distribution to the nearby villagers.
- Waste generated in the plant and colony is converted into vermicomposting and used as organic manure. 100% statutory compliances.
- Extended support to the Statutory Body on Climate Change & Global Warming issue
- Development of green belt, by planting of saplings in and around the industry, colony and near neighbouring villages through CSR as a part of environment development
- Usage of waste water for green belt development and sprinkling on roads to suppression of the dust emissions during vehicle movements etc.

3. Does the company identify and assess potential environmental risks?

Yes, we continually identify and assess potential environmental risks in our manufacturing process. We ensure that the risks are addressed through environment management programs and continual improvement initiatives. All the potential environment risks are identified and addressed as below:

Air Pollution: To reduce / minimise the air pollution the following measures are implemented in the plant premises.

Paloncha:

- a. Provided rain guns in the raw material storage yards and Coal Handling Plant for the suppression of the dust emissions.
- b. Paved roads are in place to minimise the dust emissions during the internal transport of the raw materials.
- c. Permanent sprinklers are in place to suppress the dust emissions arise from the road during vehicle movement
- d. Lime dosing work is in progress to minimise the SO₂ emissions generated from the flue gases to fulfil the statutory requirement

Dhenkanal:

- a. Installed highly efficient Air Pollution control devices like ESP for Power plant and GCP for Ferro Alloy Plant.
- b. Dust suppression / extraction systems are installed in fugitive dust emission areas like Raw material handling, CHP, Briquette Plant, Dryer area etc.
- c. Installed automated water sprinklers for dust suppression, road wetting and gardening etc.
- d. Installed real-time Ambient Air Quality Monitoring systems, Real-time Stack Monitoring System for measurement of different types of pollutant (like PM₁₀, PM_{2.5}, SO₂, NO_x, NO, NO₂, CO in Ambient Air & SPM, SO_x, NO_x, CO (for Stack Emission) Data is transmitted online to SPCB/CPCB Server.
- e. Ammonia dosing facility installed for Controlling PM Level in Stack Emission in Power Plant.
- f. Transportation of fly ash in covered vehicles to avoid spillage / dust pollution in road.

Water Pollution: To prevent / reuse of the waste water for the greenbelt development and other purposes, the following measures are implemented:

Paloncha Unit:

- a. Lining of waste water pond was done to prevent the ground water contamination
- b. Sewage Treatment plant is in place at Colony to treat the domestic effluents
- c. Packaged STP / Phytorid systems are in place to treat the domestic effluents in the Plant.

Dhenkanal Unit:

- a. All the waste water generated from different sources like cooling tower blow down, boiler blow down, DM Plant regeneration water is treated and stored in a common reservoir & reused for dust suppression, fly ash moistening, gardening & road wetting etc.

- b. All domestic effluents are treated in Sewage Treatment Plant (STP).
- c. The Surface runoff water is collected through concrete drains into water harvesting pond and reutilizing for road wetting, gardening etc.
- d. Real-time Effluent Quality Monitoring System for measurement of different parameters like pH, BOD, COD, TSS & Temp. Data is transmitted online to SPCB / CPCB Server.

Solid Waste: To reuse the solid waste generated from the plant without effecting the environment.

Paloncha Unit:

- a. Fly ash disposed to Brick and Cement Units
- b. Slag Granules disposed to Brick and Cement Units

Dhenkanal Unit:

- a. Slag (from Ferro Alloy Plant) are main solid waste, after processing slag is completely reused in the form of chips for road making, civil constructions and filling of low lying areas. Granulated slag is used as substitute for sand in manufacturing of fly ash bricks.
- b. 100% of total fly ash generation is used in different ways like manufacturing of bricks in own brick plant, supply to the outside fly ash brick manufacturing units, supplying to cement manufacturing unit, for filling low lying areas, filling abandoned mine void & stone quarry.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Paloncha Unit

Solid wastes such as fly ash generated in the Power plant is being utilised by Cement industries for manufacturing Cement and Bed ash is being utilised by local ash brick units for making ash bricks. In addition, Singareni Collieries Company Limited (SCCL) uses Bed ash partially for stoving their underground coal mines by mixing with sand.

Silico manganese fume collected in the filter bag houses connected to Ferro Alloy Furnaces is being mixed with Manganese (Mn) ore fines and sintered in the Sinter Plant and the sinters thus produced are fed into.

Slag granules generated during slag granulation are disposed to ash brick manufactures to mix with ash while making bricks. This improves the strength of ash brick and lesser weight.

Environmental compliance report is being filed regularly in compliance with the conditions stipulated in the "Consent for Operation (CFO).

Dhenkanal Unit

- Plantation Programme is carried out on regular basis.

- Energy Conservation-Specific Power consumption for production of Ferro Chrome reduced.
- Using LPG instead of HSD in dryer of Ferro alloy plant.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, The Company has undertaken the following initiatives on clean technology, energy efficiency, and renewable energy. The salient points are summarised as below:

Paloncha Unit

The Company strives to follow the clean technology and energy efficient methods such as;

- a. Gas Cleaning Plant to control the emissions from the Furnace
- b. Electro Static Precipitator to control the emissions from the Boiler
- c. Dust Extraction system at the transfer Points
- d. Dry Fog system at Finished Product Area

Dhenkanal Unit

- a. Installation of Gas Cleaning Plant (GCP) in Ferro alloy Plant and Electrostatic preceptor (ESP) in power plant to control Particulate matter emission.
- b. Installation of Lime dosing system in power plant to control SO₂ emission.
- c. Using Energy efficient bulbs in Ferro Alloy Plant and Power Plant.
- d. Using Energy efficient equipment in Ferro Alloy Plant and Power Plant.
- e. Providing Solar Lighting system in periphery village under CSR project.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?

Yes. Emissions / Waste generated by the Company are maintained within the permissible limits and reports for the same are being submitted regularly to CPCB / TSPCB.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- (a) Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry.

- (b) Indian Sugar Mills Association (ISMA).
- (c) South Indian Sugar and Sugar Technologies Association (SISSTA).
- (d) Indian Ferro Alloys Producers Association (IFAPA).
- (e) The Utkal Chamber of Commerce & Industry Limited, Bhubaneswar (Ferro Alloys).
- (f) The Confederation of Captive Power Plants of Odisha.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, through membership in the above industry bodies, the Company has advocated on the key issues impacting energy security, including but not limited to power sale, coal supply and other issues which may have significant impact.

Principle 8

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, the Company's programmes / initiatives / projects are given in the CSR Policy [https://www.nbventures.com/policies-code-of-conduct/Programmes / projects implemented during FY 2020-21](https://www.nbventures.com/policies-code-of-conduct/Programmes%20implemented%20during%20FY%2020-21%20and%20details%20of%20the%20CSR%20expenditure%20is%20given%20in%20the%20Annexure-4%20to%20the%20Directors'%20report) and details of the CSR expenditure is given in the Annexure-4 to the Directors' report.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

The Company has undertaken most of its programmes / projects directly through its Social Development Department and few others through Foundation as detailed in the Annual report on Corporate Social Responsibility (CSR) activities (Annexure-4 to the Directors' report).

3. Have you done any impact assessment of your initiative?

No, the Company has not carried out any impact assessment or Social audit on CSR programs during FY 2020-21.

4. What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken?

In the FY 2020-21, the Company has spent ₹432.96 Lakhs on CSR activities. The details of the projects undertaken are given in the Annexure-4 to the Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes, the Company has been taking appropriate steps to ensure that the CSR initiatives are successfully adopted by the community. The Corporate Social Responsibility committee reviews at its meeting, the Company's programmes / initiatives / projects undertaken and spending of amount in relation thereto.

Principle 9

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

No significant complaints are pending as at the end of financial year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information): NA

- a. Product information displayed on every sugar bag, as per FSSAI standards.
- b. Product name (Ferro Silico Manganese) only displayed on the packed bags. In addition, a separate test certificate will be issued against the respective lot dispatched.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey / consumer satisfaction trends?

Yes, the marketing team interacts with consumer once in six months as per ISO standards.

Report on Corporate Governance

[Pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations")]

(1) Company's Corporate Governance Philosophy

Our corporate governance encompasses conduct of business in a fair and transparent manner with continuous focus on our resources, strengths and strategies for creation and enhancement of our stakeholders' value. We believe in maintaining high standards of corporate behaviour towards communities and environment for orderly and responsible growth of the Company. We are committed to fair and ethical practices with transparency and accountability for business performance, compliance with applicable laws and timely disclosure of reliable information.

(2) Board of Directors:

(a) Composition and category of directors:

The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one woman Independent Director.

The details of the Board of directors including their attendance at the meetings of Board and shareholders, directorships / chairmanships / memberships on the Boards / Committees of other Companies and names of the listed entities and the category of directorship as required under Regulation 34 read with schedule V of Listing Regulations are tabulated below.

Name	DIN	Category	No. of Board Meetings		Attendance at the last AGM#	No of directorships in other Companies		Chairmanships / memberships in other Companies		Name of other listed entities where he/she is a director and the category of directorship	Skills / Expertise / Competence
			Held	Attended		Private	Public	Chairmanship	Membership		
Mr. D. Ashok	00006903	Executive (Promoter)	5	5	Yes	2	2	2	1	-	Leadership, Financial, Project execution, Board service and Governance, Sustainability, Sales & Marketing, Risk expertise and International Business
Mr. P. Trivikrama Prasad	00006887	Executive (Promoter group)	5	5	Yes	3	2	-	-	-	Leadership, Financial, Board service and Governance, Sustainability, Sales & Marketing, Risk expertise and International Business
Mr. Ashwin Devineni	00007540	Executive (Promoter group)	5	5	Yes	-	-	-	-	-	Leadership, Financial, Board service and Governance, Mergers & Acquisitions, Project execution, Risk expertise, Technology and International Business
Mr. GRK Prasad	00006852	Executive and Professional	5	5	Yes	2	2	-	5	-	Leadership, Financial, Audit, Board service & Governance and Compliance, Mergers & Acquisitions, Project execution, Risk expertise, Sales & Marketing, Technology and International Business
Mr. CV Durga Prasad	00006670	Executive and Professional	5	5	Yes	1	-	-	-	-	Leadership, Board service and Governance, Risk expertise, Sales & Marketing, Commercials and Customer Relations
Dr. D. Nageswara Rao	02009886	Independent Director	5	5	Yes	5	-	-	-	-	Leadership, Financial, Audit, Board service and Governance, Risk expertise and Sustainability
Mr. K. Durga Prasad	07946821	Independent Director	5	5	Yes	-	2	2	6	CCL Products (India) Limited - Independent Director	Leadership, Financial, Board service and Governance, Risk expertise and Sustainability
Mr. GP Kundargi	02256516	Independent Director	5	5	Yes	-	1	1	3	The Sandur Manganese And Iron Ores Limited - Independent Director	Leadership, Financial, Board service and Governance, Risk expertise and Sustainability
Mr. A. Indra Kumar	00190168	Independent Director	5	5	Yes	8	2	4	4	Avanti Feeds Limited - Managing Director	Leadership, Financial, Board service and Governance, Risk expertise, Sales & Marketing, Sustainability, and International Business
Mrs. B. Shanti Sree	07092258	Independent Director	5	5	Yes	-	1	1	3	B.N. Rathi Securities Limited - Independent Director	Leadership, Financial, Audit, Board service and Governance, Risk expertise and Sustainability
Mr. Balasubramaniam Srikanth*	00349821	Additional (Independent) Director	5	NA	NA	5	-	-	-	-	Leadership, Financial, Board service and Governance and Risk expertise

* Appointed as additional director with effect from June 17, 2021

AGM was held on September 2, 2020 virtually.

(b) Number of meetings of the Board of directors held and dates on which held:

During the financial year, five Board meetings were held on June 26, August 3, November 11, 2020; February 8 and February 26, 2021 in compliance with provisions of the Companies Act, 2013, the Listing Regulations and Secretarial Standards.

(c) Disclosure of relationships between directors inter-se:

Other than Mr. D. Ashok and Mr. Ashwin Devineni, who are related to each other, as father and son respectively within the meaning of Section 2 (77) of Companies Act, 2013 read with Rule 4 of Companies (Specification of Definitions Details) Rules, 2014, none of the directors are related to each other.

(d) Number of shares and convertible instruments held by non-executive directors:

None of the non-executive directors hold any equity shares or convertible instruments in the Company except the following:

Sl. No.	Name and designation of the Director	No. of Shares held
1	Mr. K. Durga Prasad, Independent Director	2,700
2	Mr. A. Indra Kumar, Independent Director	2,62,480 (HUF)
3	Mrs. B. Shanti Sree, Independent Director	20,000

(e) The details of the familiarisation programmes conducted by the Company are posted on the Company's website and can be accessed at <https://www.nbventures.com/policies-code-of-conduct/>.

(f) List of core skills/expertise/competencies identified by the Board of directors:

The Company requires skills, expertise and competencies in the areas of strategy, finance, accounting, legal and regulatory matters, the environment, sustainability and operations of the Company's businesses to efficiently carry on its core businesses such as manufacturing of ferro alloys, generation of thermal power and power trading.

The Board comprises qualified members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its committees. The members of the Board are committed to ensuring that the Company is in compliance with the highest standards of corporate governance.

(g) The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions

specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

(h) During the year under review, no independent director has resigned from the directorship of the Company. Hence, the resignation by the independent director before the expiry of his/her term of appointment, did not arise.

(3) Audit committee:

The Audit committee of directors was constituted in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

(a) Brief description of terms of reference:

The role of the Audit committee is as prescribed under the Act and the Listing Regulations and includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation of appointment, remuneration and terms of appointment, of the statutory auditors for audit and other services rendered by them;
- Examination and review of annual financial statements / audit report with particular reference to directors' responsibility statement, changes in accounting policies, major accounting entries involving estimates, disclosure of related party transactions, qualifications in the draft audit report, etc.;
- Discussions with internal auditors on significant findings and with Statutory Auditors of the nature and scope of audit and on areas of concern;
- Review of quarterly financial statements, uses and application of funds raised, performance of statutory and internal auditors, adequacy of internal control system and internal audit function;
- Review of management discussion and analysis report on financial condition and results of operations, significant related party transactions, internal control weaknesses reported by the statutory auditors and internal auditors and the appointment and remuneration of internal auditors.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;

- x. Evaluation of internal financial controls and risk management systems;
- xi. Review of the functioning of the Whistle Blower mechanism; and
- xii. 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.

(b) Composition, name of members and chairperson:

The composition of the Audit committee and the details of meetings attended by its members are given below:

Name of the Director	Category	Chairman / Member
Dr. D. Nageswara Rao	Independent Director	Chairman
Mr. K. Durga Prasad	Independent Director	Member
Mr. A. Indra Kumar	Independent Director	Member

The Audit committee met four times during the year 2020-21 on June 26, August 3, November 11, 2020 and February 8, 2021 and all members attended all the meetings.

(4) Nomination and Remuneration committee (NRC):

The NRC of directors was constituted in conformity with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations and its role has been the same as stipulated in the Act and the Regulations mentioned above.

(a) Brief description of terms of reference:

The functioning and terms of reference of the NRC are as prescribed under the erstwhile listing agreement and Listing Regulations. It determines the Company's policy on all elements of the remuneration of the directors including the executive directors. The role of the NRC includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending 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

recommending to the Board of directors for their appointment and removal;

5. Performance evaluation of independent directors; and
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

(b) Composition, name of members and chairperson:

The NRC comprises of three independent directors.

Name of the Director	Category	Chairman / Member
Dr. D. Nageswara Rao	Independent Director	Chairman
Mr. K. Durga Prasad	Independent Director	Member
Mr. A. Indra Kumar	Independent Director	Member

The NRC met two times during the year 2020-21 on June 26, 2020 and February 8, 2021 and all members attended all the meetings.

(d) Performance evaluation criteria for Independent directors:

Independent directors have three key roles – governance, control and strategic guidance. Some of the performance indicators, based on which the independent directors are evaluated, are:

- Contribution to and monitoring Corporate Governance practices.
- Ability to contribute to address top management issues.
- Active participation in long term strategic planning.
- Commitment to the fulfilment of obligations and responsibilities.

The performance evaluation of independent director is done by the Board annually based on criteria of attendance and contributions at Board / Committee meetings and also the roles played by them other than at meetings.

The NRC had specified criteria for performance evaluation of directors, committees and Board as a whole and recommend the same to the Board for evaluation.

In line with corporate governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by Chairman of the Board with specific focus on the performance and effective functioning of the Board, committees of the Board and individual directors and reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of directors (excluding the director being evaluated) held the performance evaluation of Independent directors and on the basis of performance evaluation, the Board decided to continue the term of appointment of independent directors.

Performance evaluation was done by the respective bodies on February 8, 2021.

(5) Stakeholders' Relationship committee (SRC):

The Company has SRC at the Board level, which consists of three directors namely Mr. K. Durga Prasad, Mr. GP Kundargi and Mr. P. Trivikrama Prasad as at the end of the financial year.

(a)	Name of non-executive Director heading the Committee	Mr. K. Durga Prasad, Non-executive and Independent director is Chairman of the SRC. It deals with the grievances if any, of the shareholders from time to time.
(b)	Name and designation of Compliance Officer	Mr. VSN Raju Company Secretary & Vice President
(c)	Number of Shareholders' complaints received in FY 2020-21	6
(d)	Number of complaints not solved to the satisfaction of shareholders	Nil
(e)	Number of pending complaints	Nil

(6) Risk Management Committee (RMC):

As at March 31, 2021, the provisions relating to the constitution of RMC were not applicable. However, due to subsequent amendments to the listing regulations which came into effect on May 5, 2021, the Company constituted RMC consisting of three directors viz., Mr. Ashwin Devineni as Chairman, Mr. GRK Prasad and Mrs. B. Shanti Sree as its members.

(a) Brief description of terms of reference:

The functioning and terms of reference of the RMC are as prescribed under the listing regulations. The role of the committee includes the following:

- 1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational,

sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

(b) The composition of the Committee is as given below:

Name of the Member	Category	Chairman / Member
Mr. Ashwin Devineni	Whole time director (CEO)	Chairman
Mr. GRK Prasad	Executive Director	Member
Mrs. B. Shanti Sree	Independent Director	Member

(d) Meetings and attendance during the year 2020-21: Not applicable

(7) Remuneration of directors:

The Company's remuneration policy for directors, key managerial personnel and other employees is placed on the Company's website under the web link: <https://www.nbventures.com/policies-code-of-conduct/>. Further, the Company has adopted specific criteria for performance evaluation of Independent directors, Board, Committees and other individual directors.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

(a) All pecuniary relationship or transactions of the non-executive directors:

The members at their meeting held on September 2, 2020 approved the payment of commission to the Non-executive Directors including Independent Directors for each year for a period of 5 years commencing from April 1, 2021, not exceeding 1% of the net profits of the Company in any financial year subject to an overall ceiling of Rs. 25 lakhs per annum for every financial year to be paid and distributed equally among all the non-executive directors including Independent Directors of the Company in addition to the sitting fee payable to them, as may be decided by the Board from time to time, for attending every meeting of the Board or other Committees.

The sitting fees paid to all non-executive directors were as follows:

Sl.No.	Type of the meeting	Sitting fee per meeting in ₹
1	Board	25,000/-
2	Audit Committee	20,000/-
3	Other Committees	15,000/-

(b) Criteria of making payments to non-executive directors:

Keeping in view the size, scale and complexity of the Company's operations and the level of involvement of the non-executive directors in the supervision and control of the Company and their guidance for the growth of the Company as members of the Board and also as Chairman or Members of the relevant Committees of the Board, the Board and Shareholders decided that such remuneration/commission should be commensurate with their roles which have undergone significant qualitative changes.

(c) Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013:

- i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc., for the FY 2020-21:

Name of the Director	Sitting Fee (Board & Committees) (₹)	Salaries (₹)	Perquisites and allowances (₹)	Other provisions (₹)	Commission and incentive as approved by General Body (₹)	Total (₹)
Mr. D. Ashok, Chairman	0	96,00,000	1,00,88,310	4,61,538	4,99,78,194	7,01,28,042
Mr. P. Trivikrama Prasad Managing Director	0	96,00,000	1,01,44,373	4,61,538	4,99,78,194	7,01,84,105
Mr. Ashwin Devineni Chief Executive Officer	0	0	0	0	0	0
Mr. GRK Prasad Executive Director	0	1,38,00,000	1,43,54,627	6,63,462	60,00,000	3,48,18,089
Mr. CV Durga Prasad Director (Business Development)	0	1,38,00,000	1,44,13,526	6,63,462	0	2,88,76,988
Dr. D. Nageswara Rao	2,50,000	0	0	0	5,00,000	7,50,000
Mr. K. Durga Prasad	2,65,000	0	0	0	5,00,000	7,65,000
Mr. GP Kundargi	1,25,000	0	0	0	5,00,000	6,25,000
Mr. A. Indra Kumar	2,35,000	0	0	0	5,00,000	7,35,000
Mrs. B. Shanti Sree	1,25,000	0	0	0	5,00,000	6,25,000

- ii) Details of fixed component and performance linked incentives, along with the performance criteria:

Except Mr. GRK Prasad, Executive Director, who was allowed a fixed incentive per annum of ₹60.00 lakhs as shown above, no other director was allowed any fixed or performance linked incentives.

- iii) Service contracts, notice period, severance fees:

There are neither specific contracts nor any severance fees. Terms of appointment are as decided by the Board and General Body.

- iv) Stock option details, if any including issue at a discount as well as the period over which accrued and over which exercisable:

The Company has no options outstanding as at the beginning of the year and has not granted any stock options during the financial year 2020-21.

8) General Body meetings:

- (a) Location and time where last three Annual General meetings held:

Nature of meeting	Date & time	Venue of meeting
48 th Annual general meeting	September 2, 2020 at 10.00 a.m.	The Company conducted this AGM through VC / OAVM pursuant to the MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM.
47 th Annual general meeting	August 8, 2019 at 10.30 a.m.	Hotel Marigold By and beside Green Park Hotel Hyderabad - 500 016.
46 th Annual general meeting	August 6, 2018 at 10.30 a.m.	Hotel Marigold By and beside Green Park Hotel Hyderabad - 500 016.

- (b) Special resolutions passed in the previous three Annual General meetings:

Nature of meeting	Number of special resolutions passed
48 th Annual general meeting -September 2, 2020	Nil
47 th Annual general meeting -August 8, 2019	2
46 th Annual general meeting - August 6, 2018	Nil

- (c) Special resolutions passed through postal ballot – details of voting pattern:

During the year under review no special resolution passed through postal ballot.

- (d) Person conducted the postal ballot exercise: Not applicable

- (e) Special resolutions proposed to be conducted through postal ballot:

No resolutions are proposed to be conducted through postal ballot.

- (f) Procedure for postal ballot: Not applicable

- (e) Presentations made to institutional investors or to the analysts:

The presentations to institutional investors or to the analysts are covered in the Company's website.

News items are sent to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited, where shares of the Company were listed and the Exchanges display the same on their websites.

9) Means of communication:

- (a) Quarterly results:

The quarterly, half-yearly and annual results of the Company were normally published by the Company in the newspapers.

Annual reports with audited financial statements are sent to the shareholders through permitted mode.

- (b) Newspapers wherein results normally published:

The results are normally published by the Company in the newspapers (Business Standard) in English version, circulating in the whole of India and in regional newspaper (Nava Telangana) in the vernacular language in all editions.

- (c) Any website, where displayed:

The results are also displayed on the Company's website: www.nbventures.com.

- (d) Whether it also displays official news releases:

The newsletters and press releases from time to time were also displayed on the Company's website.

10) General shareholder Information:

- (a) Annual General Meeting date, time and venue:

Date	August 27, 2021
Time	10:00 a.m. (IST)
Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM. For details please refer to the notice of this AGM.

- (b) Financial year:

The financial year of the Company starts from 1st April every year and ends on 31st March of subsequent year.

- (c) Dividend payment date:

During the year under review, the Company has not declared and paid dividend to the members.

- (d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1,
'G' Block, Bandra-Kurla Complex
Bandra(E), Mumbai - 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

The Annual Listing fee was remitted to the above stock exchanges upto FY 2021-22.

(e) Stock code:

Stock Codes / Symbol:

Bombay Stock Exchange Scrip Code / Trading Symbol	'513023'/'NBVENTURES'
National Stock Exchange Trading Symbol	'NBVENTURES'

Corporate Identity Number (CIN):

The Corporate Identity Number (CIN), allotted by the Ministry of Corporate Affairs, the Government of India is L27101TG1972PLC001549

International Securities Identification Number (ISIN):

ISIN is a unique identification number allotted to dematerialised scrip. The ISIN has to be quoted in each transaction relating to dematerialised shares of the Company. The ISIN for the equity shares of the Company is INE725A01022.

(f) Market price data - high, low during each month in last financial year:

Market price data: High/Low (daily closing prices) on National Stock Exchange of India Limited during each month in the Financial Year 2020-21:

Month	Equity Shares of ₹2/-each				
	Open (₹)	High (₹)	Low (₹)	Closing (₹)	Volume (No.)
2020					
April	34.20	43.00	33.65	37.80	17,81,660
May	37.35	38.90	33.30	37.60	14,79,903
June	39.70	60.00	36.90	51.10	1,73,40,267
July	51.40	56.75	46.00	46.20	80,98,482
August	46.40	75.65	46.35	61.45	3,23,95,752
September	62.25	65.25	53.25	56.80	72,65,834
October	57.40	59.20	52.00	52.80	40,24,540
November	53.45	55.70	46.75	53.90	2,29,36,570
December	53.70	68.45	50.20	63.35	4,90,96,420
2021					
January	63.00	64.75	57.20	57.70	1,99,30,141
February	58.00	76.20	57.15	72.60	4,13,65,296
March	75.00	75.65	67.60	69.50	4,10,41,787

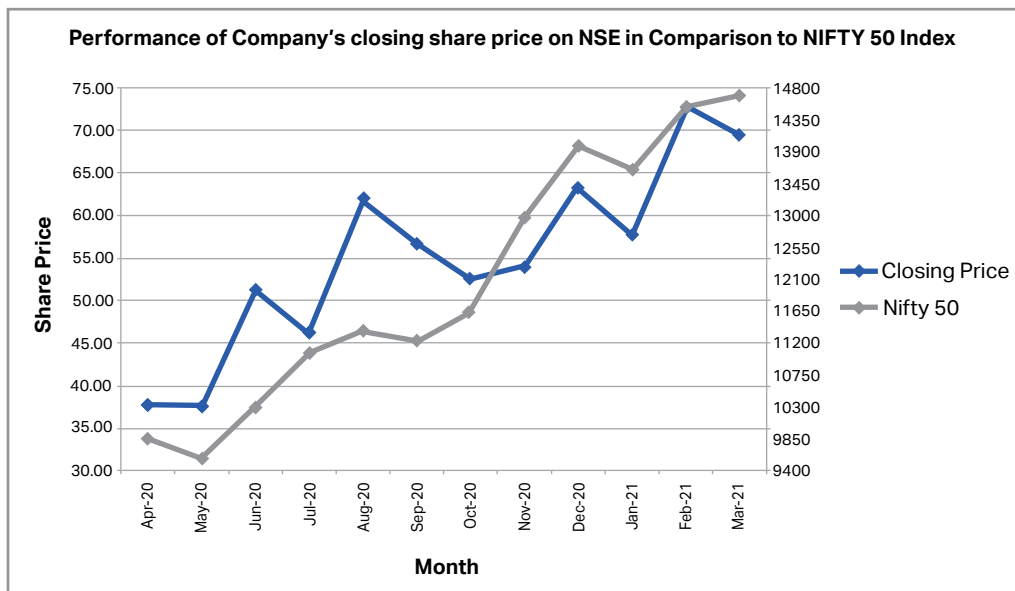
Market Price Data: High/Low (daily closing prices) on BSE Limited during each month in the FY 2020-21:

Month	Equity Shares of ₹2/-each				
	Open (₹)	High (₹)	Low (₹)	Closing (₹)	Volume (No.)
2020					
April	34.75	43.20	34.35	37.90	92,995
May	38.00	41.00	33.60	37.65	81,093
June	39.40	59.85	36.85	51.25	20,03,905
July	51.30	56.25	45.70	46.25	8,68,012
August	46.00	75.90	46.00	61.45	30,53,921
September	61.00	65.15	53.50	57.00	7,81,578
October	57.10	59.25	51.50	52.65	3,41,961
November	52.75	55.55	46.55	53.95	17,61,080
December	53.75	68.85	50.20	63.45	48,05,713
2021					
January	63.05	64.70	57.10	57.65	21,46,934

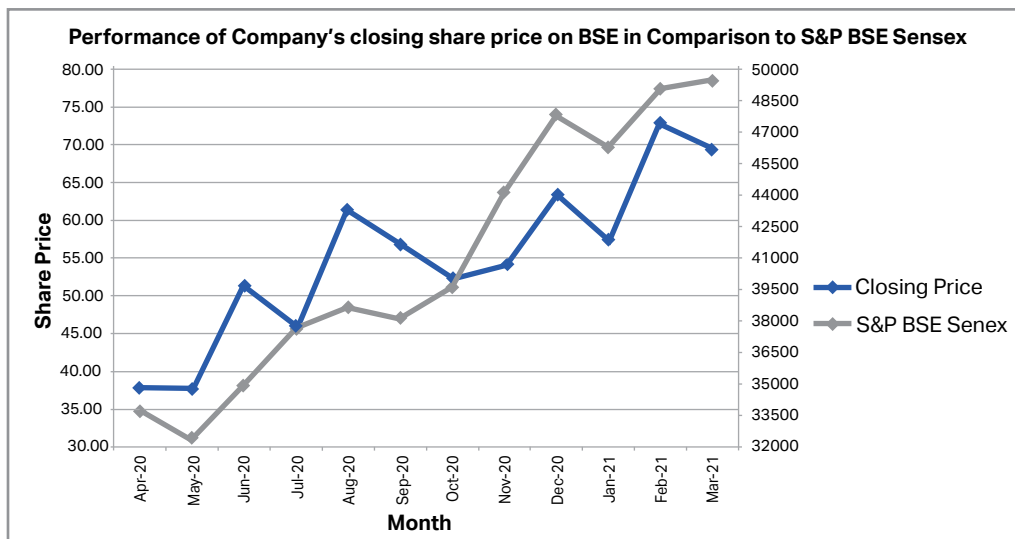
Month	Equity Shares of ₹2/-each				
	Open (₹)	High (₹)	Low (₹)	Closing (₹)	Volume (No.)
February	59.80	76.25	57.25	72.65	44,12,932
March	75.00	75.70	67.75	69.60	43,34,275

(g) Performance in comparison to broad-based indices such as BSE sensex, CRISIL index etc.:

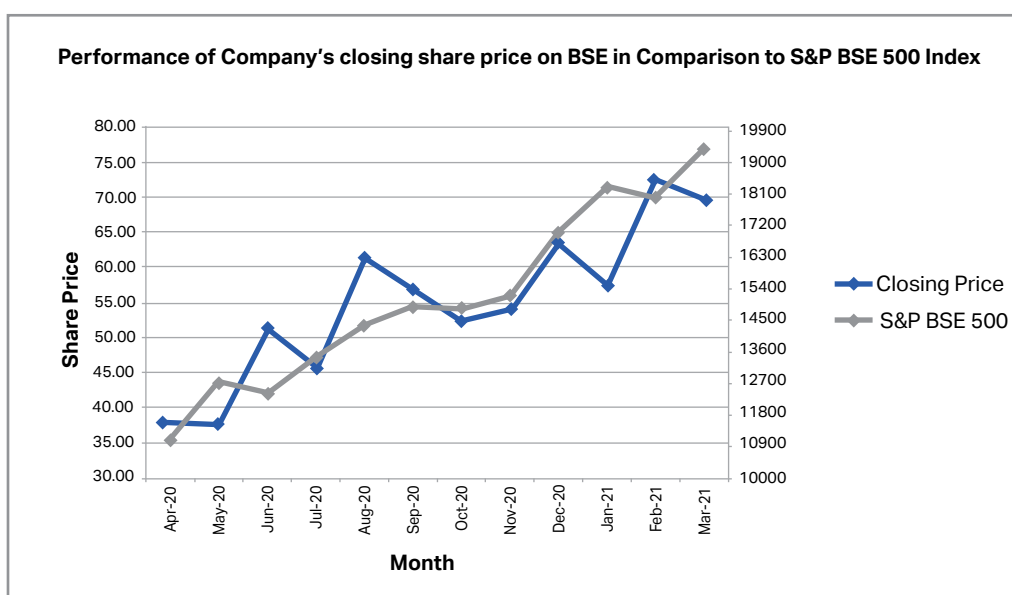
The Company is not forming part of NIFTY 50. Overall performance of the scrip of the Company in comparison to NIFTY 50 is as follows:



The Company is not forming part of S&P BSE Sensex. Overall performance of the scrip of the Company in comparison to S&P BSE Sensex is as follows:



The Company is forming part of S&P BSE 500. Overall performance of the scrip of the Company in comparison to S&P BSE 500 is as follows:



The Company is forming part of S&P BSE AllCap. Overall performance of the scrip of the Company in comparison to S&P BSE AllCap is as follows:



(h) In case the securities are suspended from trading, the director's report shall explain the reason thereof:
No, not applicable.

(i) Registrar to an issue and share transfer agents:

Registrars & Transfer Agents (for shares held in both physical and demat mode)

Registrars & Transfer Agents (for shares held in both physical and demat mode)	KFin Technologies Private Limited (Unit: Nava Bharat Ventures Limited) Selenium Tower B, Plot Nos.31 & 32 Financial District, Nanakramguda Serilingampally Mandal, Hyderabad - 500 032 Telangana
Telephone Numbers	91 40 6716 1500 / 6716 2222
Direct	91 40 6716 1562
Fax No.	91 40 2300 1153
Contact Person	Mr. Mohd. Mohsin Uddin
E-mail id	mohsin.mohd@kfintech.com
Website	https://www.kfintech.com

(j) Share transfer system:

As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL / CDSL through their depository participants.

KFin Technologies Private Limited is the Common R&T Agent for both physical and dematerialised mode. All queries and requests relating to share transfers / transmissions may be addressed to our Registrar and Transfer Agent.

(k) Distribution of shareholding:

Range of equity shares held	As on March 31, 2021			
	Shareholders		Shareholding	
	Number	%	Number	%
1 - 1	1187	2.51	1187	0.00
2 - 10	3475	7.35	22712	0.01
11 - 50	7532	15.92	263345	0.17
51 - 100	8347	17.65	773897	0.49
101 - 200	6840	14.46	1206443	0.77
201 - 500	8381	17.72	3208863	2.05
501 - 1000	5158	10.90	4325058	2.77
1001 - 5000	4824	10.20	11236362	7.18
5001 - 10000	777	1.64	5864939	3.75
10001 and above	779	1.65	129490991	82.80
Total	47300	100.00	156393797	100.00

*No. of shareholders based on grouping of PAN

(l) Dematerialization of shares and liquidity:

Dematerialization of shares as on March 31, 2021:

Number of shares	% of total Shares	Number of shareholders
15,54,69,901	99.41	47,300*

* No. of shareholders based on grouping of PAN.

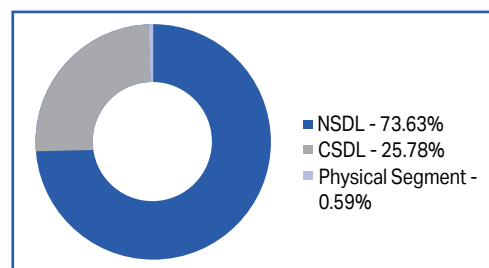
Shareholders, who continue to hold shares in physical form, are requested to dematerialise their shares at the earliest and avail of the various benefits of dealing in securities in electronic / dematerialised form. The shareholders have the option to hold Company's shares in demat form through the National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL). The system for getting the shares dematerialised is as under:

- Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to the Depository Participant (DP) with whom he / she has opened a Depository Account;
- DP processes the DRF and generates a unique number viz. DRN;
- DP forwards the DRF and share certificates to the Company's Registrar & Share Transfer Agent;
- The Company's Registrar & Share Transfer Agent after processing the DRF, confirms the request to the Depositories by cancellation of physical share certificates; and

- Upon confirmation, the Depository gives the credit to shareholder in his/her depository account maintained with DP.

The break-up of equity shares in demat and physical form as on March 31, 2021 is as follows:

Particulars	No. of equity shares of ₹ 2/- each	% of Shares
Demat Segment		
NSDL	11,51,58,242	73.63
CDSL	4,03,11,659	25.78
Sub-total	15,54,69,901	99.41
Physical Segment	9,23,896	0.59
Total	15,63,93,797	100.00



(m) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

No GDRs / ADRs / Warrants or any Convertible instruments have been issued by the Company during the year under review or outstanding as at the end of the Financial Year 2020-21.

(n) Commodity price risk or foreign exchange risk and hedging activities:

The Company hedges the forex risk on export receivables and on import payables, keeping in view the exchange parity at the time of export or import, as the case may be, and the indicative forex movements. However, where the delivery date is yet to be finalized, the Company will weigh the options of open exposure, partial booking etc., over the export / import trade cycle period and decide.

(o) Plant locations:

The Company's plants are located at:

Power and Ferro alloy Plant: Paloncha - 507 154 Bhadradi Kothagudem district, Telangana	Power and Ferro alloy Plant: Kharagprasad village - 759121 Dhenkanal district Odisha	Sugar Plant: Samalkot - 533 440 East Godavari District, Andhra Pradesh (The operations were ceased and the Company is in the process of disposing off the equipment excluding land.
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(p) Address for correspondence:

Registered Office	Nava Bharat Ventures Limited #6-3-1109/1, 'Nava Bharat Chambers' Raj Bhavan Road, Hyderabad - 500 082, Telangana, India
Telephone Numbers	+91 40 2340 3501/2340 3540
e-Fax Number	+91 080 6688 6121
Website	www.nbventures.com
e-mail id	investorservices@nbv.in
Grievance Redressal Division e-mail id	investorservices@nbv.in

(q) Credit Ratings obtained along with any revisions thereto

CRISIL revised the credit ratings for bank loan facilities of the Company in FY 2019-20 as follows:

- Long Term Rating CRISIL A-/Stable
- Short-Term Rating CRISIL A2+

Thereafter there was no revision in Credit ratings for the above bank facilities of the Company.

21 are given at note no. 36 to the Standalone Financial Statement.

Related party disclosure in the format prescribed in Schedule V(A) of the Listing Regulations is given in Directors' Report.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

11) Other Disclosures:

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All material transactions entered into with related parties as defined under the Act and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and these have been approved by the Audit committee. The Board has approved a Policy for related party transactions which has been uploaded on the Company's Website at the following link: <https://www.nbventures.com/policies-code-of-conduct/>

There have been no materially significant related party transactions between the Company and its Directors, the Management, subsidiaries or relatives, except for those disclosed in the Board's report. Detailed information on materially significant related party transactions is enclosed as Annexure - 5 to the Board's report and the details of all Related Party Transactions during FY 2020-

(c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:

The Company has established a mechanism for Whistle Blower Policy and no personnel had been denied access to the Audit Committee. The Policy is placed on the website of the Company under the web link: <https://www.nbventures.com/policies-code-of-conduct/>

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

Mandatory Requirements

The Company is complied with all the mandatory requirements enumerated in the Listing Regulations and Companies Act, 2013 read with rules made thereunder.

- (e) Web link where policy for determining 'material' subsidiaries is disclosed:

The Company had formulated a policy for determining 'material' subsidiaries and the policy is available on the Company's website under the web link: <https://www.nbventures.com/policies-code-of-conduct/>.

- (f) Web link where policy on dealing with related party transactions:

The Board has formulated a policy for related party transactions and revised it in the light of Listing Regulations and including any statutory modification and re-enactment thereof and subsequent amendments thereto which is available on the Company's website under the web link: <https://www.nbventures.com/policies-code-of-conduct/>.

- (g) Disclosure of commodity price risks and commodity hedging activities:

The Company's ferro alloy operations and power generation based on imported coal are subjected to the world-wide commodity risk and the fiscal policies on import or export. Currently, the Company does not have recourse to any hedging mechanism to mitigate the volatility of prices. However, it does regulate the production of manganese alloys duly considering the international market indices from time to time, both for import of feed stock and export of finished product to sustain reasonable earnings, as much as possible.

- (h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

Not applicable

- (i) A certificate from a company secretary in practice 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 the Board/Ministry of Corporate Affairs or any such statutory authority has been enclosed separately to this report.

- (j) Whether the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: No

- (k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: ₹97.62 lakhs.

- (l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year : Nil
- number of complaints disposed of during the financial year: NA
- number of complaints pending as on end of the financial year : Nil

12) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof:

All the above requirements are complied with.

13) The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

Discretionary Requirements

The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below:

- i. The Board:

Since the Chairperson is an Executive Chairman, the maintenance of Office to the Non-executive Chairperson at the Company's expense is not applicable.

- ii. Shareholders' rights:

All the quarterly financial results are submitted to both the stock exchanges and are simultaneously placed on the website of the Company at: www.nbventures.com apart from publishing the same in the newspapers.

- iii. Modified opinion(s) in audit report:

There are no modified opinions in the Audit Reports.

- iv. Reporting of internal auditor:

The Internal auditor reports to the Chairman of the Audit Committee directly.

14) The disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of regulations	Compliance Status (Yes/No)
17	Board of directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit committee	Yes
19	Nomination and Remuneration committee	Yes
20	Stakeholders Relationship committee	Yes
21	Risk Management committee	Yes*
22	Vigil mechanism	Yes
23	Related party transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	Yes
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2) (b) to (i)	Website	Yes

*As at March 31, 2021, the provisions relating to the constitution of Risk Management Committee were not applicable. However, due to subsequent amendments to the listing regulations which came into effect on May 5, 2021, the Company constituted Risk Management Committee.

Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges:

As required under Regulation 30 of the Listing Regulations, the Board of directors of the Company approved the Policy for determining materiality of an event or information and for making disclosures to Stock Exchanges effective from December 1, 2015 and has been hosted on the website of the Company at the following link: <https://www.nbventures.com/policies-code-of-conduct/>.

Preservation of Documents:

The Company adopted the policy on preservation of documents in accordance with the Regulation 9 of the Listing Regulations, which was placed on the Website of the Company at <https://www.nbventures.com/policies-code-of-conduct/>.

Corporate governance requirements with reference to Subsidiary Companies:

Mr. K. Durga Prasad, Independent Director of the Company, was nominated to the Board of Nava Bharat Energy India Limited, the material non-listed Indian subsidiary company, as Independent Director as at the end of the financial year 2020-21.

As per Regulation 24 of Listing Regulations the financial statements, significant transactions, investments and the minutes of the board meetings of the subsidiary companies are considered at the meetings of the Audit committee / Board of directors of the Company, as the case may be.

Meetings of Independent directors:

The Company's Independent directors met on February 8, 2021 without the presence of Non-independent directors. The meeting was attended by all the Independent directors.

The Independent directors in the meeting reviewed the performance of Non-independent directors and the Board as a whole. Further, reviewed the performance of the Chairperson of the Company and also assessed the quality, quantity and timeliness of flow of information from the Management to the Board for effective functioning of the Board and performance of its duties.

Prohibition of Insider trading:

In compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Conduct for Prohibition of Insider

Trading. This Policy also provides for periodical disclosures from the designated employees as well as pre-clearance of transactions by such persons.

The code is applicable to all Insiders who are likely or may reasonably be expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism.

Website:

The Company's website www.nbventures.com contains a separate dedicated section: 'Investors', where shareholders' information is available. The Annual report of the Company is also available on the website in a user-friendly and downloadable form.

NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web based application designed by NSE for Corporates. The shareholding pattern, corporate governance report and various other reports are filed electronically on NEAPS. The Company is also filing various reports through NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, financial results, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES):

The Investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

Code of Conduct:

The Company has in place a comprehensive Code of Conduct (the Code), pursuant to Regulation 17(5) of Listing Regulations, applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code covers duties of independent directors and also gives guidance and support needed for ethical conduct of business and compliance of law.

Further a policy on obligation of directors and senior management personnel for disclosure of committee positions and commercial transactions pursuant to Regulation 26(2) (5) and (6) of Listing Regulation is in place.

A copy of the Code of Conduct has been placed on the Company's website (www.nbventures.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

All the Board members and the senior management personnel have confirmed compliance with the Code.

Declaration on compliance with Code of Conduct is annexed.

Compliance certificate:

A compliance certificate under Regulation 17(8) of the Listing Regulations, signed by the Company's Chief Executive Officer and Chief financial Officer is annexed to this Report.

Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance:

Compliance certificate from Mrs. D. Renuka, Practicing Company Secretary regarding compliance of conditions of corporate governance pursuant to para E of Schedule V to Listing Regulations is enclosed separately to this Report.

Transfer of shares to Investor Education & Protection Fund (IEPF):

Pursuant to the provisions of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Company is required to transfer equity shares in respect of which dividends have not been claimed for a period of seven years continuously, to IEPF. The Company has transferred 2,47,225 (Cumulative shares as on March 31, 2021 are 6,21,879 equity shares of ₹2/- each to IEPF during the year. Details of these shares are available on the Company's website: www.nbventures.com.

Further, shares in respect of which dividend will remain unclaimed progressively for seven consecutive years, will be reviewed for transfer to the Investor Education and Protection Fund as required by law. The Company will transfer the said shares, after sending an intimation of such proposed transfer in advance to the concerned shareholders, as well as, publish a public notice in this regard. Names of such transferees will be placed on the Company's website: www.nbventures.com.

Unclaimed Equity Dividends and Shares:

Section 124(5) of the Companies Act, 2013 and Rules made there under mandates that dividends that are not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF).

The details of unclaimed dividend as on March 31, 2021 are as follows:

Financial Year	Date of Declaration of Equity Dividends	Dividend per share (₹)	% of Equity Dividend	Date of Transfer to Unpaid Dividend A/c	Amount Outstanding as on 31.03.2021 (₹)	Due date for transfer to IEPF
2019-2020	02.03.2020	1.50	75	03.04.2020	41,30,211.00	03.04.2027
2018-2019	08.08.2019	1.50	75	09.09.2019	32,03,296.50	09.09.2026
2017-2018	06.08.2018	1.50	75	06.09.2018	18,42,330.00	06.09.2025
2016-2017	09.08.2017	1.00	50	09.09.2017	14,33,141.00	09.09.2024
2015-2016	24.08.2016	3.00	150	23.09.2016	21,12,720.00	23.09.2023
2014-2015	27.08.2015	5.00	250	28.09.2015	34,29,230.00	28.09.2022
2013-2014	08.08.2014	5.00	250	08.09.2014	33,46,450.00	08.09.2021

The Company is sending periodic communication to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividend. Shareholders are informed that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

Section 124(6) read with the 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016' ('Rules'), requires that all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares), shall be transferred by the Company in the name of IEPF along with statement containing such details as may be prescribed by the authority from time to time.

The Company also sent individual communication to the concerned members whose shares are liable to be transferred to IEPF Account as required under the said rules and the Company published notices in the newspapers inviting the members' attention to the aforesaid rules.

Guidance for Investor to file claim:

The shareholders are requested to note that, after the above referred transfer(s) is made, refunds from the IEPF can be claimed only by complying with the provisions of Rule 7 of the said Rules.

Disclosures with respect to unclaimed suspense account:

The Unclaimed Equity Shares are held in Nava Bharat Ventures Limited – Unclaimed Suspense Account maintained with Zen Securities Ltd, vide Client I.D.No. 10505720.

In accordance with the requirement of Clause F of Schedule V of Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account in demat:

Particulars	No. of Shareholders	No. of Equity Shares of ₹ 2/-each
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2020	1,230	8,15,810
Shareholders who approached the Company for transfer of shares from suspense account during the year	3	5,530
Shareholders to whom shares were transferred from the suspense account during the year	3	5,530
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	--	2,47,225
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	1,227	5,65,140

The voting rights on the shares outstanding in the suspense account as on March 31, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

The dividend on the shares in the Unclaimed Suspense Account will be remitted to the Shareholders on their claiming the shares, till which time, the dividend will be available in the Unpaid Dividend Bank Account for a period of 7 years from date of transfer to respective accounts.

For and on behalf of the Board

Place : Hyderabad
Date : June 17, 2021

P. Trivikrama Prasad
Managing Director
DIN : 00006887

D. Ashok
Chairman
DIN : 00006903

CEO and CFO certification for FY ended March 31, 2021

(Pursuant to Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Board of Directors
Nava Bharat Ventures Limited
Hyderabad

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee, wherever applicable;
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting."

For Nava Bharat Ventures Limited

Place : Hyderabad
Date : June 17, 2021

Sultan A. Baig
Chief Financial Officer

Ashwin Devineni
Chief Executive Officer
DIN : 00007540

Declaration on Compliance with Code of Conduct

To
The Members of
Nava Bharat Ventures Limited

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Management Personnel and the same has been placed on the Company's website. All the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct in respect of the financial year ended March 31, 2021.

On behalf of the Board
For Nava Bharat Ventures Limited

Place : Hyderabad
Date : June 17, 2021

Ashwin Devineni
Chief Executive Officer
DIN : 00007540

Certificate on Corporate Governance

To,
The Members of
Nava Bharat Ventures Limited

I have examined the compliance of conditions of Corporate Governance by NAVA BHARAT VENTURES LIMITED, Hyderabad, for the year ended on March 31, 2021, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the Listing Agreement entered into by the said Company with stock exchanges.

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

In my opinion and to the best of my information and according to the explanations given to me, and based on 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 above mentioned Listing Agreement.

I 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.

Place : Hyderabad
Date : June 17, 2021

D. Renuka
Practicing Company Secretary
Membership No.: 11963
CP No.: 3460
UDIN : A011963C000476383

Certificate of Non-Disqualification of Directors

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

To,
The Members of
Nava Bharat Ventures Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nava Bharat Ventures Limited with CIN: L27101TG1972PLC001549 and having its registered office at 6-3-1109/1, Nava Bharat Chambers, Raj Bhavan Road, Hyderabad - 500082 (hereinafter referred to as "the Company"), and produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that for Financial Year ended on March 31, 2021, none of the Directors on the Board of the Company as stated below, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authorities.

Sl.No.	Name of the Director	DIN	Date of appointment in the Company
1	Mr. D. Ashok	00006903	March 19, 1992
2	Mr. P. Trivikrama Prasad	00006887	March 19, 1992
3	Mr. GRK Prasad	00006852	June 28, 2003
4	Mr. CV Durga Prasad	00006670	June 28, 2003
5	Mr. Ashwin Devineni	00007540	August 18, 2017
6	Mr. D. Nageswara Rao	02009886	July 25, 2008
7	Mr. K. Durga Prasad	07946821	August 6, 2018
8	Mr. GP Kundargi	02256516	August 6, 2018
9	Mr. A. Indra Kumar	00190168	February 7, 2019
10	Mrs. B. Shanti Sree	07092258	October 30, 2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the basis of 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.

Place : Hyderabad
Date : June 17, 2021

D. Renuka
Practicing Company Secretary
Membership No.: 11963
CP No.: 3460
UDIN : A011963C000476251

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The background is a blue-tinted collage of financial data. It includes a line graph with a y-axis ranging from 0 to 10,000, a 3D bar chart with years 2013 through 2019 on the x-axis, and a rolled-up document with a line graph on it. A white dotted line starts from the left edge, curves around the text, and extends downwards. A solid white line is in the top left corner.

Standalone Financial Statements

Independent Auditor's Report

To the Members of Nava Bharat Ventures Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Nava Bharat Ventures Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Standalone 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Recoverability of Minimum Alternate Tax (MAT) credit asset: Refer note 2(s) for the accounting policy, note 2(b) (viii) and note 17 for the related disclosures. As detailed in note 17 to the accompanying standalone financial statements, the Company has recognized deferred tax assets aggregating to ₹9,078.93 lakhs (31 March 2020: ₹13,330.41 lakhs) in the nature of credit of Minimum Alternate Tax (MAT) as at 31 March 2021. The Company's ability to recover the deferred tax asset is assessed by management at each reporting date which depends on the estimates of future operations and taxable profits the Company expects to earn within the period by which such MAT balance can be utilized as governed by the Income-tax Act, 1961. We have identified the recoverability of MAT Credit as a key audit matter owing to the materiality of the amounts involved and inherent subjectivity involved in determination of utilization of MAT credit through estimation of future taxable profits.	Our audit procedures included, but were not limited to, the following: • Evaluated the design and tested the operating effectiveness of key controls implemented by the Company over recognition of MAT credit. • Obtained management's analyses for MAT credit realizability and evaluated the analyses and workings in relation to the recognition of deferred tax assets taking into account the status of recent income-tax audits and enquiries, changes to the tax laws etc. • Evaluated the reasonability of future projected profitability by assessing the forecasts against past results and our knowledge of the industry. • Compared the prior year expected tax profits with the actual results to determine the efficacy of the management's budgeting process. • Evaluated the appropriateness and adequacy of the disclosures made in the financial statements in respect of MAT Credit in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
Contingent liabilities relating to ongoing litigations: Refer note 2(r) for the accounting policy and note 35(b) and 35(d) for the related disclosures. As disclosed in Note 35(b) and 35(d) to the accompanying standalone financial statements, the Company has presently disputed various claims from tax and other regulatory authorities ('litigations'). Whether a liability is recognised as a provision or disclosed as a contingent liability in the financial statements involves inherent judgments dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and / or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute. The amounts involved are significant and due to the range of possible outcomes and considerable uncertainty around the various litigations the determination of the need for creating a provision in the financial statements is inherently subjective and therefore is considered to be a key audit matter in the current year.	Our audit procedures included, but were not limited to the following: • Obtained an understanding of the management process for: - identification of legal and tax matters initiated against the Company. - assessment of accounting treatment for each such litigation identified under as per the applicable accounting standards, and for measurement of amounts involved. • Tested the design and operating effectiveness of the controls put in place by the management in relation to assessment of the outcome of these pending litigations. • Obtained an understanding of the nature of litigations pending against the Company and discussed the key developments during the year for these key litigations with the management, in-house legal team. • Where relevant, we read the external legal advice obtained by the management. • Obtained relevant third-party legal confirmations, together with follow up discussions, where appropriate on certain cases. • Evaluated the appropriateness and adequacy of the disclosures made relating to provisions and contingent liabilities in accordance with the applicable accounting standards.

Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

10. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone 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 adequate internal financial controls with reference to standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
 13. 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.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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.

Other Matter

15. The accompanying standalone financial statements include the financial information of 1 branch, which have not been audited, and whose financial information reflects total assets and net assets of ₹7.86 lakhs and ₹7.86 lakhs as at 31 March 2021, and total revenues of ₹Nil, total net loss after tax of ₹8.55 lakhs, total comprehensive loss of ₹8.55 lakhs, and cash outflows (net) of ₹8.55 lakhs for the year then ended, as considered in the standalone financial statements. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on such unaudited financial information. According to the information and explanations given to us by the management, this financial information is not material to the Company.

Our opinion on the standalone financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matter with respect

to our reliance on the aforesaid financial information certified by the management.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
18. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements.
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account and with the return received from the branch not visited by us.
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act.
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act.
 - f) we have also audited the internal financial controls with reference to standalone

financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 17 June 2021 as per Annexure II expressed unmodified opinion. and

- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in notes 35(b), 35(c), 35(d) and 35(xiii) to (xvi) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021. and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain

Partner

Membership No.: 207660

UDIN No.: 21207660AAAADV7047

Place : Hyderabad

Date : June 17, 2021

Annexure I to the Independent Auditor's Report of even date to the members of Nava Bharat Ventures Limited, on the standalone financial statements for the year ended 31 March 2021.

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (b) The Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company except for the following properties which were transferred as a result of amalgamation of companies in earlier years wherein the title deeds are in the name of the erstwhile company:

Nature of property	Total Number of Cases	Whether lease-hold / freehold	Gross block as on 31 March 2021 (₹ in lakhs)	Net block on 31 March 2021 (₹ in lakhs)	Remarks
Land	Multiple	Freehold	86.36	86.36	Nil

Owing to expiry of the lease period of the underlying land on which the sugar manufacturing facility of the Company located in Samalkot is situated on 12 August 1996, the title deeds of the same are not held in the name of the Company. The buildings of the sugar manufacturing facility located on the said land have a gross block of ₹1,400.82 lakhs and net block of ₹250.21 lakhs as on 31 March 2021.

- ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.
 - (b) the schedule of repayment of principal and payment of interest has been stipulated and repayments of the principal amount (3 cases) and the receipt of interest (10 cases) are not regular.
 - (c) there is no amount which is overdue for more than 90 days in respect of loans granted to such companies.
- iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of loans, investments, guarantees. In our opinion, the

Company has not entered into any transaction covered under Section 186 of the Act in respect of security. Further, in our opinion, the Company has not entered into any transaction covered under Sections 185 of the Act.

- v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Annexure I to the Independent Auditor's Report of even date to the members of Nava Bharat Ventures Limited, on the standalone financial statements for the year ended 31 March 2021.

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise, goods and service tax and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Various Sales Tax Acts	Central Sales Tax	64.88	-	2000-01	The Andhra Pradesh Sales Tax and VAT Appellate Tribunal, Hyderabad	Nil
		2.20	-	2004-05	Assistant Commissioner of Sales Tax, Range-II, Cuttack	Nil
	Andhra Pradesh General Sales Tax	79.36	-	2003-04	Assistant. Commissioner of Commercial Taxes, Warangal	Nil

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Re-remarks, if any
Customs Act, 1962	Customs duty	206.06	-	2012-13	CESTAT, Chennai	Nil
		17.62	-	1985-87	Hon'ble High Court of Telangana	Nil
Central Excise Act, 1944	Excise duty	369.94	-	2012-13	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Bangalore	Nil
		100.72	-	2011-16	Commissioner of Customs and Central Excise (Appeals), Hyderabad	Nil
		1.09	-	2000-01 to 2001-02	Hon'ble High Court of Telangana	Nil
Finance Act, 1994 (as amended)	Service Tax	6.14	-	April 2016 to June 2017	Assistant Commissioner of Central Excise, Kakinada	Nil
		65.62	-	October 2007 to March 2017	Commissioner of Central Excise (Appeals), Visakhapatnam	Nil
Income Tax Act, 1961	Income Tax	5,467.63	857.93	AY 2005-06, 2006-07, 2010-11 and 2018-19	Hon'ble High Court of Telangana	Nil
		469.47	380.81	AY2009-10, 2010-11 and 2011-12	Income Tax Appellate Tribunal (ITAT)	Nil
		722.74	722.74	AY 2008-09, 2009-10, 2012-13, 2013-14 and 2016-17	Commissioner of Income Tax (Appeals)	Nil

Annexure I to the Independent Auditor's Report of even date to the members of Nava Bharat Ventures Limited, on the standalone financial statements for the year ended 31 March 2021.

- viii) The Company has not defaulted in repayment of loans or borrowings to any banks during the year. The Company did not have any outstanding loans or borrowings from financial institutions or government or outstanding debentures during the year.
- ix) In our opinion, the Company has applied monies raised by way of the term loans for the purposes for which these were raised. The Company did not raise monies by way of initial public offer/ further public offer (including debt instruments) during the year.
- x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- xi) Managerial remuneration has been paid (and)/ provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements etc., as required by the applicable Ind AS.
- xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660
UDIN No.: 21207660AAAADV7047

Place : Hyderabad
Date : June 17, 2021

Annexure II

Independent Auditor's Report on the Internal Financial Controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Nava Bharat Ventures Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, 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.
5. 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 standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone 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 controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements 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 ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain

Partner

Membership No.: 207660

UDIN No: 21207660AAAADV7047

Place : Hyderabad

Date : June 17, 2021

Balance Sheet as at 31 March 2021

(All amounts in lakhs of ₹, unless otherwise stated)

	Notes	As at	
		31 March 2021	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	68,955.45	69,947.64
Capital work-in-progress		159.87	835.81
Investment property	4	231.60	237.30
Other intangible assets	5	309.58	323.23
Financial assets			
(i) Investments	6(a)	1,77,443.39	1,76,357.60
(ii) Loans	7(a)	10,226.88	12,784.40
(iii) Other financial assets	8(a)	2,326.21	1,627.82
Deferred tax assets, (net)	17	-	3,907.04
Non-current tax assets, (net)		1,006.21	1,028.07
Other non-current assets	9(a)	387.61	436.92
		2,61,046.80	2,67,485.83
Current assets			
Inventories	10	19,223.81	32,476.07
Financial assets			
i) Investments	6(b)	11,048.99	-
ii) Trade receivables	11	15,653.04	19,366.86
iii) Cash and cash equivalents	12(a)	6,366.31	2,712.55
iv) Bank balances other than (iii) above	12(b)	1,223.27	1,297.28
v) Loans	7(b)	2,560.60	2,654.98
vi) Other financial assets	8(b)	1,164.39	1,392.06
Other current assets	9(b)	8,923.03	5,495.79
Assets of a disposal group classified as held for sale	40	4,098.76	5,844.38
		70,262.20	71,239.97
Total Assets		3,31,309.00	3,38,725.80
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,959.70	3,525.60
Other equity	14	2,94,716.33	2,91,808.50
Total equity		2,97,676.03	2,95,334.10
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15(a)	13,895.61	13,947.80
(ii) Other financial liabilities	16(a)	11.20	11.20
Deferred tax liabilities, (net)	17	237.54	-
Provisions	18(a)	1,191.04	1,689.90
Current liabilities			
Financial liabilities			
(i) Borrowings	15(b)	567.35	8,800.66
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	32	850.69	950.54
(b) total outstanding dues other than (ii) (a) above		3,268.95	4,144.06
(iii) Other financial liabilities	16(b)	6,654.15	11,086.54
Other current liabilities	19	3,775.00	1,643.57
Provisions	18(b)	2,325.81	866.46
Current tax liabilities, (net)		855.63	250.97
Total Liabilities		33,632.97	43,391.70
Total Equity and Liabilities		3,31,309.00	3,38,725.80

The accompanying notes form an integral part of these standalone financial statements.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

Sultan A. Baig
Chief Financial Officer

GRK Prasad
Executive Director
DIN:00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

Ashwin Devineni
Chief Executive Officer

VSN Raju
Company Secretary
& Vice President

D. Ashok
Chairman
DIN: 00006903

Place : Hyderabad, India
Date : 17 June 2021

Place : Hyderabad, India
Date : 17 June 2021

Place : Singapore
Date : 17 June 2021

Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in lakhs of ₹, except earnings per equity share)

	Notes	For the year ended	
		31 March 2021	31 March 2020
Revenue from operations	20	1,02,699.31	1,07,999.18
Other income	21	4,022.14	5,221.62
Total income		1,06,721.45	1,13,220.80
Expenses			
Cost of materials consumed	22	53,248.93	62,596.12
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	104.46	(1,512.59)
Manufacturing expenses	24	7,119.33	7,564.05
Employee benefits expense	25	8,225.34	8,320.49
Finance costs	26	1,362.35	2,052.07
Depreciation and amortisation expense	3, 4, 5	3,219.80	3,188.32
Other expenses	27	9,337.13	11,114.22
Total expenses		82,617.34	93,322.68
Profit before exceptional items and tax from continuing operations		24,104.11	19,898.12
Exceptional items, net	28	116.48	-
Profit before tax from continuing operations		24,220.59	19,898.12
Tax expense			
(a) Current tax	29	8,643.27	6,912.96
(b) Deferred tax benefit		(260.98)	(115.94)
Profit for the year from continuing operations		15,838.30	13,101.10
Discontinued operations			
Loss before tax for the year from discontinued operations	40	(581.26)	(377.02)
Tax benefit of discontinued operations		(203.12)	(131.75)
Loss for the year from discontinued operations		(378.14)	(245.27)
Profit for the year		15,460.16	12,855.83
Other comprehensive income			
Items that will not be reclassified to profit or loss	30	440.94	77.82
Income tax relating to items that will not be classified to profit/loss		154.08	27.19
Total other comprehensive income for the year		286.86	50.63
Total comprehensive income for the year		15,747.02	12,906.46
Earnings per equity share (EPES)			
Earnings per equity share for continuing operations	31		
- Basic EPES (In absolute ₹ terms)		9.73	7.98
- Diluted EPES (In absolute ₹ terms)		9.73	7.98
Earnings/(loss) per equity share for discontinued operations			
- Basic EPES (In absolute ₹ terms)		(0.23)	(0.15)
- Diluted EPES (In absolute ₹ terms)		(0.23)	(0.15)
Earnings per equity share for continuing and discounting operations			
- Basic EPES (In absolute ₹ terms)		9.50	7.83
- Diluted EPES (In absolute ₹ terms)		9.50	7.83

The accompanying notes form an integral part of these standalone financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

Sultan A. Baig
Chief Financial Officer

GRK Prasad
Executive Director
DIN:00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

Ashwin Devineni
Chief Executive Officer

VSN Raju
Company Secretary
& Vice President

D. Ashok
Chairman
DIN: 00006903

Place : Hyderabad, India
Date : 17 June 2021

Place : Hyderabad, India
Date : 17 June 2021

Place : Singapore
Date : 17 June 2021

Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in lakhs of ₹, except equity shares data)

(a) Equity Share Capital

	Note	Number	Amount
Equity shares of ₹2 each			
Balance as at 1 April 2019		17,85,75,482	3,572.77
Shares extinguished on account of buy-back	13(f)	(23,58,462)	(47.17)
Balance as at 31 March 2020		17,62,17,020	3,525.60
Shares extinguished on account of buy-back	13(f)	(70,76,203)	(141.52)
Shares yet to be extinguished on account of buy-back	13(f)	(84,71,969)	(169.44)
Shares extinguished on account of reduction of capital	13(d)	(1,27,47,020)	(254.94)
Balance as at 31 March 2021		14,79,21,828	2,959.70

(b) Other Equity

	Reserves and Surplus						Treasury shares	Other Comprehensive Income - Actuarial gain/(loss)	Total
	Capital re-serve	Capital redemption reserve	Securities premium	General reserve	Other re-serve	Surplus in the Statement of Profit and Loss			
Balance as at 1 April 2019	60.20	826.39	26,214.22	87,566.64	33.60	1,74,879.81	(2,745.67)	290.63	2,87,125.82
Total comprehensive income for the year ended 31 March 2020									
Profit for the year	-	-	-	-	-	12,855.83	-	-	12,855.83
Other comprehensive income for the year	-	-	-	-	-	-	-	50.63	50.63
Total comprehensive income	-	-	-	-	-	12,855.83	-	50.63	12,906.46
Dividend on equity capital	-	-	-	-	-	(4,995.22)	-	-	(4,995.22)
Corporate dividend tax	-	-	-	-	-	(1,026.78)	-	-	(1,026.78)
Buyback of shares (refer note 13(f))	-	-	(2,201.78)	-	-	-	-	-	(2,201.78)
Transfer from general reserves on account of buyback of equity shares	-	47.17	-	(47.17)	-	-	-	-	-
Balance as at 31 March 2020	60.20	873.56	24,012.44	87,519.47	33.60	1,81,713.64	(2,745.67)	341.26	2,91,808.50
Total comprehensive income for the year ended 31 March 2021									
Profit for the year	-	-	-	-	-	15,460.16	-	-	15,460.16
Other comprehensive income for the year	-	-	-	-	-	-	-	286.86	286.86
Total comprehensive income	-	-	-	-	-	15,460.16	-	286.86	15,747.02
Buyback of equity shares (refer note 13(f))	-	-	(10,570.03)	-	-	-	-	-	(10,570.03)
Transaction costs towards Buyback of equity shares (refer note 13(f))	-	-	(24.07)	-	-	-	-	-	(24.07)
Tax on Buyback of equity shares (refer note 13(f))	-	-	(2,500.03)	-	-	-	-	-	(2,500.03)
Transfer from general reserves on account of buyback of equity shares (refer note 13(f))	-	310.96	-	(310.96)	-	-	-	-	-
Reserve utilised on account of scheme of capital reduction during the year (refer note 13(d))	-	-	-	(2,490.73)	-	-	2,745.67	-	254.94
Balance as at 31 March 2021	60.20	1,184.52	10,918.31	84,717.78	33.60	1,97,173.80	-	628.12	2,94,716.33

The accompanying notes form an integral part of these standalone financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place : Hyderabad, India
Date : 17 June 2021

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sultan A. Baig
Chief Financial Officer

VSN Raju
Company Secretary
& Vice President

Place : Hyderabad, India
Date : 17 June 2021

GRK Prasad
Executive Director
DIN: 00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

Ashwin Devineni
Chief Executive Officer

Place : Singapore
Date : 17 June 2021

Statement of Cash Flows for the year ended 31 March 2021

(All amounts in lakhs of ₹, unless otherwise stated)

	For the year ended	
	31 March 2021	31 March 2020
Cash flow from operating activities:		
Profit before tax from continuing operations	24,220.59	19,898.12
Loss before tax for the year from discontinued operations	(581.26)	(377.02)
Profit before tax	23,639.33	19,521.10
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	3,219.80	3,707.23
Impairment loss on assets held for sale	962.53	-
Employee benefits expense	135.04	413.36
Provision for litigation	1,266.39	-
Provision for doubtful receivables	189.93	-
Bad debts written-off	8.51	1.89
Liabilities no longer required written back	(108.03)	(140.04)
Unrealised derivative (gain)/loss on forward contracts	161.49	(751.28)
Foreign exchange fluctuations gain (net)	46.57	(878.94)
Interest income	(1,546.05)	(2,617.18)
Changes in fair value	(575.28)	(89.29)
Gain on sale of investments	(166.64)	(56.44)
Dividend income	(765.85)	(829.94)
Loss on sale of property, plant and equipment	12.61	20.11
Interest expense	1,312.72	2,348.75
Operating cash flows before changes in working capital	27,793.07	20,649.33
Adjustment for changes in working capital:		
Decrease in inventories	14,035.34	1,241.20
(Increase)/Decrease in trade receivables	3,529.62	(363.82)
(Increase)/Decrease in other financial assets	(36.25)	61.98
(Increase)/Decrease in other assets	(3,426.37)	1,390.90
Decrease in trade payables	(974.96)	(3,005.37)
Decrease in other financial liabilities	(491.11)	(698.73)
(Decrease)/increase in other current liabilities	757.99	(126.63)
Cash generated from operations	41,187.33	19,148.86
Income taxes paid	(3,562.15)	(3,967.23)
Net cash generated from operating activities	37,625.18	15,181.63
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,559.34)	(1,670.54)
Proceeds from sale of property, plant and equipment	0.22	47.66
Repayment of loans from related party	2,576.90	58.13
Repayment of loans from others	75.00	-
Decrease/(increase) in other bank balances	(551.56)	134.37
Investments made during the year:		
- Subsidiaries	(541.70)	(2,116.29)
- Others - current investments	(35,253.11)	(7,400.39)

Statement of Cash Flows for the year ended 31 March 2021

(All amounts in lakhs of ₹, unless otherwise stated)

	For the year ended	
	31 March 2021	31 March 2020
Proceeds from sale of current investments	24,401.95	7,456.83
Dividend income received	765.85	829.94
Interest income received	1,731.50	1,988.32
Net cash used in investing activities	(8,354.29)	(671.97)
Cash flows from financing activities		
Proceeds from long-term borrowings	3,000.00	1,550.00
Repayment of long-term borrowings	(6,974.75)	(9,461.18)
Proceeds from/(repayment) of short-term borrowings, net	(8,232.26)	5,247.72
Buy-back of equity shares, including taxes	(12,031.65)	(2,248.95)
Dividend paid for the year including dividend distribution tax	-	(6,022.00)
Interest paid	(1,313.27)	(2,417.27)
Net cash used in financing activities	(25,551.93)	(13,351.68)
Net increase in cash and cash equivalents	3,718.96	1,157.98
Cash and cash equivalents at the beginning of the year	2,712.55	1,478.35
Unrealised foreign exchange fluctuation gain	(65.20)	76.22
Cash and cash equivalents at the end of the year	6,366.31	2,712.55
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash on hand	1.75	5.86
Cheques on hand	75.70	-
Balances with banks:		
On current accounts	6,011.46	2,706.69
On cash credit accounts	277.40	-
Total cash and cash equivalents (refer note 12(a))	6,366.31	2,712.55

This is the Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

Sultan A. Baig
Chief Financial Officer

GRK Prasad
Executive Director
DIN: 00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

Ashwin Devineni
Chief Executive Officer

VSN Raju
Company Secretary
& Vice President
Place : Hyderabad, India
Date : 17 June 2021

D. Ashok
Chairman
DIN: 00006903

Place : Singapore
Date : 17 June 2021

Place : Hyderabad, India
Date : 17 June 2021

Notes

to the Financial Statements – March 31, 2021

Summary of significant accounting policies and other explanatory information

1. Corporate information:

Nava Bharat Ventures Limited ("the Company") is a Company domiciled in India, and it was incorporated under the provisions of the Companies Act, 1956. The Company's registered office is situated at Nava Bharat Chambers, 6-3-1109/1 Raj Bhavan Road, Hyderabad – 500 082, India. The Company's equity shares are listed on BSE Limited (BSE) and The National Stock Exchange Limited (NSE). The Company is primarily engaged in the business of manufacture and selling of Ferro Alloys, Generation of Power, and Operation & Maintenance Services for power assets. The Company operates from its principal place of business located in Paloncha, Hyderabad, Kharagprasad and Samalkot in the states of Telangana, Odisha and Andhra Pradesh, respectively.

These Standalone Financial Statements were approved by the Board of Directors and authorised for issue on 17 June 2021.

2. Significant accounting policies:

a) Basis of preparation of the Standalone financial statements:

The Standalone Financial Statements have been prepared on a going concern basis in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 ('the Rules') (as amended).

The standalone financial statements have been prepared under historical cost convention and on an accrual basis, except for financial instruments which have been measured at fair value at the end of each reporting period. The accounting policies applied by the Company are consistent with those used in the prior periods.

b) Significant accounting estimates, assumptions and judgements

The preparation of standalone financial statements requires management to make accounting estimates, assumptions and judgements that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures of contingencies at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Estimates and assumptions:

The key assumptions concerning the

future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Impairment of non-current 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. The value in use calculation is based on a "Discounted Cash Flow" (DCF) model.

ii. Defined benefit plans:

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

iii. Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets.

iv. Life time expected credit loss on trade and other receivables:

Trade receivables do not carry any interest and are stated at their transaction value as reduced by life time expected credit losses ("LTECL"). This amount is reflected under the head other expenses/

Notes

to the Financial Statements – March 31, 2021

other income in the P&L. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

v. Contingencies:

Management judgement is required to estimate possible inflow/outflow of resources, if any, in respect of contingencies / claims / litigations against the Company / by the Company as it is not possible to predict the outcome of pending matters with accuracy.

vi. Depreciation on property, plant and equipment:

Depreciation on property, plant and equipment is calculated on a straight-line basis/written down value based on the useful lives estimated by the management. Management reviews its estimate of the useful lives and residual values of all its property, plant and equipment at each reporting date, based on the expected utility of the assets. The management believes that useful lives currently considered fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these in certain cases are different from lives prescribed under Schedule II to the Companies Act, 2013.

vii. Intangibles:

Internal technical or user team assesses the useful lives of intangible assets. Management believes that assigned useful lives are reasonable.

viii. Income taxes:

Deferred tax assets including Minimum Alternate Tax (MAT) Credit Entitlement is recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ix. Existence of inventories:

The management estimates the existence of its inventories of raw material and finished goods of its ferro alloys and power division by engaging an external volumetric expert. The said expert does compute the quantity of physical inventories by measuring the areas over

which the inventories are spread and its methodology of stacking them and after consideration of the density of the underlying material. These techniques involve use of significant judgements which are based on certain qualitative characteristics of the underlying inventory and accordingly any changes to these estimates would have a significant effect on the quantity of inventory available and its carrying amount

x. Refer note 40 for the estimates relating to classification and assessment of net realisable values of assets pertaining to discontinued operations.

xi. Refer note 2(j)(ii) Sale of power / energy, 2(i) inventories and 2(v) Financial instruments – Impairment of financial assets for the other judgements and estimates.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements.

i. Water drawing rights:

The Company has obtained the water drawings rights, for its power projects, from Government authorities initially for a period of 5 - 10 years as the case may be. The management of the Company believes that the water drawing rights will be extended further. Hence, the Company has considered the useful life of water pipelines as 40 years to amortise the erection cost of pipeline, in line with the useful life of power generating assets.

c) Current Vs non-current classifications:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it satisfies the below mentioned criteria;

- 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 assets.

Notes

to the Financial Statements – March 31, 2021

A liability is classified as current when it satisfies the below mentioned criteria.

- Expected to settle the liability in normal operating cycle.
- Held primarily for the purpose of trading.
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

d) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

The Company has adopted cost model as its accounting policy, in recognition of the property, plant and equipment and recognises transaction value as the cost. The Company had applied for the one-time transition exemption of considering the previous GAAP carrying cost on the transition date i.e., 1

April 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Direct expenditure incurred and other attributable costs on projects under implementation are treated as unallocated capital expenditure pending allocation to the assets and under construction or in the process of installation are termed as Capital work-in-progress and shown at cost in the Balance Sheet.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The improvements/modifications carried on the lease hold land/property are recognised as lease hold improvements and are written off over the primary lease period or the life of such improvement whichever is lower.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost of the assets after commissioning, less its residual value, over their useful lives as estimated by the management. Land is not depreciated.

The details of useful lives as estimated by management, the useful lives as prescribed under the Act and the method of computation of depreciation is as follows:

Category of asset	Method of depreciation	Estimated useful lives as assessed by the Management	Useful lives as per Schedule II to the Act
Buildings	Straight line method (SLM)	10-60 years	30-60 years
Temporary structures*	SLM	3-5 years	3 years
Plant & Equipment	SLM	3-40 years	15-40 years
Furniture & Fixtures	SLM	8-10 years	8-10 years
Vehicles	Written down value method (WDV)	8-10 years	10 years
Office Equipment	SLM	5-15 years	5 years
Air Conditioners and Coolers	SLM	5 years	5 years
Railway sidings	SLM	15 years	15 years
Power Evacuation Lines	SLM	40 years	40 years
Other Assets	WDV	3-40 years	15 years

*included as part of buildings.

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e) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life of buildings, classified as Investment properties, is considered as 60 years. The useful life has been determined based on technical evaluation performed by the management's expert.

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 use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

f) Intangible assets:

Computer software:

Computer software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. They are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives as estimated by the Management which is about 3 years for all of the intangible computer software assets. All other costs on software are expensed in the statement of profit and loss as and when incurred.

Water drawing rights:

Cost incurred towards obtaining the initial water drawings rights, for its power projects, from Government and the cost incurred by

the Company in erecting water pipelines to draw water from the resources which are recognised as Intangible assets are amortised over the estimated useful life of 40 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss.

g) Impairment of non-financial assets:

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- ii. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer existing or have decreased.

h) Leases – Right of use Assets:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Company had adopted Ind AS 116 - Leases, using "Modified retrospective approach" with effect from 1 April 2019 and accordingly these standalone financial statements are prepared in accordance with the recognition and measurement principles laid down in Ind AS 116. Also, the application of Ind AS 116 did not have any significant impact on the standalone financial statements considering the number of assets under operating lease arrangements of the Company.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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i. Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the balance lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (g) Impairment of non-financial assets.

ii. Lease Liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the

accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

i) Inventories:

Inventories consisting of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method, unless otherwise stated. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Stores and spares, that do not qualify to be recognised as property, plant and equipment is classified as inventory to be used by the Company.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these

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factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

j) Revenue recognition:

Revenue comprises of sale of goods, sale of power and rendering of services and other operating revenues comprise of income from export benefits, utility services and other miscellaneous incomes. Revenue is measured at the fair value of consideration received or receivable and is recognized to the extent that it is probable that the economic benefits will flow to the Company.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- i. the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs. or
- ii. the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. or
- iii. the Company's performance does not create an asset with an alternative use to the Company and an 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 in excess of invoicing are classified as contract asset while collections in excess of revenues are classified as advances from customers (contract liabilities).

Further, at the time of revenue recognition, the entity also determines whether there are any material unsatisfied performance obligations and determines the portion of

the aggregate consideration, if any, that needs to be allocated and deferred.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts with an original expected duration of one year or less and in respect of contracts where the revenue recognised corresponds directly with the value to the customer of the Company's performance completed to date.

Specifically, the following basis is adopted for various sources of income:

i. Sale of goods:

Revenue is recognised at a point in time, on satisfaction of performance obligation upon transfer of control of promised products which generally coincides with delivery and on the date of bill of lading in case of domestic sales and export sales, respectively. Amounts disclosed as revenue are net of returns, trade allowances, rebates and exclusive of goods and services tax.

ii. Sale of energy:

Revenue from energy units sold is recognized at a point in time, on satisfaction of performance obligation upon transfer of control i.e., based on the units of energy delivered and in accordance with the terms of arrangement with customers and based on the rate agreed with customers. Claims for delayed payment charges and other claims, if any, are recognised as per the terms of power purchase agreements only when there is no uncertainty associated with the collectability of these claims and upon acknowledgement of the claims by the customer.

iii. Income from services:

Sale of services comprises of Revenue from conversion of ferro alloys on behalf of a customer and the operation and maintenance services. The revenue from conversion of ferro alloys is recognised on the basis of completion of conversion work on the underlying quantity in accordance with the terms of the relevant agreements as accepted and agreed with the customers wherein, the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. The amount of conversion works completed which is yet to be billed has been presented as accrued conversion

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charges in other financial assets/ trade receivables, as the case may be. Revenue from provision of operation and maintenance services are recognised over time in accordance with the terms agreed with the customer in the operations and maintenance agreement and wherein, the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

iv. Export benefits:

Export benefits in the form of duty drawback and Merchandise Exports from India and other schemes are recognised on accrual basis.

Other income:

v. Interest/dividend:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the right to receive payment is established.

vi. Guarantee commission:

Guarantee commission is recognised as an income over the life of financial guarantee contract on a time proportion basis.

vii. Other sundry incomes:

Insurance claims and conversion escalations are accounted for on realisation.

k) Foreign currency transactions:

i. **Functional and reporting Currency:** The Company's functional and reporting currency is Indian Rupee.

ii. **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amounts the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

iii. **Conversion on reporting date:** Foreign currency monetary items are reported using the closing rate. Non- monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

iv. **Exchange differences:** Exchange difference arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded

during the year or reported in previous standalone financial statements are recognised as income or as expenses in the year in which they arise.

l) Retirement and other employee benefits:

i. Employer's contribution to provident fund/employee state insurance under the defined contribution scheme, is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. The Company's liability under the Payment of Gratuity Act is considered as a defined benefit obligation. Liability under the said Gratuity Act is provided using the projected unit credit method on the basis of valuation by an independent actuary, and in compliance with the measurement principles as laid down under Ind AS 19 "Employee Benefits".

iii. Actuarial gain/(loss) in the valuation are recognised as other comprehensive income for the period.

iv. Expenses / liability towards compensated absences is provided basis independent actuarial valuation using projected unit credit method. In accordance with the measurement principles as laid down under each financial year as per the requirements of Ind AS 19 "Employee Benefits".

m) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n) Operating segment:

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Management / Chief Operating Decision Maker ("CODM").

The Board of Directors of the Company has identified the Chief Executive Officer as the CODM.

o) Dividends:

Annual dividend distribution to the

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shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

p) Earnings per equity share:

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period, net off treasury shares.

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

q) Provisions:

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

r) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of balance sheet and is disclosed as a contingent asset or contingent liability. Possible outcomes on obligations/rights, whose existence will only

be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities.

s) Taxes on income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if it is probable that they can be utilised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized, the said asset is created by way of a credit to the Statement of Profit and Loss.

t) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. For this purpose, "short-term" means

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investments having maturity of three months or less from the date of investment.

u) Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for such asset or liability, or in the absence of a principal market, in the most advantageous market which is accessible to 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 standalone financial statements are categorized 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:

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

v) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity

and a financial liability or equity instrument of another entity.

Financial assets:

a) Initial recognition and measurement:

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 (FVTPL) transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in Statement of Profit and Loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement:

For subsequent measurement, financial assets are classified into following categories:

- a. Debt instruments
- b. Equity instruments

a. Debt Instruments:

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

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) 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 and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

b. Equity instruments/Investment in mutual funds:

Equity instruments/Mutual funds in the

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scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the Statement of Profit and Loss.

All equity investments in subsidiaries are measured at cost less diminution other than temporary. All other equity investments in scope of Ind AS 109 are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Company may make an irrevocable election to present in OCI subsequent changes in fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain/loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c) De-recognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognised 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.

Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the Statement of Profit and Loss. In case of balance sheet, it is shown as reduction from the specific financial asset.

Financial liabilities:

a) Initial recognition and measurement:

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement:

- i. Financial liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Gain or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

The Company has not designated any financial liability at FVTPL.

- ii. Financial liabilities at amortised cost:

Amortised cost, in case of financial liabilities with maturity more than one

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year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liability with maturity of less than one year is shown at transaction value.

c) De-recognition:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

w) Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with original or modified terms of a debt instrument.

The Company measures any financial guarantee on initial recognition at their fair value. Subsequently these contracts are measured at the higher of:

- the amount of the loss allowance determined as per impairment requirements of Ind AS 109, and
- the amount initially recognised, less where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

x) Derivatives financial instruments:

The Company uses derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations. Such derivative financial instruments are initially recognised at contract/agreed rate on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss.

y) Hedging Activities and Derivatives:

Derivatives not designated as hedging instruments:

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions generally from one to 6 months.

A hedging relationship qualifies for hedge accounting if, and only if all the following conditions are met:

- At the inception of the hedge there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge. That documentation shall include the identification of hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.
- The hedge is expected to be highly effective in achieving offsetting changes in fair values or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship.
- For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to various cash flows that could ultimately affect profit or loss.
- The effectiveness of the hedge can be reliably measured i.e.; the fair values or the cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured.
- The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.

As at 31 March 2021, the Company's hedging instruments did not qualify for hedge accounting in accordance with the Company's policy. Hence the derivative contracts are not designated in hedge relationships and are measured at FVTPL.

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z) Non-current assets (or disposal groups) held for sale and discontinued operations (refer note 40):

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

aa) Recent pronouncements:

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division

I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

3. Property, plant and equipment

	Land*	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office-equipment	Air conditioners and Coolers	Railway Sidings	Power evacuation lines**	Other assets	Total
Gross carrying amount											
As at 1 April 2019	2,849.77	16,247.95	71,792.03	118.12	273.10	216.14	40.89	358.72	284.05	201.89	92,382.67
Additions during the year	21.06	201.90	277.17	5.37	25.94	39.40	2.82	-	-	44.29	617.95
Less: Disposals	23.93	-	60.52	-	25.10	14.46	-	-	-	-	124.00
Less: Adjustments (note 40(c))	135.59	1,953.42	6,099.27	26.28	39.83	35.67	18.48	-	-	22.10	8,330.63
As at 31 March 2020	2,711.31	14,496.42	65,909.41	97.20	234.11	205.42	25.23	358.72	284.05	224.09	84,545.99
Additions during the year	-	58.80	1,277.95	10.96	36.79	111.82	2.35	-	-	19.83	1,518.50
Adjustments (note 40(d))	251.07	937.30	-	-	-	-	-	-	-	-	1,188.37
Less: Disposals	-	-	22.64	5.98	0.86	26.59	-	-	-	2.53	58.60
As at 31 March 2021	2,962.38	15,492.52	67,164.72	102.18	270.04	290.65	27.58	358.72	284.05	241.39	87,194.26
Accumulated depreciation											
Up to 31 March 2019	-	2,674.39	10,585.81	82.39	45.80	0.02	21.33	150.84	33.26	124.20	13,718.04
Charge for the year	-	612.12	2,828.34	7.63	35.25	78.72	4.71	37.71	8.48	42.08	3,655.05
Less: Disposals	-	-	24.70	-	21.16	9.48	-	-	-	-	55.33
Less: Adjustments (note 40(c))	-	676.09	1,953.34	20.41	16.08	21.39	15.82	-	-	16.26	2,719.40
Up to 31 March 2020	-	2,610.42	11,436.11	69.62	43.80	47.87	10.21	188.55	41.75	150.02	14,598.35
Charge for the year	-	520.88	2,435.78	4.82	33.44	82.56	2.84	37.71	8.48	40.16	3,166.67
Adjustments (note 40(d))	-	521.28	-	-	-	-	-	-	-	-	521.28
Less: Disposals	-	-	12.30	5.95	0.82	25.92	-	-	-	2.50	47.49
Up to 31 March 2021	-	3,652.58	13,859.59	68.49	76.42	104.51	13.05	226.26	50.23	187.68	18,238.81
Net carrying amount											
As at 31 March 2021	2,962.38	11,839.94	53,305.13	33.70	193.62	186.14	14.53	132.46	233.82	53.71	68,955.45
As at 31 March 2020	2,711.31	11,886.00	54,473.30	27.59	190.31	157.55	15.02	170.17	242.30	74.07	69,947.64

* Free hold land includes land aggregating to ₹86.36 (31 March 2020: ₹451.38), held in the name of erstwhile companies, which were transferred to the Company pursuant to a scheme of amalgamation in earlier years.

** Represents the cost incurred towards laying the power evacuation lines, the ownership of which vests with the State Owned Power Distribution Company. However, these assets are exclusively available to the Company for its utilisation and accordingly, the amounts spent have been capitalised in the accordance with the provisions of the accounting principles.

i) The written down value of property, plant and equipment as at 31 March 2021 includes amounts of ₹18,601.40 (31 March 2020: ₹19,200.79) and ₹7,484.92 (31 March 2020: ₹7,720.20) pertaining to the 60 MW thermal power generation station located at Odisha and 20 MW thermal power generation station located at Dharmavaram, respectively. These units are non-operational owing to the mis-match in the demand and supply of power in the underlying jurisdiction in which they operate and due to pending receipt of certain regulatory approvals. The management has assessed that the carrying value of the aforesaid assets are fully recoverable on the basis of internally developed financial projections and the expected realizable value on sale/disposal. The projections so made involve making significant assumptions including capacity utilization, tariff rates and other operating parameters and the realizable value of the underlying asset which, on the basis of the management, reasonably reflects the future outcome of the planned business efforts. Consequently, no adjustments have been made to the carrying values of these assets in this regard.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

4. Investment property

	Land	Building	Total
Gross carrying amount			
As at 1 April 2019	101.91	173.93	275.84
Additions during the year	-	-	-
As at 31 March 2020	101.91	173.93	275.84
Additions during the year	-	-	-
As at 31 March 2021	101.91	173.93	275.84
Accumulated depreciation			
Up to 31 March 2019	-	32.84	32.84
Charge for the year	-	5.70	5.70
Up to 31 March 2020	-	38.54	38.54
Charge for the year	-	5.70	5.70
Up to 31 March 2021	-	44.24	44.24
Net carrying amount			
As at 31 March 2021	101.91	129.69	231.60
As at 31 March 2020	101.91	135.39	237.30

5. Other intangible assets

	Computer Software	Water drawing rights	Total
Gross carrying amount			
As at 1 April 2019	196.21	422.21	618.42
Additions during the year	5.93	-	5.93
Less: Adjustments *	17.64	-	17.64
As at 31 March 2020	184.50	422.21	606.71
Additions during the year	33.78	-	33.78
Less: Deletions	0.03	-	0.03
As at 31 March 2021	218.25	422.21	640.46
Accumulated amortization			
Up to 31 March 2019	96.90	157.74	254.64
Charge for the year	33.70	12.78	46.48
Less: Adjustments *	17.64	-	17.64
Up to 31 March 2020	112.96	170.52	283.48
Charge for the year	40.22	7.21	47.43
Less: Adjustments	0.03	-	0.03
Up to 31 March 2021	153.15	177.73	330.88
Net carrying amount			
As at 31 March 2021	65.10	244.48	309.58
As at 31 March 2020	71.54	251.69	323.23

*Represents the gross amount and accumulated depreciation of intangible assets pertaining to sugar operations which has been de-recognised during previous year owing to discontinuance of the sugar operations.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

6. Investments

	Face value	As at	
		31 March 2021	31 March 2020
(a) Non-current			
Investments in equity shares (fully paid-up)			
(i) Quoted - designated at FVTPL (Non-Trade)			
76,830 (31 March 2020: 76,830) shares in NB Footware Limited	₹10	1.10	0.00
9,600 (31 March 2020: 9,600) shares in Avanti Feeds Limited	₹2	39.79	28.25
8,000 (31 March 2020: 8,000) shares in IDBI Bank Limited	₹10	3.08	1.54
7,410 (31 March 2020: 7,410) shares in Union Bank of India Limited	₹10	2.52	2.13
24,568 (31 March 2020: 24,568) shares in TATA Consultancy Services Limited	₹1	780.73	448.64
19,302 (31 March 2020: 19,302) shares in MOIL Limited	₹10	29.06	19.77
200 (31 March 2020: 200) shares in Kothari Sugars and Chemicals Limited	₹10	0.05	0.02
2,857 (31 March 2020: 2,857) shares in The Jeypore Sugar Company Limited	₹10	0.00	0.00
		856.33	500.35
(ii) Unquoted			
Investments carried at cost - Subsidiaries (Trade)			
41,499,998 (31 March 2020: 41,499,998) shares in Brahmani Infratech Private Limited, India	₹10	4,150.00	4,150.00
454,020,000 (31 March 2020: 454,020,000) shares in Nava Bharat Projects Limited, India	₹2	9,080.40	9,080.40
260,000,000 (31 March 2020: 260,000,000) shares in Nava Bharat Energy India Limited, India	₹2	5,200.00	5,200.00
Nava Bharat (Singapore) Pte Limited, Singapore:			
- 16,870 (31 March 2020: 16,870) shares of Singapore Dollar (SGD) 1 each	SGD 1	4.36	4.36
- 249,726,861 (31 March 2020: 249,726,861) shares of United States Dollar (US\$) 1 each	US\$ 1	1,53,656.23	1,53,656.23
1,001,000 (31 March 2020: 1,001,000) shares in Nava Energy Pte Limited, Singapore	US\$1	0.67	0.67
1,651,000 (31 March 2020: 1,451,000) shares in Nava Agro Pte Limited, Singapore	US\$1	1,115.46	968.72
3,601,000 (31 March 2020: 3,101,000) shares in Nava Holding Pte Limited, Singapore	US\$1	2,509.74	2,141.64
		1,75,716.86	1,75,202.02
(iii) Unquoted			
Investments carried at cost - Others (Trade)			
Nava Resources Cl, Ivory Coast		26.86	-
(iv) Unquoted			
Investments designated at FVTPL - Others (Non-Trade)			
75,000 (31 March 2020: 75,000) shares in Srinivasa Cystine Limited	₹10	843.04	654.73
(v) Investments in government Securities (at amortised cost) (Non-Trade)			
- 6 years National Savings Certificates		0.30	0.50
Total non-current investments		1,77,443.39	1,76,357.60

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(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

	Face value	As at	
		31 March 2021	31 March 2020
(b) Current			
Unquoted - Investment designated at FVTPL - Others (Non-Trade)			
Investment in mutual funds			
26,044 (31 March 2020: Nil) units in SBI Magnum Low Duration Fund Regular - Growth		717.50	-
2,992,125 (31 March 2020: Nil) units in SBI Short Term Debt Fund		748.70	-
28,863 (31 March 2020: Nil) units in Kotak Money Market Fund - Growth		1,000.67	-
301,871 (31 March 2020: Nil) units in Aditya Birla Sun Life Floating Rate Fund - Gr. Regular		802.42	-
33,968 (31 March 2020: Nil) units in HDFC Money Market Fund Growth		1,500.92	-
245,968 (31 March 2020: Nil) units in ICICI Prudential Savings Fund Growth		1,023.23	-
512,336 (31 March 2020: Nil) units in ICICI Prudential Money Market Fund Growth		1,501.51	-
547,793 (31 March 2020: Nil) units in ICICI Prudential Short Term Fund		251.25	-
3,138,545 (31 March 2020: Nil) units in IDFC Money Manager Fund Regular Growth		1,001.26	-
27,473 (31 March 2020: Nil) units in TATA Money Market Fund Regular Growth		1,000.73	-
46,957 (31 March 2020: Nil) units in Nippon India Money Market Fund - Growth Plan Growth Option		1,500.80	-
Total current investments		11,048.99	-
Aggregate amount of Quoted Investments		856.33	500.35
Aggregate amount of Un-Quoted Investments		1,87,636.05	1,75,857.25
Aggregate amount of Impairment in Value of Investments		95.49	107.60
Details of ownership interest in subsidiaries (in %):			
(i) Brahmani Infratech Private Limited, India		65.74	65.74
(ii) Nava Bharat Projects Limited, India		100.00	100.00
(iii) Nava Bharat Energy India Limited, India*		100.00	100.00
(iv) Nava Bharat (Singapore) Pte Limited, Singapore		100.00	100.00
(v) Nava Energy Pte Limited, Singapore		100.00	100.00
(vi) Nava Agro Pte Limited, Singapore		100.00	100.00
(vii) Nava Holding Pte Limited, Singapore		100.00	100.00

*Including 74% of the equity shares held by Nava Bharat Projects Limited thereby leading to an effective control of 100% by the Company.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

7. Loans

		As at	
		31 March 2021	31 March 2020
(a) Non-current			
	Secured, considered good	-	-
	Unsecured, considered good - to related parties * (refer note 36)	10,226.88	12,784.40
		10,226.88	12,784.40
(b) Current			
	Secured, considered good	-	-
	Unsecured, considered good		
	- to related parties ** (refer note 36)	2,560.60	2,579.98
	- to others	-	75.00
		2,560.60	2,654.98

* The balance of loans receivable as at 31 March 2021 and as at 31 March 2020 represents amounts lent to Nava Bharat Energy India Limited ('NBEIL'), a subsidiary having common directors, for the purpose of utilisation of the said amount towards the repayment of NBEIL's existing term loans which is repayable in 32 unequal quarterly instalments commencing from 30 September 2018. The loan carried an annual interest rate in the range of 7.5% to 10.15% (31 March 2020: 10.15%).

** The balance of loans receivable as at 31 March 2021 and as at 31 March 2020 represents amounts due to be received from NBEIL in next 12 months subsequent to the reporting date in respect of the non-current loan mentioned in the above paragraph.

8. Other financial assets

		As at	
		31 March 2021	31 March 2020
(a) Non-current	(Unsecured, considered good)		
	Security deposits	916.85	862.76
	Fixed deposits with banks*	1,098.77	446.31
	Margin money deposits	117.63	120.63
	Other receivables from related parties		
	- Guarantee commission **	161.57	167.24
	Others	31.39	30.88
		2,326.21	1,627.82

* Represents bank deposit with maturity period of more than 12 months, held under Debt Service Reserve Account against the term loan availed.

		As at	
		31 March 2021	31 March 2020
(b) Current			
	Restricted bank balances		
	- Unpaid dividend accounts	194.97	218.85
	Other receivables		
	- from related parties **	402.82	269.85
	- Others	27.44	65.40
	Interest accrued		
	- from related parties **	84.46	293.28
	- from others	131.57	108.20
	Unbilled revenue - accrued conversion charges	288.56	370.73
	Others	34.57	65.75
		1,164.39	1,392.06

** Represents amounts receivables from an entity in which one of the directors of the Company hold managerial position and is also a director of the said entity.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

9. Other assets

		As at	
		31 March 2021	31 March 2020
	(Unsecured, considered good)		
(a) Non-current			
	Capital advances	31.56	80.00
	Payments made under protest *	201.24	201.29
	Prepaid expenses	118.47	119.87
	Others	36.34	35.76
		387.61	436.92
(b) Current			
	Advances to vendors	7,673.17	3,774.40
	Balance with government authorities	582.17	1,128.39
	Prepaid expenses	474.42	495.72
	Others	193.27	97.28
		8,923.03	5,495.79

* Represents payments made to government authorities in protest in connection with the ongoing disputes.

10. Inventories (valued at lower of cost or net realisable value)

		As at	
		31 March 2021	31 March 2020
	Raw materials (including materials-in-transit aggregating to Nil (31 March 2020: ₹1,951.09))	9,767.93	14,911.40
	Work-in-progress	316.43	314.22
	Finished goods	6,444.68	14,538.11
	Stock-in-trade	5.57	10.67
	Stores and spares	2,689.20	2,701.67
		19,223.81	32,476.07

11. Trade receivables

		As at	
		31 March 2021	31 March 2020
	Secured, considered good	-	-
	Unsecured, considered good		
	- From related parties *	1,889.19	750.98
	- From others	13,763.85	18,615.88
	Trade Receivables which have significant increase in credit risk	-	-
	Trade Receivables - credit impaired	-	-
	Unsecured, considered doubtful	189.93	-
	Less: Provision for doubtful receivables	(189.93)	-
		15,653.04	19,366.86

* Represents amounts receivables from an entity in which one of the directors of the Company is also a director of the said entity.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

12. Cash and Bank balances

	As at	
	31 March 2021	31 March 2020
a) Cash and cash equivalents		
Balances with banks		
On current accounts	6,011.46	2,706.69
On cash credit accounts	277.40	-
Cheques on hand	75.70	-
Cash on hand	1.75	5.86
	6,366.31	2,712.55
b) Bank balances other than above		
Deposits with banks with maturity period from 3 to 12 months	57.42	151.80
Margin money deposits *	1,283.48	1,266.11
Less: Amounts reclassified to other non-current financial assets as the same represents margin money deposits with maturity period of more than 12 months	(117.63)	(120.63)
	1,223.27	1,297.28
	7,589.58	4,009.83

* Represents deposits held with banks as security against borrowings, guarantees and other arrangements.

13. Equity Share Capital:

	As at			
	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of ₹2 each	2500,00,000	5,000.00	2500,00,000	5,000.00
	2500,00,000	5,000.00	2500,00,000	5,000.00
Issued and subscribed share capital				
Equity shares of ₹2 each	1481,73,303	2,963.47	1764,68,495	3,529.37
	1481,73,303	2,963.47	1764,68,495	3,529.37
Fully paid-up share capital				
Equity shares of ₹2 each	1479,21,828	2,958.44	1762,17,020	3,524.34
Add: Forfeited shares of ₹2 each (amount originally paid up)	-	1.26	-	1.26
	1479,21,828	2,959.70	1762,17,020	3,525.60

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

	As at			
	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	17,62,17,020	3,524.34	17,85,75,482	3,571.51
Less: Shares extinguished on account of reduction of capital (refer (d) below)	(1,27,47,020)	(254.94)	-	-
Less: Shares extinguished on account of buy-back (refer (f) below)	(70,76,203)	(141.52)	(23,58,462)	(47.17)
Less: Shares yet to be extinguished on account of buy-back (refer (f) below)	(84,71,969)	(169.44)	-	-
Balance at the end of the year	14,79,21,828	2,958.44	17,62,17,020	3,524.34

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹2/- per share with one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% equity shares in the Company

	As at			
	31 March 2021		31 March 2020	
	Number	%age	Number	%age
NAV Developers Limited	160,93,517	10.88%	160,93,517	9.13%
M/s Wellington Management Company, LLP with its PAC	-	0.00%	104,72,095	5.94%
IDFC Classic Equity Fund	-	0.00%	91,12,374	5.17%
A N Investments Private Limited	94,79,825	6.41%	94,79,825	5.38%
D Bhaktapriya	98,12,900	6.63%	98,02,900	5.56%

(d) Scheme of capital reduction:

In August 2019, the Board of Directors ('Board') had approved a Scheme of Capital Reduction (Scheme) in compliance with the relevant provisions of the Act. Pursuant to the said scheme equity shares aggregating to 9,947,020 and 2,800,000 then held by Nav Energy Private Limited and Nava Bharat Ventures Employees Welfare Trust, respectively were proposed to be cancelled upon obtaining requisite regulatory approvals. As the Company has obtained all the requisite regulatory approvals, including an order of the Honourable NCLT, Hyderabad Bench vide their order dated 19 January 2021, the scheme was given effect to in the accompanying standalone financial statements by way of adjustments to the balance in equity share capital, treasury shares and general reserves to the tune of ₹254.94, ₹2,745.67 and ₹2,490.73, respectively.

(e) Aggregate number of bonus shares issued during five years immediately preceding the date of Balance Sheet:

During the year ended 31 March 2017, the Company has issued 89,287,741 equity shares of ₹2 each fully paid up by way of bonus shares in the ratio of one equity share for every one share held on the date of issue.

(f) Buy-back of equity shares:

In accordance with the relevant provisions of the Act, in February 2021 the Board had approved buy-back of fully paid-up equity shares for an aggregate sum not exceeding ₹15,000. As at 31 March 2021 the Company bought back 15,548,172 equity shares, and the purchase price was adjusted against the equity share capital and securities premium to the extent of ₹310.96 and ₹13,094.13, respectively. Out of the total shares bought back 8,471,969 equity shares were extinguished after 31 March 2021. Further, duly in compliance with the relevant provisions of the Act the Board had also approved a similar Buy Back scheme in May 2019. Equity shares acquired pursuant to the said scheme were extinguished in entirety, and balance in share capital and securities premium accounts were adjusted to the extent of ₹47.17 and ₹2,201.78, respectively. Further, as required under the relevant provisions of the Act, required amounts were transferred to capital redemption reserve with a corresponding debit to balance in general reserves.

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(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

14. Other Equity

	As at	
	31 March 2021	31 March 2020
Capital reserve		
Balance at the beginning and end of the year	60.20	60.20
Capital redemption reserve		
At the beginning of the year	873.56	826.39
Add: Transfer from general reserve on account of buyback of equity shares (refer note 13(f))	310.96	47.17
At the end of the year	1,184.52	873.56
Securities premium		
At the beginning of the year	24,012.44	26,214.22
Less: Adjustments (refer note 13(f))	(13,094.13)	(2,201.78)
At the end of the year	10,918.31	24,012.44
Treasury Shares		
At the beginning of the year	(2,745.67)	(2,745.67)
Less: Adjustments (refer note 13(d))	2,745.67	-
At the end of the year	-	(2,745.67)
General reserve		
At the beginning of the year	87,519.47	87,566.64
Less: Adjustments (refer note 13(d) and 13(f))	(2,801.69)	(47.17)
At the end of the year	84,717.78	87,519.47
Other reserves:		
Subsidies - Balance at the beginning and end of the year	33.60	33.60
Surplus in Statement of Profit and Loss		
At the beginning of the year	1,81,713.64	1,74,879.81
Profit for the year	15,460.16	12,855.83
At the end of the year	1,97,173.80	1,87,735.64
Appropriations:		
Dividend on Equity Share Capital*	-	(4,995.22)
Corporate dividend tax	-	(1,026.78)
At the end of the year	1,97,173.80	1,81,713.64
Other comprehensive income		
Actuarial gain/(loss) on employment benefits		
At the beginning of the year	341.26	290.63
for the year	286.86	50.63
At the end of the year	628.12	341.26
	2,94,716.33	2,91,808.50

Nature and purpose of reserves:

(a) Capital redemption reserve

Capital redemption reserve was created in earlier years for the purpose of redemption of preference shares and in the current year on account of buy-back of equity shares. The Company uses capital redemption reserve for transactions in accordance with the provisions of the Act.

(b) Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve is freely available for use by the Company.

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to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

(d) Treasury shares (refer note 13(d))

- (i) Represents Nil (31 March 2020: 9,947,020) equity shares of ₹2/- each fully paid up, vested in a trustee (Nav Energy Private Limited) duly for the benefit of the Company, pursuant to an order of Hon'ble High Court of Andhra Pradesh dated 30 December 1996 in respect of the Scheme of amalgamation of Nav Chrome Limited with the Company. Further, these shares were not considered for dividend and treated as treasury shares, thereby duly reduced from other equity as at 31 March 2020.
- (ii) Represents amounts paid to Nava Bharat Ventures Employee Welfare Trust in the earlier years towards acquisition of 1,400,000 equity shares of the Company of ₹2 each. Consequently, the said shares along with the bonus shares issued during the year ended 31 March 2017 have been accounted for as a treasury stock as at 31 March 2020, thereby adjusting the balance of other equity.

(e) Surplus in Statement of Profit and Loss

Surplus in Statement of Profit and Loss represents the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders.

(f) Actuarial gain / (loss) on employment benefits

The reserve represents the remeasurement gains/(losses) arising from the actuarial valuation of the defined benefit obligations of the Company. The remeasurement gains/(losses) are recognized in other comprehensive income and accumulated under this reserve within equity. The amounts recognized under this reserve are not reclassified to Statement of Profit and Loss.

* Represents amounts distributed towards interim dividend at the rate of ₹1.50 per equity share for the financial year ended 31 March 2020.

15. Borrowings

	As at	
	31 March 2021	31 March 2020
a) Non current borrowings		
Secured		
- Term loans - from banks (refer notes (a), (b), (c), (d), (e) and (f))	16,903.11	20,886.86
Less: Current maturities of long-term borrowings (refer note 16(b))	3,007.50	6,939.06
	13,895.61	13,947.80
b) Current borrowings		
Secured		
Loans repayable on demand		
- Working capital loan from banks (refer note (g))	15.71	4,353.59
- Suppliers credit (refer note (h))	551.64	4,447.07
	567.35	8,800.66

Details of security and other terms of borrowings:

- (a) Term loan outstanding to the tune of Nil (31 March 2020: ₹2,869.10) is secured by the pari passu first charge on fixed assets of the Company, both present and future excluding 38 acres of land at Paloncha and a second charge on the chargeable current assets of the Company. The loan is further secured by way of pledge of 51% shares of Nava Bharat (Singapore) Pte. Limited held by NBVL.
- (b) Term loan outstanding to the tune of Nil (31 March 2020: ₹1,124.96) is secured by the pari passu first charge on fixed assets of the Company, both present and future excluding 38 acres of land at Paloncha and a second charge on the chargeable current assets of the Company. The loan is further secured by way of pledge of 51% shares of Nava Bharat (Singapore) Pte. Limited held by NBVL.
- (c) Term loan outstanding to the tune of ₹12,787.48 (31 March 2020: ₹15,345.00) is secured by the pari passu first charge on fixed assets of the Company, both present and future excluding 38 acres of land at Paloncha and a second pari-passu charge on the present and future current assets of the Company. The loan is further secured by way of exclusive charge on the Debt Service Reserve Account of the Company. The loan is repayable in 32 unequal quarterly instalments from the date of first disbursement with final maturity date being 31 March 2026.
- (d) Term loan outstanding to the tune of ₹1,115.63 (31 March 2020: ₹1,547.80) is secured by the pari passu first charge on fixed assets including immovable and movable properties of the Company and a second

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charge on the current assets of the Company, both present and future along with the existing term lenders. The loan is repayable in 16 structured quarterly repayments of ₹96.85 each, commencing from June 2020.

- (e) Term loan outstanding to the tune of ₹3,000.00 (31 March 2020: Nil) is secured by the pari passu second charge on fixed assets of the Company, both present and future excluding 38 acres of land at Paloncha and a second pari-passu charge on the present and future current assets of the Company. The loan is repayable in 48 structured monthly repayments of ₹62.50 each, commencing from March 2022.
- (f) All the above loans carry interest rates ranging from 4% to 10.15% per annum (31 March 2020: 4% to 11.40%).
- (g) Working capital loans outstanding represents cash credit facility availed from banks and carry an interest linked to the respective Bank's prime/base lending rates, ranging from 8.00% to 10.75% per annum (31 March 2020: 9.25% to 10.75% per annum). The said facility is secured by hypothecation of all chargeable current assets of the Company, including raw materials, work-in-progress, finished goods, stores and spares and receivables both present and future and rank pari passu with the other lenders. The facility is further secured by a pari passu second charge on all fixed assets of the Company both present and future.
- (h) Suppliers credit outstanding as at 31 March 2021 was availed from banks and carried an interest rate linked to the respective Bank's prime/base lending rate which is 0.55% per annum. The said facility was secured by hypothecation of all chargeable current assets of the Company and ranked pari passu with the other lenders. The facility was further secured by a pari passu second charge on all fixed assets of the Company both present and future.
- (i) Refer note 37(iii) for details of disclosure of maturity profile of the borrowings.

16. Other financial liabilities

	As at	
	31 March 2021	31 March 2020
a) Non current		
Retention deposits	11.20	11.20
	11.20	11.20
b) Current		
Dues to		
- Directors	1,024.56	858.02
- Employees*	1,443.57	2,047.02
Security deposits		
- Others	84.33	87.72
Forward contract liability	191.96	30.47
Interest accrued	238.49	239.04
Unpaid dividends	194.97	218.85
Capital creditors	-	62.63
Accrual for expenses	468.77	603.73
Current maturities of long-term borrowings (refer note 15)	3,007.50	6,939.06
	6,654.15	11,086.54

*including compensation payable and accrued to the tune of Nil (31 March 2020: ₹484.29) towards termination of employees of Sugar division pursuant to discontinuation of the operations of Sugar division situated at Samalkot (refer note 40).

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17. Deferred tax assets / (liabilities), net

	As at	
	31 March 2021	31 March 2020
Deferred tax assets / (liabilities):		
- Minimum Alternate Tax (MAT) credit entitlement	9,078.93	13,330.41
- Employee benefits	786.40	893.29
- Bonus payable	718.68	712.45
- Other disallowances	360.99	86.47
- Property, plant and equipment and intangible assets	(11,182.54)	(11,115.58)
Deferred tax assets/(liabilities), net	(237.54)	3,907.04

Movement in deferred tax assets/(liabilities):

	As at 1 April 2020	(Charge)/credited to		MAT credit utilisation	As at 31 March 2021
		Statement of Profit and Loss	Other Comprehensive Income		
Property, plant and equipment and intangible assets	(11,115.58)	(66.96)	-	-	(11,182.54)
Employee benefits	893.29	47.19	(154.08)	-	786.40
Bonus payable	712.45	6.23	-	-	718.68
Others	86.47	274.52	-	-	360.99
MAT credit entitlement	13,330.41	-	-	(4,251.48)	9,078.93

- (i) Deferred tax assets as at 31 March 2021 includes an amount of ₹9,078.93 (31 March 2020: ₹13,330.41), representing the credit of minimum alternative taxes paid and recognised by the Company in accordance with the provisions of the prevailing income tax regulations. Based on the assessment of the financial projections of the Company, the projected profitability and the history of achieving significant operational profits in the past, the management is confident of earning sufficient taxable profits in the future in order to be able to realise the aforesaid tax credits within the timelines prescribed under the income tax regulations.

Movement in deferred tax assets/(liabilities):

	As at 1 April 2019	(Charge)/credited to		MAT credit utilisation	As at 31 March 2020
		Statement of Profit and Loss	Other Comprehensive Income		
Property, plant and equipment and intangible assets	(11,041.09)	(74.49)	-	-	(11,115.58)
Employment benefits	776.04	144.44	(27.19)	-	893.29
Bonus payable	463.21	249.24	-	-	712.45
Others	289.73	(203.25)	-	-	86.47
MAT credit entitlement	16,647.78	-	-	(3,317.37)	13,330.41

18. Provisions

	As at	
	31 March 2021	31 March 2020
a) Non-current		
Provision for employee benefits		
- Compensated absence, unfunded	608.35	679.77
- Gratuity, funded	582.69	1,010.13
	1,191.04	1,689.90

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	As at	
	31 March 2021	31 March 2020
b) Current		
Provision for employee benefits		
- Compensated absence, unfunded	349.52	548.88
- Gratuity, funded	709.90	317.58
- Others (refer note 35(b)(i))	1,266.39	-
	2,325.81	866.46

a) Gratuity

The Company provides for gratuity for its employees as per the Payment of the Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is equivalent to employee's 15 days of last drawn basic salary for each completed years of service. The gratuity plan is partly funded as at 31 March 2021 and 31 March 2020.

The following table sets out the reconciliation of opening and closing balances of the present value and defined benefit obligation.

(i) Change in projected benefit obligation

	As at	
	31 March 2021	31 March 2020
Present value of obligation at the beginning of year	1,863.79	1,932.39
Current service cost	125.17	110.13
Interest cost	96.84	109.79
Benefits paid	(32.52)	(29.92)
Benefits paid directly by the company	(115.66)	(64.15)
Actuarial (gain)/loss on obligation	(98.30)	(194.45)
Defined benefit obligation at end of the year	1,839.32	1,863.79

(ii) Change in plan assets

	As at	
	31 March 2021	31 March 2020
Fair value of plan assets at the beginning of the year	536.08	719.37
Adjustments to opening balance of plan assets	-	(203.87)
Return on plan assets (excl. int. income)	9.14	20.47
Interest income	18.71	8.25
Contributions during the year	15.32	21.78
Benefits paid during the year	(32.52)	(29.92)
Fair value of planned assets at the end of the year	546.73	536.08

(iii) Reconciliation of present value of obligation on the fair value of plan assets

	As at	
	31 March 2021	31 March 2020
Present value of projected benefit obligation at the end of the year	1,839.32	1,863.79
Fair value of plan assets	(546.73)	(536.08)
Net liability recognised in the balance sheet	1,292.59	1,327.71

(iv) Expenses recognised in the Statement of Profit and Loss:

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(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

	For the year ended	
	31 March 2021	31 March 2020
Current service cost	125.17	110.13
Net interest cost	78.13	101.54
Adjustments to opening liability	-	203.87
Expense for the year	203.30	415.54
Recognised in other comprehensive income:		
Actuarial gain for the year	(98.30)	(194.45)
Return on plan assets excluding net interest	(9.14)	(20.47)
Total expenditure/(gain) recognised	(107.44)	(214.92)

(v) Key actuarial assumptions

	For the year ended	
	31 March 2021	31 March 2020
Discount rate	5.71%	5.68%
Salary escalation	6.00%	6.00%
Attrition rate	13.33%	13.33%
Expected rate of return on plan assets	7.29%	7.29%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Return on plan assets excluding net interest	7.59%	7.59%

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotions and other relevant factors. The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards.

(vi) Impact on defined benefit obligations [increase/(decrease)]

	For the year ended	
	31 March 2021	31 March 2020
Assumptions		
Sensitivity level		
- Discount rate : 1% increase	(52.19)	(60.85)
- Discount rate : 1% decrease	87.05	89.35
- Future salary : 1% increase	74.19	75.12
- Future salary : 1% decrease	(26.10)	(26.90)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(vii) The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

	For the year ended	
	31 March 2021	31 March 2020
Year 1	709.90	317.58
Year 2	183.72	222.97
Year 3	240.47	166.13
Year 4	154.79	221.67
Year 5	128.49	136.92
Year (6 -10)	528.74	519.48
More than 10 years	367.72	386.50
	2,313.82	1,971.26

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	As at	
	31 March 2021	31 March 2020
Obligation at the beginning of the year	-	-
Additions for the year (refer note 35(b)(i))	2,532.78	-
Payments made during the year (refer note 35(b)(ii))	(1,266.39)	-
Obligation at the end of the year	1,266.39	-

19. Other current liabilities

	As at	
	31 March 2021	31 March 2020
Advance from customers (refer note 20(iii))	274.45	70.85
Statutory dues	3,500.55	1,572.72
	3,775.00	1,643.57

20. Revenue from operations

	For the year ended	
	31 March 2021	31 March 2020
Revenue from contracts with customers		
a) Sale of products		
- Ferro alloys	65,137.69	65,732.35
- Power *	6,359.98	12,193.48
b) Sale of services		
- Ferro alloys conversion charges	18,067.14	20,649.99
- Operation and maintenance services	11,353.84	7,250.35
	1,00,918.65	1,05,826.17
Other operating revenues		
- Export incentive income	516.86	748.36
- Utility services	244.63	280.33
- Scrap sales	386.65	615.40
- Others	632.52	528.92
	1,02,699.31	1,07,999.18

* Includes compensation received from customers to the tune of ₹900.84 (31 March 2020: Nil).

(i) Reconciliation of transaction price and amounts allocated to performance obligations:

	For the year ended	
	31 March 2021	31 March 2020
Revenue at contracted price	1,01,088.81	1,06,893.55
Less: Adjustments		
- Under injection charges	105.16	585.01
- Prompt payment rebate	-	24.26
- Excess raw material consumption charges	65.00	458.11
Total revenue from contracts with customers	1,00,918.65	1,05,826.17

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(ii) Disaggregation of revenue

(a) Revenue based on Geography

	For the year ended	
	31 March 2021	31 March 2020
- Domestic	56,702.00	74,445.99
- Export	44,216.65	31,380.18
Total	1,00,918.65	1,05,826.17

(b) Revenue based on Business Segment

	For the year ended	
	31 March 2021	31 March 2020
- Ferro Alloys	83,204.83	86,382.34
- Power	40,840.35	49,864.82
- Unallocated	11,353.84	7,250.35
- Inter segment revenues	(34,480.37)	(37,671.34)
Total	1,00,918.65	1,05,826.17

(iii) Contract balances

	As at	
	31 March 2021	31 March 2020
Trade Receivables (refer note 11)	15,653.04	19,366.86
Contract liabilities		
Advance from customers (refer note 19)	274.45	70.85

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹70.85 (31 March 2020: ₹48.44) and performance obligations satisfied in previous years is ₹Nil (31 March 2020: ₹Nil). Total contract liabilities outstanding as on 31 March 2021 will be recognised in next 12 months.

21. Other income

	For the year ended	
	31 March 2021	31 March 2020
Interest income on financial assets measured at amortised cost	1,543.75	2,582.99
Income from investments		
- Changes in fair value	575.28	89.29
- Gain on sale of investments	166.64	56.44
- Dividend income	765.85	829.94
Other non-operating income		
- Guarantee commission	785.44	547.06
- Fair value gain on derivatives not designated as hedges	-	751.28
- Foreign exchange fluctuations, net	19.27	-
- Others	165.91	364.62
	4,022.14	5,221.62

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22. Cost of materials consumed

	For the year ended	
	31 March 2021	31 March 2020
Inventory at the beginning of the year	14,911.40	15,718.06
Add: Purchases	48,105.46	68,802.95
	63,016.86	84,521.01
Inventory at the end of the year	9,767.93	14,911.40
	53,248.93	69,609.61
Less: Amount presented separately under discontinued operations (refer note 40(a))	-	(7,013.49)
Cost of materials consumed	53,248.93	62,596.12

#Disclosed on the basis of derived amounts rather than the actual records of consumption.

23. Change in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended	
	31 March 2021	31 March 2020
Inventory at the beginning of the year		
Stock-in-trade	10.67	26.77
Finished goods	14,538.11	14,873.30
Work-in-progress	314.22	502.58
	14,863.00	15,402.65
Inventory at the end of the year		
Stock-in-trade	5.57	10.67
Finished goods	6,444.68	14,538.11
Work-in-progress	316.43	314.22
	6,766.68	14,863.00
	8,096.32	539.65
Less: Amount presented separately under discontinued operations (refer note 40(a))	7,991.86	2,052.24
	104.46	(1,512.59)

24. Manufacturing expenses

	For the year ended	
	31 March 2021	31 March 2020
Consumption of stores and spares	3,230.69	3,627.40
Power, fuel and water charges	492.32	411.81
Briquetting expenses	394.06	520.92
Raw material handling charges	1,230.07	1,527.53
Finished product handling charges	687.32	733.77
Testing and analysis charges	59.39	69.77
Other expenses	1,025.48	672.85
	7,119.33	7,564.05

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25. Employee benefits expense

	For the year ended	
	31 March 2021	31 March 2020
Salaries and wages	7,173.30	7,104.91
Contribution to provident and other funds (note a)	336.63	342.63
Staff welfare expenses	381.26	351.52
Gratuity and other compensated absences	334.15	521.43
	8,225.34	8,320.49

- (a) During the current year ended 31 March 2021, the Company contributed ₹355.01 (31 March 2020: ₹375.1) to provident fund and ₹8.05 (31 March 2020: ₹4.22) towards employee state insurance fund (including contribution to provident fund attributable to the discontinued operations amounting to ₹11.55 (31 March 2020: ₹55.98)).

26. Finance costs

	For the year ended	
	31 March 2021	31 March 2020
Interest cost on financial liabilities measured at amortized cost	1,172.12	1,845.35
Other borrowing costs		
- Bank charges and commission	190.23	206.72
	1,362.35	2,052.07

27. Other expenses

	For the year ended	
	31 March 2021	31 March 2020
Rent	31.87	33.62
Repairs and maintenance		
- Machinery	1,765.99	2,557.75
- Buildings	399.51	566.01
- Others	224.84	111.21
Rates and taxes	1,819.28	2,592.75
Freight and transportation	2,220.08	1,867.88
Insurance	315.24	290.66
Advertisement and sales promotion	8.05	12.19
Communication expense	32.89	40.25
Travelling and conveyance	103.81	219.94
Legal and professional charges	590.85	570.57
Foreign exchange fluctuations, net	-	93.68
Fair value loss on derivate contracts not designated as hedge	161.49	-
Payments to auditors:		
as auditors	80.39	65.00
for other services	-	10.79
for reimbursement of expenses	-	1.61
Corporate social responsibility (CSR) expenses (refer note (a) below)	432.96	409.97
Loss on sale of assets	24.75	1.03
Open access charges	3.44	427.43
Ash disposal charges	382.25	435.95
Provision for doubtful receivables	189.93	-
Other expenses	549.51	805.93
	9,337.13	11,114.22

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(a) Details of CSR expenditure

	For the year ended	
	31 March 2021	31 March 2020
a. Gross amount required to be spent by the Company during the year	446.56	405.74
b. Amount spent during the year on:		
i) Construction/acquisition of any asset	212.94	140.19
ii) On purposes other than (i) above *	220.02	277.77
Amount remaining to be spent	13.60	-

*including amounts spent attributable to discontinued operations amounting to Nil (31 March 2020: ₹7.99).

28. Exceptional items, net

	For the year ended	
	31 March 2021	31 March 2020
Refund from government authorities (refer note (i))	2,649.26	-
Provision for litigation (refer note 35(b)(i))	(2,532.78)	-
	116.48	-

Note:

- (i) On the basis of an advice from the independent Goods and Services Tax (GST) expert, and management's assessment regarding recoverability of coal compensation cess expensed off in the statement of profit and loss in the previous years, management had lodged a claim of ₹2,649.26 with the GST authorities during the year ended 31 March 2020. During the current year, the GST authorities assessed and acknowledged the claim, and authorised refund of the aforesaid amount. However, in view of the materiality of amount involved, and considering the non-recurring nature of the operating income, these amounts have been presented as an exceptional income.

29. Income taxes

	For the year ended	
	31 March 2021	31 March 2020
Statement of Profit and Loss		
Current tax expense/(benefit):		
- For continuing operations	8,643.27	6,912.96
- For discontinued operations	(203.12)	(131.75)
Deferred tax benefit	(260.98)	(115.94)
Income tax expense reported in the Statement of Profit and Loss	8,179.17	6,665.27

Reconciliation of tax expense and the accounting profit multiplied by India's domestic corporate tax rate for the year ended 31 March 2021 and 31 March 2020:

	For the year ended	
	31 March 2021	31 March 2020
Profit for the year from continuing operations before tax expense	24,220.59	19,898.12
Loss for the year from discontinued operations before tax expense	(581.26)	(377.02)
Profit for the year before tax expense	23,639.33	19,521.10
Tax rate applicable to the Company	34.944%	34.944%
Tax expense on net profit	8,260.53	6,821.45
Increase/(decrease) in tax expenses on account of:		
(i) Non-taxable income/exempt income	7.29	(20.27)
(ii) Income taxable at lower rates	(132.38)	(149.69)
(iii) Expenses inadmissible under the income tax act	166.44	218.04

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	For the year ended	
	31 March 2021	31 March 2020
(iv) Other adjustments	(122.71)	(204.26)
	(81.36)	(156.19)
Tax as per normal provision under Income tax	8,179.17	6,665.27

30. Other comprehensive income

	For the year ended	
	31 March 2021	31 March 2020
Actuarial gain on post employment benefit expenses	440.94	77.82
Less: Deferred tax expense on above	154.08	27.19
	286.86	50.63

31. Earnings per equity share

	For the year ended	
	31 March 2021	31 March 2020
a) Net profit from continuing operations attributable to equity shareholders	15,838.30	13,101.10
b) Net profit/(loss) from discontinued operations attributable to equity shareholders	(378.14)	(245.27)
c) Total net profit attributable to equity shareholders	15,460.16	12,855.83
d) Computation of weighted average number of equity shares:		
Weighted average number of equity shares outstanding during the year*	1627,72,634	1640,90,883
Add: Effect of potential dilutive shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	1627,72,634	1640,90,883
e) EPES:		
i) Earnings per share for continuing operations		
Basic (in absolute ₹ terms)	9.73	7.98
Diluted (in absolute ₹ terms)	9.73	7.98
ii) Earnings/(loss) per share for discontinued operations		
Basic (in absolute ₹ terms)	(0.23)	(0.15)
Diluted (in absolute ₹ terms)	(0.23)	(0.15)
iii) Earnings per share for continuing and discounting operations		
Basic (in absolute ₹ terms)	9.50	7.83
Diluted (in absolute ₹ terms)	9.50	7.83

* Duly adjusted for 12,747,020 equity shares which were cancelled pursuant to a scheme of capital reduction (31 March 2020: 12,747,020) and 15,548,172 equity shares equity shares bought back during the current year (31 March 2020: 2,358,462) as detailed in note 13(f).

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32. Dues to Micro and small enterprises

The Micro, Small and Medium Enterprises have been identified on the basis of the information available with the Company. This has been relied upon by the auditors. Dues to such parties are given below:

	As at	
	31 March 2021	31 March 2020
a) The principal amount remaining unpaid as at the end of the year	850.69	950.54
b) The amount of interest accrued and remaining unpaid at the end of the year	-	-
c) Amount of interest paid by the Company in terms of Section 16, of (MSMED Act, 2006) along with the amounts of payments made beyond the appointed date during the year.	-	-
d) Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act, 2006).	-	-
e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act, 2006).	-	-

33. Fair Value measurements

i) Financial instruments by category

	As at			
	31 March 2021		31 March 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments (other than subsidiaries)	12,748.36	0.30	1,155.08	0.50
Loans to related parties	-	12,787.48	-	15,364.38
Other loans	-	-	-	75.00
Security deposits	-	916.85	-	862.76
Employee loans	-	31.39	-	30.88
Other deposits	-	1,216.40	-	566.94
Trade receivables	-	15,653.04	-	19,366.86
Cash and cash equivalents	-	6,366.31	-	2,712.55
Other bank balances	-	1,223.27	-	1,297.28
Guarantee commission receivable	-	161.57	-	167.24
Interest accrued	-	216.03	-	401.48
Other financial assets	-	948.36	-	990.58
Financial liabilities				
Borrowings	-	17,470.46	-	29,687.52
Rental deposits	-	11.20	-	11.20
Trade payables	-	4,119.64	-	5,094.60
Forward contract liability	191.96	-	30.47	-
Other financial liabilities	-	3,454.69	-	4,117.01

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main

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purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTPL (Fair value through profit and loss) investments and investment in its subsidiaries.

- (ii) The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented. For all other amortised cost instruments, carrying value represents the best estimate of fair value.

(iii) Valuation technique used to determine fair value:

The fair value of the financial assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted shares are based on price quotations at the reporting dates.
- The fair value of unquoted equity shares are based on the Net Assets Value, available for Equity Shareholders of the underlying Companies which was ascertained based on data available from the financial statements of the respective Companies.
- Management has assessed the fair value of the borrowings, which approximate their current value largely since they are carried at floating rate of interest.

(iv) Fair Value hierarchy:

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The following table shows the Levels within the hierarchy, of financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2021 and 31 March 2020:

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2021:

Particulars	Level 1	Level 2	Level 3
Financial Assets measured at FVTPL			
Investments	856.33	11,892.03	-
Financial Liabilities measured at FVTPL			
Derivative liability	-	191.96	-

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2020:

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Investments	500.35	654.73	-
Financial Liabilities measured at FVTPL			
Derivative liability	-	30.47	-

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34. Net debt reconciliation

The following table sets out an analysis of the movements in net debt for the year:

Particulars	Current borrowings	Non-Current borrowings	Interest accrued
Net debt as on 31 March 2019	3,304.21	28,732.63	307.56
Cash flows, net	5,247.72	(7,911.18)	-
Interest expense*	-	-	2,348.75
Interest paid	-	-	(2,417.27)
Adjustments**	248.73	65.41	-
Net debt as on 31 March 2020	8,800.66	20,886.86	239.04
Cash flows, net	(8,232.26)	(3,974.75)	-
Interest expense*	-	-	1,312.72
Interest paid	-	-	(1,313.27)
Adjustments**	(1.05)	(9.00)	-
Net debt as on 31 March 2021	567.35	16,903.11	238.49

*including interest expense attributable to discontinued operations amounting to ₹140.60 (31 March 2020: ₹502.73).

**Represents adjustment on account of foreign currency fluctuations.

35. Contingent liabilities, commitments and pending litigations:

	As at	
	31 March 2021	31 March 2020
Contingent Liabilities		
a) Guarantees excluding financial guarantees	42,417.35	29,023.57
b) Claims against the Company not acknowledged as debts relating to:		
- Cross subsidy charges (refer note (i) below)	1,486.00	3,927.53
- Grid support charges (refer note (ii) below)	22,717.00	-
- Electricity duty (refer note (iii) & (iv) below)	733.25	733.25
- Royalty on coal procurement (refer note (v) below)	26.91	26.91
- Land lease charges (refer note (vi) below)	306.45	295.92
- Central excise matters (refer note (vii) below)	1.09	426.32
- Service tax matters (refer note (viii) below)	71.76	71.76
- Customs matters (refer note (ix) below)	206.06	206.06
- Sales tax matters (refer note (x) below)	144.23	144.23
- Others	228.77	227.35
c) Disputed income tax liabilities (refer note (xi) below)	6,113.52	3,581.84
d) Renewal power purchase obligation (refer note (xii) below)	1,589.14	1,366.47
Commitments		
e) Estimated amount of contracts remaining to be executed on capital account and not provided for	34.92	268.21

Notes:

- i) During the prior years, the Company has received demand notices from the power utility authorities of the states of Odisha and Telangana towards levy of cross-subsidy charges amounting to ₹2,441.53 (31 March 2020: ₹2,441.53) and ₹1,486.00 (31 March 2020: ₹1,486.00) respectively. The matters have been contested by the management at the Honourable High Courts of the State of Odisha and Telangana, which is pending for disposal as at 31 March 2021. Pursuant to certain developments in the current year with the concerned Power Utility of the State of Odisha, Management is of the view that the ultimate outcome of the matter, being a contingent liability in the earlier periods, is likely to be settled between the Parties. Accordingly, on the basis of an advice from in-house legal counsel, management has initiated necessary communication with the power authorities of the State of Odisha and agreed to pay a sum of ₹2,532.78 towards these dues in respect of which an amount of ₹1,266.39 has already been paid as at 31 March 2021. Pending completion of the matter with the Honourable High Court of Odisha, these amounts agreed to be paid has been provided for as an expense during the year ended 31 March 2021, as a probable aggregate obligation towards the disputed charges on the basis of information available with the Company and independent expert advice received in this regard. Further with respect to demand from the authorities of the state of Telangana, on the basis of its internal assessment of the compliances with the prevailing

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- regulations, the management is of the view that the matter shall be settled in their favour.
- ii) During February 2021, the Company received a demand notice from the Northern Power Distribution Company of Telangana Limited (TSNPDCL) for an amount of ₹22,717.00 in connection with the levy of grid support charges, including interest, on the Company's Paloncha Works, Telangana for the financial years beginning 1 April 2001 and until the year ended 31 March 2009. The management has submitted its response to TSNPDCL contesting the said demand inter alia that the captive consumption is for production of Ferro Alloys which industry is entitled to a specific single part energy tariff without any demand charges and so the grid support charges, derived out of applicable demand charge in the tariff category, ought to be nil and that interest demand does not arise being unsupported by basic demand and in the absence of any contract thereof, aside from the demand suffering from apparent calculation errors. However TSNPDCL persisted with the demand again without furnishing any further information and without disposing the Company's representation properly, threatening disconnection of service. The Company has again sought supporting calculations without prejudice to its right of nil grid support charges based on captive consumption for Ferro Alloys and is also contemplating to counter the said demand in the court of law. Pending clarifications and response from TSNPDCL, and/ or legal outcome, management has not made any provision in the standalone financial statements in respect of this matter.
- iii) During the earlier years, the Company had received certain demands from the Chief Electrical Inspector to Government of the state of Andhra Pradesh to the tune of ₹546.32 (31 March 2020: ₹546.32), towards levy of electricity duty on the sale of power made by it from the power generation station situated in Dharmavaram, Andhra Pradesh. Aggrieved by the aforesaid demands, the management has filed necessary appeals with the Honourable High Court of Andhra Pradesh, which is pending for disposal as at 31 March 2021. However, on the basis of its assessment of the applicability of the provisions of the Electricity Duty Act and the nature of operations carried out, the management is confident of the case being settled in favour of the Company.
- iv) The Company had received a demand notice for an amount of ₹186.93 (31 March 2020: ₹186.93) from TSNPDCL towards electricity wheeling charges and interest thereon. The Company has filed a writ petition against the said demand with the Honourable High Court of the State of Telangana, which is pending for disposal as at 31 March 2021. The Company had also received an interim order from the Honourable High Court staying the demand.
- v) During the prior years, the Company had received demands from the mining departments of the Governments of the States of Telangana to the tune of ₹26.91 (31 March 2021: ₹26.91). The demand was towards levy of certain royalties on the coal procured during the prior years. The management has filed a writ petition against the said demands with the Honourable High Courts of Telangana and the matter is pending for disposal with the Honourable High Court of Telangana as at 31 March 2021.
- vi) During the earlier years, the Company had received certain demands from certain individuals towards vacation of a portion of land leased to the sugar manufacturing facility and for amounts of ₹306.45 (31 March 2020: ₹295.92) in relation to certain damages. The management is in the process of entering into a conciliation arrangement with the aforementioned parties and purchasing the underlying land, while the matter is currently sub-judice with the local courts of Kakinada as at 31 March 2021.
- vii) The Company had in the prior years, received various demand notices from the Central Excise Authorities for sums aggregating to ₹1.09 (31 March 2020: ₹426.32) towards certain non compliances with the provisions of the Central Excise Credit Rules and their regulations relating to determination of assessable values. The management had contested against these demands at various appellate authorities of the underlying jurisdictions which are pending for disposal as at 31 March 2021. The Company had received certain favourable orders during the year ended 31 March 2021 and in respect of the remaining matters, on the basis of its internal assessment of the compliances with these regulations and an independent expert advise, the management is confident of settling those cases in favour of the Company.
- viii) The Company had received various demands from the service tax authorities for sums aggregating to ₹71.76 (31 March 2020: ₹71.76) towards non-compliances with the prevailing regulations on Central Excise Credit Rules and import of services. The management had contested these demands

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with various appellate authorities of the underlying jurisdictions and is confident of settling the cases in favour of the Company in respect of the matters which are pending for disposal as at 31 March 2021.

- ix) During the year ended 31 March 2016, the Company had received a demand for an amount of ₹214.09 (31 March 2020: ₹214.09) from the customs authorities of Bhubaneswar towards levy of customs duty, along with interest and penalties, on an import of coal made during the year ended 31 March 2013. The management has filed an appeal against the said demand with the underlying appellate authorities which is pending for disposal as at 31 March 2021.
- x) The Company had received demands in the prior year from the Sales tax authorities of the state of Telangana for sums of ₹144.23 (31 March 2020: ₹144.23) towards levy of sales tax on certain export entitlement licenses sold. The management has filed necessary appeals against the said demand with the concerned appellate authorities which is

pending for disposal as at 31 March 2021.

- xi) Pursuant to the income tax assessment for the years mentioned below, the Company had received various demands from the income tax authorities in relation to the inadmissibility of certain expenditure in accordance with the provisions of the income tax law and compliances with the arm's length guidelines in relation to international transactions with associated enterprises. The management, on the basis of its internal assessment of the facts of the case, the underlying nature of transactions, the history of judgements made by the various appellate authorities and the necessary advice received from the independent expert engaged in this regard, is of the view that the probability of the case being settled against the Company is remote and accordingly do not foresee any adjustment to the financial statements in this regard. The details of the relevant financial year which is subject to the dispute and the amount of demand along with the interest and penalties demanded is as follows:

Financial year ended	As at	
	31 March 2021	31 March 2020
2004-05	311.60	311.60
2007-08	325.24	325.24
2008-09	114.94	114.94
2009-10	2,144.21	2,144.21
2010-11	264.77	264.77
2011-12	290.01	290.01
2012-13	85.19	85.19
2015-16	45.88	45.88
2017-18	2,531.68	-

- xii) The Company has filed a writ petition with the Honourable High Court of the Judicature at Hyderabad of the Combined State of Andhra Pradesh and Telangana challenging the applicability of the provisions of APERC - Renewal Power Purchase Obligation (Compliance by Purchase of Renewable Energy/Renewable Energy Certificates) Regulations, 2012 issued by the Andhra Pradesh Electricity Regulatory Commission. The management, on the basis of its assessment of the terms of the aforesaid regulations is of the view that the said regulations shall not be applicable to the Company owing to the nature of business engaged by it and accordingly are of the view that the financial statements as at and for the year ended 31 March 2021 do not warrant any adjustments to this effect.

Other pending litigations:

- xiii) The Company, along with certain other petitioners, have filed a Special Leave Petition with the Honourable Supreme Court of India in relation to applicability of provisions of the Andhra Pradesh Electricity Duty Act, 1939 to the captive power generation facility of the Company situated at Samalkot, Andhra Pradesh for the period beginning 1 April 2003 until the 31 March 2013. The Company has already recognised liabilities aggregating to ₹345.38 (31 March 2020: ₹345.38) towards electricity duty on the number of units of energy captively consumed. Pursuant to an interim order from the Honourable Supreme Court, the Company has already paid an amount of ₹137.28 (31 March 2020: ₹137.28) towards the said levy. However, on the basis of its assessment of the facts and status of the case and the underlying regulations

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on applicability of the electricity duty, the management does not foresee any further adjustments to these financial statements in this regard.

xiv) The balance of trade receivables as at 31 March 2021 includes an amount of ₹189.93 (31 March 2020: ₹189.93) receivable from the Grid Corporation of Odisha (GRIDCO) in relation to the sale of power made during the earlier periods. GRIDCO had filed an appeal with the Supreme Court of India in relation to the payment of the said dues subsequent to an order passed by the Appellate Tribunal for Electricity of the state of Odisha, directing payment of sums aggregating to ₹2,582.00 (31 March 2020: ₹2,582.00) to the Company in this regard. On the basis of its internal assessment of the case, management has already recognised adequate provision towards these receivables as at 31 March 2021.

xv) During the earlier years, the Company had received demands aggregating to ₹668.00 (31 March 2020: ₹668.00) from the electricity regulatory authorities of the state of Telangana towards the payment of Voltage Surcharge and additional charges for the period 1 March 1983 to 30 June 1987. The Company had filed a petition against the same in Supreme

Court which was decided in its favour. However bank guarantees furnished by the Company to the tune of ₹409.00 (31 March 2020: ₹409.00) against the said demands were encashed by the authorities, against which management has filed necessary appeals with the Honourable High Court of the State of Telangana. Pending final outcome of the said petitions, the management has already recognised adequate liabilities in relation to the said dues and does not foresee any additional adjustments to the financial statements in this regard.

xvi) The Company is a party, as a petitioner and a respondent, to certain other cases in respect of certain land allotments, illegal land encroachments and other matters which are pending for disposal as at 31 March 2021 and 31 March 2020 with various civil courts and appellate authorities, as the case may be. The management, in consultation with its internal and external legal counsel is of the view that the probability of the same being settled against the Company is remote and accordingly are of the view that the financial statements as at and for the year ended 31 March 2021 do not require any adjustments in this regard.

36. Related party disclosures

a) Name of related parties and nature of relationship

Names of the related parties	Nature of relationship
Nava Bharat Energy India Limited Nava Bharat Projects Limited Brahmani Infratech Private Limited Nava Bharat (Singapore) Pte. Limited Nava Energy Pte. Limited Nava Agro Pte. Limited Nava Holding Pte. Limited	Subsidiaries
Maamba Collieries Limited Nava Energy Zambia Limited Kawambwa Sugar Limited Tiash Pte. Limited TIS Pte. Limited The Iron Suites Pte. Limited Compai Pharma Pte. Limited Compai Healthcare Sdn. Bhd Kinta Valley Mining Resources Sdn. Bhd. (upto 9 October 2020)	Step-down subsidiaries
D. Ashok P. Trivikrama Prasad G.R.K. Prasad C.V. Durga Prasad Ashwin Devineni T Hari Babu (Chief Financial Officer) (Upto 29 January 2020) Sultan Baig (Chief Financial Officer) (Appointed w.e.f 30 January 2020)	Key Management Personnel (KMP)

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Names of the related parties	Nature of relationship
Dr. D. Nageswara Rao Dr. C. V. Madhavi (Upto 29 May 2019) Shanti Sree Bolleni (Appointed w.e.f 30 October 2019) Indra Kumar Alluri K. Durga Prasad GP Kundargi	Independent Directors
D. Nikhil Dr. D. Rajasekhar	Relatives of KMP

b) Transactions with related parties

	For the year ended	
	31 March 2021	31 March 2020
Nava Bharat (Singapore) Pte. Limited		
Interest income	-	827.40
Investments in equity shares	-	1,412.75
Maamba Collieries Limited		
Reimbursements received	61.20	36.81
Lease rent earned	3.60	3.35
Staff support services rendered	39.51	52.92
Nava Bharat Energy India Limited		
Interest income on loans	1,312.12	1,566.71
Lease rent earned	1.84	1.98
Utility charges received	244.63	280.33
Manganese ore brick conversion services availed	335.51	198.62
Purchase of fly ash Bricks	37.10	18.45
Amounts paid by Company on behalf of the related party	406.94	-
Guarantees extended	-	7,000.00
Nava Bharat Projects Limited		
Lease rent earned	12.00	-
Amounts paid by Company on behalf of the related party	2.10	-
Brahmani Infratech Private Limited		
Lease rent earned	6.00	-
Nava Energy Pte. Limited		
Operation and maintenance services rendered	11,353.84	7,250.35
Guarantee commission income	785.44	547.06
Dividend income	757.65	709.53
Nava Energy Zambia Limited		
Reimbursements receivable	127.80	106.65
Nava Agro Pte. Limited		
Investments in equity shares	146.74	-
Nava Holding Pte. Limited		
Investments in equity shares	368.10	703.54
Kawambwa Sugar Limited		
Reimbursements received	-	4.22
Staff Support services rendered	4.95	20.22
Transactions with key management personnel		
Managerial Remuneration	2,127.57	2,025.02
Transactions with independent directors		
Commission and sitting fees	35.00	36.25
Relatives of key managerial personnel		
Rent paid		

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	For the year ended	
	31 March 2021	31 March 2020
Dr. D. Rajasekhar	13.60	13.60
Remuneration		
D. Nikhil	120.00	120.00

Note: Pursuant to a resolution passed by the Board of Directors of the Company at their meeting held on 8 August 2019, the entire outstanding balance of loans and interest receivable to the Company from Nava Bharat (Singapore) Pte. Limited, to the tune of ₹45,948.50 and ₹4,868.32, respectively has been converted into investment in 71,886,861 equity shares of US\$1 each in Nava Bharat (Singapore) Pte Limited.

c) Balances receivable/(payable)

	For the year ended	
	31 March 2021	31 March 2020
Key Management personnel	(1,022.06)	(858.02)
Commission payable to independent directors	(25.00)	(25.00)
Subsidiaries		
Nava Bharat (Singapore) Pte. Limited	161.57	167.24
Nava Bharat Energy India Limited	13,051.32	15,657.66
Maamba Collieries Limited	17.43	60.64
Nava Energy Pte. Limited	2,009.12	692.28
Nava Energy Zambia Limited	29.57	251.72
Kawambwa Sugar Limited	49.09	44.14

d) Balances of corporate guarantees outstanding:

	For the year ended	
	31 March 2021	31 March 2020
Provided on behalf of		
- Nava Bharat Energy India Limited*	7,000.00	7,000.00
- Nava Energy Pte Limited**	42,417.35	29,023.57
*Represents guarantee extended on behalf of Nava Bharat Energy India Limited (NBEIL) to its lenders, against the working capital facilities availed by the same.		
**Represents performance guarantee extended amounting to US\$580.19 lakhs (31 March 2020: US\$385.00 lakhs) on behalf of Nava Energy Pte Limited (NEPL) to Maamba Collieries Limited (MCL), against the operations and maintenance service contract provided by MCL to NEPL in relation to the operations and maintenance services of power plant of MCL situated at Zambia.		

e) Key managerial personnel compensation

	For the year ended	
	31 March 2021	31 March 2020
Short-term employee benefits	2,030.55	1,885.31
Post-employment defined benefit	26.82	50.19
Compensated absences	-	18.00
Termination benefits	70.20	71.52

f) In accordance with the applicable provisions of the Income Tax Act, 1961, the Company is required to use certain specified methods in assessing that the transactions with certain designated related parties, are carried at an arm's length price and is also required to maintain prescribed information and documents to support such assessment. The appropriate method to be adopted will depend on the nature of transactions / class of transactions, class of associated persons, functions performed and other factors

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as prescribed. Based on certain internal analysis carried out, management believes that transactions entered into with the related parties were carried out at arms length prices. The Company is in the process of updating the transfer pricing documentation for the financial year ended 31 March 2021. In opinion of the management, the same would not have an impact on these financial statements. Accordingly, these financial statements do not include the effect of the transfer pricing implications, if any.

37. Financial Risk Management objectives and policies:

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, credit risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these risks.

i) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows of a financial instrument will fluctuate because

of changes in market rates and prices. The Company is exposed to market risk primarily related to interest rate risk, currency rate risk and other price risks, such as equity risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenues generated and operating activities in foreign currencies.

(a) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates primarily to the floating interest rate borrowings. The Company's investment in deposits with banks with fixed interest rates and therefore do not expose the Company to significant interest rate risk. Further, the loans extended by the Company carries a fixed interest rate and therefore not subject to interest rate risk since neither the carrying value nor the future cash flows will fluctuate because of the change in market interest rates.

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. A major portion of foreign currency debt is linked to international interest rate benchmarks like LIBOR. The Company also hedges a portion of these risks by entering into derivative instruments like interest rate swaps and currency swaps.

The exposure of the Company to fixed rate and variable rate instruments at the end of the reporting period are as follows:

	For the year ended	
	31 March 2021	31 March 2020
Fixed rate instruments		
Financial assets		
Loans	12,787.48	15,439.38
Deposits with banks	2,439.67	1,864.22
Other deposits	680.03	654.00
Variable rate instruments		
Financial liabilities		
Borrowings*	17,470.46	29,687.52

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the variable rate instruments. With all other variables held constant, the Company's profit before tax is affected (decrease/(increase)) through the impact on floating rate borrowings as follows:

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	Change in basis points	31 March 2021	31 March 2020
Increase in basis points	50.00	87.35	148.44
Decrease in basis points	(50.00)	(87.35)	(148.44)

* The Company has entered into interest rate swap arrangement against the variable rate borrowing amounting to ₹6,870.01 (31 March 2020: ₹1,124.97) and accordingly the impact of interest rate sensitivity as mentioned above is expected to be offset proportionately.

(b) Foreign Currency Risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of change in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency) and financing activities (when borrowings are denominated in foreign currency).

The Company has transactional currency exposures arising from services provided or availed that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in US Dollars (\$). The Company's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

The Company does use financial derivatives such as foreign currency forward contracts and swaps.

Derivative financial instruments

The following table gives details in respect of outstanding derivative contracts against principle amount. The counterparty for these contracts are banks.

(Amount in lakhs)

	US\$	31 March 2021	31 March 2020
Derivatives not designated as hedges			
Forward contract	Buy	\$95.97	\$14.89
Forward contract	Sell	\$75.00	\$25.00

Unhedged foreign currency exposure as at each reporting date:

	As at			
	31 March 2021		31 March 2020	
	Foreign currency (in lakhs)	₹	Foreign currency (in lakhs)	₹
United states dollars (US\$):				
Financial assets				
- Trade and other receivables	65.29	4,773.52	32.87	2,487.57
- Bank balances	78.42	5,732.99	30.62	2,317.19
- Others	0.40	29.57	3.33	251.72
Financial liabilities				
- Borrowings	22.80	1,666.61	73.43	5,556.58
- Trade and other payables	0.51	37.22	0.70	53.29
- Derivative liability	-	191.96	-	30.47

The following table demonstrates the sensitivity to a reasonably possible change in US\$ to the Indian Rupee with all other variables held constant. The impact (increase / (decrease)) on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities is given below:

Particulars	Change	31 March 2021	31 March 2020
US\$ sensitivity			
₹/US\$ - Increase by	5.00%	432.01	(29.19)
₹/US\$ - Decrease by	-5.00%	(432.01)	29.19

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(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

(c) Other price risk

Other price risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company based on working capital requirement keeps its liquid funds in current accounts. Excess funds are invested in long term instruments/current investments. The Company has listed and non-listed equity securities that are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and reports on the equity portfolio are submitted to the management on a regular basis.

The following table demonstrates the sensitivity to the impact of increase/(decrease) of the index on the Company's equity and profit for the period. The analysis is based on the assumption that index has increased or decreased by 10%, with all other variables held constant and that the Company's equity instruments moved in line with the index.

Particulars	Change	31 March 2021	31 March 2020
NSE Nifty 50 sensitivity			
- Increase by	10.00%	85.63	50.04
- Decrease by	-10.00%	(85.63)	(50.04)

The following table demonstrates the sensitivity of the Company's un-quoted investments on the profit [increase/(decrease)] for the period. The analysis is based on the assumption that net asset values has increased or decrease by 10%, with all other variables held constant.

Particulars	Change	31 March 2021	31 March 2020
Net Asset value sensitivity			
- Increase by	10.00%	1,104.90	-
- Decrease by	-10.00%	(1,104.90)	-

(ii) Credit risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments when a counterparty defaults on its obligations. The Company's exposure to credit risk arises primarily from loans extended, security deposits, balances with bankers and trade and other receivables. The Company minimises credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

(a) Exposure to credit risk:

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial

position. No other financial assets carry a significant exposure to credit risk.

(b) Credit risk concentration profile:

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

c) Financial assets that are neither past due nor impaired:

None of the Company's cash equivalents, other bank balances, loans, security deposits and other receivables were past due or impaired as at 31 March 2021. Trade and other receivables including loans that are neither past due nor impaired are from creditworthy debtors with good payment record with the Company. Cash and short-term deposits investment securities that are neither past due nor impaired, are placed with or entered with reputable banks financial institutions or companies with high credit ratings and no history of default.

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to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

d) Financial assets that are either past due or impaired:

The Company doesn't have any significant trade receivables or other financial assets which are impaired. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Management also evaluates the factors that may influence the credit risk of its customer base, including the default risk and country in which the customers operate. The management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if available, financial statements, credit agency information, industry information and in some case bank references. The Company's receivables turnover is quick and historically, there was no significant default on account of trade and other receivables. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into

homogenous groups and assessed for impairment collectively. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

(iii) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as of 31 March 2021:

	On Demand	upto 1 year	1 to 3 years	After 3 years
Borrowings	-	3,574.85	7,349.33	6,546.28
Trade payables	-	4,119.64	-	-
Financial guarantee contracts*	7,000.00	-	-	-
Derivative liability	-	191.96	-	-
Other financial liabilities	-	3,454.69	11.20	-
	7,000.00	11,341.14	7,360.53	6,546.28

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as of 31 March 2020:

	On Demand	upto 1 year	1 to 3 years	After 3 years
Borrowings	-	15,739.72	5,896.20	8,051.60
Trade payables	-	5,094.60	-	-
Financial guarantee contracts*	7,000.00	-	-	-
Derivative liability	-	30.47	-	-
Other financial liabilities	-	4,117.01	11.20	-
	7,000.00	24,981.80	5,907.40	8,051.60

*Based on maximum amount that can be called for under the financial guarantee contract.

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to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

38. Segment Information

In accordance with Indian Accounting Standard (Ind AS) 108 on “Operating Segments”, segment information has been disclosed in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

39. Capital management

Capital includes equity capital and all other reserves attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that it maintain an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder’s value. The Company manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a debt to capital employed ratio which is debt divided by total capital plus debt. The Company’s policy is to keep this ratio at an optimal level to ensure that the debt related covenants are complied with.

	As at	
	31 March 2021	31 March 2020
Borrowings #	17,470.46	29,687.52
Less: Cash and cash equivalents	6,366.31	2,712.55
Net Debt	11,104.15	26,974.97
Total equity	2,97,676.03	2,95,334.10
Equity and net debt	3,08,780.18	3,22,309.07
Gearing ratio	3.60%	8.37%

Total Borrowings include long-term borrowing, current maturities of long-term borrowings and working capital loans like cash credit and buyer’s credit.

In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets the financial covenants attached to interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call back loans and borrowings.

There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing the capital during the year ended 31 March 2021 and 31 March 2020.

40. Discontinued operations

Pursuant to a resolution passed at their meeting held on 2 March 2020, the Board of Directors have resolved to cease the sugar operations of the Company at its sugar manufacturing facility located at Samalkot, Andhra Pradesh, ('Sugar division') after completion of the crushing season during March 2020, owing to non-availability of sugar cane and unviable sugar operations. The Board of Directors have also resolved to dispose the non-current assets of the said sugar division comprising of the underlying land available in Samalkot and the assets pertaining to the sugar manufacturing facility. Accordingly, these non-current assets have been classified as assets held for sale in these financial statements as at and for the years ended 31 March 2021 and 31 March 2020. Further, owing to the aforesaid resolution, the financial performance of the sugar division have been presented as discontinued operations in the Statement of Profit and Loss for the years ended 31 March 2021 and 31 March 2020 in accordance with the provisions of Ind AS 105 – Non-Current Assets Held for Sale and Discontinued Operations.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

(a) The results of Sugar division are presented below:

	For the year ended	
	31 March 2021	31 March 2020
Income:		
Revenue from contracts with customers including other operating income	9,194.83	12,773.71
Other income	220.94	99.45
Expenses:		
Cost of materials consumed	-	7,013.49
Purchase of stock-in-trade	-	39.32
Change in inventories of finished goods, stock-in-trade and work-in-progress	7,991.86	2,052.24
Other manufacturing expenses	164.04	600.85
Employee benefits expense*	345.81	1,708.72
Finance costs	173.25	552.14
Depreciation and amortisation expense	-	518.91
Impairment losses	962.53	-
Other expenses	359.54	764.50
Loss before tax from a discontinued operation	(581.26)	(377.02)
Tax expenses/(benefit):		
- Related to current pre-tax loss	(203.12)	(131.75)
Loss for the year from a discontinued operation	(378.14)	(245.27)

*including compensation payable and accrued to the tune of Nil (31 March 2020: ₹484.29) towards termination of employees of Sugar division pursuant to discontinuation of the operations.

(b) The net cash (outflows)/inflows of Sugar division are presented below:

	For the year ended	
	31 March 2021	31 March 2020
- Operating activities	7,581.59	632.46
- Financing activities	(7,784.21)	(669.74)
- Investing activities	53.02	33.62
Net cash outflow	(149.61)	(3.66)

(c) The major classes of non-current assets of Sugar division held for sale are as follows:

	For the year ended	
	31 March 2021	31 March 2020
Assets		
Non-current assets		
Property, plant and equipment (refer note 3)	3,941.99	5,611.23
Inventories - Stores and spares	156.76	233.15
Assets held for sale directly related to the disposal group	4,098.76	5,844.38

- (d) Pursuant to the overall plan of disposal of the non-current assets of the sugar division at Samalkot, management has already commenced necessary actions in this regard by assessing the realisable values of the underlying plant and equipment and certain buildings located in the said sugar manufacturing facility by engaging an independent valuer and by seeking necessary quotations from independent prospects. On the basis of the aforesaid exercise, management has already recorded an impairment charge of ₹962.53 towards a diminution in the carrying values of these assets held for sale and is confident of being able to sell these assets by the financial year ending 31 March 2022. Further, in accordance with the aforesaid plan, management has also accordingly re-classified the carrying values of land and certain other buildings as Property, plant and equipment in these financial statements in accordance with the accounting principles.

Notes

to the Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, except equity shares data and unless otherwise stated)

41. Subsequent events

(a) Proposed distribution

	As at	
	31 March 2021	31 March 2020
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 March 2021: ₹2.50 (31 March 2020: Nil) per share*	3,627.64	-

* These amounts has been computed on the basis of the equity shares outstanding as at the date of recommendation of the proposed dividend by the Board of Directors of the Company.

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability in accordance with the applicable accounting principles.

42. The Company considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability of receivables and certain investments. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial statements. The Company has also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of receivables, investments and other assets. As the outbreak continues to evolve, the Company will continue to closely monitor any material changes to future economic conditions.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

Sultan A. Baig
Chief Financial Officer

GRK Prasad
Executive Director
DIN:00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

Ashwin Devineni
Chief Executive Officer

VSN Raju
Company Secretary
& Vice President

D. Ashok
Chairman
DIN: 00006903

Place : Hyderabad, India
Date : 17 June 2021

Place : Hyderabad, India
Date : 17 June 2021

Place : Singapore
Date : 17 June 2021

The background is a blue-tinted collage of financial data. It includes a line graph with a y-axis ranging from 0 to 10,000, a 3D bar chart with years 2013 through 2019 on the x-axis, and a rolled-up document with a line graph on it. A white dotted line starts from the left edge, curves around the text, and extends towards the bottom right. A solid white line is in the top left corner.

Consolidated Financial Statements

Independent Auditor's Report

To the Members of Nava Bharat Ventures Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Nava Bharat Ventures Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, as at 31 March 2021, and their consolidated profit (including other comprehensive income), the consolidated changes in equity and the consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16(i) of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of trade receivables from ZESCO and Expected Credit Losses (ECL) - The matter is related to the step-down subsidiary, Maamba Collieries Limited (MCL): Refer note 10 for the related disclosures. ZESCO trade receivable balance amounted to ₹3,17,639.26 lakhs (31 March 2020: ₹2,07,923.36 lakhs) including interest is significant to the financial statements of MCL as it represents 99% (2020: 99%) of the total receivables balance of MCL and 46% (2020: 32%) of total assets. Interest income accrued as a result of default by ZESCO recognised in the statement of profit and loss amounted to ₹2,435.76 lakhs (31 March 2019: ₹6,614.08 lakhs). In accordance with the ESCROW Agreement, ZESCO is required to deposit an amount equal to the required amount applicable to the next following billing amount. ZESCO has failed to fund the ESCROW account, breaching the provisions of the agreement.	In view of the significance of the matter, the auditor of MCL has reported that the following audit procedures were applied in this area, among others to obtain sufficient appropriate audit evidence: • Review of the ESCROW Security agreement and the related government guarantees, and conditions for its enforcement. • Review of the assumptions which included the probability of calling in the government guarantee and the arbitration process. • Review the various scenarios applied and assessed the probability of the outcomes and the impact on the related expected credit loss • In respect to Expected Credit Losses, the audit procedures adopted by component auditor included: - Assessing the reasonableness of the expected credit loss model methodology and related parameters developed by management, which included: • probability of default • loss given default • gross domestic product rates • significant increase in credit risk • recovery rates, and • projected or expected cash receipts amongst other factors.
These receivable balances have been increasing over the years which raises uncertainty on its recoverability. The collectability of trade receivables is a key element of MCL's working capital management, which is managed on an ongoing basis by local management. The allowance for impairment losses (Expected Credit Losses (ECL)) on trade receivable balances is a significant matter as it requires the application of judgement and use of subjective assumptions by management. An ECL provision of ₹54,841.54 lakhs (31 March 2020: ₹19,569.76 lakhs) has been recognised in the consolidated financial statements. The identification of impairment and the determination of the recoverable amount are an inherently uncertain process involving various assumptions and factors including the financial condition of the counterparty and the timing and amount of expected future cash flows. MCL records allowances of trade receivable balances. In accordance with IFRS 9 Financial Instruments: Recognition and Measurement, impairment provisions are measured according to a credit-loss impairment model under which each financial asset is classified based on the past due status. IFRS 9 also requires an estimation of expected credit losses to be unbiased and probability weighted, including information about the past, current conditions, and reasonable supportable forecasts of future events at the reporting date.	- Assessing the forward-looking information, management used to determine expected credit losses, including forecasts of macroeconomic variables and the assumptions of multiple macroeconomic scenarios. - Evaluating the models and the related assumptions used in individual impairment assessment and analysed the amount, timing and likelihood of management's estimated future cash flows, especially cash flows from collateral of IFRS 9. - Review the adequacy of the expected credit losses recognised by the component in respect of ZESCO receivable as at 31 March 2021.

Key Audit Matter	How our audit addressed the key audit matter
Going concern - The matter related to the audit of MCL: Refer note 2(d)(xxi) for the accounting policy. As at 31 March 2021, MCL had a significant breach of the Common Terms Agreement (CTA) section 10 paragraph 24, which defines key events or circumstances that will result in events of default. MCL is required to make semi annual repayments to the lenders of the project finance on 25 September and 25 March. Failure to meet this requirement, could result in the lenders declaring that all or part of the Loans be payable on demand resulting in the project finance obligations being reclassified as current liabilities. The availability of sufficient funding and the testing of whether MCL will be able to continue meeting its obligations under the financing covenants are important for the going concern assumption and, as such, are significant aspects of our audit. This test or assessment is largely based on the expectations of and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows, forecasted results and margins from operations.	In view of the significance of the matter, the auditor of MCL has reported that the following audit procedures were applied in this area, among others to obtain sufficient appropriate audit evidence: • Review lenders correspondence (specifically the reservation of rights letter) in respect to material breaches noted in note 15(l) of the consolidated financial statements. • Review the insurance policies issued in favor of the lenders. • Evaluate the assumptions and forecasts made by management in the future budgets. • Reviewed and evaluated the security documents applicable to this facility (project finance). • Devoted attention to the assumptions made with respect to the ability of the MCL to continue as a going concern, the results and the cash flows in order to assess the MCL's ability to continue meeting its payment obligations and its obligations under the financing covenants in the year ahead.
Classification of the borrowings of MCL: Refer note 15(l) for the related disclosures. In accordance with the Common Terms Agreement (CTA) between MCL and its lenders in connection with the term loans availed, certain key events or circumstances is defined that will result in events of default. On and at any time after the occurrence of an event of default, which is continuing, the Inter- creditor agent may exercise or, as appropriate, instruct the security trustee to exercise any or all of the remedies in accordance with the terms of the CTA. A breach in one or more of the "events of default" clauses could lead to making significant management judgements with respect to the assessment of the classification of the borrowings between long-term and short-term, the legal rights available with MCL and the other consequences in accordance with the CTA. Accordingly, owing to these factors, the classification of the balance of borrowings of MCL has been assessed as a significant risk and considered as a key audit matter.	Our audit procedures included, but were not limited to the following: • Understanding the provisions of the CTA between MCL and its lenders with respect to the legal and other rights available. • Review of the communications between MCL and its lenders and between MCL and its customer, ZESCO and Government of Zambia. • Testing the management assessment of the classification of borrowings, including review of the terms of the insurance cover and the sovereign guarantee issued by the Government of Zambia. • Review of the independent legal advice sought by the management in relation to the various legal rights available to MCL and the time frame associated with each of the options. • Testing the management assessment of the outcome of the arbitration. • Evaluating the appropriateness of the disclosures made in the consolidated financial statements in respect of this matter.

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of Minimum Alternate Tax (MAT) credit asset Refer notes 2(d)(viii) and 2(x) for the accounting policy and 18 for the related disclosures. As detailed in note 18 to the accompanying consolidated financial statements, the Holding Company and its subsidiary Nava Bharat Energy India Limited has deferred tax assets aggregating to ₹16,458.09 lakhs (31 March 2020: ₹20,757.35 lakhs) in the nature of credit of Minimum Alternate Tax (MAT) as at 31 March 2021. The ability to recover the deferred tax asset is assessed by the management at each reporting date which depends on the estimates of future operations and taxable profits the Holding Company and its subsidiary expects to earn within the period of by which such MAT balance can be utilized as governed by the Income-tax Act, 1961. We have identified the recoverability of MAT Credit as a key audit matter owing to the materiality of the amounts involved and inherent subjectivity involved in determination of utilization of MAT credit through estimation of future taxable profits.	Our audit procedures included, but were not limited to, the following: • Evaluated the design and tested the operating effectiveness of key controls implemented over recognition of MAT credit. • Obtained management's analyses for MAT credit realizability and evaluated the analyses and workings in relation to the recognition of deferred tax assets taking into account the status of recent income-tax audits and enquiries, changes to the tax laws etc. • Evaluated the reasonability of future projected profitability by assessing the forecasts against past results and our knowledge of the industry; • Compared the prior year expected tax profits with the actual results to determine the efficacy of the management's budgeting process. • Evaluated the appropriateness and adequacy of the disclosures made in the consolidated financial statements in respect of deferred tax assets in accordance with the applicable accounting standards.
Contingent liabilities relating to ongoing litigation: Refer notes 2(w), 2(d)(v) for the accounting policy and note 36 (a) and (c) for the related disclosures. As disclosed in note 36 to the accompanying consolidated financial statements, the Holding Company is involved in various indirect taxes and regulatory cases ('litigations'). Whether a liability is recognised as a provision or disclosed as a contingent liability in the financial statements involves inherent judgments dependent on a number of significant assumptions and assessments. These include assumptions relating to the likelihood and/or timing of the cash outflows from the business and the interpretation of local laws and pending assessments at various levels of the statute. The amounts involved are significant and due to the range of possible outcomes and considerable uncertainty around the various litigations, the determination of the need for creating a provision in the financial statements is inherently subjective and therefore is considered to be a key audit matter in the current year.	Our audit procedures included, but were not limited to the following: • Obtained an understanding of the management process for - identification of legal and indirect tax matters initiated against the Holding Company. - assessment of accounting treatment for each such litigation identified as per the applicable accounting standards; and - measurement of amounts involved. • Tested the design and operating effectiveness of the controls put in place by the management in relation to assessment of the outcome of these pending litigations. • Obtained an understanding of the nature of litigations pending against the Holding Company and discussed the key developments during the year for these litigations with the management, in-house legal team. • Where relevant, we read the external legal advice obtained by the management. • Obtained relevant third party legal confirmations, together with follow up discussions where appropriate on certain cases. • Evaluated the appropriateness and adequacy of the disclosures made relating to provisions and contingent liabilities in accordance with the applicable accounting standards.

Key Audit Matter	How our audit addressed the key audit matter
Impairment of Goodwill: Refer note 2(d)(i) for the accounting policy and note 5 for the related disclosures. The Group has a carrying value of Goodwill as on 31 March 2021 to the tune of ₹40,648.03 lakhs (31 March 2020: ₹41,688.33 lakhs) in relation to a business acquisition. This carrying value of the Goodwill is subject to an annual test for impairment in accordance with Ind AS 36, Impairment of Assets. As at 31 March 2021, management has assessed that the value of goodwill will be recovered through future cash flows of the acquired business. However, there is a potential risk that the Goodwill could be impaired if the projected cash flows are not met. The impairment assessment performed by the management based on projected future cash flows involves use of significant judgements and estimates such as budgeted volumes, operating margins, long-term growth rates and the discount rate used. Changes in these assumptions could lead to an impairment in the carrying value of Goodwill. We identified this as a key audit matter for current year audit owing to the materiality of the amounts involved and inherent subjectivity involved in the determination of recoverable value through estimation of future cash flows.	Our audit procedures included, but were not limited to the following: • Evaluated the design and tested the operating effectiveness of the Holding Company's controls over recognition of impairment assessment process. • Obtained the impairment analyses performed by the management and tested the appropriateness of the impairment model and reasonableness of the key assumptions used by obtaining management approved strategy plans, customer contracts for growth rates used in the analyses, selection of the discount rates with the help of our valuation specialists • Compared the prior year budgets with the actual results to determine the efficacy of the management's budgeting process. • Performed sensitivity analysis on the key assumptions to determine the impact of estimation uncertainty on the carrying value. • Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting standards.
Judgment and disclosure with respect to deferred tax - The matter related to the audit of MCL: Refer note 2(x) for the accounting policy and note 18 for the related disclosures. MCL computed a deferred tax liability of ₹27,531.33 lakhs (31 March 2020: ₹30,843.44 lakhs) on the power plant in the period under review. The computation has taken into account the 10-year tax holiday on the power plant. Significant judgement is applied in estimating the taxable profit, the reversal of the temporary differences in each tax year. At 31 March 2021, the deferred tax assets in the mining division were valued at ₹290.26 lakhs (31 March 2020: ₹97.03 lakhs). This was significant to our audit because the assessment process is complex and judgemental and is based on assumptions that are affected by expected future market or economic conditions. Significant judgement is required in estimating if there will be future taxable profits from which the tax losses will be utilised, also taking in to account the expiry and timing of the utilisation of the related tax losses.	In view of the significance of the matter, the auditor of MCL has reported that the following audit procedures in this area were applied, among others to obtain sufficient appropriate audit evidence: • Evaluating the assumptions, such as expected future taxable income and methodologies used by MCL. • This entailed reviewing the MCL's latest tax planning strategy and ascertaining that it was derived from the latest approved strategic business plan, which is subject to an internal management review process. • Reviewed opinions sought from the local taxation authorities and legal opinions in respect to tax positions taken by MCL on the utilisation of tax losses. • Discussed and challenged the business plan to determine the appropriateness that the deferred tax assets may be recoverable within the statutory limited time frame of 10 years.

Key Audit Matter	How our audit addressed the key audit matter
Estimation of decommissioning, dismantling and restoration provisions- The matter related to the audit of MCL: Refer note 2(d)(xviii) and 2(d)(xix) for the accounting policy and note 17 for the related disclosures. MCL has made a provision for restoration, decommissioning and dismantling of the mining and power plant amounting to ₹3,063.22 lakhs (31 March 2020: ₹2,836.14 lakhs). The calculation of decommissioning, dismantling and restoration provisions, which are primarily in respect of mining and power plant assets, require significant management judgement because of the inherent complexity in estimating future costs. The decommissioning of power plant infrastructure is a relatively new activity and consequently there is limited historical precedent in Zambia against which to benchmark estimates of future cost. These factors increase the complexity involved in determining accurate accounting provisions that are material to the component's statement of financial position. MCL will review decommissioning, dismantling and restoration provisions annually. This review incorporates the effects of any changes in local regulations, management's expected approach to decommissioning, dismantling and discount rates, along with the effects of changes in exchange rates.	In view of the significance of the matter, the auditor of MCL has reported that the following audit procedures were applied in this area, among others to obtain sufficient appropriate audit evidence: • Performing detailed testing of the provision recorded in respect of certain assets based on the associated risk and materiality. • Testing involved understanding the mandatory or constructive obligations with respect to the decommissioning and dismantling of each asset based on the contractual arrangements and relevant local regulation to validate the appropriateness of the method of decommissioning, and dismantling underpinning the cost estimates • For those assets we considered the competence of the experts to MCL, who produced the cost estimates. We tested the accuracy of calculations and evaluated the appropriateness of the discount rate applied.
Treatment of transaction cost on borrowings - The matter related to the audit of MCL: MCL obtained loans from various lenders for the construction of the 300MW Thermal Power Plant that was commissioned in July 2017. The component paid a total amount of ₹36,331.23 lakhs towards transaction costs of these loans. These costs were capitalised to the cost of the asset. IAS 39 / IFRS 9, however requires that transactions costs directly related to the acquisition of the loan must be deducted from the carrying amount of the loan and accounted for using the effective interest method, which requires the amortisation of the transaction costs over the life of the financial liability. This was significant to our audit because the assessment process is complex, and the transaction costs are significant to the financial statements of the component. Management are required to determine the effective interest rate applicable and accordingly recompute the cash flows applicable after determining the effective interest rate using various financial analysis tools. This will result in significant changes in the interest expense charged in the MCL's income statement as well as the amounts that would have been capitalised as borrowing costs in line with IAS 23 – Borrowing costs.	In view of the significance of the matter the auditor of MCL has reported the following audit procedures were applied in this area, among others to obtain sufficient appropriate audit evidence. • Reviewing the loan amortisation schedules as well as the amortisation schedules based on the effective interest method as per IAS 39 and IFRS 9. • Recomputing the effective interest rate using various financial modelling tools. • Assessing the accounts that were affected which included, Property, Plant and Equipment, Project Finance, and Deferred tax. • Assessing the amounts that would qualify as borrowing costs under IAS 23.

Emphasis of Matters

6. We draw attention to:

- a. note 36 (xvii) to the consolidated financial statements of the Holding Company, which describes the uncertainty related to the outcome of the lawsuit filed by and against a subsidiary Company, Brahmani Infratech Private Limited. Pending final outcome of the aforesaid matter, which is presently unascertainable, the Holding Company have considered this matter as contingent liability/asset and have not recorded any adjustment in the consolidated financial statements.
- b. note 36 (xix) to the consolidated financial statements of the Holding Company, which describes the uncertainty related to the outcome of proceedings against a subsidiary Company, Nava Bharat Projects Limited, regarding the attachment of the equity shares invested in by such subsidiary company in a step-down subsidiary company, Nava Bharat Energy India Limited. Pending final outcome of the aforesaid matter, which is presently unascertainable, no adjustments have been recorded in the consolidated financial statements.
- c. We draw attention to note 44(ii) to the consolidated financial statements of the Holding Company, which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of its impact on the accompanying financial statements and operations of the one of the subsidiary Nava Bharat Energy India Limited as at the balance sheet date the extent of which is significantly dependent on future developments as they evolve. Our opinion is not modified in respect of this matter.

Our opinion is not modified in respect of the above matters.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding Company and subsidiary companies covered under the act has adequate internal financial controls with reference to consolidated 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern, and

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these 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.

Other Matter

16. (i) We did not audit the financial statements of eleven subsidiaries, whose financial statements reflect total assets of ₹891,043.38 lakhs and net assets of ₹379,878.08 lakhs as at 31 March 2021, total

revenues of ₹207,123.60 lakhs and net cash inflows amounting to ₹4,234.66 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

- (ii) We did not audit the financial information of one subsidiary, whose financial information reflect total assets of ₹Nil and net assets of ₹Nil as at 31 March 2021, total revenues of ₹10.79 lakhs and net cash outflows amounting to ₹10.39 lakhs for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial information of 1 branch, whose financial statements reflects total assets and net assets of ₹7.86 lakhs as at 31 March 2021, total revenues of ₹Nil and net cash outflows amounting to ₹8.55 lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by management and our opinion on the consolidated financial

statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary and branch, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and branch, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit, we report that the Holding Company, its subsidiary companies, covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
18. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements.
 - b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account and with the return received from the branch not visited by us maintained for the purpose of preparation of the consolidated financial statements.
 - d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act.
 - e) on the basis of the written representations received from the directors of the Holding Company and its subsidiary companies covered under the Act and taken on record by the Board of Directors of the Holding Company and its subsidiary companies covered under the Act, none of the directors of the Group companies, covered under the

Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A', and
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:
 - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 36 to the consolidated financial statements.
 - ii. provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on

long-term contracts including derivative contracts, as detailed in note 16(b) to the consolidated financial statements.

- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, during the year ended 31 March 2021, and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain

Partner

Membership No.: 207660

UDIN No.: 21207660AAAADV7047

Place : Hyderabad

Date : 17 June 2021

Annexure 1

List of entities included in the Financial Statements

1. Nava Bharat Energy India Limited, India
2. Nava Bharat Projects Limited, India
3. Brahmani Infratech Private Limited, India
4. Maamba Collieries Limited, Zambia
5. Nava Energy Zambia Limited, Zambia
6. Kawambwa Sugar Limited, Zambia
7. Nava Bharat (Singapore) Pte. Limited, Singapore
8. Nava Energy Pte. Limited, Singapore
9. Nava Agro Pte. Limited, Singapore
10. Nava Holding Pte. Limited, Singapore
11. Tiash Pte. Limited, Singapore
12. TIS Pte. Limited, Singapore*
13. The Iron Suites Pte. Limited, Singapore
14. Compai Pharma Pte. Limited, Singapore
15. Compai Healthcare Sdn. Bhd., Malaysia

*An application for winding up this entity has already been made during the quarter ended 31 March 2021 which is pending for approval of the concerned authorities.

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Nava Bharat Ventures Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and

directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls 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

8. In our opinion the Holding Company, its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to consolidated financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain

Partner

Membership No.: 207660

UDIN No.: 21207660AAAADV7047

Place : Hyderabad

Date : 17 June 2021

Consolidated Balance Sheet as at 31 March 2021

(All amounts in lakhs of ₹, unless otherwise stated)

	Notes	As at	
		31 March 2021	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,17,261.83	5,54,004.76
Right of use assets	43	706.69	703.92
Capital work-in-progress		1,661.96	1,685.52
Investment property	4	4,905.49	4,997.71
Goodwill	5	40,648.03	41,688.33
Other intangible assets	5	413.83	510.43
Financial assets			
(i) Investments	6(a)	1,726.53	1,155.58
(ii) Trade receivables	10(a)	1,87,407.14	-
(iii) Other financial assets	7(a)	2,174.65	1,470.59
Deferred tax assets	18	5,446.93	8,338.54
Non-current tax assets, (net)		1,577.71	1,766.95
Other non-current assets	8(a)	389.59	438.90
		7,64,320.38	6,16,761.23
Current assets			
Inventories	9	29,533.74	39,863.14
Financial assets			
(i) Investments	6(b)	29,682.49	11,265.47
(ii) Trade receivables	10(b)	91,423.95	2,19,343.30
(iii) Cash and cash equivalents	11	34,675.36	27,813.97
(iv) Bank balances other than (iii) above		1,238.72	1,343.37
(v) Loans	12	12.16	94.43
(vi) Other financial assets	7(b)	940.32	1,460.17
Other current assets	8(b)	13,071.54	12,801.09
Assets of a disposal group classified as held for sale	42	4,098.75	5,844.38
		2,04,677.03	3,19,829.32
Total Assets		9,68,997.41	9,36,590.55
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,959.70	3,525.60
Other equity	14	4,38,186.50	4,14,989.08
Equity attributable to equity holders of holding company		4,41,146.20	4,18,514.68
Non-controlling interests	46	66,420.41	55,070.72
		5,07,566.61	4,73,585.40
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15(a)	2,24,279.04	2,55,589.12
(ii) Other financial liabilities	16(a)	6,167.75	4,954.58
(iii) Lease liabilities	43	470.87	280.66
Provisions	17(a)	5,581.25	5,775.56
Deferred tax liabilities	18	28,238.58	31,071.74
Other non-current liabilities	19(a)	15,664.18	-
Current liabilities			
Financial liabilities			
(i) Borrowings	15(b)	8,182.89	19,192.25
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	33	850.69	950.54
(b) total outstanding dues other than (ii) (a) above		6,464.71	9,670.74
(iii) Other financial liabilities	16(b)	1,39,878.80	1,13,717.23
Other current liabilities	19(b)	18,552.74	19,204.31
Provisions	17(b)	2,463.26	877.58
Current tax liabilities, (net)		4,636.04	1,720.84
Total Liabilities		4,61,430.80	4,63,005.15
Total Equity and Liabilities		9,68,997.41	9,36,590.55

The accompanying notes form an integral part of these consolidated financial statements.
This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place : Hyderabad, India
Date : 17 June 2021

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sultan A. Baig
Chief Financial Officer

VSN Raju
Company Secretary
& Vice President

Place : Hyderabad, India
Date : 17 June 2021

GRK Prasad
Executive Director
DIN: 00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

Ashwin Devineni
Chief Executive Officer

Place : Singapore
Date : 17 June 2021

Consolidated Statement of Profit & Loss for the year ended 31 March 2021

(All amounts in lakhs of ₹, except earnings per equity shares)

	Notes	For the year ended	
		31 March 2021	31 March 2020
Revenue from operations	20	2,54,850.46	2,75,872.09
Other income	21	24,901.77	12,220.08
Total income		2,79,752.23	2,88,092.17
Expenses			
Cost of materials consumed	22	54,480.02	79,121.00
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(384.61)	(637.38)
Manufacturing expenses	24	26,164.27	26,029.06
Employee benefits expense	25	16,133.93	16,199.43
Finance costs	26	34,814.80	31,876.79
Depreciation and amortisation expense	27	29,977.62	28,864.50
Allowance for credit loss	10(c)	33,617.24	15,604.68
Other expenses	28	17,910.37	31,747.28
Total expenses		2,12,713.64	2,28,805.36
Profit before tax from continuing operations		67,038.59	59,286.81
Exceptional items	29	116.48	-
Profit before tax		67,155.07	59,286.81
Tax expense of continuing operations			
(a) Current tax	30	15,311.50	9,715.34
(b) Deferred tax benefit		(3,602.09)	(3,749.25)
		11,709.41	5,966.09
Profit for the year from continuing operations		55,445.66	53,320.72
Discontinued operations			
Loss before tax for the year from discontinued operations	42	(581.26)	(377.02)
Tax benefit of discontinued operations		(203.12)	(131.75)
Loss for the year from discontinued operations		(378.14)	(245.27)
Profit for the year		55,067.52	53,075.45
Net profit for the year attributable to:			
- Shareholders of the Company		42,323.69	39,545.50
- Non-controlling interest		12,743.83	13,529.95
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss, net of income taxes	31	(1,071.53)	3,637.29
Items that will be reclassified subsequently to profit or loss, net of income taxes		(6,609.69)	18,659.30
Total other comprehensive income/(loss) for the year		(7,681.22)	22,296.59
Total comprehensive income for the year		47,386.30	75,372.04
Total comprehensive income attributable to:			
- Shareholders of the Company		36,036.61	57,866.65
- Non-controlling interest		11,349.69	17,505.39
Total comprehensive income attributable to shareholders of the Holding Company from:			
- Continuing operations		36,414.75	58,111.92
- Discontinuing operations		(378.14)	(245.27)
Earnings per equity share (EPES)	32		
Earnings per equity share for continuing operations			
- Basic EPES (In absolute ₹ terms)		26.23	24.25
- Diluted EPES (In absolute ₹ terms)		26.23	24.25
Earnings/(loss) per equity share for discontinued operations			
- Basic EPES (In absolute ₹ terms)		(0.23)	(0.15)
- Diluted EPES (In absolute ₹ terms)		(0.23)	(0.15)
Earnings per equity share for continuing and discontinued operations			
- Basic EPES (In absolute ₹ terms)		26.00	24.10
- Diluted EPES (In absolute ₹ terms)		26.00	24.10

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sanjay Kumar Jain
Partner
Membership No.: 207660

Sultan A. Baig
Chief Financial Officer

GRK Prasad
Executive Director
DIN: 00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

Ashwin Devineni
Chief Executive Officer

VSN Raju
Company Secretary
& Vice President

D. Ashok
Chairman
DIN: 00006903

Place : Hyderabad, India
Date : 17 June 2021

Place : Hyderabad, India
Date : 17 June 2021

Place : Singapore
Date : 17 June 2021

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in lakhs of ₹, except equity shares data)

a) Equity Share Capital

	Notes	31 March 2021		31 March 2020	
		Number	Amount	Number	Amount
Equity shares of ₹2 each					
Balance at the beginning of the year		1762,17,020	3,525.60	1785,75,482	3,572.77
Shares extinguished on account of buy-back	13(e)	(70,76,203)	(141.52)	(23,58,462)	(47.17)
Shares yet to be extinguished on account of buy-back	13(e)	(84,71,969)	(169.44)	-	-
Shares extinguished on account of reduction of capital	13(f)	(127,47,020)	(254.94)	-	-
Balance at the end of the year		1479,21,828	2,959.70	1762,17,020	3,525.60

b) Other Equity

	Reserves and Surplus						Treasury shares	Other Comprehensive Income		Equity attributable to equity holders of holding company	Non-controlling interest	Total
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Other reserve	Surplus in statement of profit and loss		Foreign currency translation reserve	Actuarial gain/(loss)			
Balance as at 1 April 2019	60.20	826.39	26,214.22	87,566.65	33.60	2,32,451.10	(2,745.67)	20,666.26	273.46	3,65,346.21	37,565.33	4,02,911.54
Total comprehensive income for the year ended 31 March 2020	-	-	-	-	-	39,545.50	-	-	-	39,545.50	13,529.95	53,075.45
Profit for the year	-	-	-	-	-	-	-	18,659.30	(338.15)	18,321.15	3,975.44	22,296.59
Other comprehensive income for the year	-	-	-	-	-	39,545.50	-	18,659.30	(338.15)	57,866.65	17,505.39	75,372.04
Dividend on equity shares	-	-	-	-	-	(4,995.22)	-	-	-	(4,995.22)	-	(4,995.22)
Corporate dividend tax	-	-	-	-	-	(1,026.78)	-	-	-	(1,026.78)	-	(1,026.78)
Buyback of shares (refer note 13(e))	-	-	(2,201.78)	-	-	-	-	-	-	(2,201.78)	-	(2,201.78)
Transfer from general reserves on account of buyback of equity shares	-	47.17	-	(47.17)	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	60.20	873.56	24,012.44	87,519.48	33.60	2,65,974.60	(2,745.67)	39,325.56	(64.69)	4,14,989.08	55,070.72	4,70,059.80
Total comprehensive income for the year ended 31 March 2021	-	-	-	-	-	42,323.69	-	-	-	42,323.69	12,743.83	55,067.52
Profit for the year	-	-	-	-	-	-	-	(6,609.69)	322.61	(6,287.08)	(1,394.14)	(7,681.22)
Other comprehensive income/(loss) for the year	-	-	-	-	-	42,323.69	-	(6,609.69)	322.61	36,036.61	11,349.69	47,386.30
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(10,570.03)	-	(10,570.03)
Buyback of equity shares (refer note 13(e))	-	-	(10,570.03)	-	-	-	-	-	-	-	-	-
Transaction costs towards Buyback of equity shares (refer note 13(e))	-	-	(24.07)	-	-	-	-	-	-	(24.07)	-	(24.07)
Tax paid on Buyback of equity shares (refer note 13(e))	-	-	(2,500.03)	-	-	-	-	-	-	(2,500.03)	-	(2,500.03)
Transfer from general reserves on account of buyback of equity shares (refer note 13(e))	-	310.96	-	(310.96)	-	-	-	-	-	-	-	-
Reserve utilised on account of scheme of capital reduction during the year (refer note 13(f))	-	-	-	(2,490.73)	-	-	2,745.67	-	-	254.94	-	254.94
Balance as at 31 March 2021	60.20	1,184.52	10,918.31	84,717.79	33.60	3,08,298.29	-	32,715.87	257.92	4,38,186.50	66,420.41	5,04,606.91

The accompanying notes form an integral part of these consolidated financial statements.
This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandhok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

For and on behalf of the Board of Directors of **Nava Bharat Ventures Limited**

Sultan A. Baig
Chief Financial Officer

GRK Prasad
Executive Director
DIN: 000006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

Ashwin Devineni
Chief Executive Officer

VSN Raju
Company Secretary
& Vice President

D Ashok
Chairman
DIN: 00006903

Place : Hyderabad, India
Date : June 17, 2020

Place : Singapore
Date : June 17, 2020

Consolidated Statement of Cash Flows for the year ended 31 March 2021

(All amounts in lakhs of ₹, unless otherwise stated)

	For the year ended	
	31 March 2021	31 March 2020
Cash flow from operating activities:		
Profit before tax from continuing operations	67,155.07	59,286.81
Loss before tax for the year from discontinued operations	(581.26)	(377.02)
Profit before tax	66,573.81	58,909.79
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	29,977.62	29,383.41
Impairment loss on assets held for sale	962.53	-
Employee benefits expense	300.28	452.45
Provision for decommissioning and restoration cost	379.40	(549.37)
Provision for litigation	1,266.39	-
Allowance for credit loss	33,617.24	15,604.68
Liabilities no longer required written back	(1,262.77)	(140.04)
Interest income from bank deposits and others	(12,717.94)	(7,188.65)
Changes in fair value of investments	(1,007.58)	(531.34)
Gains on sale of investments	(474.85)	(81.57)
Dividend Income	(8.20)	(286.64)
Loss on sale of property, plant and equipment	-	20.11
Bad debts written-off	8.51	1.89
Unrealised loss/(gain) on forward contracts	(4,765.75)	11,023.08
Interest expense	34,043.56	31,431.53
Unrealised foreign exchange loss (net)	4,700.76	(4,299.90)
Exchange differences on translation of foreign operations	(495.13)	298.96
Operating cash flows before changes in working capital	1,51,097.88	1,34,048.39
Adjustment for changes in working capital:		
Decrease in inventories	10,248.62	2,313.58
Increase in trade receivables	(86,203.25)	(82,987.17)
Decrease / (increase) in other financial assets	466.12	(99.26)
Increase in other assets	(361.05)	(2,781.73)
Decrease in trade payables	(1,278.57)	(4,118.50)
Decrease in other financial liabilities	(256.58)	(956.55)
Increase in other current liabilities	9,948.80	14,650.59
	(67,435.91)	(73,979.04)
Cash generated from operations	83,661.97	60,069.35
Income taxes paid	(7,893.96)	(7,417.41)
Net cash generated from operating activities	75,768.01	52,651.94
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,281.90)	(13,028.63)
Proceeds from sale of property, plant and equipment	0.22	47.66
Loans given/(received)	82.27	(71.60)
Changes in other bank balances	(520.93)	758.96
Current investments made during the year	(58,860.16)	(9,329.65)
Proceeds from sale of current investments	41,354.60	13,038.08
Dividend received	8.20	286.64
Interest received	250.44	7,082.48
Net cash used in investing activities	(20,967.26)	(1,216.06)
Cash flows from financing activities		
Proceeds from long-term borrowings	9,596.22	1,550.00
Repayment of long-term borrowings	(7,664.15)	(28,246.30)

(All amounts in lakhs of ₹, unless otherwise stated)

	For the year ended	
	31 March 2021	31 March 2020
Proceeds from / (repayment) of short-term borrowings, net	(10,885.38)	5,240.10
Repayment of lease liabilities	(220.71)	(422.89)
Dividends paid	-	(6,022.00)
Buyback of equity shares, including taxes	(12,031.65)	(2,248.95)
Interest paid	(26,099.69)	(18,006.52)
Net cash used in financing activities	(47,305.36)	(48,156.56)
Net increase in cash and cash equivalents	7,495.39	3,279.32
Cash and cash equivalents at the beginning of the year	27,813.97	22,618.59
Foreign currency translation reserve	(634.00)	1,916.06
Cash and cash equivalents at the end of the year	34,675.36	27,813.97
Components of cash and cash equivalents:		
Cash on hand	9.23	16.15
Balances with banks:		
On current accounts	34,666.13	26,782.56
On deposit accounts	-	1,015.26
Total cash and cash equivalents (note 11)	34,675.36	27,813.97

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place : Hyderabad, India
Date : 17 June 2021

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sultan A. Baig
Chief Financial Officer

VSN Raju
Company Secretary
& Vice President

Place : Hyderabad, India
Date : 17 June 2021

GRK Prasad
Executive Director
DIN: 00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

Ashwin Devineni
Chief Executive Officer

Place : Singapore
Date : 17 June 2021

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

1. Corporate information:

Nava Bharat Ventures Limited ("the Company") together with its subsidiaries (collectively termed as "the Group") is a Company domiciled in India, and it was incorporated under the provisions of the Companies Act, 1956. The Company's registered office is situated at Nava Bharat Chambers, 6-3-1109/1 Raj Bhavan Road, Hyderabad – 500 082, India. The Company's equity shares are listed on BSE Limited (BSE) and The National Stock Exchange Limited (NSE). The Group is principally engaged in the business of manufacture and selling of Ferro Alloys, Generation and trading of Power, Coal Mining, and operating and maintenance of power generating assets; and it has its principal operations located in India, Singapore, and Zambia.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 17 June 2021.

2. Significant accounting policies

a) Basis of preparation of consolidated financial statements:

The consolidated financial statements have been prepared on a going concern basis in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 ('the Rules') (as amended).

The consolidated financial statements have been prepared under historical cost convention and on an accrual basis, except for financial instruments which have been measured at fair value at the end of each reporting period. The accounting policies applied by the Group are consistent with those used in the prior periods, unless otherwise stated elsewhere in these consolidated financial statements.

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

b) Consolidation procedure:

i) Subsidiaries:

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control,

potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Company.

ii) Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

iii) Acquisition of non-controlling interests (NCI):

Acquisition of some or all of the NCI is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the Company. The associated cash flows are classified as financing activities. No goodwill is recognised as a result of such transactions.

iv) Loss of Control

Upon loss of control, the Company derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as a fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL) financial asset, depending on the level of influence retained.

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

c) The consolidated financial statements have been prepared on the basis of the financial statements of the following subsidiaries and step-down subsidiaries.

S. No	Name of the subsidiaries	Country of incorporation	% of effective holding	% of holding by immediate parent entity
1.	Nava Bharat Energy India Limited	India	100%	100%
2.	Nava Bharat Projects Limited	India	100%	100%
3.	Brahmani Infratech Private Limited	India	65.74%	65.74%
4.	Maamba Collieries Limited	Zambia	64.69%	64.69%
5.	Nava Energy Zambia Limited	Zambia	100%	100%
6.	Kawambwa Sugar Limited	Zambia	100%	100%
7.	Nava Bharat (Singapore) Pte. Limited	Singapore	100%	100%
8.	Nava Energy Pte. Limited	Singapore	100%	100%
9.	Nava Agro Pte. Limited	Singapore	100%	100%
10.	Nava Holding Pte.Limited	Singapore	100%	100%
11.	Tiash Pte. Limited	Singapore	65%	65%
12.	TIS Pte. Limited*	Singapore	65%	65%
13.	The Iron Suites Pte. Limited	Singapore	58.5%	58.5%
14.	Compai Pharma Pte Ltd	Singapore	65%	65%
15.	Compai Healthcare Sdn Bhd	Malaysia	65%	65%

* An application for winding up this entity has already been made during the quarter ended 31 March 2021 which is pending for approval of the concerned authorities.

d) Significant accounting estimates, assumptions and judgements:

The preparation of consolidated financial statements requires management to make accounting estimates, assumptions and judgements that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures of contingencies at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Judgements, estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group, based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to

market change or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Impairment of non-current assets:

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is 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. The value in use calculation is based on a "Discounted Cash Flow" (DCF) model.

ii) Defined benefit plans:

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

iii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets.

iv) Life-time expected credit loss on trade and other receivables:

Trade receivables/Contract assets are stated at their transaction value as reduced by lifetime expected credit losses ("LTECL"). As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. This amount is reflected in the Statement of Profit and Loss. ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount. The information about the ECLs on the group's trade receivables is disclosed in Note 10.

v) Contingencies:

Management judgement is required for estimating the possible inflow/

outflow of resources, if any, in respect of contingencies/claims/litigations against the Group/by the Group as it is not possible to predict the outcome of pending matters with accuracy.

vi) Assessment of useful lives of property, plant and equipment:

Depreciation on property, plant and equipment is calculated on a straight-line basis/written down value based on the useful lives estimated by the management. Management reviews its estimate of the useful lives and residual values of all its property, plant and equipment at each reporting date, based on the expected utility of the assets. The management believes that useful lives currently considered fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these in certain cases are different from lives prescribed under Schedule II to the Companies Act, 2013.

vii) Intangibles:

Internal technical or user team assess the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

viii) Income taxes:

Deferred tax assets including Minimum Alternative Tax (MAT) Credit Entitlement is recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

ix) Existence of inventories:

The Management estimates the existence of its inventories of raw material and finished goods of its ferro alloys and power division by engaging an external volumetric expert. The said expert does compute the quantity of physical inventories by measuring the areas over which the inventories are spread and its methodology of stacking them and after consideration of the density of the underlying material. These techniques involve use of significant judgements which are based on certain qualitative characteristics of the underlying inventory and accordingly any changes to these estimates would have a significant effect

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

on the quantity of inventory available and its carrying amount.

- x) Refer note 42 for the estimates relating to classification and assessment of net realisable values of assets pertaining to discontinued operations.
- xi) Refer note 2(m)(ii) Sale of power / energy, 2(l) inventories and 2(aa) Financial instruments – Impairment of financial assets for the other judgements and estimates.

xii) Coal reserve:

A coal reserve estimate is an estimate of the amount of product that can be economically and legally extracted from the Group's properties. In order to calculate coal reserve, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand, commodity prices and exchange rates. Estimating the quantity and/or grade of coal reserve requires the size, shape and depth of coal bodies to be determined by analysing geological data such as the logging and assaying of drill samples. This process may require complex and difficult geological judgments and calculations to interpret the data.

- xiii) Brahmani Infratech Private Limited (BIPL), a group company, have its principal objectives of engaging in the business of infrastructure development. However, owing to pending disposal of a continuing litigation, the management has temporarily invested the available funds as at 31 March 2021, thereby yielding investment income. On the basis of assessment of the nature of business of BIPL, duly supported by an independent opinion from an expert, the management is of the view that the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to BIPL.

- xiv) Nava Bharat Projects Limited (NBPL), a component's principle business objectives are to provide project support / management, and operating and maintenance services to power generating companies. Whereas, due to certain ongoing pending litigations, management had temporarily deployed its surplus assets in interest and dividend earning investments, which under the instant rules and regulations could be construed as a non-banking financial services activities. However, in view of management's immediate and long term

plans to continue with its primary business activities, and considering the temporary nature of such investments, management on the basis of internal assessment duly supported by the opinion of an independent expert, has assessed that the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to NBPL.

- xv) One of the shareholders of MCL, ZCCM-IH, commenced legal proceedings against the MCL for the recovery of ₹7,350.47 (equivalent to US\$ 10 million) advanced in March 2019. The advance was made to MCL under a short-term working capital arrangement. An agreement had been entered into with ZCCM-IH to settle the short-term advance within a period of 60 days from the date the funds were received by MCL. MCL has not been able to settle the amount. MCL's defence currently hinges on the financing agreements executed between MCL, ZCCM-IH and Lenders, which subordinated shareholder loans to the loan facility. The case is still before the courts and a determination remains pending at the date of issuance of these consolidated financial statements.

- xvi) In accordance with the Escrow agreement, ZESCO or the Government of Zambia is required to fund the Escrow account to an amount of ₹19,206.78 (equivalent to US\$ 26.13 million). This ESCROW account has not been funded in line with agreement. MCL on 28 April 2020 issued a demand notice to ZESCO for the regularisation of the Escrow account pursuant to the ESCROW agreement. A response has not yet been received from ZESCO as at the date of signing these consolidated financial statements.

xvii) Water drawing rights:

The Group has obtained the water drawings rights, for its power projects, from Government authorities initially for a period of 5 - 10 years as the case may be. The management of the Group believes that the water drawing rights will be extended further. Hence, the Group has considered the useful life of water pipelines as 40 years to amortise the erection cost of pipeline, in line with the useful life of power generating assets.

xviii) Environmental Rehabilitation obligations:

The Group has long-term remediation obligations comprising decommissioning, dismantling and restoration liabilities

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

relating to its past operations which are based on the Group's environmental management plans, in compliance with current environmental and regulatory requirements. Provisions for non-recurring remediation costs are made when there is a present obligation, it is probable that expenditure on remediation work will be required and the cost can be estimated within a reasonable range of possible outcomes. The costs are based on currently available facts, technology expected to be available at the time of the clean-up, laws and regulations presently or virtually certain to be enacted and prior experience in remediation of contaminated sites.

The Group has recognised a provision for environmental restoration costs based on an independent environmental impact assessment report by an independent consultant. The value recognised is the present value of the estimated future restoration costs attributable to the current period.

xix) Decommissioning and dismantling cost:

Provision is made for costs associated with restoration of the land in which the power generating assets of the group are situated. The restoration/dismantling costs are estimated on the basis of the management plans and the estimated discounted costs of dismantling and removing these facilities. The costs of restoration are capitalised when incurred reflecting the group's obligations at that time.

A corresponding provision is created on the liability side. The capitalised asset is charged to the Statement of Profit and Loss over the life of the asset through depreciation over the life of the operation and the provision is increased each period via unwinding the discount on the provision. Management estimates are based on local legislation and/or other agreements. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

xx) Revenue from contracts with customers:

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- Identifying performance obligations

in the sale of goods and provision of services.

- Determining the timing of satisfaction of goods and services.

Consideration of significant financing component in a contract

Maamba Collieries Limited (MCL), a step-down subsidiary of the Holding Company sells power generated by the power plant and the coal to customers for which there is no manufacturing lead time. This type of contract includes two alternative payment options for the customer. i.e., payment of the transaction price equal to the cash selling price upon delivery of the power generated by the power plant and the coal sold to customers or payment of a lower transaction price when the contract is signed. MCL concluded that there is no significant financing component for contracts where the customer elects to pay in advance considering the length of time between the customer's payment and the transfer of power generated by the power plant and the coal sold to customers, as well as the prevailing interest rates in the market.

xxi) Going Concern assessment of a material subsidiary of the group:

The step-down subsidiary MCL is in breach of a significant clause of a material loan arrangement, leading to an event of default as defined under the loan agreement. As at the reporting date, aggregate amount of principal and interest due is ₹65,051.64 (equivalent of US\$88.50 million) and ₹11,238.10 (equivalent of US\$15.30 million) respectively. The interest portion was subsequently paid on 16 April 2021. The terms of the loan agreement provide the lenders the ability to recall the loans in the event of material default, accordingly entire loan including overdue amounts is liable to be payable on demand. The following material clause of the Common Terms Agreement (CTA) has been breached by the company:

Clause 24.1.2 - Non-payment of contractual payments on the due dates. Failure to cure the default in five business days, as defined by clause 24.1.2 of the CTA.

As at 31 March 2021, the lenders did not provide a waiver letter in respect to the material breach, however the lenders provided a reservation of rights letter on 25 March 2021.

The Board of Directors of MCL have not

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

classified the amounts due to the lenders as short term for reasons highlighted below:

If the loan facilities were reclassified as short term that would adversely affect the MCL's:

- Financial ratio's as defined by clause 24.2 of the CTA.

However, the Directors of MCL do not believe that a material uncertainty exists for the following reasons:

- Certain lenders have insurance cover on their loans, which is 65% of the total loans of the Company's Coal & Power Project. In the event the Company defaults on payments to the lenders due to the impact on the Company's cash flows, the lenders can call in the insurance claim. The insurance company would make payment of due amounts to lenders as per the provisions of the insurance policy and the financing documents and then will be one of the financing parties. As such the tenure of the loans is unlikely to be advanced.
- The Government of Zambia issued a Sovereign Guarantee for all the payment obligation of ZESCO under the Power Purchase Agreement (PPA). In the event of ZESCO's default on payments owing to MCL, the Company has an option to enforce the guarantee and the Government of Zambia would be required to pay the specified amounts due from ZESCO as per the provisions of the guarantee, thus mitigating the material uncertainty concerning the debt service of the project loans.
- MCL has started arbitration proceedings against ZESCO in which the security trustee, as a representative of the lenders, is a co-claimant. Arbitration proceeding may take 12-18 months to conclude.
- MCL also continues to engage with ZESCO in prospective tariff negotiations and payment security mechanism for invoices. Teams from both sides have had several rounds of discussion to arrive at a prospective tariff. The Company believes that conclusion of tariff negotiations will ensure restructuring of the loans as well as secure full payment of invoices.

- The lenders have not yet demanded for repayment of the entire outstanding loan. Management do not believe that the lenders will demand immediate repayment of the loans as discussions with lenders are currently underway concerning restructuring of the loans. Further arbitration proceedings are also underway, in which lenders through their Security Trustee is also a party. Favourable conclusion of these discussions and finalisation of secured revised tariff with ZESCO will further substantially reduce some of the material uncertainties surrounding Company's ability to service the project loans.
- MCL continues to engage the lenders with a view to restructuring the Debt. The lenders are open to restructuring the debt subject to the tariff being revised and obtaining comfort that the revenue would be received in full as invoiced from ZESCO. Therefore, restructuring is tied to the agreement on the revised prospective tariff with ZESCO. In this regard, with the approval of the lenders, the company has appointed Africa Finance Corporation (AFC) as Financial Advisory and Restructuring Coordinator. AFC will also support MCL in its discussions with ZESCO as Lenders' representative for finding a long term sustainable solution.
- The Directors of the step-down subsidiary have considered the relevant factors and believe it is appropriate to prepare its financial statements on a going concern basis. The going concern basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

e) Current vs non-current classifications:

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it satisfies the below mentioned criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;

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- 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 assets.

A liability is classified as current when it satisfies the below mentioned criteria:

- i) Expected to settle the liability in normal operating cycle;
- ii) Held primarily for the purpose of trading; Due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

f) Property, plant and equipment:

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

The details of the useful lives as estimated by the management, the useful lives as per the Act and the method of computation of depreciation is as follows:

Category of asset	Method of depreciation	Estimated useful lives as assessed by management	Useful lives as per Schedule II to the Act
Buildings	Straight line method (SLM)	10-60 years	30-60 years
Temporary structures	SLM	3-5 years	3 years
Plant and Equipment	SLM	3-40 years	15-40 years
Furniture and Fixtures	SLM	8-10 years	8-10 years

The Group adopted cost model as its accounting policy, in recognition of the property, plant and equipment and recognises transaction value as the cost. The Company had applied for the one-time transition exemption of considering the previous GAAP carrying cost on the transition date i.e. 1 April 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Direct expenditure incurred and other attributable costs on projects under implementation are treated as unallocated capital expenditure pending allocation to the assets and under construction or in the process of installation are termed as Capital work-in-progress and shown at cost in the Balance Sheet.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The improvements/modifications carried on the lease hold land/property are recognised as lease hold improvements and are written off over the primary lease period or the life of such improvement whichever is lower.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost of the assets after commissioning, less its residual value, over their useful lives as estimated by the management. Land is not depreciated.

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Category of asset	Method of depreciation	Estimated useful lives as assessed by management	Useful lives as per Schedule II to the Act
Vehicles	Written down value method (WDV)	8-10 years	10 years
Office equipment	SLM	5-15 years	5 years
Computers	SLM	3 years	3 years
Air conditioners and Coolers	SLM	5 years	5 years
Railway sidings	SLM	15 years	15 years
Power evacuation lines	SLM	40 years	40 years
Aircraft	SLM	10 years	20 years
Other assets	WDV	3-40 years	15 years

Stripping cost:

As part of its coal mining operations, the Group incurs stripping (waste removal) costs both during the development phase and production phase of its operations. Stripping costs incurred in the development phase of a mine, before the production phase commences (development stripping), are capitalised as part of the cost of constructing the mine and subsequently amortised over its useful life using a units of production method. The capitalisation of development stripping costs ceases when the mine/component is commissioned and ready for use as intended by management.

Stripping activities undertaken during the production phase of a surface mine (production stripping) are accounted for as set out below. After the commencement of production, further development of the mine may require a phase of unusually high stripping that is similar in nature to development phase stripping. The costs of such stripping are accounted for in the same way as development stripping (as outlined above). Stripping costs incurred during the production phase are generally considered to create two benefits, being either the production of inventory or improved access to the coal to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where the benefits are realised in the form of improved access to coal to be mined in the future, the costs are recognised as a non-current asset, referred to as a stripping activity asset, if the following criteria are met:

- Future economic benefits (being improved access to the coal body) are probable;

- The component of the coal body for which access will be improved can be accurately identified;
- The costs associated with the improved access can be reliably measured.

If all of the criteria are not met, the production stripping costs are charged to the Statement of Profit and Loss as operating costs as they are incurred. In identifying components of the coal body, the Group works closely with the mining operations personnel for each mining operation to analyse each of the mine plans. Generally, a component will be a subset of the total coal body, and a mine may have several components. The mine plans, and therefore the identification of components, can vary between mines for a number of reasons. These include, but are not limited to: the type of commodity, the geological characteristics of the coal body, the geographical location, and/or financial considerations. Given the nature of the Group's operations, components are generally either major pushbacks or phases and they generally form part of a larger investment decision which requires board approval.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of coal, plus an allocation of directly attributable overhead costs. If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, these costs are not included in the cost of the stripping

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activity asset. If the costs of the inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. This production measure is calculated for the identified component of the coal body and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place.

The stripping activity asset is accounted for as an addition to, or an enhancement of, an existing asset, being the mine asset, and is presented as part of deferred stripping cost in the Statement of Property, plant and equipment. This forms part of the total investment in the relevant cash generating units, which are reviewed for impairment if events or changes of circumstances indicate that the carrying value may not be recoverable.

The stripping activity asset is subsequently depreciated using the units of production method over the life of the identified component of the coal body that became more accessible as a result of the stripping activity. Economically recoverable reserves, which comprise proven and probable reserves, are used to determine the expected useful life of the identified component of the coal body, the stripping activity asset is then carried at cost less depreciation and any impairment losses.

g) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Group had applied for the one-time transition exemption of considering the previous GAAP carrying cost on the transition date i.e. 1 April 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and

maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. The useful life of buildings, classified as Investment properties, is considered as 30 years. The useful life has been determined based on technical evaluation performed by the management's expert.

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 use. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

h) Intangible assets:

Computer software:

Costs incurred towards purchase of computer software are amortised over the useful life as estimated by the Management which in the range of 3 to 5 years for all of the intangible computer software assets.

Water drawing rights:

Cost incurred towards obtaining the initial water drawings rights, for its power projects, from Government and the cost incurred by the Group in erecting water pipelines to draw water from the resources which are recognised as intangible assets are amortised over the estimated useful life of 40 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss.

The Company had applied for the one-time transition exemption of considering the previous GAAP carrying cost on the transition date i.e. 1 April 2015 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

i) Goodwill:

Goodwill represents the excess of purchase consideration over the net book value of assets acquired of the subsidiary companies as on the date of investment. Goodwill on

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consolidation and acquisition is not amortized but is tested for impairment on a periodic basis and impairment losses are recognized where applicable.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss.

j) Impairment of non-financial assets:

- i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- ii) Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer existing or have decreased.

k) Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has adopted Ind AS 116 - Leases, using "Modified retrospective approach" with effect from 1 April 2019 and accordingly these consolidated financial statements are prepared in accordance with the recognition and measurement principles laid down in Ind AS 116. Also, the application of Ind AS 116 did not have any significant impact

on the consolidated financial statements considering the number of assets under operating lease arrangements of the Group.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets:

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the balance lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (j) Impairment of non-financial assets.

ii) Lease Liabilities:

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the

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period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

l) Inventories:

Inventories consisting of raw materials, stores and spares, work-in-progress and finished goods are measured at the lower of cost or net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Stores and spares, that do not qualify to be recognised as property, plant and equipment is classified as inventory to be used by the Group.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The factors that the Group considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Group business and markets. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

m) Revenue recognition:

Revenue comprises of sale of goods, sale of power and rendering of services and other operating revenues comprise of export benefits and other miscellaneous incomes. Revenue is measured at the fair value of consideration received or receivable and is recognized to the extent that it is probable that the economic benefits will flow to the Group.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the group expects to receive in exchange for those products or services.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- i) the customer simultaneously receives and consumes the benefits provided by the group's performance as the group performs; or
- ii) the group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii) the group's performance does not create an asset with an alternative use to the group and an 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 in excess of invoicing are classified as contract asset while collections in excess of

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revenues are classified as contract liabilities. Further, at the time of revenue recognition, the entity also determines whether there are any material unsatisfied performance obligations and determines the portion of the aggregate consideration, if any, that needs to be allocated and deferred.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts with an original expected duration of one year or less and in respect of contracts where the revenue recognised corresponds directly with the value to the customer of the Group's performance completed to date.

Specifically, the following basis is adopted for various sources of income:

i) Sale of goods:

Revenue is recognised at a point in time, on satisfaction of performance obligation upon transfer of control of promised products which generally coincides with delivery and on the date of bill of lading in case of domestic sales and export sales, respectively. Amounts disclosed as revenue are net of returns, trade allowances, rebates and exclusive of goods and services tax.

ii) Sale of power/energy:

Revenue from energy units sold is recognized at a point in time, on satisfaction of performance obligation upon transfer of control i.e., based on the units of energy delivered and in accordance with the terms of arrangement with customers and based on the rate agreed with customers. Claims for delayed payment charges and other claims, if any, are recognised as per the terms of power purchase agreements only when there is no uncertainty associated with the collectability of these claims and upon acknowledgement of the claims by the customer.

iii) Income from services:

Sale of services comprises of Revenue from conversion of ferro alloys on behalf of a customer. The revenue from conversion of ferro alloys is recognised on the basis of completion of conversion work on the underlying quantity in accordance with the terms of the relevant agreements as accepted and agreed with the customers wherein, the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to

payment for performance completed to date. The amount of conversion works completed which is yet to be billed has been presented as accrued conversion charges in other financial assets /trade receivables, as the case may be.

iv) Interest/dividend:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the right to receive payment is established.

v) Export benefits:

Export benefits in the form of duty drawback and Merchandise Exports from India and other schemes are recognised on accrual basis.

vi) Other sundry incomes:

Insurance claims and conversion escalations are accounted for on realisation.

n) Foreign currency:

The Group's consolidated financial statements are presented in Indian rupees, which is the functional currency of the Company. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to Statement of Profit and Loss reflects the amount that arises from using this method.

a) Initial recognition:

Foreign currency transactions are recorded by the Group's entities at their respective functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and foreign currency at the date of the transaction.

b) Conversion:

Foreign currency monetary items are reported at functional currency spot rate of exchange at reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated

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in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or profit or loss are also recognized in OCI or profit or loss, respectively).

c) Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting monetary items rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

d) Group companies:

On consolidation, the assets and liabilities of foreign operations are translated into Indian rupees at the rate of exchange prevailing at the reporting date and their Statements of Profit and Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the Statement of Profit and Loss.

o) Restoration, environment rehabilitation, decommissioning and dismantling costs:

Restoration, environment rehabilitation, decommissioning and dismantling costs are recognised at the net present value of the amounts estimated by the management expert engaged in this regard. The cost estimates are arrived at after consideration of certain key factors such as the planned duration of the operations, the appropriate discount rates, the cost inflation index of the respective geography, restoration technology, etc. Such costs are capitalised at the start of each project with the recognition of a corresponding liability, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact

on the cost estimates or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance cost in Statement of Profit and Loss. Costs for the restoration of subsequent site damage, which is caused on an ongoing basis during production, are charged to Statement of Profit and Loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.

p. Government Grant:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

q. Retirement and other employee benefits:

- i) Employer's contribution to provident fund/employee state insurance/ National Pension Scheme Authority (NAPSA) which are in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.
- ii) Gratuity liability is in the nature of defined benefit obligation. Such liability is provided

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based on independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 "Employee Benefits".

iii) Actuarial gain/(loss) in the valuation are recognised as other comprehensive income for the period.

iv) Compensated absences are provided for based on estimates of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 "Employee Benefits".

r) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

s) Operating segment:

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Management/Chief Operating Decision Maker ("CODM"). The Board of Directors of the Group has identified the Chief Executive Officer as the CODM.

t) Dividends:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

u) Earnings per equity share:

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period, net off treasury shares.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period, net off treasury shares are

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adjusted for the effects of all dilutive potential equity shares.

v) Provisions:

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

w) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of balance sheet and is disclosed as a contingent asset or contingent liability. Possible outcomes on obligations/rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities.

x) Taxes on income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the income tax regulations prevalent in the respective geographies. Current tax includes taxes to be paid on the profit earned during the year.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where a component has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if it is probable that they can be utilised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority. The power generating assets in the group are entitled for certain income tax benefits in the form of an income tax exemption for the proportion of profits earned by these assets, as specified in the income tax regulations of the underlying geography. The Group has not recognised deferred tax on temporary differences relating to depreciation which originate and reverse during the tax holiday period and on the unutilised tax losses which are not eligible to be carried forward after the tax holiday period.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement.

y) Cash and cash equivalents:

Cash and cash equivalents consist of cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in

(All amounts in lakhs of ₹, unless otherwise stated)

value. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment.

z) Fair value measurement:

The Group measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for such asset or liability, or in the absence of a principal market, in the most advantageous market which is accessible to the Group.

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 Group 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 consolidated financial statements are categorized 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:

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

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aa) Financial instruments:

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

Financial assets:

a) Initial recognition and measurement:

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 (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in Statement of Profit and Loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

b) Subsequent measurement:

For subsequent measurement, financial assets are classified into following categories:

- a. Debt instruments at amortised cost
- b. Debt instruments at FVTPL
- c. Equity instruments at FVTPL

a. Debt Instruments:

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

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- iii) 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 and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

b. Debt instruments at FVTPL:

As per the Ind AS 101 and Ind AS 109, the Group is permitted to designate the previously recognised financial asset at initial recognition irrevocably at FVTPL on the basis of facts and circumstances that exists on the date of transition to Ind AS. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c. Equity instruments:

Equity instruments / Mutual funds in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the Statement of Profit and Loss.

Equity investments / Mutual funds are classified as FVTPL.

c) De-recognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognised when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

Impairment of financial assets:

In accordance with Ind AS 109, the Group

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applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the Statement of Profit and Loss. In case of balance sheet, it is shown as reduction from the specific financial asset.

Financial liabilities:

a) Initial recognition and measurement:

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement:

i) Financial liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Gain or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

The Group has not designated any financial liability at FVTPL.

ii) Financial liabilities at amortised cost:

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liability with maturity of less than one year is shown at transaction value.

c) De-recognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred

to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other income or finance costs.

ab) Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with original or modified terms of a debt instrument.

The Group measures any financial guarantee on initial recognition at their fair value. Subsequently these contracts are measured at the higher of:

- a) the amount of the loss allowance determined as per impairment requirements of Ind AS 109, and
- b) the amount initially recognised, less where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115.

ac) Derivatives financial instruments:

The Group uses derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations and interest rates. Such derivative financial instruments are initially recognised at contract/agreed rate on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the consolidated Statement of Profit and Loss.

ad) Hedging activities and derivatives:

Derivatives not designated as hedging instruments:

The Group uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions generally from one to 6 months.

A hedging relationship qualifies for hedge accounting if, and only if all the following conditions are met.

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- a) At the inception of the hedge there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge. That documentation shall include the identification of hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.
- b) The hedge is expected to be highly effective in achieving offsetting changes in fair values or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship.
- c) For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to various cash flows that could ultimately affect profit or loss.
- d) The effectiveness of the hedge can be reliably measured i.e.; the fair values or the cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured.
- e) The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.

As at 31 March 2021, the Group's hedging instruments did not qualify for hedge accounting in accordance with the Group's policy. Hence the interest rate swap contracts and the foreign exchange forward contracts are not designated in hedge relationships and are measured at FVTPL.

The Group uses foreign currency denominated borrowings, foreign exchange forward contracts and interest rate swaps to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions generally from one to 6 months. The Group's policy is to use interest rate swaps to convert a proportion of its fixed rate debt to floating

rates to hedge the interest rate risk arising, principally, from capital market borrowings. These Interest rate swaps are entered into for periods consistent with the period of the underlying exposure. As these interest rate saps are not designated as cash flow hedge, all the gains and losses on remeasurement of these instruments is recognised in the Statement of profit and loss.

ae) Non-current assets (or disposal groups) held for sale and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated Statement of Profit and Loss.

af) Recent pronouncements:

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division

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I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

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3. Property, plant and equipment

	Land - Freehold*	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Air conditioners and coolers	Railway sidings	Power evacuation lines**	Air craft	Deferred stripping costs	Bearer plant	Leasehold improvements	Other assets	Total
Gross block																
As at 31 March 2019	3,585.44	76,312.06	4,99,173.18	175.18	2,742.26	280.52	236.65	46.67	358.72	7,009.01	2,648.86	14,593.57	276.67	25,668.47	495.69	6,33,602.95
Additions during the year	21.06	955.54	635.73	7.28	124.84	43.15	1.96	2.82	-	-	-	-	49.17	33.86	49.07	1,924.48
Less: Disposals	23.93	-	3,445.84	-	100.36	14.46	1.12	-	-	-	-	-	-	-	-	3,585.71
Less: Adjustments#	343.05	1,953.42	7,942.13	26.29	39.83	35.66	-	18.48	-	-	-	-	-	-	22.10	10,380.96
Foreign currency translation adjustments***	-	6,895.93	33,543.05	0.95	175.94	4.59	3.86	-	-	-	238.66	1,314.89	9.14	15.42	0.11	42,202.54
As at 31 March 2020	3,239.52	82,210.11	5,21,963.99	157.12	2,902.85	278.14	241.35	31.01	358.72	7,009.01	2,887.52	15,908.46	334.98	25,717.75	522.77	6,63,763.30
Additions during the year	-	58.80	3,015.68	10.96	204.79	117.98	5.57	2.90	-	-	-	-	2.21	-	19.83	3,438.72
Less: Disposals	-	-	26.40	6.51	43.50	28.96	6.53	-	-	-	-	-	12.18	-	2.53	126.61
Add/(less): Adjustments#	251.07	937.30	(670.32)	-	-	-	-	-	-	-	-	-	(150.28)	-	-	367.77
Foreign currency translation adjustments***	-	(5,037.42)	(7,147.51)	0.05	(54.56)	(1.27)	0.05	-	-	-	(72.06)	(396.98)	(8.26)	(5.21)	0.08	(12,723.09)
As at 31 March 2021	3,490.59	78,168.79	5,17,135.44	161.62	3,009.58	365.89	240.44	33.91	358.72	7,009.01	2,815.46	15,511.48	166.47	25,712.54	540.15	6,54,720.09
Accumulated depreciation																
Up to 31 March 2019	-	9,455.02	60,911.91	156.54	1,628.64	45.79	114.37	26.31	150.84	841.96	1,424.01	3,044.78	17.65	182.29	310.62	78,310.73
Charge for the year	-	4,033.39	23,298.60	24.07	335.47	91.62	41.73	5.46	37.71	263.52	271.49	357.04	82.51	88.38	80.16	29,011.15
Less: Disposals	-	-	959.37	-	96.42	9.05	0.35	-	-	-	-	-	-	-	-	1,065.19
Less: Adjustments (note 42)#	-	676.09	1,953.34	20.41	16.08	21.40	-	15.82	-	-	-	-	-	-	16.26	2,719.40
Foreign currency translation adjustments***	-	691.46	4,912.07	(3.08)	152.35	3.51	2.22	0.07	-	-	145.59	297.04	6.84	13.08	0.10	6,221.25
Up to 31 March 2020	-	13,503.78	86,209.87	157.12	2,003.96	110.47	157.97	16.02	188.55	1,105.48	1,841.09	3,698.86	107.00	283.75	374.62	1,09,758.54
Charge for the year	-	4,122.42	23,693.83	8.04	260.52	91.83	40.40	2.99	37.71	263.52	284.48	671.48	14.68	11.72	48.78	29,552.40
Less: Disposals	-	-	12.30	6.16	41.81	28.26	6.16	-	-	-	-	-	-	-	2.50	97.19
Add: Adjustments (note 42)#	-	521.28	-	-	-	-	-	-	-	-	-	-	-	-	-	521.28
Foreign currency translation adjustments***	-	(263.67)	(1,722.99)	(0.01)	(132.31)	(1.21)	(0.68)	-	-	-	(48.87)	(99.22)	(2.82)	(5.05)	0.06	(2,276.77)
Up to 31 March 2021	-	17,883.81	1,08,168.41	158.99	2,090.36	172.83	191.53	19.01	226.26	1,369.00	2,076.70	4,271.12	118.86	290.42	420.96	1,37,458.26
Net block																
As at 31 March 2021	3,490.59	60,284.98	4,08,967.03	263	919.22	193.06	48.91	14.90	132.46	5,640.01	738.76	11,240.36	47.61	25,422.12	119.19	5,17,261.83
As at 31 March 2020	3,239.52	68,706.33	4,35,754.12	-	898.89	167.67	83.38	14.99	170.17	5,903.53	1,046.43	12,209.60	227.98	25,434.00	148.15	5,54,004.76

* Free hold land includes land aggregating to ₹86.36 (31 March 2020: ₹451.38), held in the name of erstwhile companies, which were transferred to the Holding Company pursuant to a scheme of amalgamation in earlier years.

** Represents the cost incurred towards laying the power evacuation lines, the ownership of which vests with the State Owned Power Distribution Company. However, these assets are exclusively available to the group for its utilisation and accordingly, the amounts spent have been capitalised in the accordance with the provisions of the accounting principles.

*** Represents adjustments on account of translation of financial information of foreign operations.

The written down value of property, plant and equipment as at 31 March 2021 includes amounts of ₹18,601.40 (31 March 2020: ₹19,200.78) and ₹7,484.92 (31 March 2020: ₹7,720.20) pertaining to the 60 MW thermal power generation station located at Odisha and 20 MW thermal power generation station located at Dharmavaram, respectively. These units are non-operational owing to the mis-match in the demand and supply of power in the underlying jurisdiction in which they operate and due to pending receipt of certain regulatory approvals. The management has assessed that the carrying value of the aforesaid assets are fully recoverable on the basis of internally developed financial projections and the expected realizable value on sale/disposal. The projections so made involve making significant assumptions including capacity utilization, tariff rates and other operating parameters and the realizable value of the underlying asset which, on the basis of the management, reasonably reflects the future outcome of the planned business efforts. Consequently, no adjustments have been made to the carrying values of these assets in this regard.

Includes adjustments to the tune of

- Refer note 42 for details of assets classified/reclassified to/from assets held for sale.
- ₹670.32 (31 March 2020: ₹1,842.86) representing the balance of capital creditors which has been written back during the year ended 31 March 2021 pursuant to a settlement agreement with them.
- ₹Nil (31 March 2020: ₹207.47) representing the gross block of land transferred to right of use assets in accordance with the provisions of Ind AS 116.

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4. Investment property

	Land	Building	Total
Gross block			
As at 31 March 2019	2,149.30	173.93	2,323.23
Additions during the year	0.46	2,731.94	2,732.40
As at 31 March 2020	2,149.76	2,905.87	5,055.63
Additions during the year	-	-	-
As at 31 March 2021	2,149.76	2,905.87	5,055.63
Accumulated depreciation			
Up to 31 March 2019	-	32.84	32.84
Charge for the year	-	25.08	25.08
Up to 31 March 2020	-	57.92	57.92
Charge for the year	-	92.22	92.22
Up to 31 March 2021	-	150.14	150.14
Net block			
As at 31 March 2021	2,149.76	2,755.73	4,905.49
As at 31 March 2020	2,149.76	2,847.95	4,997.71

(a) Fair value disclosure

	31 March 2021	31 March 2020
Investment property		
- Land	3,120.00	3,270.00
- Building	2,630.00	2,764.00

Estimation of fair value

The Company performs valuations for its investment properties at least annually by an external team. The best evidence of fair value is current prices in an active market for similar properties.

The fair value of investment properties have been determined by the management on the basis of their expertise in this field and by engaging an external valuer. The main inputs used are the relevant prices of comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

5. Other intangible assets and Goodwill

	Other intangible assets			Goodwill***
	Computer Software	Water drawing rights	Total	
Gross block				
As at 31 March 2019	742.12	422.21	1,164.33	38,242.65
Additions during the year	6.61	-	6.61	-
Less: Adjustments **	17.64	-	17.64	-
Foreign currency translation adjustments*	36.52	-	36.52	3,445.68
As at 31 March 2020	767.62	422.21	1,189.82	41,688.33
Additions during the year	33.78	-	33.78	-
Less: Disposals	(0.03)	-	(0.03)	-
Foreign currency translation adjustments*	(11.24)	-	(11.24)	(1,040.30)
As at 31 March 2021	790.13	422.21	1,212.33	40,648.03
Accumulated amortization/ Impairment				
Up to 31 March 2019	379.90	158.25	538.15	-
Charge for the year	125.98	12.78	138.76	-
Less: Adjustments **	17.64	-	17.64	-
Foreign currency translation adjustments*	20.12	-	20.12	-

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	Other intangible assets			Goodwill***
	Computer Software	Water drawing rights	Total	
Up to 31 March 2020	508.36	171.03	679.39	-
Charge for the year	119.31	7.21	126.52	-
Less: Disposals	(0.03)	-	(0.03)	-
Foreign currency translation adjustments*	(7.38)	-	(7.38)	-
Up to 31 March 2021	620.27	178.24	798.50	-
Net block				
As at 31 March 2021	169.86	243.97	413.83	40,648.03
As at 31 March 2020	259.26	251.18	510.43	41,688.33

* Represents adjustments on account of translation of financial information of foreign operations.

** Represents the gross amount and accumulated depreciation of intangible assets pertaining to sugar operations which has been de-recognised during the year ended 31 March 2020 owing to discontinuance of the sugar operations.

*** The recoverable amount of goodwill has been assessed by using a value-in-use model of the underlying cash generating unit ("CGU"). The recoverable value is computed based on the net present value of the projected post-tax cash flows to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. The cash flow projections include specific estimates developed using internal forecasts based on contractual agreements entered. The planning horizon reflects the assumptions for short-to-mid term market developments which are based on key assumptions such as margins, expected growth rates based on past experience and management's expectations / extrapolation of normal increase in growth rate and tariff from customer. Discount rate reflects the current market assessment of the risks. The discount rate is estimated based on the weighted average cost of capital for the CGU. Post-tax discount rate used is 19.12% for the year ended 31 March 2021 (31 March 2020: 16.90% to 19.70%). The cash flows projections have been considered for a period of 22 years which is in line with the contractual period of the long term power purchase agreement entered into in by MCL with its customer. The management believes that any reasonable possible change in the key assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

6. Investments

a) Non current

	Face value	As at	
		31 March 2021	31 March 2020
i) Investments in equity shares (fully paid-up)			
a) Quoted - designated at FVTPL (Non-Trade)			
76,830 (31 March 2020: 76,830) shares in NB Footware Limited	₹10	1.10	0.00
9,600 (31 March 2020: 9,600) shares in Avanti Feeds Limited	₹2	39.79	28.25
8,000 (31 March 2020: 8,000) shares in IDBI Bank Limited	₹10	3.08	1.54
7,410 (31 March 2020: 7,410) shares in Union Bank of India Limited	₹10	2.52	2.13
24,568 (31 March 2020: 24,568) shares in TATA Consultancy Services Limited	₹1	780.73	448.64
19,302 (31 March 2020: 19,302) shares in MOIL Limited	₹10	29.06	19.77
200 (31 March 2020: 200) shares in Kothari Sugars and Chemicals Limited	₹10	0.05	0.02
2,857 (31 March 2020: 2,857) shares in The Jeypore Sugar Company Limited	₹10	0.00	0.00

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	Face value	As at	
		31 March 2021	31 March 2020
b) Unquoted			
i) Investments carried at cost (Trade)			
Nava Resources Cl, Ivory Coast		26.86	-
ii) Investments designated at FVTPL - Others			
75,000 (31 March 2020: 75,000) shares in Srinivasa Cystine Limited	₹10	843.04	654.73
iii) Investment in government Securities (at amortised cost)			
- 6 years National Savings Certificates		0.30	0.50
		1,726.53	1,155.58

b) Current Investments

	As at	
	31 March 2021	31 March 2020
i) Investments in mutual funds		
Unquoted - designated at FVTPL - Others (Non-Trade)		
26,044 (31 March 2020: Nil) units in SBI Magnum Low Duration Fund Regular - Growth	717.50	-
2,992,125 (31 March 2020: Nil) units in SBI Short Term Debt Fund	748.70	-
28,863 (31 March 2020: Nil) units in Kotak Money Market Fund - Growth	1,000.67	-
301,871 (31 March 2020: Nil) units in Aditya Birla Sun Life Floating Rate Fund - Growth Regular	802.42	-
45,283 (31 March 2020: Nil) units in HDFC Money Market Fund Growth	2,000.90	-
245,968 (31 March 2020: Nil) units in ICICI Prudential Savings Fund Growth	1,023.23	-
512,336 (31 March 2020: Nil) units in ICICI Prudential Money Market Fund Growth	1,501.51	-
993,001 (31 March 2020: Nil) units in ICICI Prudential Short Term Fund	455.44	-
3,138,545 (31 March 2020: Nil) units in IDFC Money Manager Fund Regular Growth	1,001.26	-
27,473 (31 March 2020: Nil) units in TATA Money Market Fund Regular Growth	1,000.73	-
62,600 (31 March 2020: Nil) units in Nippon India Money Market Fund - Growth Plan Growth Option	2,000.77	-
1,701,483 (31 March 2020: Nil) units in ICICI Prudential Corporate Bond Fund	386.03	-
240,286 (31 March 2020: Nil) units in ICICI Prudential Credit Risk Fund	56.69	-
20,788 (31 March 2020: Nil) units in Kotak Low Duration Fund	602.97	-
5,984,292 (31 March 2020: Nil) units in ICICI Prudential Bond Fund	1,759.39	-
2,317,956 (31 March 2020: Nil) units in HDFC Corporate Bond Fund	577.82	-
2,018,559 (31 March 2020: Nil) units in IDFC Dynamic Bond Fund	543.06	-
992,034 (31 March 2020: Nil) units in Kotak Banking and PSU Debt Fund	499.14	-

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	As at	
	31 March 2021	31 March 2020
3,731,044 (31 March 2020: Nil) units in Nippon India Banking and PSU Debt Fund	601.24	-
170,635 (31 March 2020: Nil) units in ICICI Prudential Money Market Fund	500.08	-
1,567,217 (31 March 2020: Nil) units in IDFC Money Manager Fund	499.98	-
307,005 (31 March 2020: Nil) units in SBI Savings Fund	100.00	-
13,736 (31 March 2020: Nil) units in TATA Money Market Fund	499.98	-
Nil (31 March 2020: 1,219,448) units in ICICI Prudential Medium Term Bond Fund - Growth	-	381.91
Nil (31 March 2020: 685,251) units in ICICI Prudential Credit Risk Fund - Growth	-	149.03
Nil (31 March 2020: 1,222,004) units in L&T Credit Risk Fund - Growth	-	264.36
Nil (31 March 2020: 528,639) units in Reliance Credit Risk Fund - Growth Plan - Plan Growth Option - SDGP	-	120.91
Nil (31 March 2020: 11,949,943) units in ICICI Prudential Equity Arbitrage Fund - Dividend	-	1,633.86
Nil (31 March 2020: 13,301,370) units in Kotak Arbitrage Fund - Monthly Dividend(Regular Plan)	-	1,422.20
Nil (31 March 2020: 927,005) units in Aditya Birla Sun Life Credit Risk Fund - Growth - Regular	-	134.04
3,961,055 (31 March 2020: 3,961,055) units in IDFC Corporate Bond Fund Regular Plan - Growth	595.07	545.88
163,569 (31 March 2020: 169,513) units in Aditya Birla Sunlife Savings Fund - Growth - Regular Plan	691.42	673.85
987,544 (31 March 2020: 5,587,092) units in HDFC Short Term Debt Fund	245.07	1,264.90
Nil (31 March 2020: 1,258,420) units in IDFC Bond Fund-Short Term Plan - Growth - (Regular Plan)	-	522.78
Nil (31 March 2020: 1,124,638) units in Kotak Credit Risk Fund - Growth(Regular Plan)	-	246.86
981,260 (31 March 2020: 981,260) units in IDFC Low Duration Fund Regular Plan - Growth	296.78	280.32
Nil (31 March 2020: 8,630) units in L & T Liquid Fund	-	234.01
Nil (31 March 2020: 2,111) units in Nippon India Liquid Fund	-	101.85
Nil (31 March 2020: 3,828,935) units in Edelweiss Arbitrage Fund Regular Plan - Growth	-	457.39
2,708,956 (31 March 2020: 2,708,956) units in ICICI Prudential Banking & PSU Fund	676.74	627.46
Nil (31 March 2020: 4,462,134) units in IDFC Ultra Short Term Growth Fund	-	507.54
1,228,839 (31 March 2020: 1,228,839) units in IDFC Bond Growth Fund	548.87	510.49
22,514 (31 March 2020: 22,514) units in Axis Treasury Advantage Fund	540.55	507.85
1,848,865 (31 March 2020: 1,347,923) units in Nippon India Short Term Fund	754.24	509.18
Nil (31 March 2020: 7,060) units in IDFC Cash Fund	-	168.81

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	As at	
	31 March 2021	31 March 2020
ii) Investments in Bonds		
170(31 March 2020: Nil) units in State Bank of India - Perpetual - FVRS10LAC	1,786.67	-
117 (31 March 2020: Nil) units in Union Bank of India - Perpetual - FVRS10LAC	1,234.71	-
7 (31 March 2020: Nil) units in Union Bank of India - Perpetual - FVRS1CR	698.39	-
20 (31 March 2020 : Nil) units in Canara Bank - Perpetual - FVRS1CR	198.81	-
40 (31 March 2020 : Nil) units in Bank of Baroda - Perpetual - 8.5 - FVRS10LAC	414.30	-
30 (31 March 2020 : Nil) units in Bank of Baroda - Perpetual - 8.15 FVRS10LAC	300.89	-
30 (31 March 2020 : Nil) units of Indusind Bank Limited - Perpetual - FVRS10LAC	299.94	-
iii) Investments in Market Linked Debentures		
20(31 March 2020: Nil) units in Shriram Transport Finance Company	209.08	-
20 (31 March 2020 : Nil) units in Adani Enterprises Limited	207.86	-
50 (31 March 2020 : Nil) units in JM Financial Asset Reconstruction	103.59	-
iv) Investments carried at amortised cost - Others - Non-Trade		
Deposits in Life Insurance Corporation	500.00	-
Deposits in Bajaj Finance Limited	500.00	-
	29,682.49	11,265.47
Aggregate amount of Quoted Investments	856.33	500.35
Aggregate amount of Un-Quoted Investments	30,552.69	11,920.70
Aggregate amount of Impairment in Value of Investments	95.49	107.60

7. Other financial assets

	As at	
	31 March 2021	31 March 2020
(Unsecured, considered good)		
a) Non-current		
Security deposits	926.86	872.77
Loans to employees	31.39	30.88
Fixed deposits with banks*	1,098.77	446.31
Margin money deposits	117.63	120.63
	2,174.65	1,470.59

* Represents bank deposit amounting to ₹1,098.77 (31 March 2020: ₹446.31) with maturity period of more than 12 months, held under Debt Service Reserve Account against the term loan availed.

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(All amounts in lakhs of ₹, unless otherwise stated)

	As at	
	31 March 2021	31 March 2020
b) Current		
Restricted bank balances		
- Unpaid dividend accounts	194.97	218.85
Loans to employees	27.32	374.40
Security deposits	121.08	162.61
Interest accrued	195.91	164.17
Accrued conversion charges	314.28	390.40
Other receivables	86.76	149.74
	940.32	1,460.17

8. Other assets

	As at	
	31 March 2021	31 March 2020
(Unsecured, considered good)		
a) Non-current		
Capital advances	31.50	79.94
Payments made under protest *	201.24	201.29
Prepaid expenses	120.51	121.91
Other receivable	36.34	35.76
	389.59	438.90
b) Current		
Deposits paid under protest (refer note 36(xvii))**	1,000.00	1,000.00
Advances to vendors	8,320.57	8,007.30
Balances with government authorities	2,378.49	2,573.55
Prepaid expenses	1,111.09	1,012.19
Other advances	261.39	208.05
	13,071.54	12,801.09

* Represents payments made to government authorities in protest in connection with the ongoing disputes.

** Represents amounts deposited under protest against ongoing litigation (refer note 36(xvii)).

9. Inventories (valued at lower of cost or net realisable value)

	As at	
	31 March 2021	31 March 2020
Raw materials (including materials-in-transit aggregating to ₹Nil (31 March 2020: ₹1,951.09)	13,657.52	16,582.69
Work-in-progress	316.43	314.22
Finished goods	8,437.86	16,137.83
Stock-in-trade	5.57	10.67
Stores and spares	7,051.92	6,815.01
Others	64.44	2.72
	29,533.74	39,863.14

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(All amounts in lakhs of ₹, unless otherwise stated)

10. Trade receivables

	As at	
	31 March 2021	31 March 2020
a) Non-current		
Secured, Considered good	-	-
Unsecured, Considered good		
- From related parties	-	-
- From others	2,38,254.19	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
Less: Expected credit loss on financial assets*	(50,847.05)	-
	1,87,407.14	-
b) Current		
Secured, Considered good	-	-
Unsecured, Considered good		
- From related parties	-	-
- From others	95,608.34	2,41,658.56
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
Unsecured, considered doubtful	189.93	-
Less: Expected credit loss on financial assets*	(4,374.32)	(22,315.26)
	91,423.95	2,19,343.30

*Duly adjusted for the effect of foreign currency translation adjustment of ₹901.05 (31 March 2020: ₹1,236.67).

- (i) Non-current trade receivables, and current trade receivables as at 31 March 2021 include receivables amounting to ₹3,17,639.26 (31 March 2020: ₹2,07,923.36) representing dues from a customer against sale of power and interest on delayed payments. Though there have been significant delays in realization, however, these receivables have been considered good and recoverable in full by the management on the basis of specific acknowledgement of the entire outstanding dues by the customer, and also in view of the dues being secured by way of a sovereign guarantee issued by the Government of Zambia. Further, in accordance with the terms of arrangement with the said customer, during the quarter ended 30 September 2020, management has initiated necessary arbitration proceedings in relation to realisability of these long outstanding dues. Taking cognizance of delays in collection of dues from the customer, management has recognized allowances for credit losses in these consolidated financial statements.

c) Reconciliation of Expected credit loss on financial assets at the beginning and at the end of the reporting period:

	As at	
	31 March 2021	31 March 2020
Balance at the beginning of the year	22,315.26	2,728.41
Increase during the year	33,617.24	15,604.68
Impact of foreign currency fluctuations*	(711.13)	1,236.67
Other adjustments	-	2,745.50
Balance at the end of the year	55,221.37	22,315.26

* Represents adjustments on account of translation of financial information of foreign operations.

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(All amounts in lakhs of ₹, unless otherwise stated)

11. Cash and bank balances

	As at	
	31 March 2021	31 March 2020
Cash and cash equivalents		
Balances with bank		
- on current accounts	34,666.13	26,782.56
Deposits with maturity less than 3 months	-	1,015.26
Cash on hand	9.23	16.15
	34,675.36	27,813.97
Bank balances other than above		
Deposits with bank with maturity period from 3 to 12 months	61.42	187.05
Margin money deposits *	1,294.93	1,276.95
Less: Amounts reclassified to other non-current financial assets as the same represents margin money deposits with maturity period of more than 12 months	(117.63)	(120.63)
	1,238.72	1,343.37
	35,914.08	29,157.34

* Represents deposits held with banks as security against borrowings, guarantees and other arrangements of the group.

12. Loans

	As at	
	31 March 2021	31 March 2020
Current		
Secured, considered good	-	-
Unsecured, considered good - to others	12.16	94.43
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
	12.16	94.43

13. Equity Share Capital

	As at			
	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of ₹2 each	25,00,00,000	5,000.00	25,00,00,000	5,000.00
	25,00,00,000	5,000.00	25,00,00,000	5,000.00
Issued and subscribed share capital				
Equity shares of ₹2 each	14,81,73,303	2,963.47	17,64,68,495	3,529.37
	14,81,73,303	2,963.47	17,64,68,495	3,529.37
Fully paid-up share capital				
Equity shares of ₹2 each	14,79,21,828	2,958.44	17,62,17,020	3,524.34
Add: Forfeited shares of ₹2 each (amount originally paid up)	-	1.26	-	1.26
	14,79,21,828	2,959.70	17,62,17,020	3,525.60

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to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period (Refer note (14(d)))

	As at			
	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	17,62,17,020	3,524.34	17,85,75,482	3,571.51
Less: Shares extinguished on account of buy-back (refer (e) below)	(70,76,203)	(141.52)	(23,58,462)	(47.17)
Less: Shares yet to be extinguished on account of buy-back (refer (e) below)	(84,71,969)	(169.44)	-	-
Less: Shares extinguished on account of reduction of capital (refer (f) below)	(1,27,47,020)	(254.94)	-	-
Balance at the end of the year	14,79,21,828	2,958.44	17,62,17,020	3,524.34

b) Terms / rights attached to equity shares

The company has only one class of equity shares having a face value of ₹2/- per share with one vote per each share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

c) Details of shareholders holding more than 5% equity shares in the Company

	As at			
	31 March 2021		31 March 2020	
	Number	%age	Number	%age
NAV Developers Limited	160,93,517	10.88%	160,93,517	9.13%
M/s Wellington Management Company, LLP with its PAC	-	0.00%	104,72,095	5.94%
IDFC Classic Equity Fund	-	0.00%	91,12,374	5.17%
A N Investments Private Limited	94,79,825	6.41%	94,79,825	5.38%
D Bhaktapriya	98,12,900	6.63%	98,02,900	5.56%

d) Aggregate number of bonus shares issued during five years immediately preceding the date of Balance Sheet:

During the year ended 31 March 2017, the Company has issued 89,287,741 equity shares of ₹2 each fully paid up by way of bonus shares in the ratio of one equity share for every equity share held on the date of issue.

e) Buy-back of shares during the year:

In accordance with the relevant provisions of the Act, in February 2021 the Board of Directors of the Holding Company ('Board') had approved buy-back of fully paid-up equity shares for an aggregate sum not exceeding ₹15,000. As at 31 March 2021 the Holding Company bought back 15,548,172 equity shares, and the purchase price was adjusted against the equity share capital and securities premium to the extent of ₹310.96 and ₹13,094.13, respectively. Out of the total shares bought back 8,471,969 equity shares were extinguished after 31 March 2021. Further, duly in compliance with the relevant provisions of the Act the Board had also approved a similar Buy Back scheme in May 2019. Equity shares acquired pursuant to the said scheme were extinguished in entirety, and balance in share capital and securities premium accounts were adjusted to the extent of ₹47.17 and ₹2,201.78, respectively. Further, as required under the relevant provisions of the Act, required amounts were transferred to capital redemption reserve with a corresponding debit to balance in general reserves.

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f) Scheme of Capital reduction:

In August 2019, the Board had approved a Scheme of Capital Reduction (Scheme) in compliance with the relevant provisions of the Act. Pursuant to the said scheme equity shares aggregating to 9,947,020 and 2,800,000 then held by Nav Energy Private Limited and Nava Bharat Ventures Employees Welfare Trust, respectively were proposed to be cancelled upon obtaining requisite regulatory approvals. As the Company has obtained all the requisite regulatory approvals, including an order of the Honourable NCLT, Hyderabad Bench vide their order dated 19 January 2021, the scheme was given effect to in the accompanying consolidated financial statements by way of adjustments to the balance in equity share capital, treasury shares and general reserves to the tune of ₹254.94, ₹2,745.67 and ₹2,490.73, respectively.

14. Other Equity

	As at	
	31 March 2021	31 March 2020
Capital reserve		
Balance at the beginning and end of the year	60.20	60.20
Capital redemption reserve		
At the beginning of the year	873.56	826.39
Add: Transfer from general reserve on account of buyback of equity shares (refer note 13(e))	310.96	47.17
At the end of the year	1,184.52	873.56
Securities premium		
At the beginning of the year	24,012.44	26,214.22
Less: Adjustments (refer note 13(e))	(13,094.13)	(2,201.78)
At the end of the year	10,918.31	24,012.44
Treasury Shares		
At the beginning of the year	(2,745.67)	(2,745.67)
Less: Adjustments (refer note 13(f))	2,745.67	-
At the end of the year	-	(2,745.67)
General reserve		
At the beginning of the year	87,519.48	87,566.65
Less: Adjustments (refer note 13(e) and (f))	(2,801.69)	(47.17)
At the end of the year	84,717.79	87,519.48
Other reserves		
Subsidies - Balance at the beginning and end of the year	33.60	33.60
Surplus in Statement of Profit and Loss		
At the beginning of the year	2,65,974.60	2,32,451.10
Profit for the year	42,323.69	39,545.50
At the end of the year	3,08,298.29	2,71,996.60
Appropriations:		
Dividend on Equity Share Capital*	-	(4,995.22)
Corporate Dividend Tax	-	(1,026.78)
At the end of the year	3,08,298.29	2,65,974.60
Other comprehensive income		
(i) Actuarial gain/(loss) on post employment benefits		
At the beginning of the year	(64.69)	273.46
for the year	322.61	(338.15)
At the end of the year	257.92	(64.69)
(ii) On Foreign currency translation reserve		
At the beginning of the year	39,325.56	20,666.26
Gain/(loss) for the year	(6,609.69)	18,659.30
At the end of the year	32,715.87	39,325.56
	4,38,186.50	4,14,989.08

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Nature and purpose of reserves:

- a) Capital redemption reserve:
Capital redemption reserve was created in earlier years for the purpose of redemption of preference shares and in the current year on account of buy-back of equity shares. The Holding Company uses capital redemption reserve for transactions in accordance with the provisions of the Act.
- b) Securities premium:
The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the provisions of the Act.
- c) General reserve:
General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve is freely available for use by the Company.
- d) Treasury shares:
 - i) Represents Nil (31 March 2020: 9,947,020) equity shares of ₹2/- each fully paid up, vested in a trustee (Nav Energy Private Limited) duly for the benefit of the Company, pursuant to an order of Hon'ble High Court of Andhra Pradesh dated 30 December 1996 in respect of the Scheme of amalgamation of Nav Chrome Limited with the Company. Further, these shares were not considered for dividend and treated as treasury shares, thereby duly reduced from other equity as at 31 March 2020.
 - ii) Represents amounts paid to Nava Bharat Ventures Employee Welfare Trust in the earlier years towards acquisition of 1,400,000 equity shares of the Company of ₹2 each. Consequently, the said shares along with the bonus shares issued during the year ended 31 March 2017 have been accounted for as a treasury stock as at 31 March 2020, thereby adjusting the balance of other equity.
- e) Actuarial gain / (loss) on employment benefits:
The reserve represents the remeasurement gains / (losses) arising from the actuarial valuation of the defined benefit obligations of the Group. The remeasurement gains/(losses) are recognized in other comprehensive income and accumulated under this reserve within equity. The amounts recognized under this reserve are not reclassified to statement of profit and loss.
- f) Foreign currency translation reserve:
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income.
- g) Surplus in Statement of Profit and Loss:
Surplus in Statement of Profit and Loss represents the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders.

*Represents amounts distributed towards interim dividend at the rate of ₹1.50 per equity share for the financial year ended 31 March 2020.

15. Borrowings

	As at	
	31 March 2021	31 March 2020
a) Non current borrowings		
Secured		
Term loans		
- From banks (refer notes (a) to (g))	2,51,144.47	2,55,874.37
- From others (refer notes (h) to (j) and (l))	53,499.89	53,687.84
Unsecured		
- From related parties (refer note (k))	25,895.31	19,961.84
	3,30,539.67	3,29,524.05
Less: Current maturities of long-term borrowings (refer note 16)	1,06,260.63	73,934.93
	2,24,279.04	2,55,589.12
b) Current borrowings		
Secured		
Loans repayable on demand		
- Working capital loan From banks (refer notes (m) and (o))	280.78	7,206.59
- Buyers credit (refer note (n))	551.64	4,447.07
Unsecured		
Loans from related parties (refer note (p))	7,350.47	7,538.59
	8,182.89	19,192.25

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Details of security and other terms of borrowings:

- (a) Term loan outstanding to the tune of ₹Nil (31 March 2020: ₹2,869.10) is secured by the pari pasu first charge on fixed assets of the Company, both present and future excluding 38 acres of land at Paloncha and a second charge on the chargeable current assets of the Company. The loan is further secured by way of pledge of 51% shares of Nava Bharat (Singapore) Pte. Limited held by NBVL.
- (b) Term loan outstanding to the tune of ₹Nil (31 March 2020: ₹1,124.96) is secured by the pari pasu first charge on fixed assets of the Company, both present and future excluding 38 acres of land at Paloncha and a second charge on the chargeable current assets of the Company. The loan is further secured by way of pledge of 51% shares of Nava Bharat (Singapore) Pte. Limited held by NBVL.
- (c) Term loan outstanding to the tune of ₹1,115.63 (31 March 2020: ₹1,547.80) is secured by the pari pasu first charge on fixed assets including immovable and movable properties of the Holding Company and a second charge on the current assets of the Holding Company, both present and future along with the existing term lenders. The loan is repayable in 16 structured quarterly repayments of ₹96.85 each, commencing from June 2020.
- (d) Term loan outstanding to the tune of ₹12,787.48 (31 March 2020: ₹15,345.00) is secured by the pari pasu first charge on fixed assets of the Company, both present and future excluding 38 acres of land at Paloncha and a second pari-pasu charge on the present and future current assets of the Holding Company. The loan is further secured by way of exclusive charge on the Debt Service Reserve Account of the Company. The loan is repayable in 32 unequal quarterly instalments from the date of first disbursement with final maturity date being 31 March 2026.
- (e) Term loan outstanding to the tune of ₹3,000.00 (31 March 2020: Nil) is secured by the pari pasu second charge on fixed assets of the Holding Company, both present and future excluding 38 acres of land at Paloncha and a second pari-pasu charge on the present and future current assets of the Holding Company. The loan is repayable in 48 structured monthly repayments of ₹62.50 each, commencing from March 2022.
- (f) All the above loans carry interest rates ranging from 4% to 10.15% per annum (31 March 2020: 4% to 11.40%).
- (g) Term loans availed by MCL and outstanding to the tune of ₹10,038.38, ₹174,164.72 and ₹50,038.26 (31 March 2020: ₹10,128.59, ₹173,957.96 and ₹50,900.96) availed from Absa Bank Zambia Plc, lenders covered under the ECA facility and from Development Bank of South Africa carry an interest rates of 5%, 5% and 6.50% above LIBOR p.a. (31 March 2020: 5%, 5% and 6.50% above LIBOR p.a.), respectively. These loans are repayable in 20 half yearly instalments. As at 31 March 2021, MCL has repaid six instalments.
- (h) Term loans availed by MCL from financial institutions and outstanding to the tune of ₹51,930.97 (31 March 2020: ₹52,749.97) carry an interest in the range of 6.60% to 7.75% above LIBOR p.a. (31 March 2020: 6.60% to 7.75% above LIBOR p.a.), respectively. These loans are repayable in 20 half yearly instalments. As at 31 March 2021, MCL has repaid six instalments.
- (i) Term loans availed by MCL and outstanding to the tune of ₹1,568.92 (31 March 2020: ₹937.87) carry an interest rate of 1.50% p.a. and is repayable over a period of 20 years, which includes a grace period of 5 years. MCL had signed an agreement in 2015 with the Government of Zambia to consolidate all the Government loans into one loan. The loans included were granted by Zambia Development Agency (Zambia Privatisation Agency), International Development Agency, Government Republic Zambia, Scheme of arrangement loans. The fair values of the Government loans have been stated as the present value of all future cash payments discounted using the prevailing market rate of interest for similar instruments. The difference between the fair value, other government loan and their settlement amount has been recognised in the Statement of Profit and loss.
- (j) All the term loans of MCL, are secured by way of mortgage of all immovable properties including leasehold buildings, fixtures and fittings, hypothecation of all movable properties including movable plant and machinery, spares, tools and accessories, book debts, stocks and fixed charge over all accounts including DSRA, licenses, monetary claims, investments, intellectual property, insurance policies of MCL. Further secured by assignment of specific contracts like EPC, O&M Contracts, PPA, Insurance Contracts, Hedging Agreements etc executed by MCL and by assignment of sub-ordinated shareholder loans including security over shares held by all the shareholders of MCL.

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(k) Term loans from related parties represents loans availed by MCL from ZCCM Investments Holding Plc carrying an interest rate of 6% p.a. These loans are sub-ordinate to the project related loans availed by MCL and was originally repayable in 5 annual instalments commencing a year after the Commercial Operations Date (COD) of the power plant of MCL. However, owing to non-completion of certain agreed events in accordance with the terms of the lending arrangement between MCL and the lenders and pending receipt of lender's approval in relation to the repayment of these loans in accordance with the agreed repayment schedule, the repayment of these loans have not commenced as at 31 March 2021.

(l) MCL had defaulted in repayment of the loan instalments due to its lenders amounting to ₹65,051.64 (equivalent to \$88.50 Million) which was due to its lenders on the 25 March 2020, 25 September 2020 and 25 March 2021 owing to non-receipt of monies from its customer, ZESCO, towards sale of power. Consequently, the lenders had served a Reservation of Rights letter, duly reserving their rights in accordance with the terms of the Common Terms Agreement entered with them. These loans are primarily secured by the assets of MCL, a sovereign guarantee issued by the Government of Zambia (To the extent of monies owed to MCL by ZESCO) and an insurance cover for a majority portion of the outstanding balance. Pursuant to an approval from the lenders and in accordance with the terms of the power purchase agreement, the management of MCL has invoked necessary arbitration proceedings against ZESCO, in pursuit of strengthening its efforts to realise the amounts due and also to ensure the repayment of the instalment defaulted.

While the management has secured a formal approval from the lenders in relation to invoking the government guarantee, the invocation of the insurance claim does mandate completion of an arbitration proceedings in accordance with the terms of the power purchase agreement and the arbitration award being in favor of MCL. In accordance with the terms of the underlying insurance policy, the insurer would make good to the lenders only the amount of instalments which have been defaulted and the rest of the instalment would be paid in accordance with the terms of the original repayment schedule agreed between MCL and the lenders.

Consequently, on the basis of a collective assessment of the status of the discussions

with lenders, the arbitration process initiated with ZESCO, the acknowledgement by ZESCO of the amounts owed to MCL, the legal advice received from an independent attorney on the time frame for completion of the arbitration proceedings and the ability of the Government of Zambia to honor its sovereign guarantee, the management has continued to classify the outstanding balance of borrowings owed to these lenders in accordance with the terms of the underlying common terms agreement as at 31 March 2021.

(m) Working capital loans from banks outstanding to the tune of ₹15.71 (31 March 2020: ₹4,353.59) represents cash credit facility availed from banks and carry an interest linked to the respective Bank's prime/base lending rates, ranging from 8.00% to 10.75% per annum (31 March 2020: 9.25% to 10.75% per annum). The said facility is secured by hypothecation of all chargeable current assets of the Holding Company, including raw materials, work-in-progress, finished goods, stores and spares and receivables both present and future and rank pari passu with the other lenders. The facility is further secured by a pari passu second charge on all fixed assets of the Holding Company both present and future.

(n) Suppliers credit outstanding to the tune of ₹551.64 (31 March 2020: ₹4,447.07) was availed from banks and carried an interest rate linked to the respective Bank's prime/base lending rate which is 0.55% per annum. The said facility was secured by hypothecation of all chargeable current assets of the Holding Company and ranked pari passu with the other lenders. The facility was further secured by a pari passu second charge on all fixed assets of the Holding Company both present and future.

(o) Current borrowings from bank to the tune of ₹265.07 (31 March 2020: ₹2,853.00), representing cash credit facility availed which is secured by way of a first charge created in favour of security trustee on the present and future fixed assets and current assets of the subsidiary, Nava Bharat Energy India Limited (NBEIL) and an equitable mortgage on the lease rights of land of 170 acres obtained from Nava Bharat Ventures Limited. It carries an interest rate linked to the respective Bank's prime/base lending rate and ranges from 8.65% to 9.35% per annum (31 March 2020: 9.35% to 10% per annum). Further, the facility is secured by way of corporate guarantee to the tune of ₹7,000.00 extended by Nava Bharat Ventures Limited in favour of the bank.

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- (p) Represents interest free amounts due to related parties, which are repayable on demand. Refer note 38 for the same.
- (q) Refer note 39(iii) for details of disclosure of maturity profile of the borrowings.

16. Other financial liabilities

	As at	
	31 March 2021	31 March 2020
a) Non-current		
Employee deposits	1.40	1.17
Retention deposits	11.20	11.20
Interest accrued – related party (refer note 38)	6,155.15	4,942.21
	6,167.75	4,954.58
b) Current		
Dues to		
- Directors	1,035.60	862.18
- Employees*	2,274.67	2,383.50
Security deposits - from vendors	4,313.15	4,192.37
Forward contract liability	9,718.77	14,802.41
Interest accrued**	13,107.37	13,629.00
Unpaid dividends	194.97	218.85
Accrual for expenses	2,112.91	2,197.38
Amounts due to related parties	3.01	387.90
Current maturities of long-term borrowings (refer note 15)	1,06,260.63	73,934.93
Current maturities of lease liabilities	26.58	194.69
Creditors for capital goods	831.14	914.02
	1,39,878.80	1,13,717.23

*including compensation payable and accrued to the tune of ₹Nil (31 March 2020: ₹484.29) towards termination of employees of Sugar division pursuant to discontinuation of the operations of Sugar division situated at Samalkot (refer note 42).

**including interest and other charges of ₹11,238.10 (equivalent to US\$ 15.30 million) which was due on 25 March 2021 and defaulted by MCL as referred to in note 15(i). Further the same was paid subsequent to 31 March 2021.

17. Provisions

	As at	
	31 March 2021	31 March 2020
a) Non-current		
Provision for employee benefits		
- Compensated absence, unfunded	719.37	797.99
- Gratuity, partly funded	758.10	1,177.95
Provision for decommissioning costs (refer note (a))	3,492.48	3,218.04
Provision for environment rehabilitation costs (refer note (b))	611.30	581.58
	5,581.25	5,775.56
b) Current		
Provision for employee benefits		
- Compensated absence, unfunded	479.49	553.61
- Gratuity, partly funded	717.38	323.97
Other provisions (refer note 36(a)(i))	1,266.39	-
	2,463.26	877.58

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a) Reconciliation of provision for decommissioning costs:

	As at	
	31 March 2021	31 March 2020
Carrying amount at the beginning of the year	3,218.04	5,264.44
Revision in estimates – Capitalized / (adjusted) during the year	-	(2,593.07)
Unwinding of discount	356.82	149.88
Foreign currency translation adjustments	(82.38)	396.79
Carrying amount at the end of the year	3,492.48	3,218.04

b) Reconciliation of provision for environment rehabilitation costs:

	As at	
	31 March 2021	31 March 2020
Carrying amount at the beginning of the year	581.58	1,053.65
Additions / (adjustments) during the year	-	(590.30)
Unwinding of discount	21.21	19.89
Foreign currency translation adjustments	8.51	98.34
Carrying amount at the end of the year	611.30	581.58

c) Change in other provisions

	As at	
	31 March 2021	31 March 2020
Obligation at the beginning of the year	-	-
Additions during the year (refer note 36(a)(i))	2,532.78	-
Payments made during the year (refer note 36(a)(ii))	(1,266.39)	-
Obligation at the end of the year	1,266.39	-

d) Gratuity

The Company and the subsidiaries incorporated in India provides for gratuity for its employees as per the Payment of the Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is equivalent to employee's 15 days of last drawn basic salary for each completed years of service. The gratuity plan is partly funded as at 31 March 2021 and 31 March 2020.

The following table set out the reconciliation of opening and closing balances of the present value and defined benefit obligation:

i) Changes in projected benefit obligation

	As at	
	31 March 2021	31 March 2020
Present value of obligation at the beginning of year	2,038.00	2,081.25
Current service cost	137.54	120.92
Interest cost	108.31	120.89
Benefits paid	(35.24)	(32.14)
Benefits paid directly by the company	(115.66)	(64.15)
Actuarial (gain) / loss on obligation	(110.74)	(188.76)
Defined benefit obligation at end of the year	2,022.21	2,038.00

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ii) Change in plan assets

	As at	
	31 March 2021	31 March 2020
Fair value of plan assets at the beginning of the year	536.08	719.37
Adjustments to opening balance of plan assets	-	(203.87)
Return of plan assets (excl. int. income)	9.14	20.47
Interest income	18.71	8.25
Contributions during the year	15.32	21.78
Benefits paid during the year	(32.52)	(29.92)
Fair value of planned assets at the end of the year	546.73	536.08

iii) Reconciliation of present value of obligation on the fair value of plan assets

	As at	
	31 March 2021	31 March 2020
Present value of projected benefit obligation at the end of the year	2,022.21	2,038.00
Funded status of plan	(546.73)	(536.08)
Net liability recognised in the balance sheet	1,475.48	1,501.92

iv) Expenses recognised in the Statement of Profit and Loss:

	For the year ended	
	31 March 2021	31 March 2020
Current service cost	137.54	120.92
Net interest cost	89.60	112.64
Adjustments to opening liability	-	203.87
Expense for the year	227.14	437.43

Recognised in other comprehensive income:

	For the year ended	
	31 March 2021	31 March 2020
Actuarial gain for the year	(108.99)	(186.30)
Return on plan assets excluding net interest	(9.14)	(20.47)
Total expenditure recognised	(118.13)	(206.77)

v) Key actuarial assumptions

	For the year ended	
	31 March 2021	31 March 2020
Discount rate	5.00% to 6.74%	5.00% to 6.77%
Salary escalation	3% to 6%	3% to 6%
Attrition rate	1% to 13.33%	1% to 13.33%
Expected rate of return on plan assets	7.29%	7.29%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Return on plan assets excluding net interest	7.59%	7.59%

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotions and other relevant factors. The Company and the subsidiaries incorporated in India evaluates these assumptions annually based on its long-term plans of growth and industry standards.

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vi) Impact on defined benefit obligations

The impact ((increase) / decrease) on the Group's profit before tax due to changes in the discount rate and future salary is given below:

	For the year ended	
	31 March 2021	31 March 2020
Assumptions		
Sensitivity level		
- Discount rate : 1% increase	(66.10)	(78.49)
- Discount rate : 1% decrease	107.42	110.09
- Future salary : 1% increase	90.20	91.17
- Future salary : 1% decrease	(40.64)	(41.48)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

vii) The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

	As at	
	31 March 2021	31 March 2020
Maturity Profile		
Year 1	717.38	323.97
Year 2	190.57	230.63
Year 3	264.17	172.79
Year 4	166.36	228.48
Year 5	134.59	163.64
Year (6 -10)	593.83	558.47
More than 10 years	664.27	713.20

18. Break-up of amounts disclosed on the face of Balance Sheet:

	As at	
	31 March 2021	31 March 2020
Deferred tax assets	5,446.93	8,338.54
Deferred tax liabilities	28,238.58	31,071.74
Deferred tax (liabilities)/assets, net	(22,791.65)	(22,733.20)

a) Deferred tax assets, net

	As at	
	31 March 2021	31 March 2020
Deferred tax assets/(liabilities):		
- Minimum Alternate Tax (MAT) credit entitlement	16,458.09	20,757.35
- On carried forward business losses	4,905.45	26,486.12
- Employee benefits	1,937.88	1,936.34
- Property, plant and equipment and intangible assets	(47,911.66)	(72,453.87)
- Financial assets reported at fair value	(141.25)	(261.02)
- Unrealised foreign exchange loss	1,358.98	-
- Others	600.85	801.88
Deferred tax (liabilities)/assets, net	(22,791.65)	(22,733.20)

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b) Movement in deferred tax assets:

	As at 1 April 2020	(Charge)/credited to		MAT credit utilisation	Others*	As at 31 March 2021
		Statement of Profit and Loss	Other Compre- hensive Income			
Property, plant and equipment and intangible assets	(72,453.87)	23,524.15	-	-	1,018.07	(47,911.66)
Employee benefits	1,936.34	158.40	(156.85)	-	-	1,937.88
Financial assets -at fair value	(261.02)	119.77	-	-	-	(141.25)
Carried forward business losses	26,486.12	(21,402.86)	-	-	(177.81)	4,905.45
Minimum Alternate Tax (MAT)	20,757.35	-	-	(4,299.26)	-	16,458.09
Unrealised foreign exchange loss	-	1,403.67	-	-	(44.68)	1,358.98
Others	801.88	(201.04)	-	-	-	600.85

c) Movement in deferred tax assets:

	As at 1 April 2020	(Charge)/credited to		MAT credit utilisation	Others*	As at 31 March 2021
		Statement of Profit and Loss	Other Compre- hensive Income			
Property, plant and equipment and intangible assets	(76,419.35)	8,751.44	-	-	(4,785.96)	(72,453.87)
Employee benefits	1,350.24	613.34	(27.24)	-	-	1,936.34
Financial assets -at fair value	(445.57)	184.55	-	-	-	(261.02)
Carried forward business losses	29,412.83	(5,021.74)	-	-	2,095.03	26,486.12
Minimum Alternate Tax (MAT)	24,103.55	143.50	-	(3,346.20)	(143.50)	20,757.35
Others	1,671.07	(921.84)	-	-	52.65	801.88

*Represents adjustments on account of foreign exchange fluctuations

- (i) Deferred tax assets as at 31 March 2021 includes an amounts of ₹16,458.09 (31 March 2020: ₹20,757.35), representing the credit of minimum alternative taxes paid and recognised by the Company and one of its' component in accordance with the provisions of the prevailing income tax regulations. Based on the assessment of the financial projections of the Company and its' component, the projected profitability and the history of achieving significant operational profits in the past, the management is confident of earning sufficient taxable profits in the future in order to be able to realise the aforesaid tax credits within the timelines prescribed under the income tax regulations.

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19. Other current liabilities

	As at	
	31 March 2021	31 March 2020
(a) Non-current		
Statutory dues*	15,664.18	-
	15,664.18	-
(b) Current		
Advance from customers (refer note 20(d))	681.89	350.23
Statutory dues*	17,776.65	18,799.18
Other liabilities	94.20	54.90
	18,552.74	19,204.31

*With effect from 11 January 2019, Maamba Collieries Limited has been registered as a VAT supplier engaged in the electricity generation subsector. It accounts for tax on supplies effected and deducts input tax on the basis of payments received from the customers i.e., on cash basis. Accordingly, the statutory dues expected to be remitted to the statutory authorities after 12 months from the reporting date in accordance with the expected realisations from the customers has been classified as non-current liabilities.

Trade Payables

	As at	
	31 March 2021	31 March 2020
For Supplies and Services		
Related Parties	-	-
Others	7,322.14	10,621.27
	7,322.14	10,621.27

20. Revenue from operations

	For the year ended	
	31 March 2021	31 March 2020
Revenue from contracts with customers		
a) Sale of goods		
- Ferro alloys	65,137.69	65,732.35
- Power*	1,54,192.85	1,76,580.28
- Coal	15,014.96	8,438.16
b) Sale of services		
- Ferro alloys conversion charges	18,132.14	20,649.99
- Others	575.76	299.58
	2,53,053.40	2,71,700.36
Other operating revenues		
- Export incentives	516.86	748.36
- Sale of fly ash	243.96	2,118.74
- Scrap sales	386.65	615.40
- Others	649.59	689.23
	2,54,850.46	2,75,872.09

*Includes compensation received from customers to the tune of ₹3,543.56 (31 March 2020: Nil).

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a) Reconciliation of transaction price and amounts allocated to performance obligations:

	For the year ended	
	31 March 2021	31 March 2020
a) Revenues at contracted price	2,56,292.77	2,75,368.93
Less: Adjustments		
- Customer deductions	170.16	1,043.12
- Regulatory dues	3,069.21	2,601.19
- Other adjustments	-	24.26
Total revenue from operations	2,53,053.40	2,71,700.36

b) Disaggregation of revenue

Revenue based on Geography

	For the year ended	
	31 March 2021	31 March 2020
- India	66,234.16	97,927.52
- Zambia	1,59,824.97	1,49,452.69
- China	5,044.41	12,747.73
- Japan	21,758.81	11,382.10
- Rest of the world	191.05	190.32
Total revenue from operations	2,53,053.40	2,71,700.36

c) Refer note 37(a) for business segment wise details of the revenues.

d) Contract balances

	As at	
	31 March 2021	31 March 2020
Trade Receivables (refer note 10)	2,78,831.09	2,19,343.30
Contract liabilities		
Advance from customers (refer note 19 (b))	681.89	350.23

Amount of revenue recognised from amounts included in the contract liabilities at the beginning of the year ₹350.23 (31 March 2020: ₹239.86) and performance obligations satisfied in previous years is ₹Nil (31 March 2020: ₹Nil). Total contract liabilities outstanding as on 31 March 2021 will be recognised in next 12 months.

21. Other income

	For the year ended	
	31 March 2021	31 March 2020
Interest income on financial assets measured at amortised cost	12,717.94	7,222.84
Income from investments		
- Changes in fair value	1,007.58	531.34
- Gain on sale of investments	474.85	81.57
- Dividend income	8.20	286.64
Other non-operating income		
Foreign exchange fluctuations, net	4,276.17	3,012.25
Gain on forward contracts	4,765.75	-
Liabilities no longer required written back	1,262.77	-
Others	388.51	1,085.44
	24,901.77	12,220.08

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22. Cost of materials consumed

	For the year ended	
	31 March 2021	31 March 2020
Inventory at the beginning of the year	16,582.69	18,830.34
Add: Purchases during the year	51,554.85	83,777.03
	68,137.54	1,02,607.37
Less: Inventory at the end of the year	13,657.52	16,582.69
	54,480.02	86,024.68
Less: Amount presented separately under discontinued operations (refer note 42)	-	(7,013.49)
	54,480.02	79,011.19
Adjustment for fluctuation in exchange rates	-	109.81
Cost of materials consumed	54,480.02	79,121.00

#Disclosed on the basis of derived amounts rather than the actual records of consumption.

23. Change in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended	
	31 March 2021	31 March 2020
Inventory at the beginning of the year		
Stock-in-trade	10.67	26.77
Finished goods	16,137.83	17,270.86
Work-in-progress	314.22	502.58
	16,462.72	17,800.21
Inventory at the end of the year		
Stock-in-trade	5.57	10.67
Finished goods	8,437.86	16,137.83
Work-in-progress	316.43	314.22
	8,759.86	16,462.72
Less: Amount presented separately under discontinued operations (refer note 42)	7,991.86	2,052.24
	(289.00)	(714.75)
Adjustment for fluctuation in exchange rates	(95.61)	77.37
	(384.61)	(637.38)

24. Manufacturing expenses

	For the year ended	
	31 March 2021	31 March 2020
Consumption of stores and spares	5,427.55	5,829.75
Mining expenses	8,228.82	7,358.33
Raw material handling charges	1,447.21	2,997.60
Operational and maintenance expenses	7,495.96	6,492.24
Power and fuel	1,492.06	1,332.15
Finished product handling charges	687.32	733.77
Briquetting expenses	394.06	520.92
Others	991.29	764.30
	26,164.27	26,029.06

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25. Employee benefits expense

	For the year ended	
	31 March 2021	31 March 2020
Salaries and wages	14,224.97	14,171.05
Contribution to provident and other funds (note a)	552.53	524.21
Staff welfare expenses	660.73	730.35
Gratuity and other compensated absences	695.70	773.82
	16,133.93	16,199.43

- a) During the current year ended 31 March 2021, the Group contributed ₹564.08 (31 March 2020: ₹580.19) to defined contribution plans. These amounts include contribution to defined contribution plans attributable to the discontinued operations amounting to ₹11.55 (31 March 2020: ₹55.98).

26. Finance costs

	For the year ended	
	31 March 2021	31 March 2020
Interest cost on financial liabilities measured at amortized cost	34,043.56	30,928.80
Unwinding of discount	378.03	169.77
Other borrowing cost		
- Bank charges and commission	393.21	778.22
	34,814.80	31,876.79

27. Depreciation and amortisation expense

	For the year ended	
	31 March 2021	31 March 2020
Depreciation on property, plant and equipment	29,552.40	29,011.15
Amortisation of intangible assets	126.52	138.76
Depreciation on Right-of-use asset	206.48	208.42
Depreciation on investment property	92.22	25.08
	29,977.62	29,383.41
Less: Amount presented separately under discontinued operations (refer note 42)	-	518.91
	29,977.62	28,864.50

28. Other expenses

	For the year ended	
	31 March 2021	31 March 2020
Rent	62.88	92.64
Repairs and maintenance		
- Machinery	2,896.60	4,315.91
- Buildings	554.83	786.23
- Others	687.90	855.84
Rates and taxes	2,115.87	2,885.71
Freight and transportation	2,220.08	1,867.88
Insurance	2,742.36	2,810.81
Advertisement and sales promotion	124.98	133.70
Communications expenses	99.84	120.09
Travelling and conveyance	394.99	731.45
Legal and professional charges	2,968.29	1,656.56
Payments to auditors		

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	For the year ended	
	31 March 2021	31 March 2020
as auditors	112.50	81.32
for other services	-	10.79
for reimbursement of expenses	-	1.80
Corporate social responsibility (CSR) expenses (refer note (a) below)	705.23	795.82
Loss on sale of assets/material	25.10	1.22
Loss on forward contracts	-	11,023.08
Ash disposal charges	1,064.92	1,042.86
Open access charges	-	910.59
Others	1,134.00	1,622.98
	17,910.37	31,747.28

a) Details of CSR expenditure

	For the year ended	
	31 March 2021	31 March 2020
a. Gross amount required to be spent by the Company and its subsidiaries incorporated in India during the year	446.56	421.22
b. Amount remaining to be spent Amount spent during the year on:		
i) Construction / acquisition of any asset	212.94	140.19
ii) On purposes other than (i) above*	492.29	655.63
	-	-

*including amounts spent attributable to discontinued operations amounting to ₹Nil (31 March 2020: ₹7.99).

29. Exceptional items, net

	For the year ended	
	31 March 2021	31 March 2020
Refund from government authorities (refer note (i))	2,649.26	-
Provision for litigation (refer note 36(a)(i))	(2,532.78)	-
	116.48	-

Note:

- i) On the basis of an advice from the independent Goods and Services Tax (GST) expert, and management's assessment regarding recoverability of coal compensation cess expensed off in the statement of profit and loss in the previous years, management had lodged a claim of ₹2,649.26 with the GST authorities during the year ended 31 March 2020. During the current year, the GST authorities assessed and acknowledged the claim, and authorised refund of the aforesaid amount. However, in view of the materiality of amount involved, and considering the non-recurring nature of the operating income, these amounts have been presented as an exceptional income.

30. Income taxes

	For the year ended	
	31 March 2021	31 March 2020
Statement of Profit and Loss		
Current tax expense/(benefit)	15,108.38	9,583.59
- For continuing operations	15,311.50	9,715.34
- For discontinued operations	(203.12)	(131.75)
Deferred tax benefit	(3,602.09)	(3,749.25)
Income tax expense reported in the Statement of Profit and Loss	11,506.29	5,834.34

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Reconciliation of tax expense and the accounting profit multiplied by India's domestic corporate tax rate for the year ended 31 March 2021:

	For the year ended	
	31 March 2021	31 March 2020
Profit for the year from continuing operations before tax expense	67,155.07	59,286.81
Profit for the year from discontinued operations before tax expense	(581.26)	(377.02)
Profit for the year before tax expense	66,573.81	58,909.79
Tax rate applicable to the company	34.944%	34.944%
Tax expense on net profit	23,263.55	20,585.44
Increase / (decrease) in tax expenses on account of:		
(i) Non-taxable income/exempt income	540.69	(570.90)
(ii) Expenses inadmissible under income tax	2,383.01	3,557.46
(iii) Deferred tax asset on unused tax losses	-	(100.54)
(iv) Tax credited on business loss, depreciation and others	(1,038.70)	-
(v) Foreign tax	811.15	529.65
(vi) Difference in tax rates	(23.13)	0.05
(vii) Difference in tax rates of overseas subsidiaries	(2,979.07)	(2,702.69)
(viii) MAT credit utilization	-	(100.34)
(ix) Income taxable at lower tax rates	(132.38)	(149.69)
(x) Adjustments on account of foreign currency fluctuations	(9,853.50)	(18,930.17)
(xi) Deferred tax on consolidation adjustments	(1,473.58)	3,946.95
(xii) Other adjustments	8.25	(230.87)
	(11,757.27)	(14,751.10)
Tax as per normal provision under Income tax	11,506.29	5,834.34

31. Other comprehensive income

	For the year ended	
	31 March 2021	31 March 2020
Actuarial gain/(losses) on post employment benefit plans	479.46	72.44
Foreign currency translation adjustments		
- Holding Company	(6,609.69)	18,659.30
- Non-controlling interests	(1,394.14)	3,975.44
Effects of income taxes on above	(156.85)	(410.59)
	(7,681.22)	22,296.59

32. Earnings per equity share [EPES]

	For the year ended	
	31 March 2021	31 March 2020
a) Net profit from continuing operations attributable to equity shareholders	42,701.83	39,790.77
b) Net profit from discontinued operations attributable to equity shareholders	(378.14)	(245.27)
c) Total net profit attributable to equity shareholders	42,323.69	39,545.50
d) Computation of weighted average number of equity shares:		
Weighted average number of equity shares outstanding during the year*	16,27,72,634	16,40,90,883
Add: Effect of potential dilutive shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	16,27,72,634	16,40,90,883
e) EPES:		

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	For the year ended	
	31 March 2021	31 March 2020
i) Earnings per equity share for continuing operations		
Basic (in absolute ₹ terms)	26.23	24.25
Diluted (in absolute ₹ terms)	26.23	24.25
ii) Earnings/(loss) per equity share for discontinued operations		
Basic (in absolute ₹ terms)	(0.23)	(0.15)
Diluted (in absolute ₹ terms)	(0.23)	(0.15)
iii) Earnings per equity share for continuing discontinued operations		
Basic (in absolute ₹ terms)	26.00	24.10
Diluted (in absolute ₹ terms)	26.00	24.10

* Duly adjusted for 12,747,020 equity shares which were cancelled pursuant to a scheme of capital reduction (31 March 2020: 12,747,020) and 15,548,172 equity shares equity shares bought back during the current year (31 March 2020: 2,358,462).

33. Dues to Micro and small enterprises

The Micro, Small and Medium Enterprises have been identified on the basis of the information available with the Company and its' subsidiaries incorporated in India (Covered entities). This has been relied upon by the auditors. Dues to such parties are given below:

	As at	
	31 March 2021	31 March 2020
a) The principal amount remaining unpaid as at the end of the year	850.69	950.54
b) The amount of interest accrued and remaining unpaid at the end of the year	-	-
c) Amount of interest paid by the Covered entities in terms of Section 16, of (MSMED Act, 2006) along with the amounts of payments made beyond the appointed date during the year	-	-
d) Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act, 2006)	-	-
e) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act, 2006)	-	-

34. Fair Value measurements

i) Financial instruments by category

	As at			
	31 March 2021		31 March 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments	30,381.86	1,027.16	12,420.55	0.50
Security deposits	-	926.86	-	872.77
Employee loans	-	31.39	-	30.88
Trade receivables	-	2,78,831.09	-	2,19,343.30
Cash and cash equivalents	-	34,675.36	-	27,813.97
Other bank balances	-	1,238.72	-	1,343.37

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	As at			
	31 March 2021		31 March 2020	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Other deposits	-	1,216.40	-	566.94
Loans	-	12.16	-	94.43
Other financial assets	-	940.32	-	1,460.17
Financial liabilities				
Borrowings	-	3,38,722.56	-	3,48,716.30
Employee retention deposits	-	1.40	-	1.17
Interest accrued	-	19,262.52	-	18,571.21
Other deposits	-	4,324.35	-	4,203.57
Lease liabilities	-	497.45	-	475.35
Trade payables	-	7,315.40	-	10,621.28
Derivative liability	9,718.77	-	14,802.41	-
Other financial liabilities	-	6,452.30	-	6,963.83

The Group's principal financial liabilities, comprise borrowings, trade and other payables and derivative liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents, investments and other bank balances that derive directly from its operations. The Group also holds FVTPL (Fair value through profit and loss) investments.

- ii) The carrying amounts of current trade receivables, trade payables and other payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented. For all other amortised cost instruments, carrying value represents the best estimate of fair value.

For the financial assets measured at fair values, the carrying amounts are equal to the fair values.

- iii) Valuation technique used to determine fair value:

The fair value of the financial assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted shares are based on price quotations at the reporting dates.
- The fair value of unquoted equity shares are based on the net assets available for equity shareholders of the underlying Companies

which was ascertained based on data available from the financial statements of the respective Companies.

- The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in their published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund as well as the price at which issuers will redeem such units for the investors.
- The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates as at end of reporting period, yield curves, volatility, etc., as applicable.
- Management has assessed the fair value of the borrowings, which approximate their current value largely since they are carried at floating rate of interest.

- iv) Fair Value hierarchy:

Financial assets and financial liabilities measured at fair value in the balance sheet are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

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The following table shows the Levels within the hierarchy, of financial assets and liabilities measured at fair value on a recurring basis as at 31 March 2021 and 31 March 2020:

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2021:

Particulars	Level 1	Level 2	Level 3
Financial Assets measured at FVTPL			
Investments	856.33	29,525.53	-
Financial Liabilities measured at FVTPL			
Derivative liability	-	9,718.77	-

Quantitative disclosures of fair value measurement hierarchy as at 31 March 2020:

Particulars	Level 1	Level 2	Level 3
Financial Assets			
Investments	500.35	11,920.20	-
Financial Liability			
Derivative liability	-	14,802.41	-

35. Net debt reconciliation

The following table sets out an analysis of the movements in net debt for the year:

Particulars	Lease liabilities	Current borrowings	Non-Current borrowings	Interest accrued
Net debt as on 31 March 2019	-	13,148.71	3,30,615.19	3,960.89
Lease liabilities recognised during the year	881.83	-	-	-
Cash flows	(422.89)	5,240.10	(26,696.30)	-
Interest expense*	-	-	-	31,431.53
Interest paid	-	-	-	(18,006.52)
Foreign exchange adjustments**	16.41	803.44	25,605.16	1,185.31
Net debt as on 31 March 2020	475.35	19,192.25	3,29,524.05	18,571.21
Lease liabilities recognised during the year	217.78	-	-	-
Cash flows	(220.71)	(10,885.38)	1,932.07	-
Interest expense*	-	-	-	34,043.56
Interest paid	-	-	-	(26,099.69)
Other adjustments***	-	-	-	(6,758.99)
Foreign exchange adjustments**	25.03	(123.98)	(916.45)	(493.57)
Net debt as on 31 March 2021	497.45	8,182.89	3,30,539.67	19,262.52

*including interest expense attributable to discontinued operations amounting to ₹140.60 (31 March 2020: ₹502.73)

**Represents adjustment on account of foreign currency fluctuations.

***Represents adjustment on account of accounting for interest cost under effective interest method.

36. Contingent liabilities, commitments and pending litigations:

	As at	
	31 March 2021	31 March 2020
Contingent Liabilities		
a) Claims against the Company not acknowledged as debts relating to:		
- Cross subsidy charges (refer note (i) below)	1,486.00	3,927.53
- Grid support charges (refer note (ii) below)	22,717.00	-
- Electricity duty (refer note (iii) & (iv) below)	733.25	733.25
- Land lease charges (refer note (v) below)	306.45	295.92

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	As at	
	31 March 2021	31 March 2020
- Royalty on coal procurement (refer note (vi) below)	53.82	53.82
- Central excise matters (refer note (vii) below)	1.09	426.32
- Service tax matters (refer note (viii) below)	71.76	71.76
- Customs matters (refer note (ix) below)	206.06	206.06
- Sales tax matters (refer note (x) below)	144.23	144.23
- Others	228.77	227.35
b) Other money for which the Company is contingently liable:		
i) Disputed income tax liabilities (refer note (xi) below)	6,113.74	3,581.84
c) Renewal power purchase obligation (refer note (xii) below)	1,589.14	1,366.47
d) Litigation with developers (refer note (xvii) below)	2,258.81	1,933.25
Commitments		
e) Estimated amount of contracts remaining to be executed on capital account and not provided for		
- In relation to investment properties	-	-
- Others	34.92	268.21

Notes:

i) During the prior years, the Holding Company has received demand notices from the power utility authorities of the states of Odisha and Telangana towards levy of cross-subsidy charges amounting to ₹2,441.53 (31 March 2020: ₹2,441.53) and ₹1,486.00 (31 March 2020: ₹1,486.00) respectively. The matters have been contested by the management at the Honourable High Courts of the State of Odisha and Telangana, which is pending for disposal as at 31 March 2021. Pursuant to certain developments in the current year with the concerned Power Utility of the State of Odisha, Management is of the view that the ultimate outcome of the matter, being a contingent liability in the earlier periods, is likely to be settled between the Parties. Accordingly, on the basis of an advice from in-house legal counsel, management has initiated necessary communication with the power authorities of the State of Odisha and agreed to pay a sum of ₹2,532.78 towards these dues in respect of which an amount of ₹1,266.39 has already been paid as at 31 March 2021. Pending completion of the matter with the Honourable High Court of Odisha, these amounts agreed to be paid has been provided for as an expense during the year ended 31 March 2021, as a probable aggregate obligation towards the disputed charges on the basis of information available with the Company and independent expert advice received in this regard. Further with respect to demand from the authorities of the state of Telangana, on the basis of its internal assessment of the compliances with

the prevailing regulations, the management is of the view that the matter shall be settled in their favour.

ii) During February 2021, the Company received a demand notice from the Northern Power Distribution Company of Telangana Limited (TSNPDCL) for an amount of ₹22,717.00 in connection with the levy of grid support charges, including interest, on the Company's Paloncha Works, Telangana for the financial years beginning 1 April 2001 and until the year ended 31 March 2009. The management has submitted its response to TSNPDCL contesting the said demand inter alia that the captive consumption is for production of Ferro Alloys which industry is entitled to a specific single part energy tariff without any demand charges and so the grid support charges, derived out of applicable demand charge in the tariff category, ought to be nil and that interest demand does not arise being unsupported by basic demand and in the absence of any contract thereof, aside from the demand suffering from apparent calculation errors. However TSNPDCL persisted with the demand again without furnishing any further information and without disposing the Company's representation properly, threatening disconnection of service. The Company has again sought supporting calculations without prejudice to its right of nil grid support charges based on captive consumption for Ferro Alloys and is also contemplating to counter the said demand in the court of law. Pending clarifications and response from TSNPDCL, and/ or legal outcome, management has

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- not made any provision in the consolidated financial statements in respect of this matter.
- iii) During the earlier years, the Holding Company had received certain demands from the Chief Electrical Inspector to Government of the state of Andhra Pradesh to the tune of ₹546.32 (31 March 2020: ₹546.32), towards levy of electricity duty on the sale of power made by it from the power generation station situated in Dharmavaram, Andhra Pradesh. Aggrieved by the aforesaid demands, the management has filed necessary appeals with the Honourable High Court of Andhra Pradesh, which is pending for disposal as at 31 March 2021. However, on the basis of its assessment of the applicability of the provisions of the Electricity Duty Act and the nature of operations carried out, the management is confident of the case being settled in favour of the Company.
 - iv) The Holding Company had received a demand notice for an amount of ₹186.93 (31 March 2020: ₹186.93) from TSNPDCL authorities towards electricity wheeling charges and interest thereon. The Company has filed a writ petition against the said demand with the Honourable High Court of the State of Telangana, which is pending for disposal as at 31 March 2021. The Holding Company had also received an interim order from the Honourable High Court staying the demand.
 - v) During the earlier years, the Holding Company had received certain demands from certain individuals towards vacation of a portion of land leased to the sugar manufacturing facility and for amounts of ₹306.45 (31 March 2020: ₹295.92) in relation to certain damages. The management is in the process of entering into a conciliation arrangement with the aforementioned parties and purchasing the underlying land, while the matter is currently sub-judice with the local courts of Kakinada as at 31 March 2021.
 - vi) During the prior years, the Holding Company and a subsidiary, NBEIL had received demands from the mining departments of the Governments of the States of Telangana to the tune of ₹53.82 (31 March 2021: ₹53.82). The demand was towards levy of certain royalties on the coal procured during the prior years. The management has filed a writ petition against the said demands with the Honourable High Courts of Telangana and the matter is pending for disposal with the Honourable High Court of Telangana as at 31 March 2021.
 - vii) The Holding Company had in the prior years, received various demand notices from the Central Excise Authorities for sums aggregating to ₹1.09 (31 March 2020: ₹426.32) towards certain non compliances with the provisions of the Central Excise Credit Rules and their regulations relating to determination of assessable values. The management had contested against these demands at various appellate authorities of the underlying jurisdictions which are pending for disposal as at 31 March 2021. The Holding Company had received certain favourable orders during the year ended 31 March 2021 and in respect of the remaining matters, on the basis of its internal assessment of the compliances with these regulations and an independent expert advise, the management is confident of settling those cases in favour of the Holding Company.
 - viii) The Holding Company had received various demands from the service tax authorities for sums aggregating to ₹71.76 (31 March 2020: ₹71.76) towards non-compliances with the prevailing regulations on Central Excise Credit Rules and import of services. The management had contested these demands with various appellate authorities of the underlying jurisdictions and is confident of settling the cases in their favour.
 - ix) During the year ended 31 March 2016, the Holding Company had received a demand for an amount of ₹214.09 (31 March 2020: ₹214.09) from the customs authorities of Bhubaneswar towards levy of customs duty, along with interest and penalties, on an import of coal made during the year ended 31 March 2013. The management has filed an appeal against the said demand with the underlying appellate authorities which is pending for disposal as at 31 March 2021.
 - x) The Holding Company had received demands in the prior year from the Sales tax authorities of the state of Telangana for sums of ₹144.23 (31 March 2020: ₹144.23) towards levy of sales tax on certain export entitlement licenses sold. The management has filed necessary appeals against the said demand with the concerned appellate authorities which is pending for disposal as at 31 March 2021.
 - xi) Pursuant to the income tax assessment for the years mentioned below, the Company had received various demands from the income tax authorities in relation to the inadmissibility of certain expenditure in accordance with the provisions of the income tax law and

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compliances with the arm's length guidelines in relation to international transactions with associated enterprises. The management, on the basis of its internal assessment of the facts of the case, the underlying nature of transactions, the history of judgements made by the various appellate authorities and the necessary advice received from the independent expert engaged in this regard, is of the view that the probability of the case being settled against the Holding Company is remote and accordingly do not foresee any adjustment to the financial statements in this regard. The details of the relevant financial year which is subject to the dispute and the amount of demand along with the interest and penalties demanded is as follows:

Financial year ended	As at	
	31 March 2021	31 March 2020
2004-05	311.60	311.60
2007-08	325.24	325.24
2008-09	114.94	114.94
2009-10	2,144.21	2,144.21
2010-11	258.76	264.77
2011-12	290.01	290.01
2012-13	85.19	85.19
2016-17	45.88	45.88
2017-18	6.23	-
2018-19	2,531.68	-

- xii) The Holding Company has filed a writ petition with the Honourable High Court of the Judicature at Hyderabad of the Combined State of Andhra Pradesh and Telangana challenging the applicability of the provisions of APERC - Renewal Power Purchase Obligation (Compliance by Purchase of Renewable Energy/Renewable Energy Certificates) Regulations, 2012 issued by the Andhra Pradesh Electricity Regulatory Commission. The management, on the basis of its assessment of the terms of the aforesaid regulations is of the view that the said regulations shall not be applicable to the Holding Company owing to the nature of business engaged by it and accordingly are of the view that the financial statements as at and for the year ended 31 March 2021 do not warrant any adjustments to this effect.

Other pending litigations:

- xiii) The Holding Company, along with certain other petitioners, have filed a Special Leave Petition with the Honourable Supreme Court of India in relation to applicability of provisions of the Andhra Pradesh Electricity Duty Act,

1939 to the captive power generation facility of the Company situated at Samalkot, Andhra Pradesh for the period beginning 1 April 2003 until the 31 March 2013. The Holding Company has already recognised liabilities aggregating to ₹345.38 (31 March 2020: ₹345.38) towards electricity duty on the number of units of energy captively consumed. Pursuant to an interim order from the Honourable Supreme Court, the Holding Company has already paid an amount of ₹137.28 (31 March 2020: ₹137.28) towards the said levy. However, on the basis of its assessment of the facts and status of the case and the underlying regulations on applicability of the electricity duty, the management does not foresee any further adjustments to these financial statements in this regard.

- xiv) The balance of trade receivables as at 31 March 2021 includes an amount of ₹189.93 (31 March 2020: ₹189.93) receivable from the Grid Corporation of Odisha (GRIDCO) in relation to the sale of power made during the earlier periods. GRIDCO had filed an appeal with the Supreme Court of India in relation to the payment of the said dues subsequent to an order passed by the Appellate Tribunal for Electricity of the state of Odisha, directing payment of sums aggregating to ₹2,582.00 (31 March 2020: ₹2,582.00) to the Holding Company in this regard. On the basis of its internal assessment of the case, management has already recognised adequate provision towards these receivables as at 31 March 2021.
- xv) During the earlier years, the Holding Company had received demands aggregating to ₹668.00 (31 March 2020: ₹668.00) from the electricity regulatory authorities of the state of Telangana towards the payment of Voltage Surcharge and additional charges for the period 1 March 1983 to 30 June 1987. The Holding Company had filed a petition against the same in Supreme Court which was decided in its favour. However bank guarantees furnished by the Holding Company to the tune of ₹409.00 (31 March 2020: ₹409.00) against the said demands were encashed by the authorities, against which management has filed necessary appeals with the Honourable High Court of the State of Telangana. Pending final outcome of the said petitions, the management has already recognised adequate liabilities in relation to the said dues and does not foresee any additional adjustments to the financial statements in this regard.

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- xvi) The Holding Company is a party, as a petitioner and a respondent, to certain other cases in respect of certain land allotments, illegal land encroachments and other matters which are pending for disposal as at 31 March 2021 and 31 March 2020 with various civil courts and appellate authorities, as the case may be. The management, in consultation with its internal and external legal counsel is of the view that the probability of the same being settled against the Holding Company is remote and accordingly are of the view that the financial statements as at and for the year ended 31 March 2021 do not require any adjustments in this regard.
- xvii) Brahmani Infratech Private Limited (BIPL), a subsidiary of the Holding Company is a defendant in a proceedings against a claim lodged by Mantri Technology Parks Private Limited (MTPPL) regarding disputes, claims and counter claim in relation to the development agreement between BIPL and MTPPL being a co-developer of a project. The matter being sub-judice, BIPL has relied on an opinion from an independent legal advisor in its assessment of a favourable outcome of the matter. Accordingly, claims aggregating to ₹2,802.08 (31 March 2020: ₹2,442.08) of MTPPL after adjustment of the balance of security deposit received as at 31 March 2021 and the claims receivable to BIPL to the tune of ₹543.27 (31 March 2020: ₹508.83) pursuant to the aforesaid order of City Civils Court have been considered as contingent liabilities and contingent asset, respectively as at 31 March 2021.
- xviii) During the year ended 31 March 2020, one of the shareholders of the subsidiary company, Brahmani Company Infratech Private Limited (BIPL), had filed a petition with the National Company Law Tribunal (NCLT) alleging oppression of the rights of minority shareholders of BIPL and mis-management of the entity along with certain other matters. The management is in the process of filing necessary responses with the NCLT in this regard. However, on the basis of its internal assessment of the nature of allegations levied supported by a legal advise, the management is confident of a positive outcome in this regard. Accordingly, no adjustments are deemed necessary to the consolidated financial statements in this regard.
- xix) The subsidiary company, Nava Bharat Projects Limited had set up a joint venture for setting up of a power plant and it had then obtained various key clearances including coal linkage from Mahanadi Coalfields Limited along with allotment of a captive coal block. However, due to certain developments the interest in the said joint venture was transferred for a consideration of ₹14,800.00, net of tax, and the entire proceeds from such sale being invested in the equity shares of Nava Bharat Energy India Limited (NBEIL). Subsequently, based on the findings of investigation agencies, it was alleged that the aforesaid joint venture entity had made misrepresentation regarding allocation of coal block. Accordingly, necessary proceedings were initiated against the joint venture by the Enforcement Directorate, Government of India. Further, the ED has attached the entire equity shares held by NBPL in NBEIL. Management, on the basis of its internal assessment of the facts of the case, is of the view that the charges alleged and levied by the authorities are not tenable in law, and is confident of resolving the case in favour of the NBPL. The matter is currently sub-judice with the Special Court of Central Bureau of Investigation and there have been no further developments on the same during the year ended 31 March 2021.
- xx) MCL has several pending litigations as at 31 March 2021. Based on the assessment of lawyers and management of MCL, the likelihood of the claims against MCL being successful is unlikely and accordingly are of the view that the financial statements as at and for the year ended 31 March 2021 do not require any adjustments in this regard.
- xxi) One of the shareholders of MCL, ZCCM-IH, commenced legal proceedings against MCL for the recovery of ₹7,350.47 (equivalent to US\$ 10 million) advanced in March 2019. The advance was made to MCL under a short term working capital arrangement. An agreement had been entered into with ZCCM-IH to settle the short term advance within a period of 60 days from the date the funds were received by MCL. MCL has not been able to settle the amount. MCL's defence currently hinges on the financing agreements executed between MCL, ZCCM-IH and Lenders, which subordinated shareholder loans to the loan facility. The case is still before the courts and a determination remains pending at the date of issuance of these financial statements.
- xxii) As mentioned in note 15(I), the management of MCL has initiated an arbitration proceedings against its customer ZESCO Limited, in accordance with the terms of the power purchase agreement entered into with. On the basis of its assessment of the nature of arbitration, the underlying supporting

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information and the assessment of the status as at the reporting date, management is confident of settling the same in favour of MCL.

37. Segment Information

For management purposes, the group is organized into business units based on its products and services and has three reportable segments as follows:

- Ferro Alloys (FAP) Segment which produces various Alloy Metals viz., Ferro Chrome, Silico Manganese and Ferro Silicon and also carrying conversion work on job work basis to others.
- Power Segment which generates Thermal energy for captive use and also for outside sale.
- Mining Segment wherein coal is mined for captive use and also for outside sale.

Refer note 42 for details of disclosure of discontinuing sugar operations.

No operating segments have been aggregated to form above reportable operative segments.

The Executive Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. The Group manages its financing and income taxes separately, Group as a whole and are not allocated to operating segments.

Transfer pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties wherever available.

a) Business segment

For the year ended 31 March 2021:

Particulars	FAP	Power	Mining	Unallocated	Total
Segment Revenue					
External sales	84,695.19	1,89,343.46	35,444.14	25,329.19	3,34,811.98
Inter segment sales	(299.88)	(34,480.37)	(20,429.18)	(24,752.09)	(79,961.52)
Total segment revenue	84,395.31	1,54,863.09	15,014.96	577.10	2,54,850.46
Expense					
Depreciation and amortisation expense	723.78	24,872.92	3,723.53	657.39	29,977.62
Results					
Segment result	8,236.51	36,784.88	20,946.39	11,100.32	77,068.10
Finance costs					34,814.80
Add: Interest income					24,901.77
Profit before tax					67,155.07

Other information as at 31 March 2021:

Particulars	FAP	Power	Mining	Unallocated	Total
Segment assets	61,751.32	7,90,383.91	1,19,880.42	56,449.36	10,28,465.01
Segment liabilities	7,524.07	4,65,901.97	24,837.76	28,912.11	5,27,175.91
Additions to non-current assets other than financial instruments and deferred tax assets	533.02	1,083.32	1,469.83	402.06	3,488.23

For the year ended 31 March 2020:

Particulars	FAP	Power	Mining	Unallocated	Total
Segment Revenue					
External sales	88,308.44	2,17,130.11	29,107.76	19,958.30	3,54,504.61
Inter segment sales	(352.52)	(37,671.34)	(20,669.61)	(19,939.05)	(78,632.52)
Total segment revenue	87,955.92	1,79,458.77	8,438.15	19.25	2,75,872.09

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(All amounts in lakhs of ₹, unless otherwise stated)

Particulars	FAP	Power	Mining	Unallocated	Total
Expense					
Depreciation and amortisation expense	713.05	23,997.99	3,476.14	677.32	28,864.50
Results					
Segment result	3,950.56	54,209.06	14,112.50	6,671.40	78,943.52
Finance costs					31,876.79
Add: Interest income					12,220.08
Profit before tax					59,286.81

Other information as at 31 March 2020:

Particulars	FAP	Power	Mining	Unallocated	Total
Segment assets	43,464.67	7,63,118.19	1,03,655.18	37,112.06	9,47,350.10
Segment liabilities	9,570.66	4,22,763.50	24,241.84	30,921.50	4,87,497.50
Additions to non-current assets other than financial instruments and deferred tax assets	377.35	31,870.39	5,229.71	1,330.65	38,808.10

Reconciliation of segment assets and liabilities to total assets and liabilities:

Particulars	As at	
	31 March 2021	31 March 2020
Segment assets	10,28,465.01	9,47,350.10
Assets of discontinued operations	7,853.68	17,649.19
Inter segment eliminations	(67,321.28)	(28,408.74)
Total assets	9,68,997.41	9,36,590.55
Segment liabilities	5,27,175.91	4,87,497.50
Liabilities of discontinued operations	1,576.17	3,916.39
Inter segment eliminations	(67,321.28)	(28,408.74)
Total liabilities	4,61,430.80	4,63,005.15

b) Other disclosures

- i) The Company is domiciled in India. The following table shows the distribution of the Group's revenues based on the location of the customers:

Particulars	For the year ended	
	31 March 2021	31 March 2020
Revenues from external customers		
- India	67,787.26	99,980.54
- Zambia	1,60,068.93	1,51,571.40
- China	5,044.41	12,747.73
- Japan	21,758.81	11,382.10
- Rest of the world	191.05	190.32

- ii) The following table shows the distribution of the Group's non-current assets other than financial assets and deferred tax assets based on the location of the assets:

Particulars	For the year ended	
	31 March 2021	31 March 2020
- India	1,28,131.09	1,32,927.20
- Zambia	3,96,934.36	4,29,041.26
- Rest of the world	40,961.47	42,061.11

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iii) Information about major customers:

Revenues from one (31 March 2020: two) of the customers of the Group's Power segment were ₹144,893.32 (31 March 2020: ₹176,416.36) representing 56.85% (31 March 2020: 63.95%) of the Group's total revenues, for the year ended.

38. Related party disclosures

a) Name of related parties and nature of relationship

Names of the related parties	Nature of relationship
ZCCM Investments Holdings Plc	Shareholder with significant influence over subsidiary
C.V. Durga Prasad	Key Management Personnel (KMP)
D. Ashok	
P. Trivikrama Prasad	
G. R. K. Prasad	
Ashwin Devineni	
T Hari Babu (Chief Financial Officer) (Upto 29 January 2020)	
Sultan Baig (Chief Financial Officer) (Appointed w.e.f 30 January 2020)	
Dr. D. Nageswara Rao	Independent Directors
Dr. C. V. Madhavi (Upto 29 May 2019)	
Shanti Sree Bolleni (Appointed w.e.f 30 October 2019)	
Indra Kumar Alluri	
K. Durga Prasad	
GP Kundargi	
D. Nikhil	Relative of KMP
Dr. D. Rajasekhar	

b) Transactions with related parties

	For the year ended	
	31 March 2021	31 March 2020
ZCCM Investments Holdings Plc		
Interest expense	1,257.67	973.16
Transaction costs	65.70	67.46
Loan received	6,596.22	-
Transactions with key management personnel		
Managerial remuneration	3,211.98	3,156.80
Advance given to directors	742.69	354.40
Transactions with independent directors		
Commission and sitting fee	73.16	38.14
Relatives of key managerial personnel		
Rent paid		
Dr. D. Rajasekhar	13.60	13.60
Remuneration		
D. Nikhil	120.00	120.00

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c) Balances receivable/(payable)

	As at	
	31 March 2021	31 March 2020
Key management personnel	(1,022.06)	(529.38)
Commission payable to independent directors	(25.00)	(25.00)
ZCCM Investments Holdings Plc	(39,837.04)	(32,830.68)

d) Key managerial personnel compensation

	For the year ended	
	31 March 2021	31 March 2020
Short-term employee benefits	3,111.25	3,017.09
Post-employment defined benefit	30.53	50.19
Compensated absences	-	18.00
Termination benefits	70.20	71.52

39. Financial Risk Management objectives and policies:

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, credit risk and liquidity risk. The Group's risk management policies are established to identify and analyse the risks faced by the Group and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide the details regarding the Group's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

i) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates and prices. The Group is exposed to market risk primarily related to interest rate risk, currency rate risk, and other price risks, such as equity risk. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenues generated and operating activities in foreign currencies.

a) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of the Group and the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk relates primarily to the floating interest rate borrowings. The Group's investment in deposits with banks are for short durations and therefore do not expose the Group to significant interest rate risk.

The Group's exposure to changes in interest rates relates primarily to the Group's outstanding floating rate debt. While most of the Group's outstanding debt are on floating rate basis and accordingly are subject to interest rate risk. A major portion of Group's debt is linked to international interest rate benchmarks like LIBOR. The Group also hedges a portion of these risks by way of derivative instruments like interest rate swaps and currency swaps.

The exposure of the Group to fixed rate and variable rate instruments at the end of the reporting period are as follows:

	As at	
	31 March 2021	31 March 2020
Borrowings		
- Fixed rate instruments	34,814.71	28,438.30
- Variable rate instruments*	3,03,907.85	3,20,278.00

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Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the variable rate instruments. With all other variables held constant, the Group's profit before tax (decrease/ (increase)) is affected through the impact on floating rate borrowings for the year ended:

	Change in basis points	For the year ended	
		31 March 2021	31 March 2020
Increase in basis points	50.00	1,519.54	1,601.39
Decrease in basis points	(50.00)	(1,519.54)	(1,601.39)

* The Group has entered into interest rate swap arrangement against the variable rate borrowing amounting to ₹193,676.27 (31 March 2020: ₹203,498.42) and accordingly the impact of interest rate sensitivity as mentioned above is expected to be offset proportionately.

b) Foreign Currency Risk:

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group operates internationally in foreign currencies and is exposed to the risk of change in foreign exchange rates which relates primarily to the Group's operating activities (when revenue or expense is denominated in foreign currency) and financing activities (when borrowings are denominated in foreign currency). Foreign exchange risk arises from transactions denominated in a currency that is not the functional currency of the relevant group entity.

The Group has transactional currency exposures arising from services provided or availed that are denominated in a currency other than the functional currency. The foreign currencies in which these transactions are denominated are mainly in US Dollars (\$). The Group's trade receivable and trade payable balances at the end of the reporting period have similar exposures.

The Group uses financial derivatives such as foreign currency forward contracts and swaps.

Derivative financial instruments

The following table gives details in respect of outstanding derivative contracts against principle amount. The counterparty for these contracts are banks and financial institutions.

(Amounts in lakhs)

	United States Dollar (\$)	As at	
		31 March 2021	31 March 2020
Derivatives not designated as hedges			
Forward contract	Buy	\$95.97	\$14.89
Forward contract	Sell	\$75.00	\$25.00
Interest rate swap	Buy	\$2,478.00	\$2,684.50

Unhedged foreign currency exposure as at each reporting date:

	As at			
	31 March 2021		31 March 2020	
	Foreign currency (in lakhs)	₹	Foreign currency (in lakhs)	₹
United states dollar US\$:				
Financial assets				
- Trade and other receivables	35.60	2,602.83	21.52	1,640.14
- Cash and bank balances	78.42	5,732.99	30.62	2,317.19
Financial liabilities				
- Borrowings	22.80	1,666.61	73.43	5,556.58
- Trade and other payables	0.78	57.15	1.53	107.15
- Derivative liability	-	191.96	-	30.47

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The following table demonstrates the sensitivity to a reasonably possible change in United states dollar (US\$) to the Indian Rupee with all other variables held constant. The impact (increase/(decrease)) on the Group's profit before tax due to changes in the fair value of monetary assets and liabilities is given below:

Particulars	Change	For the year ended	
		31 March 2021	31 March 2020
United states dollar sensitivity			
₹/United states dollar - Increase by	5.00%	321.00	(86.84)
₹/United states dollar - Decrease by	-5.00%	(321.00)	86.84

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Group based on working capital requirement keeps its liquid funds in current accounts. Excess funds are invested in long-term / short-term instruments. The Group has listed and non-listed equity securities that are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and reports on the equity portfolio are submitted to the management on a regular basis.

The following table demonstrates the sensitivity to the impact of increase / decrease of the index on the Group's equity and profit for the period. The analysis is based on the assumption that index has increased or decreased by 10%, with all other variables held constant and that the Group's equity instruments moved in line with the index.

Particulars	Change	For the year ended	
		31 March 2021	31 March 2020
NSE Nifty 50 sensitivity			
- Increase by	10.00%	85.63	50.03
- Decrease by	-10.00%	(85.63)	(50.03)

The following table demonstrates the sensitivity of the Group's un-quoted investments on the profit for the period. The analysis is based on the assumption that net asset values has increased or decrease by 10%, with all other variables held constant.

Particulars	Change	For the year ended	
		31 March 2021	31 March 2020
Net Asset value sensitivity			
- Increase by	10.00%	2,968.25	1,126.55
- Decrease by	-10.00%	(2,968.25)	(1,126.55)

ii) Credit risk:

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management regularly. Trade receivables consist of few major customers for sale of power and other goods. Ongoing credit evaluation is performed based on the financial condition of accounts receivables and collaterals as appropriate are held as security.

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a) Exposure to credit risk:

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

b) Credit risk concentration profile:

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

c) Financial assets that are neither past due nor impaired:

None of the Group's cash equivalents, other bank balances, loans, security deposits and other receivables (including contract assets) were past due or impaired as at 31 March 2021 and 31 March 2020. Other receivables including loans that are neither past due nor impaired are from creditworthy debtors with good payment record with the Group. Cash and short-term deposits, investment securities that are neither past due nor impaired are placed with or entered with reputable banks, financial institutions or companies with high credit ratings and no history of default.

d) Financial assets that are either past due or impaired:

The Group's exposure to credit risk with regards to trade receivables is influenced mainly by the individual characteristics of each customer. However, the Management also evaluates the factors that may influence the credit risk of its customer

base, including the default risk and country in which the customers operate. The management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if available, financial statements, credit agency information, industry information and in some case bank references. The Group assesses at each date of balance sheet whether a financial asset is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

iii) Liquidity risk:

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments as of 31 March 2021:

	Upto 1 year	1 to 3 years	After 3 years
Borrowings	1,14,439.17	86,642.90	1,54,937.90
Trade payables	7,315.40	-	-
Lease liability	26.58	470.87	-
Interest accrued	13,107.37	-	6,155.15
Other financial liabilities	20,484.22	12.60	-
	1,55,372.74	87,126.37	1,61,093.05

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(All amounts in lakhs of ₹, unless otherwise stated)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments as of 31 March 2020:

	Upto 1 year	1 to 3 years	After 3 years
Borrowings	85,588.59	1,40,167.28	1,46,456.18
Trade payables	10,621.28	-	-
Lease liability	194.69	280.66	-
Interest accrued	13,629.00	-	4,942.21
Other financial liabilities	25,958.61	12.37	-
	1,35,992.17	1,40,460.31	1,51,398.39

40. Subsequent events

a) Proposed distribution

	As at	
	31 March 2021	31 March 2020
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 March 2021: ₹2.50 (31 March 2020: Nil) per share*	3,627.64	-

* These amounts has been computed on the basis of the equity shares outstanding as at the date of recommendation of the proposed dividend by the Board of Directors of the Holding Company.

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability in accordance with the applicable accounting principles.

41. Capital management

Capital includes equity share capital and all other reserves attributable to the equity holders of the parent. The primary objective of the capital management is to ensure that the group maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder's value. The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a debt to capital employed ratio which is debt divided by total capital plus debt. The Group's policy is to keep this ratio at an optimal level to ensure that the debt related covenants are complied with.

	As at	
	31 March 2021	31 March 2020
Borrowings #	3,38,722.56	3,48,716.30
Less: Cash and cash equivalents	34,675.36	27,813.97
Net Debt	3,04,047.20	3,20,902.33
Equity attributable to equity holders of the holding company	4,41,146.20	4,18,514.68
Equity and net debt	7,45,193.40	7,39,417.01
Gearing ratio	40.80%	43.40%

Total Borrowings include long-term borrowings, current maturities of long-term borrowings and working capital loans like cash credit and buyer's credit.

In order to achieve this overall objective, the group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call back loans and borrowings.

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There have been no breaches in the financial covenants of any interest bearing loans and borrowings of the Holding Company in the current period which have been uncured. Refer note 15(l) for details of breaches in financial covenants of borrowings of MCL. No changes were made in the objectives, policies or processes for managing the capital during the year ended 31 March 2021 and 31 March 2020.

42. Discontinued operations

Pursuant to a resolution passed at their meeting held on 2 March 2020, the Board of Directors have resolved to cease the sugar operations of the Holding Company at its sugar manufacturing facility located at Samalkot, Andhra Pradesh, ('Sugar division') after completion of the crushing season during March 2020, owing to non-availability of sugar cane and unviable sugar operations. The Board of Directors have also resolved to dispose the non-current assets of the said sugar division comprising of the underlying land available in Samalkot and the assets pertaining to the sugar manufacturing facility. Accordingly, these non-current assets have been classified as assets held for sale in these financial statements as at and for the years ended 31 March 2021 and 31 March 2020. Further, owing to the aforesaid resolution, the financial performance of the sugar division have been presented as discontinued operations in the Statement of Profit and Loss for the years ended 31 March 2021 and 31 March 2020 in accordance with the provisions of Ind AS 105 – Non-Current Assets Held for Sale and Discontinued Operations.

a) The results of Sugar division are presented below:

	For the year ended	
	31 March 2021	31 March 2020
Income:		
Revenue from contracts with customers including other operating income	9,194.83	12,773.71
Other income	220.94	99.45
Expenses:		
Cost of materials consumed	-	7,013.49
Purchase of stock-in-trade	-	39.32
Change in inventories of finished goods, stock-in-trade and work-in-progress	7,991.86	2,052.24
Manufacturing expenses	164.04	600.85
Employee benefits expense*	345.81	1,708.72
Finance costs	173.25	552.14
Depreciation and amortisation expense	-	518.91
Impairment losses	962.53	-
Other expenses	359.54	764.50
Loss before tax from a discontinued operation	(581.26)	(377.02)
Tax benefit	(203.12)	(131.75)
Loss for the year from a discontinued operation	(378.14)	(245.27)

*including compensation payable and accrued to the tune of Nil (March 31, 2020: ₹484.29) towards termination of employees of Sugar division pursuant to discontinuation of the operations.

b) The net cash (outflows)/inflows of Sugar division are presented below:

	For the year ended	
	31 March 2021	31 March 2020
- Operating activities	7,582.58	632.46
- Financing activities	(7,784.21)	(669.74)
- Investing activities	52.04	33.62
Net cash outflow	(149.59)	(3.66)

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- c) The major classes of non-current assets of Sugar division held for sale as at 31 March 2021 are, as follows:

	As at	
	31 March 2021	31 March 2020
Assets		
Non-current assets		
Property, plant and equipment (refer note 3)	3,941.99	5,611.23
Inventories – Stores and spares (refer note 10)	156.76	233.15
Assets held for sale directly related to the disposal group	4,098.75	5,844.38

- d) Pursuant to the overall plan of disposal of the non-current assets of the sugar division at Samalkot, management has already commenced necessary actions in this regard by assessing the realisable values of the underlying plant and equipment and certain buildings located in the said sugar manufacturing facility by engaging an independent valuer and by seeking necessary quotations from independent prospects. On the basis of the aforesaid exercise, management has already recorded an impairment charge of ₹962.53 towards a diminution in the carrying values of these assets held for sale and is confident of being able to sell these assets by the financial year ending 31 March 2022. Further, in accordance with the aforesaid plan, management has also accordingly re-classified the carrying values of land and certain other buildings as Property, plant and equipment in these financial statements in accordance with the accounting principles.

43. The carrying amounts of right-of-use assets recognised and the movements during the period:

	Land	Building	Total
Gross block			
As at 1 April 2019	-	-	-
Adjustments on transition	433.74	448.09	881.83
Foreign currency translation adjustments	26.57	5.57	32.14
As at 31 March 2020	460.31	453.66	913.97
Additions during the year	-	217.78	217.78
Foreign currency translation adjustments	(11.09)	2.56	(8.53)
As at 31 March 2021	449.22	674.00	1,123.22
Accumulated depreciation			
Up to 31 March 2019	-	-	-
Depreciation expense for the year	9.90	198.52	208.42
Foreign currency translation adjustments	0.59	1.04	1.63
Up to 31 March 2020	10.49	199.56	210.05
Depreciation expense for the year	4.68	201.80	206.48
Foreign currency translation adjustments	-	-	-
Up to 31 March 2021	15.17	401.36	416.53
Net block as at 31 March 2021	434.05	272.64	706.69
Net block as at 31 March 2020	449.82	254.10	703.92

Set out below are the carrying amounts of lease liabilities recognised and the movements during the period:

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(All amounts in lakhs of ₹, unless otherwise stated)

	Amount
As at 1 April 2019	-
Additions during the year	881.83
Interest accrued for the year	16.41
Payments made during the year	(422.89)
As at 31 March 2020	475.35
Additions during the year	217.78
Interest accrued for the year	25.03
Payments made during the year	(220.71)
As at 31 March 2021	497.45

The maturity analysis are as disclosed in note 39(iii).

The effective interest rate for lease liabilities is in the range of 5% to 9.5%, with maturity between 2021-2042.

The following are the amounts recognised in statement of profit or loss:

Particulars	For the year ended	
	31 March 2021	31 March 2020
Depreciation expense of right-of-use assets	206.48	208.42
Interest expense on lease liabilities	25.03	16.41
Total amount recognised in statement of profit or loss	231.51	224.83

44. (i) The Group considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability of receivables and certain investments. For this purpose, the Group considered internal and external sources of information up to the date of approval of these financial statements. The Group has also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Group expects to fully recover the carrying amount of receivables, investments and other assets. As the outbreak continues to evolve, the Group will continue to closely monitor any material changes to future economic conditions.
- (ii) The outbreak of COVID-19 has impacted businesses around the world. In many countries, including India, there has been a widespread disruption caused to various businesses operating across various sectors, including the power sector, mainly due to decrease in power demand on account of imposition of lockdown, restrictions on many industries and other emergency measures imposed by the Government of India and various state governments. Management of NBEIL has made a detailed assessment of its liquidity position, including assessment of the impact of the pandemic on its operations, the recoverability of the carrying values of its tangible assets and deferred tax assets, trade receivables as at balance sheet date. However, the actual impact of COVID-19 pandemic on the operations of NBEIL remains uncertain and dependent on steps taken by the Government to mitigate the economic impact and may differ from that estimated as at the date of approval of these consolidated financial statements.

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45. Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act:

(i) As at and for the year ended 31 March 2021:

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
1. Nava Bharat Ventures Limited	39.32%	2,95,877.24	25.35%	13,661.37	-265.10%	286.86	25.93%	13,948.23
Subsidiaries								
Indian								
1. Nava Bharat Energy India Limited	6.63%	49,917.07	-3.82%	(2,061.36)	-25.03%	27.08	-3.78%	(2,034.28)
2. Nava Bharat Projects Limited	3.63%	27,312.89	1.77%	955.25	-7.61%	8.23	1.79%	963.48
3. Brahmani Infratech Private Limited	1.19%	8,986.18	0.13%	68.11	-0.41%	0.44	0.13%	68.55
Foreign								
1. Nava Bharat (Singapore) Pte Limited	24.24%	1,82,409.04	5.76%	3,106.81	0.00%	-	5.78%	3,106.81
2. Maamba Collieries Limited	24.15%	1,81,702.20	67.86%	36,577.09	0.00%	-	68.00%	36,577.09
3. Nava Energy Zambia Limited	0.20%	1,503.94	1.56%	841.79	0.00%	-	1.56%	841.79
4. Nava Energy Pte Limited	0.38%	2,888.05	2.40%	1,291.10	0.00%	-	2.40%	1,291.10
5. Nava Agro Pte Limited	0.16%	1,197.92	-0.01%	(3.51)	0.00%	-	-0.01%	(3.51)
6. Kawambwa Sugar Limited	0.01%	108.29	-0.39%	(210.44)	307.13%	(332.34)	-1.01%	(542.78)
7. Nava Holding Pte Limited	0.38%	2,827.52	0.12%	63.11	0.00%	-	0.12%	63.11
8. Tiash Pte Limited	-0.08%	(585.72)	0.07%	38.26	31.52%	(34.11)	0.01%	4.15
9. Compai Pharma Pte Limited	-0.04%	(321.24)	-0.22%	(119.39)	12.04%	(13.02)	-0.25%	(132.42)
10. Compai Healthcare Sdn. Bhd	-0.12%	(907.22)	-0.59%	(318.65)	22.88%	(24.75)	-0.64%	(343.40)
11. TIS Pte Limited	0.00%	-	-0.02%	(10.82)	-0.41%	0.44	-0.02%	(10.39)
12. The Iron Suites Pte Limited	-0.06%	(472.23)	0.04%	19.53	24.98%	(27.03)	-0.01%	(7.50)
	100.00%	7,52,443.93	100.00%	53,898.26	100.00%	(108.21)	100.00%	53,790.04
Consolidation adjustments		(2,44,877.32)		1,169.26		(7,573.01)		(6,403.74)
Sub-total		5,07,566.61		55,067.52		(7,681.22)		47,386.30
Non-controlling Interests in all subsidiaries		66,420.41		12,743.83		(1,394.14)		11,349.69
Total		4,41,146.20		42,323.69		(6,287.08)		36,036.61

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

(ii) As at and for the year ended 31 March 2020:

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent								
1. Nava Bharat Ventures Limited	40.96%	2,95,334.10	24.00%	13,101.10	13.14%	50.63	23.92%	13,151.73
Subsidiaries								
Indian								
1. Nava Bharat Energy India Limited	7.21%	51,951.35	-1.12%	(609.24)	-0.96%	(3.69)	-1.11%	(612.93)
2. Nava Bharat Projects Limited	3.65%	26,349.41	2.03%	1,106.58	-0.04%	(0.14)	2.01%	1,106.44
3. Brahmani Infratech Private Limited	1.24%	8,917.63	0.32%	175.08	-0.39%	(1.50)	0.32%	173.58
Foreign								
1. Nava Bharat (Singapore) Pte Limited	25.51%	1,83,923.90	3.56%	1,945.24	0.00%	-	3.54%	1,945.24
2. Maamba Collieries Limited	20.70%	1,49,225.53	71.21%	38,881.10	0.00%	-	70.71%	38,881.10
3. Nava Energy Zambia Limited	0.10%	687.99	-0.24%	(132.22)	0.00%	-	-0.24%	(132.22)
4. Nava Energy Pte Limited	0.33%	2,406.06	3.01%	1,641.71	0.00%	-	2.99%	1,641.71
5. Nava Agro Pte Limited	0.15%	1,081.36	-0.01%	(3.34)	0.00%	-	-0.01%	(3.34)
6. Kawambwa Sugar Limited	0.07%	528.10	-1.06%	(580.50)	68.38%	263.49	-0.58%	(316.57)
7. Nava Holding Pte Limited	0.34%	2,458.90	0.13%	70.17	0.00%	-	0.13%	70.17
8. Tiash Pte Limited	-0.08%	(604.93)	-0.56%	(306.74)	6.48%	24.98	-0.51%	(281.76)
9. Compai Pharma Pte Limited	-0.03%	(195.05)	-0.17%	(93.89)	2.11%	8.11	-0.16%	(85.78)
10. Compai Healthcare Sdn. Bhd	-0.08%	(581.88)	-0.58%	(318.09)	6.42%	24.73	-0.53%	(293.36)
11. TIS Pte Limited	0.00%	10.54	-0.32%	(172.19)	-0.65%	(2.50)	-0.32%	(174.69)
12. The Iron Suites Pte Limited	-0.07%	(476.70)	-0.20%	(107.11)	5.51%	21.24	-0.16%	(85.87)
13. Kinta Valley Mining Resources Sdn. Bhd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	100.00%	7,21,016.31	100.00%	54,597.66	100.00%	385.35	100.00%	54,983.45
Consolidation adjustments		(2,47,430.91)		(1,522.21)		21,911.24		20,388.59
Sub-total		4,73,585.40		53,075.45		22,296.59		75,372.04
Non-controlling Interests in all subsidiaries		55,070.72		13,529.95		3,975.44		17,505.39
Total		4,18,514.68		39,545.50		18,321.15		57,866.65

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

46. Non-controlling Interests (NCI)

The financial information of subsidiaries with material non-controlling interests are as follows:

a) Details of ownership interests and voting rights held by non-controlling interests:

	As at	
	31 March 2021	31 March 2020
Maamba Collieries Limited (MCL)	35.31%	35.31%
Brahmani Infratech Private Limited (BIPL)	34.26%	34.26%
Tiash Pte. Limited*	35.00%	35.00%
TIS Pte. Limited*	35.00%	35.00%
The Iron Suites Pte. Limited*	41.50%	41.50%
Compai Pharma Pte Ltd*	35.00%	35.00%
Compai Healthcare Sdn Bhd*	35.00%	35.00%

Information about non-controlling interests:

i) Details of accumulated balances of non-controlling interest:

	As at	
	31 March 2021	31 March 2020
Maamba Collieries Limited	64,159.05	52,691.54
Brahmani Infratech Private Limited	3,079.53	3,055.18
Others*	(818.17)	(676.00)
	66,420.41	55,070.72

*As these amounts are not significant, no further disclosures in respect of these non-controlling interests have been furnished.

ii) Details of Profit/loss allocated to material non-controlling interest:

	For the year ended	
	31 March 2021	31 March 2020
Maamba Collieries Limited	12,915.37	13,728.92
Brahmani Infratech Private Limited	23.72	59.98
Others*	(195.26)	(258.95)
	12,743.83	13,529.95

*As these amounts are not significant, no further disclosures in respect of these non-controlling interests have been furnished.

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations:

Summarised Balance sheet

	BIPL		MCL	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Current assets	7,435.14	7,305.27	2,94,074.34	2,17,389.60
Current liabilities	3,024.84	3,047.43	1,62,878.99	1,14,850.71
Net current assets	4,410.30	4,257.84	1,31,195.35	1,02,538.89
Non-current assets	4,695.94	4,763.18	3,96,265.59	4,28,081.33
Non-current liabilities	118.94	103.39	3,45,758.75	3,81,394.68
Net non-current assets	4,577.00	4,659.79	50,506.85	46,686.65
Net assets	8,987.30	8,917.63	1,81,702.20	1,49,225.53

Notes

to the Consolidated Financial Statements – March 31, 2021

(All amounts in lakhs of ₹, unless otherwise stated)

Summarised Statement of Profit and Loss

	BIPL		MCL	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Revenue	-	-	1,60,068.93	1,51,571.40
Profit for the year	68.11	175.08	36,577.09	38,881.10
Total profit for the year	68.11	175.08	36,577.09	38,881.10

Summarised Cash Flows

	BIPL		MCL	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Cash flows from operating activities	(199.04)	(1,161.85)	20,950.18	34,715.83
Cash flows from investing activities	170.93	1,193.93	2,786.63	6,161.88
Cash flows from financing activities	-	-	(15,832.83)	(40,208.20)
Net increase / (decrease) in cash and cash equivalents	(28.11)	32.08	7,903.98	669.51

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place : Hyderabad, India
Date : 17 June 2021

For and on behalf of the Board of Directors of
Nava Bharat Ventures Limited

Sultan A. Baig
Chief Financial Officer

VSN Raju
Company Secretary
& Vice President

Place : Hyderabad, India
Date : 17 June 2021

GRK Prasad
Executive Director
DIN:00006852

P. Trivikrama Prasad
Managing Director
DIN: 00006887

D. Ashok
Chairman
DIN: 00006903

Ashwin Devineni
Chief Executive Officer

Place : Singapore
Date : 17 June 2021



NOTICE

NAVA BHARAT VENTURES LIMITED

Regd. Office: 6-3-1109/1, 'Nava Bharat Chambers', Raj Bhavan Road, Hyderabad - 500082, Telangana.

CIN: L27101TG1972PLC001549 Tel : +91 40 23403501/40345999

e-Fax: +91 080 6688 6121; investorservices@nbv.in; www.nbventures.com

Notice is hereby given that the 49th Annual General Meeting ("AGM") of the members of Nava Bharat Ventures Limited will be held on Friday, the 27th day of August, 2021 at 10:00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business:

Item No.1: Adoption of financial statements:

To receive, consider, approve and adopt the audited financial statements of the Company (standalone and consolidated) for the year ended March 31, 2021 including audited balance sheet as at March 31, 2021, the statement of profit & loss for the year ended on that date and the reports of the Board of directors and auditors thereon including the audited consolidated financial statements of the Company and report of the auditors thereon, for the financial year ended March 31, 2021.

Item No.2: Declaration of dividend on the equity shares:

To declare dividend at the rate of 1.25% i.e. ₹2.50 per equity share of ₹2/- each for the financial year ended March 31, 2021.

Item No.3: Re-appointment of a director:

To appoint a director in place of Mr. Ashwin Devineni, who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

Item No.4: Appointment of Mr. Balasubramaniam Srikanth as an Independent director of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, read with Schedule IV of the Act and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and, Mr. Balasubramaniam Srikanth (DIN: 00349821), who was appointed as an additional director (Non-

executive and Independent) of the Company by the Board of directors, pursuant to the recommendation of Nomination and Remuneration Committee of the Board, at its meeting held on June 17, 2021 and who holds office up to the date of this annual general meeting of the Company in terms of Section 161(1) of the Act and Article 85 of the Articles of Association of the Company and who meets the criteria of independence as provided in Section 149(6) of the Act and rules made thereunder and Regulation 16(1) (b) of the listing regulations and who has submitted a declaration to that effect and who is eligible for appointment as an independent director of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an independent director of the Company, not liable to retire by rotation, for a term of two (2) consecutive years commencing from June 17, 2021."

Item No.5: Re-appointment of and remuneration payable to Mr. CV Durga Prasad, Director (Business Development):

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196 and 197, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee and prior approval of Audit Committee of the Board, the approval and consent of the members be and is hereby accorded to the re-appointment of Mr. CV Durga Prasad, Director (Business Development), for a further period from April 1, 2021 to June 30, 2022 on the remuneration, perquisites, benefits and other allowances to him as mentioned below:

A. Salary	₹12,50,000/- per month
B. Allowances and Perquisites	In addition to the Salary, he shall be entitled to the allowances and other perquisites as set out below.

- a) Housing
- Where accommodation in the company owned house is provided, he will pay 10% of his salary towards house rent;
 - Where hired accommodation is provided, the expenditure incurred by the Company on hiring furnished accommodation to him will be subject to a ceiling of 60% of salary;
 - In case, the Company does not provide accommodation, house rent allowance shall be paid @ 60% of the salary; and
 - The expenditure incurred by the Company on gas, electricity, water and furnishing will be subject to a ceiling of 10% of the salary.
- b) Medical Reimbursement / Allowance for self and family: Reimbursement of expenses actually incurred for self and family or allowance, the total cost of which to the Company shall not exceed one month's salary in a year and shall be proportionately applied in case of the part period in a year.
- c) Leave Travel Concession or Allowance: For self and family, once in a year either in India or abroad in accordance with the rules of the Company.
- d) Club fees: Fees of clubs, subject to a maximum of two clubs.
- e) Personal accident insurance: As per the rules of the Company.
- f) Car: Free use of Company's car with driver.
- g) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company.
- h) Gratuity payable shall not exceed half a month's salary for each completed year of service.
- i) Communication Facilities: Free communication facilities like Telephones / Internet / Mobiles / Fax at residence.
- j) Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month for every 11 months' service.
- k) He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company. and
- l) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time."

"RESOLVED FURTHER THAT notwithstanding anything herein stated above, during the tenure of Mr. CV Durga Prasad as Director (Business Development), if the Company has no profits or its profits are inadequate, the Company shall pay to him the above remuneration by way of salary, perquisites and other allowances as minimum remuneration subject to the requisite approvals or the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to alter the terms of appointment, from time to time, and to take such steps and do all other acts, deeds and things as may be required, necessary or desirable to give effect to this resolution."

Item No.6: Re-appointment of and remuneration payable to Mr. D. Ashok as Chairman of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable rules, regulations and pursuant to recommendation of Nomination and Remuneration Committee and prior approval of Audit Committee, the consent and approval of the Company be and is hereby accorded to the re-appointment of Mr. D. Ashok (DIN: 00006903) as Chairman and Director in the whole-time employment of the Company for a further period of three (3) years with effect from August 14, 2021 on the remuneration, perquisites, benefits and other allowances to him as mentioned below:

A.	Salary	Salary in the range of ₹8,00,000/- to ₹ 14,00,000/- per month, as may be decided by the Board from time to time;
B.	Commission	@ 2% on the net profits of the Company for each/every financial year
C.	Allowances and Perquisites	In addition to the Salary and Commission, he shall also be entitled to the allowances and other perquisites as set out below, which shall be computed on the enhanced salary from time to time.

- a) Housing
- Where accommodation in the company owned house is provided, he will pay 10% of his salary towards house rent.
 - Where hired accommodation is provided, the expenditure incurred by the Company on hiring furnished accommodation to him will be subject to a ceiling of 60% of salary.
 - In case, the Company does not provide accommodation, house rent allowance shall be paid @ 60% of the salary.
 - The expenditure incurred by the Company on gas, electricity, water and furnishing will be subject to a ceiling of 10% of the salary.
- b) Medical Reimbursement/Allowance for self and family: Reimbursement of expenses actually incurred for self and family or allowance, the total cost of which to the Company shall not exceed

one month's salary in a year or three months' salary over a period of three years.

- c) Leave Travel Concession or Allowance: For self and family, once in a year either in India or abroad in accordance with the rules of the Company.
- d) Club fees: Fees of clubs, subject to a maximum of two clubs.
- e) Personal accident insurance: As per the rules of the Company.
- f) Car: Free use of Company's car with driver.
- g) Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per the rules of the Company.
- h) Gratuity payable shall not exceed half a month's salary for each completed year of service.
- i) Communication Facilities: Free communication facilities like Telephones / Internet / Mobiles / Fax at residence.
- j) Leave on full pay and allowances as applicable to other employees of the Company but not exceeding one month for every 11 months' service.
- k) He shall also be entitled to reimbursement of expenses actually and properly incurred for the business of the Company.
- l) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time."

"RESOLVED FURTHER THAT pursuant to the provisions of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration committee and prior approval of the Audit Committee, the consent and approval of the Company be and is hereby accorded for the payment of remuneration to Mr. D. Ashok, who is a promoter of the Company, as Chairman and Director in the whole-time employment of the Company, notwithstanding that the aggregate annual remuneration payable to all Executive directors who are / is either promoter or belong(s) to promoter group, exceeds limits as prescribed in the above said regulation with effect from his re-appointment i.e., from August 14, 2021 till the expiry of his term subject to permissible limits under the applicable provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT notwithstanding anything herein stated above, where in any

financial year during the tenure of Mr. D. Ashok as Chairman and Director in the whole-time employment in the Company, the Company has no profits or its profits are inadequate, the Company shall pay to him the above remuneration by way of salary, perquisites and other allowances as minimum remuneration subject to the requisite approvals or the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter the terms of appointment, from time to time, and to take such steps and do all other acts, deeds and things as may be required, necessary or desirable to give effect to this resolution."

Item No.7: Ratification of appointment and remuneration of Cost Auditors for the financial year 2021-22:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of the Audit committee of the Board, the appointment of M/s. Narasimha Murthy & Co., Cost Accountants, situated at 3-6-365, 104 & 105, Pavani Estate, Y.V. Rao Mansion, Himayatnagar, Hyderabad – 500 029, approved by the Board, as Cost Auditors to conduct the cost audit in respect of the Company's products in all the units or plants relating to Electricity and Steel (Ferro Alloys) for the financial year 2021-22 at an aggregate fee of `7 Lakhs plus out of pocket expenses and applicable taxes thereon, be and is hereby approved and ratified."

By Order of the Board
For **NAVA BHARAT VENTURES LIMITED**

Place : Hyderabad
Date : June 17, 2021

VSN Raju
Company Secretary &
Vice President

Registered Office: 6-3-1109/1
'Nava Bharat Chambers'
Raj Bhavan Road
Hyderabad – 500 082
CIN : L27101TG1972PLC001549
Ph.No.040-23403501; e-Fax: +91 080 6688 6121
E-mail : investorservices@nbv.in;
Website : www.nbventures.com

NOTES

1. The explanatory statement in respect of the special business in the notice, pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its general circular dated January 13, 2021 read with circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC / OAVM, without the physical presence of the members at a common venue. Further, Securities and Exchange Board of India ('SEBI') vide its Circular dated January 15, 2021 read with circular dated May 12, 2020 ('SEBI Circulars') has also granted certain relaxations in line with the above said MCA circulars. In compliance with the provisions of the Companies Act, 2013 ("the Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), MCA Circulars and SEBI Circulars, the 49th AGM of the Company is being held through VC / OAVM on August 27, 2021 at 10:00 a.m. (IST).
3. 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 Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its members in respect of the business to be transacted in the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as an authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the Day of the AGM will be provided by NSDL.
4. The register of members and share transfer books will remain closed from August 21, 2021 to August 27, 2021 (both days inclusive) in connection with the AGM.
5. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
7. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. The facility of participation in the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairperson of the audit committee, Nomination and remuneration committee and stakeholders relationship committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In compliance with the aforesaid MCA and SEBI Circulars, notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that the notice and Annual Report 2020-21 will also be available on the Company's website <https://www.nbventures.com/financials/>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL <https://www.evoting.nsdl.com>
10. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFin Technologies Private Limited ("KTPL") for assistance in this regard.
11. The unclaimed equity dividend for the year ended March 31, 2014 will be transferred on or after September 8, 2021 to the 'Investor Education and Protection Fund' on expiry of 7 years from the date of transfer to the Unpaid Dividend Account, pursuant to Section 124 of the Companies Act, 2013 (Section 205A of the Companies Act, 1956). Members who have not encashed their dividend warrants for the said financial year or subsequent year(s) are requested to send the same to the Company or its Registrars and Share Transfer Agents ("RTA") for issue of fresh demand drafts.
12. Subsequent to the issue of various reminders to the respective members the unclaimed physical share certificates with the RTA of the Company were transferred to unclaimed suspense account and dematerialized to the credit of "Nava Bharat Ventures Limited – Unclaimed Suspense Account". The dividend accruing on the said

- shares would be credited to the unpaid dividend account as the dividend is to be paid to the registered holders only. The details were placed on the website of the Company at <https://www.nbventures.com/unclaimed-unpaid-dividend-shares/>. The concerned members are requested to approach the RTA with their claim for the transfer of their shares to their respective demats account along with the dividends, if any.
13. As per the provisions of Section 124(6) of the Act read with Rule 6 of 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amended Rules, 2017 ('the Rules'), all shares, in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares), will be transferred by the Company to IEPF along with statement containing such details as directed by Ministry of Corporate Affairs from time to time.
 14. All shares in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares) upto and including the financial year 2012-13 were transferred by the Company in the name of IEPF from time to time as prescribed by the Act and rules made thereunder and the statement containing such details as may be prescribed is placed on Company's website: www.nbventures.com.
 15. To promote green initiative, members who have not registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with KTPL, in case the shares are held in physical form.
 16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form and to KTPL in case the shares are held by them in physical form.
 17. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form duly filled-in to KTPL. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
 18. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrars and Share Transfer Agents enclosing their share certificates to enable consolidation of their shareholdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
 19. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details.
 20. The register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
 21. Members at 45th AGM held on August 9, 2017 approved the appointment of M/s. Walker Chandiook & Co. LLP, Chartered Accountants as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 50th AGM to be held in FY 2022-23. The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 49th AGM.
 22. The Board has recommended the final dividend of ₹2.50 per equity share of ₹2/- each if declared at the meeting, will be paid to those members whose names appear in the Company's register of members after effecting valid transfers received upto the close of business hours on August 20, 2021, subject to deduction of tax at source pursuant to Finance Act, 2020. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details provided as at the close of business hours on August 20, 2021 by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose. The dividend on equity shares, if declared at the meeting, will be credited/ dispatched within one month from the date of this meeting.
- Members are request to note that, pursuant to Finance Act, 2020, dividend income will be

taxable in the hands of the members of the Company w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at rates prescribed in the Income Tax Act, 1961.

23. Additional information pursuant to Regulation 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on general meetings in respect of the Directors seeking appointment/re-appointment at the annual general meeting is furnished in Annexure - I and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.

24. Retirement of Director by rotation:

Mr. Ashwin Devineni, Whole-time director of the Company, retires by rotation at the ensuing annual general meeting and, being eligible, offers himself for re-appointment.

The Board of directors commends the re-appointment of Mr. Ashwin Devineni as a Director, liable to retire by rotation.

25. Instructions for e-voting and joining the AGM are as follows:

A. INSTRUCTIONS FOR REMOTE E-VOTING:

- i. The remote e-voting period commences on Monday, August 23, 2021 at 09:00 a.m. (IST) and ends on Thursday, August 26, 2021 at 05:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 20, 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 August 20, 2021.
- ii. The Board of directors has appointed CS D. Renuka, Practicing Company Secretary as the 'Scrutinizer' to scrutinize the remote e-voting process and voting during the AGM in a fair and transparent manner.
- iii. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the AGM, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and submit, not later than two days from the conclusion of the meeting, a consolidated report of the total votes cast in favour or against, if any, to the Chairman of the Company or to any other person authorized by him.
- iv. The Chairman of the Company or any person authorized by him will declare the result immediately along with the Scrutinizer's report and the same will be communicated to the Stock Exchanges on which the Company's

shares are listed, NSDL, KTPL and will also be displayed on the Company's website at www.nbventures.com.

- v. The members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- vi. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vii. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. August 20, 2021, may obtain the login ID and password by sending a request to evoting@nsdl.co.in or Company. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a member of the Company after sending of the notice and holding shares as of the cut-off date i.e. August 20, 2021, may follow steps mentioned in the notice of the AGM under "Access to NSDL e-Voting system".
- viii. The process and manner for remote e-voting are explained herein below:

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 to 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.	Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will also able be to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at above mentioned website.

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can 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.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details / Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" 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 prenukaacs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorservices@nbv.in.

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 investorservices@nbv.in. If you are an Individual shareholder 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.

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

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC / OAVM link" placed under "Join General

meeting" menu against company name. You are requested to click on VC / OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, members will be required to allow access to 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. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 49th AGM from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address at investorservices@nbv.in before 3:00 p.m. (IST) on August 23, 2021. Such questions by the members shall be suitably replied by the Company.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at investorservices@nbv.in from August 18, 2021, (9:00 a.m. IST) to August 23, 2021, (5:00 p.m. IST). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Explanatory Statement pursuant to Section 102(1) of the Companies Act 2013, read with Rule 15(3) of the Companies (Meetings of Board and Its Powers) Rules, 2014.

Item No.4: Appointment of Mr. Balasubramaniam Srikanth as Independent director of the Company:

The Board, based on the recommendation of the Nomination and Remuneration Committee,

at its meeting held on June 16, 2021, appointed Mr. Balasubramaniam Srikanth as an additional director (Non-executive and Independent) under section 161 of the Companies Act, 2013 w.e.f June 17, 2021 to hold office upto the date of ensuing AGM and thereafter subject to the approval of members therein.

The Company received a notice from one of the shareholders under Section 160 of the Companies Act, 2013 proposing that Mr. Balasubramaniam Srikanth be appointed as an independent director.

Mr. Balasubramaniam Srikanth holds a post-graduate diploma in software engineering from Harvard University (DCE) and a BE degree in Computer Science from R.V College of Engineering, Bengaluru. He is a seasoned information technology entrepreneur with over 28 years of experience.

He is the Founder & CEO of HomeLane, a leading player in the home decor industry in India. He is also on the Board of Unitus Ventures - a leading early stage venture fund - and leads the fund's efforts to invest in the best education startups that have potential to serve low-income population at scale. He is also the co-founder of Diksha Technologies Pvt. Ltd., an IT services firm. His earlier ventures include Companies such as Edurite Technologies, a multi-million dollar venture, where he was the Co-founder. He was responsible for growing its revenue 30-fold in four years. Post the acquisition of edurite by the world's largest education Company Pearson, he served as the CEO of Pearson India, till he started HomeLane in 2014.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Balasubramaniam Srikanth is appointed as an independent director of the Company to further broad base the Board and to have better oversight of the Company's expansion and diversification plans.

Mr. Balasubramaniam Srikanth is not disqualified from being appointed as director in terms of Section 164 of the Act and has given his consent to act as director. The Company has also received declaration from him that:

- i. He meets the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations; and
- ii. He is in compliance of sub-rule (1) and sub-rule (2) of Rule 6 the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In the opinion of the Board, Mr. Balasubramaniam Srikanth fulfils the conditions for appointment as an independent director as specified in the Act and the listing regulations as amended. Copy of the letter of appointment as Independent director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The profile of Mr. Balasubramaniam Srikanth along with details as required under regulation 36 of the listing regulations and pursuant to secretarial standards on general meetings is furnished in **Annexure - I** to this notice.

The resolution seeks the approval of members for the appointment of Mr. Balasubramaniam Srikanth as an independent director of the Company for a period of 2 (Two) years with effect from June 17, 2021 pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.

No director, key managerial personnel of the Company or their relatives except himself to whom the resolution relates, is interested in or concerned with the resolution in Item no. 4.

The Board recommends the resolution set forth in Item no. 4 for members' approval..

Item no.5: Re-appointment of and remuneration payable to Mr. CV Durga Prasad, Director (Business Development):

The Board, upon the recommendation of the Nomination and Remuneration Committee and prior approval of Audit Committee, considered and approved the re-appointment of Mr CV Durga Prasad, Director (Business Development) for a further period from April 1, 2021 to June 30, 2022 at a remuneration as set out in the Resolution apart from the allowances and perquisites thereon, subject to the approval of members by way of a special resolution at the ensuing annual general meeting in terms of section 196(3)(a) of the Companies Act, 2013, since he has attained the age of 70 years.

Mr. CV Durga Prasad has rich and varied experience spanning over 48 years with expertise in commercial aspects of the global and domestic ferro alloy industry and has nurtured long term business relations. He oversees the Company's ferro alloys operations with a specific focus on acquiring vital raw materials from indigenous and international suppliers, marketing of finished products in India & abroad. He has been part of the core leadership team and under his leadership, the Ferro Alloys division of the Company witnessed tremendous growth from the nascent stage to where it is today despite many challenges. Mr. CV Durga Prasad serves as Vice Chairman of the Indian Ferro Alloys Producers' Association and is known for his expertise in the Industry. Mr. CV Durga Prasad was last appointed as Director (Business Development) by the members at the AGM held on August 8, 2019, for a term of 2 years with effect from April 1, 2019. Since then, he has been mentoring the team and grooming next level leaders to succeed him and take up the mantle. However, due to COVID-19 pandemic, the process has been delayed and hence the Board of directors felt it was necessary to extend his term upto June 30, 2022 in the best interest of the Company.

Mr. CV Durga Prasad is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director (Business Development) of the Company.

The profile of Mr. CV Durga Prasad along with details as required under Regulation 36 of the Listing Regulations and pursuant to Secretarial Standards on general meetings is furnished in **Annexure - I** to this notice.

Except himself, no other director or key managerial personnel of the Company and their relatives are in any way deemed to be interested or concerned with the resolution in Item no. 5.

The Board recommends the Special Resolution set forth in Item no.5 for members' approval.

Item No.6: Re-appointment of and remuneration payable to Mr. D. Ashok as Chairman of the Company

Mr. D. Ashok was reappointed as Chairman with effect from August 14, 2019, by the members for a term of 2 years in the AGM held on August 8, 2019.

Mr. D. Ashok holds MBA from University of Wisconsin, USA with 39 years of top management experience in all facets of project management and manufacturing. He oversaw the growth of the Company into a diversified conglomerate with business interests in power generation, mining, ferro alloys and agri-business in India and Africa.

He has been holding senior positions in the Company since 1981. He took over as the Executive Director in 1992, as the Managing Director in 1999 and as Chairman of the Company in 2009. He has taken the lead role in policy formulation and geographical diversification in India and abroad to make the Company an Indian Multinational in its own right with substantial accretion of operational assets in India and Zambia. He also provides the thought leadership to all the functional heads at various units of the Company and its subsidiaries. Being focused on the cost benefit aspects of project execution, he transformed the Company to its pre-eminent position of an Indian multinational having successfully executed a US\$ 900 million Project in Zambia within the budgeted resources. He takes active interest in all the CSR activities of the Group to make a qualitative difference and currently chairs the CSR Committee of the Board. On the operational side, he plays a mentor role in guiding strategy for all facets and verticals of the Company and its subsidiaries. The Company received several accolades in the areas of CSR, exports, productivity, quality, industrial safety, environmental protection etc., under his leadership.

The Board, pursuant to the recommendation of the Nomination and Remuneration Committee and prior approval of Audit Committee, reviewed the top management structure at its meeting held on June 17, 2021 and decided to re-appoint Mr. D. Ashok as Chairman for a further period of three (3) years w.e.f

August 14, 2021 on the remuneration as set out in the resolution. Since the Company is poised for next level of growth and given his rich experience, the Board felt that it would be in the best interest of the Company to reappoint Mr. D. Ashok for another term of 3 years to ensure proper handling of its growth schemes and smooth transition.

Mr. D. Ashok is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Chairman and Director in the whole-time employment in the Company.

Pursuant to Regulation 17(6)(e) of the Listing Regulations any remuneration payable to the Executive Directors who are promoters or members of the promoter group in excess of higher of Rupees 5 crore or 2.5 per cent of the net profits to one such director or 5% of net profits in aggregate to all such directors requires the approval of the members of the Company by special resolution.

The remuneration payable to all the Executive Directors who are promoters or members of the promoter group including Mr. D. Ashok are reviewed and approved, from time to time, by the members of the Company within the permissible limits as prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereof. The aggregate remuneration payable to Executive Directors who are promoters or members of the promoter group including Mr. D. Ashok is exceeding the limits prescribed in aforesaid regulation. Hence, it is proposed to seek the approval of the members by special resolution in compliance with the above said Listing Regulations.

The Profile of Mr. D. Ashok along with details as required under Regulation 36 of the Listing Regulations and pursuant to Secretarial Standards on general meetings is furnished in **Annexure - I** to this notice.

Except himself, Mr. Ashwin Devineni, CEO and Whole-time Director, no other director or key managerial personnel of the Company and their relatives are in any way deemed to be interested or concerned in this Resolution.

The Board recommends the Special Resolution set forth in item No. 6 for members' approval.

Item No.7: Ratification of appointment and remuneration of Cost Auditors for the financial year 2021-22:

The Board, on the recommendation of the Audit Committee, approved the appointment and remuneration payable to the cost auditors, M/s. Narasimha Murthy & Co., Cost Accountants, situated at 3-6-365, 104, Pavani Estate, Y.V. Rao Mansion, Himayatnagar, Hyderabad-500029, to conduct the audit of the cost records of the Company across various segments, for the financial year ended March 31, 2022 as per the following details:

Sl. No.	Product	Fee for 2021-22 (₹)
1	Electricity (Eight Units)	5,20,000
2	Ferro Alloys (Steel) (Two Units)	1,80,000
	TOTAL	7,00,000

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of directors, needs to be ratified by the members of the Company. Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022.

The Board recommends the resolution set forth in Item no. 7 for members' approval.

None of the directors, key managerial personnel of the Company and their relatives are in any way deemed to be interested or concerned in this Resolution.

By Order of the Board
for **NAVA BHARAT VENTURES LIMITED**

Place : Hyderabad
Date : June 17, 2021

VSN Raju
Company Secretary &
Vice President

Registered Office:

6-3-1109/1
'Nava Bharat Chambers' Raj Bhavan Road
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ANNEXURE – I

Details of Directors seeking appointment / re-appointment at the annual general meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standards on general meetings.

The particulars of Mr. D. Ashok, Chairman, Mr. Ashwin Devineni, Chief Executive Officer and Whole-time director, Mr. CV Durga Prasad, Director (Business Development) and Mr. Balasubramaniam Srikanth, Independent Director, who are proposed to be appointed/re-appointed, are given below:

A	Name	Mr. Balasubramaniam Srikanth	Mr. CV Durga Prasad
B	Brief Resume		
i)	Age	50 years	70 years
ii)	Qualification	Post-graduate diploma in software engineering and a BE degree in Computer Science	B.Com
iii)	Experience	28 years	48 years
iv)	Date of appointment on the Board of the Company (Nava Bharat Ventures Ltd.)	June 17, 2021	June 28, 2003
C	Nature of his expertise in specific functional areas	Seasoned information technology entrepreneur	Commercial functions like raw material procurement, sales, marketing and business development
D	Terms and Conditions along with details of remuneration sought to be paid	As mentioned in the Resolution	As mentioned in the Resolution
E	Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	None	None
F	Name(s) of other Companies in which Directorships held	1. Diksha Technologies Private Limited 2. Homevista Decor And Furnishings Private Limited 3. Hippocampus Learning Centres Private limited 4. Find Bus Holidays Private Limited 5. HYPPR Retail Private Limited	The Indian Ferro Alloy Producers Association
G	Name(s) of other companies in which Committee Membership(s) / Chairmanship(s) held	Nil	Nil
H	No. of shares of Rs. 2/- each held by the Director his relatives Total	Nil	1,41,830 <u>1,22,700</u> 2,64,530
I	Last Remuneration drawn	Not applicable	₹288.77 lakhs (Total Remuneration drawn in FY 2020-21)
J	No. of Board meetings attended during the year	Not applicable	5

A	Name	Mr. D. Ashok	Mr. Ashwin Devineni
B	Brief Resume		
i)	Age	64 Years	38 Years
ii)	Qualification	M.B.A. from U.S.A.	Graduate in Industrial Engineering from the University of Washington
iii)	Experience	39 years	Over 13 years
iv)	Date of appointment on the Board of the Company (Nava Bharat Ventures Ltd.)	March 19, 1992	August 18, 2017
C	Nature of his/her expertise in specific functional areas	Top management experience as Chairman (Executive) of Nava Bharat Ventures Ltd., in planning and execution, project management and diversification. Expertise in managing and monitoring international operations.	Experience in business development in the power, mining, agriculture, and enterprise software sectors. Played crucial roles in corporate acquisitions across North America, Europe, Middle East Africa and Asia
D	Terms and Conditions along with details of remuneration sought to be paid	As mentioned in the Resolution	As mentioned in the resolution for his appointment approved by the shareholders
E	Relationship between Directors inter se [(As per Section 2(77) of the Companies Act, 2013 and Rule 4 of Companies (Specification of Definition Rules, 2014)]	Mr. D. Ashok is father of Mr. Ashwin Devineni, CEO and whole-time director of the Company.	Mr. Ashwin Devineni is son of Mr. D. Ashok, Chairman of the Company.
F	Name(s) of other companies in which directorships held	Nava Bharat Projects Limited Nava Bharat Energy India Limited AV Dwellings Private Limited A9 Homes Private Limited	Nil
G	Name(s) of other companies in which Committee Membership(s) / Chairmanship(s) held	Chairman - Corporate Social Responsibility Committees of Nava Bharat Ventures Limited Nava Bharat Projects Limited Nava Bharat Energy India Limited Member - Nomination and Remuneration Committee of 'Nava Bharat Energy India Limited'	Nil
H	No. of shares of ₹2/- each held by the Director his relatives Total	22,26,000 <u>2,51,22,105</u> 2,73,48,105	41,72,789 <u>53,14,860</u> 94,87,649
I	Last Remuneration drawn	₹701.28 lakhs (Total Remuneration [including Commission to be paid] drawn in FY 2020-21)	Nil
J	No. of Board Meetings attended during the year	5	5 (through video conference)



NAVA BHARAT

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