

# NibeLimited

(formerly known as Kavita fabrics Limited)

105, Balaji Industrial Society-1, Udhana Magdalla Road, Surat – 395 007 Gujarat, India.

Tel: 0253-2237599 Email: info@nibelimited.com

CIN No.: L34100GJ2005PLC046929

Date: 08.07.2022

To,  
The General Manager  
Listing Operation,  
**BSE Limited**,  
P.J. Towers,  
Dalal Street,  
Mumbai – 400 001.

**Sub: Disclosure of Book Closure Dates Regulation 34 of SEBI (LODR) Regulations, 2015**  
**Ref: Scrip code 535136**

Dear Sir/ Madam,

Pursuant to the requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR), 2015), please find enclosed copy of Notice of Annual General Meeting and Annual Report for financial year 2021-22.

Kindly take the same on records and oblige.

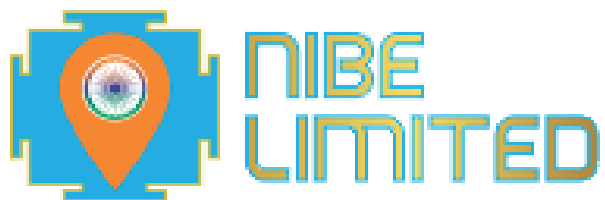
Thanks & Regards,  
**For Nibe Limited**  
**(formerly known as Kavita fabrics Limited)**

Sd/-

**Ganesh Ramesh Nibe**  
**Managing Director**  
DIN No.: 02932622  
Place.: Nashik

# Annual Report

## 2021 - 2022



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## 17TH ANNUAL REPORT OF 2021-22

### CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Ganesh Ramesh Nibe	Chairman & Managing Director
Mrs. Manjusha Ganesh Nibe	Executive Director
Mr. Sanjay Shivajirao Dighe	Non-Executive Independent Director
Mr. Bhagwan Krishna Gadade	Non-Executive Independent Director
Mr. Aditya Shirish Joshi	Non-Executive Independent Director
Mr. Manish Purshottamdas Kella	Non-Executive Independent Director

### KEY MANAGERIAL PERSONNEL

Mr. Ganesh Ramesh Nibe	Managing Director
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### BOARD COMMITTEES

#### AUDIT COMMITTEE

Sr. No.	Name of Director	Designation
1	Mr. Aditya Shirish Joshi	Chairman
2	Mr. Sanjay Shivajirao Dighe	Member
3	Mr. Ganesh Ramesh Nibe	Member

#### NOMINATION AND REMUNERATION COMMITTEE

Sr. No.	Name of Director	Designation
1	Mr. Sanjay Shivajirao Dighe	Chairman
2	Mr. Aditya Shirish Joshi	Member
3	Mr. Bhagwan Krishna Gadade	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Sr. No.	Name of Director	Designation
1	Mr. Sanjay Shivajirao Dighe	Chairman
2	Mr. Aditya Shirish Joshi	Member
3	Mr. Bhagwan Krishna Gadade	Member

### INTERNAL AUDITOR

M/s. DPNS & Co

<b>BANKERS</b>
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Union Bank

<b>STATUTORY AUDITORS</b>
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M/s. SHARP AARTH & CO

<b>SECRETARIAL AUDITORS</b>
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M/s. Madhura Ubale, Company Secretaries

<b>REGISTRAR AND TRANSFER AGENT</b>
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**Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,

Makwana Road, Marol,

Andheri (East), Mumbai-400059

Tel: 022 – 40430200; Fax: 022 – 28475207

E-mail: ipo@bigshareonline.com; Website: www.bigshareonline.com

<b>REGISTERED OFFICE AND CONTACT DETAILS AND WEBSITE</b>
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**Nibe Limited** (Formerly Known as Kavita Fabrics Limited)

Plot No. A-3/B in the Chakan Industrial Area Phase– II,

Village: Khalumbre, Taluka – Khed, Pune- 410501

Tel: 0253-2237599

**Email :** [info@nibelimited.com](mailto:info@nibelimited.com)

**Website:** [www.nibelimited.com](http://www.nibelimited.com)

CIN: L34100PN2005PLC205813

## LETTER TO THE SHAREHOLDERS

Dear Shareholders,

It gives me immense pleasure to write to you to present the Annual Report for FY2021-22. I hope this letter finds you and your families well and safe.

Recent history has been relentless with the global pandemic, military conflict, growing inequality, supply chain shortages and more. As economies across the world are gradually coming out of the pandemic induced inertia, and gathering momentum, we are taking all relevant initiatives to increase production capacity and efficiency to enhance its market share.

During the year under review Company has marked its steps in new Industry by manufacturing and fabricating heavy structures related to Defence Industry directly and indirectly. Company has established Plant in Chakan area for manufacturing of heavy fabricated structures and machinery. Company has also bagged work orders with reputed players in market which affirms a growth for company in upcoming financial year.

FY 2021-22 was a challenging year for the Company as Company stepped into new business avenue. Revenue from operations was Rs. 2,124.37 Lacs in FY 2021-22 against revenue from operations in FY 2020-21 which was Rs.251.32 lacs. The Company managed to record profit of Rs.21.25 Lacs in FY 2021-22. Now company has accommodated with changes and has a vision of growing manifold in upcoming financial year.

Your Company is taking concerted actions to be future ready and create a virtuous cycle of growth and returns for our shareholders. I would like to welcome you on this journey. While the near-term outlook is fluid with multiple challenges that I outlined above, the business is taking the right actions to navigate them, and I am confident that we will emerge stronger.

I would like to take this opportunity to thank all our employees for their immense contributions in these trying times. I would also like to thank you shareholders for your continued trust and support.

**From desk of Managing Director**

**Ganesh Nibe**

## NOTICE OF 17TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 17<sup>th</sup> (Seventeenth) Annual General Meeting of NIBE LIMITED (**Company**) will be held on Saturday, 30<sup>th</sup> July, 2022 at the registered office of the Company situated at Plot No. A-3/B in the Chakan Industrial Area Phase– II, Village: Khalumbre, Taluka – Khed, Pune, Maharashtra, India - 410 501 at 3:00 P.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with Reports of the Board of Directors and Auditors thereon.
2. To appoint Mrs. Manjusha Ganesh Nibe (DIN: 05114706) as director liable to retire by rotation.

### SPECIAL BUSINESS:

#### 3. Appointment of Mr. Manish Purshottamdas Kella (DIN: 06603231) as an Independent Director

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

**“RESOLVED THAT** Mr. Manish Purshottamdas Kella (DIN: 06603231), who was appointed as an Additional Director of the Company with effect from October 12, 2021 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and Articles of Association of the Company, and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Mr. Manish Purshottamdas Kella (DIN: 06603231), that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, for a term of five years, i.e., from 12<sup>th</sup> October 2021 to 12<sup>th</sup> October 2026 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved.”

#### 4. Increase in the Borrowing Limits of the Company under Section 180(1)(c) of Companies Act, 2013

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

**“RESOLVED THAT** pursuant to Section 180(1)(c) and other applicable provisions, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, as it may consider fit, any sum or sums of money not exceeding INR 100 Crore (Rupees One Hundred Crore Only) on such terms and conditions as the Board may deem fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the

Company (apart from temporary loans obtained/to be obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors be and are hereby authorized to arrange to fix the terms and conditions of all such borrowings from time to time as it may deem fit and to sign and execute all such deeds, contracts, instruments, agreements and any other documents as may be required and to do all such acts, deeds, matters, things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred by this resolution to any committee of Directors and/or Directors and/or Officers of the Company to give effect to this resolution."

**5. Approval for giving loan or guarantee or providing security in connection with loan availed by any of the company's subsidiary(ies) or any other person specified under Section 185 of the Companies Act, 2013**

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

**"RESOLVED THAT** pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder as amended from time to time, the consent of the members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (here in after referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), upto an aggregate sum of INR 100 Crores (Rupees One Hundred Crores Only) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

**6. To make investments, give loans, guarantees and provide securities under Section 186 of the Companies Act, 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s) ; (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s) ; and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 50 (Rupees Fifty



Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company."

**7. Increase in Authorized Capital of company and subsequent Alteration of memorandum of Association**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the Members be and is hereby accorded for increase in the Authorized Share Capital of the Company from existing Rs. 10,50,00,000/- (Rupees Ten Crore Fifty lakh) divided into 1,05,00,000 (One Crore Five Lakh) Equity Shares of Rs.10/- each to Rs. 30,00,00,000/- (Rupees Thirty Crore) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

**"RESOLVED FURTHER THAT** the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores) divided into 3,00,00,000 (Three crore) Equity Shares of Rs. 10/- (Rupees Ten) each.

**"RESOLVED FURTHER THAT** the Board of Directors or any Committee thereof be and is hereby severally authorized to take all such steps and actions for the purposes of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary including but not limited to delegate all or any of the powers herein vested in them to any person or persons, as deemed expedient to give effect to this resolution and the members hereby ratify and adopt all such decision, action, etc. as had been taken or undertaken by the Board or any Committee thereof in this regard."

**8. Appointment of M/s R T Jain and Co LLP, Chartered Accountants, as Statutory Auditors to fill up the casual vacancy, caused due to resignation of M/s. Sharp Aarth & Co, Chartered Accountants**

To consider and, if thought fit, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s RT Jain and Co LLP, Chartered Accountants, (LLPIN AAI-4279) be and is hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of M/s Sharp Aarth & Co, Chartered Accountants."

**"RESOLVED FURTHER THAT** M/s RT Jain and Co LLP, Chartered Accountants, (LLPIN AAI-4279) shall be entitled to hold the office of the Statutory Auditors of the Company upto the conclusion of the 22<sup>nd</sup> Annual General Meeting to be held in the year 2027 at such remuneration (including fees for

Certification) and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Board of Directors of the Company, on the recommendation of the Audit Committee.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters, and things as may be required to give effect to above resolution from time to time.”

**Registered Office:**

Plot No. A-3/B  
in the Chakan Industrial Area Phase– II,  
Village: Khalumbre, Taluka – Khed,  
Pune – 410 501  
Email ID: [csnibelimited@gmail.com](mailto:csnibelimited@gmail.com)  
Website: <https://nibelimited.com/>

**By order of the Board of Directors  
Nibe Limited**

(Formerly known as Kavita Fabrics Limited)

Sd/-

**Ganesh Nibe  
Managing Director  
DIN: 02932622**

**Date:** 04.07.2022

**Place:** Pune

**NOTES:**

1. The relevant details, pursuant to 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
2. The relative Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the meeting is annexed hereto.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to [csnibelimited@gmail.com](mailto:csnibelimited@gmail.com).
4. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form with Bigshare Services Private Limited in case the shares are held by them in physical form.
5. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form.
6. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form.
7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. Members seeking any information with regard to the ~~accounts~~ or any matter to be placed at the AGM, are requested to write to the Company on or before 20<sup>th</sup> July, 2022 through email on [csnibelimited@gmail.com](mailto:csnibelimited@gmail.com). The same will be replied by the Company suitably.
9. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
10. The Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.nibelimited.com](http://www.nibelimited.com), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL <https://www.evotingindia.com>.
11. The Route Map to the Venue of AGM is annexed in this Notice.

12. The facility of casting votes by a member using remote e-voting system will be provided by CDSL.
13. The Company has appointed CS Chetan Kumbhojkar, Practicing Company Secretary (Membership No. 37671, CoP No. 23821) to scrutinize the Voting at the meeting and remote e voting process in a fare and transparent manner.
14. 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, Bigshare Services Private Limited for assistance in this regard.
15. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will be closed from Monday, July 25, 2022 to Friday, July 29, 2022 both days inclusive.
16. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the Electronic form are therefore requested to submit their PAN to their depository Participants with whom they are maintaining their demat accounts. Members holding Physical shares can submit their PAN to the Company/ Bigshare Services Private Limited.
17. Process for those members whose email ids are not registered:
  - i. Members in physical mode or demat mode can register their email address through the link provided by Bigshare Services Private Limited <https://bigshareonline.com/InvestorRegistration.aspx> and following the registration process as guided thereafter. Post successful registration of the email, the members would get a confirmation on their email id. In case of any queries, members may contact the RTA through their website <https://bigshareonline.com>.
  - ii. The RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.
18. Instructions for e-voting are as follows:

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the provisions of Regulation 44 of the Listing Regulations and MCA Circulars, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL on all Resolutions set forth in this Notice, through remote e-voting. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility. The remote e-voting facility will be available during the following period: From 9.00 a.m. Wednesday, July 27, 2022 to 5.00 p.m. Friday, July 29, 2022 The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of the aforesaid period.

Once the vote on a Resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently. The process and manner for remote e-voting are explained below:

Step 1: Access to NSDL/CDSL e-Voting System

**Login method for e-voting for Individual Shareholders holding Shares of the Company in demat**

**mode:** In terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020 on e-voting facility provided by Listed Entities, Individual Shareholders holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts/websites of Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility. The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

Login Method for Individual Shareholders holding Shares of the Company in Demat mode through National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"):

NSDL	CDSL
<p>1. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:</p> <p>i. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>ii. Click on the "Beneficial Owner" icon under "IDeAS" section.</p> <p>iii. On the new page, enter your User ID and Password.</p> <p>Post successful authentication, click on "Access to e-Voting"</p> <p>iv. Click on Company Name: Nibe Limited (Kavita Fabrics Limited) or E-Voting Service Provider and you will be re-directed to E-Voting Service Provider ("CDSL") website for casting your vote during the remote e-Voting period.</p>	<p>1. Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:</p> <p>i. Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>ii. Click on "New System Myeasi" icon</p> <p>iii. Login with your Registered User ID and Password.</p> <p>iv. Option will be made available to reach e-Voting page without any further authentication.</p> <p>v. You will see the e-Voting Menu. The Menu will have links of E-voting Service Provider i.e. CDSL e-Voting portal where the e-voting is in progress.</p> <p>vi. Click on e-Voting service provider – CDSL to cast your vote.</p>
<p>2. Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:</p> <p>i. To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>ii. Select "Register Online for IDeAS" or click on the link: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>iii. Proceed with completing the required fields.</p> <p>iv. After successful registration, please follow steps given in Point No. 1 above to cast your vote.</p>	<p>2. Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:</p> <p>i. Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>ii. Proceed with completing the required fields.</p> <p>iii. After successful registration, please follow steps given in Point No. 1 above to cast your vote.</p>
<p>3. Users may directly access the e-Voting module of NSDL as per the following procedure:</p> <p>i. Visit URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a></p> <p>ii. Click on the "Login" icon which is available under "Shareholder/Member" section.</p> <p>iii. On the login page, enter User ID (that is, your sixteen digit number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL's e-voting platform)/through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen.</p>	<p>3. Users may directly access the e-Voting module of CDSL as per the following procedure:</p> <p>i. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>ii. Provide your Demat Account Number and PAN.</p> <p>iii. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account.</p> <p>iv. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against Nibe Limited (Kavita Fabrics Limited) or select E-Voting Service Provider "CDSL" and you will be re-directed to the e-Voting page of Evotingindia to cast your vote without any further authentication.</p>
<p>iv. Post successful authentication, you will be requested to select Name of the Company: Nibe Limited (Kavita Fabrics Limited)</p>	

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or the E-Voting Service Provider, i.e. CDSL.

v. On successful selection, you will be redirected to the e-Voting page of CDSL to cast your vote without any further authentication.

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B. Login Method for Individual Members holding Shares of the Company in Demat mode 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. Once you login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository website after successful authentication, wherein you can see e-voting feature. Click on options available against the Company's Name: Nibe Limited (Kavita Fabrics Limited) or E-Voting Service Provider – CDSL and you will be redirected to e-Voting website of Evoting india for casting your vote during the remote e-Voting period without any further authentication. Important Note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at the NSDL and CDSL websites. Helpdesk for Individual Shareholders holding Shares of the Company in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

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**Login type Helpdesk details**

**Securities held with NSDL Please contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at Toll free no.: 1800 1020 990 and 1800 22 44 30**

**Securities held with CDSL Please contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 or 022-23058542-43**

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II. Login method for e-Voting for Shareholders other than Individual Shareholders holding Shares of the Company in demat mode and Shareholders holding Shares in physical mode

A. Members whose email IDs are registered with the Company/ Depository Participants, will receive an email from which includes details of E-Voting Event Number (EVEN), USER ID and password:

i. Launch internet browser by typing the URL: <https://evotingindia.com/>

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with CDSL for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Nibe Limited – AGM'.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the

Cut-off Date i.e 22<sup>nd</sup> July, 2022 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. Pursuant to Clause 16.5.3(e) of Secretarial Standard on General Meetings ("SS-2") issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government, in case a Member abstains from voting on a Resolution i.e., the Member neither assents nor dissents to the Resolution, then his/her/ its vote will be treated as an invalid vote with respect to that Resolution. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have confirmed, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id: [chetankumbhojkar@gmail.com](mailto:chetankumbhojkar@gmail.com) with a copy marked to the Company at [info@nibelimited.com](mailto:info@nibelimited.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Event No". It should reach the Scrutinizer and the Company not later Wednesday, September 22, 2021. In case if the authorized representative attends the Meeting, the above mentioned documents shall be submitted before the commencement of AGM.

In case email ID of Members is not registered with the Company/Depository Participants, then such Members are requested to register/update their email addresses with the Depository Participant(s) (in case of shares held in Dematerialised form)

(in case of Shares held in physical form):

i. Upon registration, Member will receive an e-mail from RTA which includes details of E-Voting Event Number (EVEN), USER ID and password.

ii. Please follow all steps from Note. No. II A (i) to (xii) above to cast your vote by electronic means. Members can also update their mobile number and e-mail address in the "user profile details" in their e-voting login on <https://evotingindia.com> which may be used for sending further communication(s).

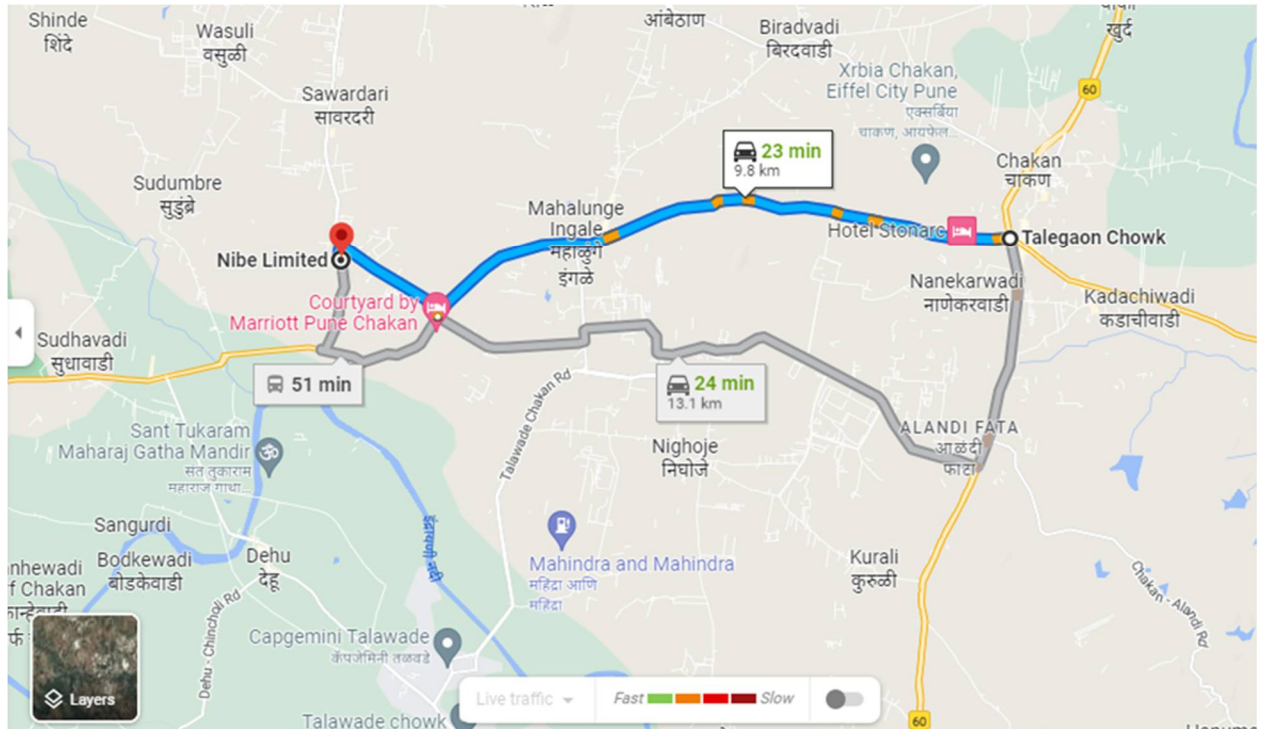
**Date:** 04.07.2022

**Place:** Pune

**For and on behalf of the Board**  
**Nibe Limited** (Formerly known as Kavita Fabrics  
Limited)

**Sd/-**  
**Ganesh Nibe**  
**(Managing Director)**  
**DIN: 02932622**

**ROUTE MAP OF THE 17<sup>TH</sup> ANNUAL GENERAL MEETING**



**Venue: Registered Office:**  
**Nibe Limited (Formerly Known as Kavita Fabrics Limited)**  
**Plot No. A-3/B in the Chakan Industrial Area Phase- II,**  
**Village: Khalumbre, Taluka – Khed, Pune- 410501**  
**Tel: 0253-2237599**  
**Email : info@nibelimited.com**  
**Website: www.nibelimited.com**  
**CIN: L34100PN2005PLC205813**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos 3 to 8 of the accompanying Notice:

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 2 of the accompanying Notice.

**Item No. 2 and 3**

**Details of Directors Retiring by Rotation and Seeking Re-Appointment.**

NAME OF THE DIRECTOR	MANJUSHA GANESH NIBE	MANISH PURSHOTTAMDAS KELLA
Date of Birth	22/01/1981	17/09/1971
DIN	05114706	06603231
Education Qualification	MA	B.Com and CS
Date of Appointment	07.02.2020 as Additional Director 13.03.2020 change in Designation as Executive Director and Chairman of the Company	12 <sup>th</sup> October 2021 as an additional and Independent Director
Nature of expertise in specific functional area	She is Admin, HR, Finance monitoring experience of more than 12 Years	Mr. Manish Kella is having overall more than 24 years' experience and 18 years of post-qualification experience in the field of Legal/Secretarial and Finance. He has a vast experience of dealing with various Government Departments and liaising with Statutory Authorities including Crisis Management.
Disclosure of relationship between director inter se	Spouse of Mr. Ganesh Ramesh Nibe, Managing Director of the Company	NA
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board;	NA	1. SAPTARISHI AGRO INDUSTRIES LIMITED (L15499TN1992PLC022192)
Remuneration Details (Including setting fees & Commission)	Rs 20.83 Lakh	
No. of Shares held	510000 (4.9%)	NA

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the corporate governance report which is a part of this Annual Report.

**Item 3:**

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board appointed Mr. Manish Purshottamdas Kella (DIN: 06603231) as an Additional Director of the Company and also an Independent Director not liable to retire by rotation, for a term of five years, i.e., from 12<sup>th</sup> October 2021 upto 12<sup>th</sup> October 2026 (both days inclusive), subject to approval by the Members.

Pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr Manish Purshottamdas Kella (DIN: 06603231) shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from a Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr. Manish Purshottamdas Kella (DIN: 06603231) are provided as in this Notice in Explanatory Statement above.

Mr. Manish Purshottamdas Kella (DIN: 06603231) has given his declaration to the Board, inter alia, that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority and (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent to act as a director in form DIR-2 as required under provision of Companies Act, 2013.

In the opinion of the Board, Mr. Manish Purshottamdas Kella (DIN: 06603231) is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management. Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Manish Purshottamdas Kella (DIN: 06603231) on the Board of the Company and accordingly the Board recommends the appointment of Mr. Manish Purshottamdas Kella (DIN: 06603231) as an Independent Director as proposed in the Resolution set out at Item No. 3 of the accompanying Notice for approval by the Members.

As an Independent Director, he is entitled to get sitting fee for Board Meetings and Board Level Committee Meetings attended by him.

Except for Mr. Manish Purshottamdas Kella (DIN: 06603231) and/or his relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

**ITEM NO.4:**

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only with the consent of the Company by passing a Special Resolution. In view thereof, it is proposed to obtain approval of Shareholders by a Special Resolution.

The relevant resolutions proposed for the Member's approval is specified at item No.4. The Board of Directors recommend the Special Resolution as set out in item No. 4 of the Notice for the approval of the Shareholders.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

**ITEM NO.5:**

The Company is expected to render support for the business requirements of other companies in the group, from time to time. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") and/or give guarantee or provide security in respect of loans taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities").

The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities.

Hence, in order to enable the Company to advance loan and/or give guarantee or provide security in respect of loans taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Director of the Company is deemed to be interested directly or indirectly, under section 185 of the Act, it requires approval of members by way of a Special Resolution.

The relevant resolutions proposed for the Member's approval is specified at item No.5. The Board of Directors recommend the Special Resolution as set out in item No. 5 of the Notice for the approval of the Shareholders.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

**ITEM NO.6:**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required. Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 50 Crores, as proposed in the Notice. The above proposal is in the interest of the Company.

The Board recommends the Resolution as set out at Item No.6 for approval by the members of the Company. None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 6 of the

accompanying notice. The Board recommends the resolution at Item no.6 to be passed as Special Resolution.

#### **Item 7**

The present Authorized Share Capital of the Company is Rs. 10,50,00,000/- (Rupees Ten Crore Fifty Lakh ) comprising of 1,05,00,000 (One Crore Five Lakh) Equity Shares of Rs. 10/- each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on July 04, 2022 had accorded its approval for increasing the Authorized Share Capital from Rs. 10,50,00,000/- (Rupees Ten Crore Fifty Lakh) to Rs. 30,00,00,000/- (Rupees Thirty Crore) by creation of 19,50,000 additional equity share of Rs.10/- each, subject to shareholders approval.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the revised Authorized Share Capital.

The proposal for increase in Authorized Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection in the manner provided.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.

#### **Item 8:**

M/s Sharp Aarth & Co, Chartered Accountants, have tendered their resignation from the position of Statutory Auditors, with effect from July 04, 2022 resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013. As per Section 139(8) of the Companies Act, 2013, the casual vacancy caused by the resignation of Auditors can be filled by the Board within thirty days which is subject to the approval of the members within three months of the recommendation of the Board and such auditor shall hold office till the conclusion of the next Annual General Meeting.

Based on the recommendation of the Audit Committee, the Board, at its meeting held on July 04, 2022, proposes and recommends that M/s. RT Jain and Co LLP (LLPIN AAI-4279) be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Sharp Aarth & Co, Chartered Accountants, who shall hold the office up to the conclusion of the 22nd Annual General Meeting of the Company to be held in the year 2027. The Auditor Firm is an established firm having experience of decades. The Firm has many experienced professionals and hence, Audit Committee and Board recommends appointment of the firm on remuneration of Rs. 2 lakh plus out of pocket expenses and any other charges as may be agreed between the parties.

M/s. RT Jain and Co LLP, Chartered Accountants, being eligible under section 139(1) and other applicable provisions, have consented to act as the Statutory Auditors of the Company and have also confirmed that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

The Board of Directors recommends the resolution for the approval of members of the Company as set out in Item No.8 of the Notice as Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the proposed Resolution set out at Item No. 8 of this Notice.

**For and on behalf of the Board**  
**Nibe Limited**(Formerly known as Kavita Fabrics  
Limited)

**Sd/-**  
**Ganesh Nibe**  
**(Managing Director)**  
**DIN: 02932622**

**Date:** 04.07.2022  
**Place:** Pune

## DIRECTORS REPORT

**To the Members,**

Your Directors are pleased to present the 17th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2022.

### **1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY**

Based on standalone financial statements of the Company.

(Amt. in Lacs)

PARTICULARS	FY ENDING MARCH, 2022	FY ENDING MARCH, 2021
Revenue from Operations	2,124.37	251.32
Other Income	122.45	5.12
<b>Total Income</b>	<b>2,246.81</b>	<b>256.43</b>
<b>Less: Expenditure</b>	<b>2,206.66</b>	<b>238.24</b>
Profit/(Loss) before Tax	40.15	18.19
Tax Expenses:		
(a) Current Tax	18.25	4.88
(b) Deferred Tax	0.65	0.00
(c) Short/Excess Provision for Taxes	-	0.81
<b>Total Tax Expenses</b>	<b>18.90</b>	<b>5.69</b>
<b>Net Profit After Tax</b>	<b>21.25</b>	<b>12.51</b>
Other comprehensive income	(1.03)	-
<b>Total Comprehensive Income/Loss</b>	<b>20.22</b>	<b>12.51</b>
<b>Paid-Up Share Capital (Face Value of 10/- Each)</b>	<b>1,041.87</b>	<b>1,041.87</b>
<b>Earnings Per Share (Basic and Diluted)</b>	<b>0.20</b>	<b>0.12</b>

### **2. BRIEF DESCRIPTION OF THE COMPANY'S OPERATIONS DURING THE YEAR / STATE OF COMPANY'S AFFAIR**

The Company managed to record profit of Rs. 21.25 lakhs in Financial Year 2021-22. Now company has accommodated with changes and has a vision of growing manifold in upcoming financial year.

### **3. FINANCIAL YEAR**

This report of Directors along with its Annexure, Management Discussion and Analysis, Corporate Governance Report, Financial Statements along with their Notes are prepared for the period April 01, 2021 to March 31, 2022 (a period of 12 months). Pursuant to the provisions of Section 2(41) of the Companies Act, 2013, a 'financial year' in relation to the Company means the period ending on the 31st day of March every year, in respect whereof financial statement of the Company is made. Your Company is in compliance with the provisions of the Companies Act, 2013.

#### **4. FINANCIAL PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS**

Revenue from operations was Rs. 2,124.37 Lacs in FY 2021-22 against revenue from operations in FY 2020-21 which was Rs.251.32 lacs. The Company managed to record profit of Rs.21.25 Lacs in FY 2021-22.

Now company has accommodated with changes and has a vision of growing manifold in upcoming financial year.

#### **5.DIVIDENDS AND RESERVES**

The Company has decided to sustain the growth in line with the long-term growth objectives of the Company by retaining the profits and utilizing the same for opportunities in hand.

#### **6. SHARE CAPITAL**

During the period April 01, 2021 to March 31, 2022, during the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity and there is no change in the Issued, Subscribed and paid up share Capital of Company. The Share Capital Audit as per the directives of the Securities and Exchange Board of India (SEBI) is being conducted by Practicing Company Secretaries. The paid-up Share Capital of the Company stands at Rs. 10,41,87,060/- (Rupees Ten Crores Forty-One Lakh Eighty-Seven Thousand and Sixty Only).

#### **7. TRANSFER TO RESERVES**

Amount has been transferred by the Company to Reserves during the year is mentioned in Financial Statements.

#### **8. PUBLIC DEPOSITS**

The Company has neither invited nor accepted any public deposits during the period under review.

#### **9. SUBSIDIARY AND ASSOCIATE COMPANIES**

As on March 31, 2022, the Company have one subsidiary named Nibe E-Motor limited which was incorporated on 7th February 2022. The said company has not yet started its business operation.

#### **10. CONSOLIDATED FINANCIAL STATEMENT**

Pursuant to provisions of Companies Act, 2013, as the First financial Year of Subsidiary Company will be closing on 31st March 2023, The Company is not required to consolidate its financial statements in terms of provisions of Companies Act, 2013 and rules thereunder for this reporting financial year.

#### **11.DIRECTORS' RESPONSIBILITY STATEMENT**

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

i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken 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;
- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **12. NUMBER OF MEETINGS OF BOARD OF DIRECTORS:**

Five meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

## **13. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- i. During the Year, Ms. Kruti Patel (Membership No. 40320) was appointed as Company Secretary and Compliance Officer of the Company on 10.08.2021 and she resigned on 21.01.2022.
- ii. During the year, Mr. Hemant Wani resigned as Chief Financial Officer of company w.e.f. 07.02.2022.
- iii. During the year, Mr. Gangadhar Chakote was appointed as Chief Financial Officer of Company on 07.02.2022 and resigned from the Board w.e.f. 11.03.2022.

ii. Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2022 are: Mr. Ganesh Nibe, Managing Director of the Company.

During the year under review following changes took place in the composition of Board of Directors of the Company:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Date of Change</b>
1	Mr. Shyamkant Sitaram Pawar	Non-Executive Independent Director	10/08/2021
2	Mr. Aditya Shirish Joshi	Additional Director (Non-Executive Independent Director)	10/08/2021
3	Mr. Aditya Shirish Joshi	Non-Executive Independent Director	23/09/2021
4	Mr. Manish Kella	Additional Director (Non-Executive Independent Director)	12/10/2021

At the forthcoming AGM approval of the Members will be sought to the following appointment:

- Re-appointment of Mrs. Manjusha Ganesh Nibe (DIN: 05114706) as a Director of the Company who is liable to retire by rotation at the AGM.



- Regularisation of appointment Mr. Manish Kella (DIN: 06603231) as an Non-Executive Independent Director for a tenure of 5 years with effect from 12th October 2021 to 12th October 2026.

#### **14. BOARD EVALUATION**

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### **15. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on appointment of directors is available on [www.nibelimited.com](http://www.nibelimited.com). The policy on remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on [www.nibelimited.com](http://www.nibelimited.com).

#### **16. INTERNAL FINANCIALS CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses were observed. The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

#### **17. COMMITTEES OF THE BOARD**

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

Details of Committee and their meetings are detailed in Corporate Governance Report.

#### **18. AUDITORS**

M/s. SHARP AARTH & CO, Chartered Accounts (Firm Registration No. 132748W) have tendered their resignation to discontinue as the Statutory Auditor of the Company.

Hence, in order to fill up the casual vacancy the Board of Directors have appointed M/s. RT Jain & Co LLP, Chartered Accountants in the Board Meeting held on July 4, 2022 on the recommendation of Audit Committee.

The office of M/s. RT Jain & Co LLP, Chartered Accountants, are to be confirmed by the members in the ensuing Annual General Meeting. Further, their appointment shall be for the tenure of 05 (Five) years, subject to the approval of members in the ensuing Annual General Meeting.

## **19. AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT**

The statutory auditor's report and the secretarial audit report do not contain any qualifications, reservations, or adverse remarks or disclaimer. Secretarial audit report is attached to this report.

## **20. VIGIL MECHANISM**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. The Vigil Mechanism / Whistle Blower Policy has been uploaded on the Company's Website i.e. [www.nibelimited.com](http://www.nibelimited.com).

## **21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 (if any) are given in the notes to the Financial Statements.

## **22. BUSINESS RISK MANAGEMENT**

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business. The Company has adopted risk management policy.

## **23. RELATED PARTY TRANSACTIONS**

The Related Party transactions for which the information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are part of Notes in Financial Statements.

## **24. CORPORATE SOCIAL RESPONSIBILITY**

The Company does not exceed the threshold limits mentioned in Section 135 (1) of the Companies Act, 2013. Therefore, the provisions pertaining to Corporate Social Responsibility are not applicable to the Company.

## **25. EXTRACT OF ANNUAL RETURN**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return is available on the website of the company on [www.nibelimited.com](http://www.nibelimited.com)

## **26. PARTICULAR OF EMPLOYEES**

Particulars of employees as required u/s 134 of the Companies Act, 2013 are not annexed since the executive directors are not drawing any salary exceeding limits prescribed during the year under review and the independent directors are getting sitting fees.

Further the information required pursuant to Section 197 of the Companies Act, 2013 (the Act) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Compliance Officer in this regard.

## **27. DISCLOSURE REQUIREMENTS**

As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis Report are attached, which forms part of this report. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## **28. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNING**

### **(A) Conservation of Energy**

Your company is taking continuously taking initiatives to ensure optimum utilization of energy available in day-to-day operations. Your company uses energy efficient lighting devices, light fittings to save energy, capacitor bank/devices to maintain power factor which are environment and power efficient.

### **(B) Technology Absorption**

Your company is doing its business by ensuring optimum utilisation of its available resources.

Your company has not taken any research & development activity so far.

### **(C) Foreign Exchange Earnings and Outgo**

The Company has not incurred in foreign currency during the financial year 2021-22.

## **29. WHISTLE BLOWER POLICY**

The Company has adopted a 'Whistle Blower Policy' with an objective to conduct its affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has established mechanism for reporting concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct and Ethics. The Whistle Blower Policy has been posted on the website of the Company [www.nibelimited.com](http://www.nibelimited.com).

### **30. NOMINATION AND REMUNERATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

### **31. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS**

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

### **32. ADEQUACY OF INTERNAL CONTROL SYSTEM**

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

### **33. CODE OF CONDUCT**

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which is available on website of the company. The Company has obtained confirmations for the compliance with the said code from all its Board members and senior management personnel for the year ended March, 31, 2021.

### **34. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS**

All Independent Directors have given necessary declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended.

### **35. NOMINATION AND REMUNERATION COMMITTEE**

The Company follows a policy on "Nomination and Remuneration of Directors, Key managerial Personnel and Senior Management". The policy is approved by the Nomination & Remuneration Committee and the Board. More details on the same are given in **Annexure I**.

### **36. SECRETARIAL AUDITORS**

The Board of Directors have appointed Madhura Ubale, Company Secretary to conduct Secretarial Audit for the Financial Year 2021-22. The Secretarial Audit Report issued by Madhura Ubale, Company Secretaries in Practice is self-explanatory and does not call for further comments. The Secretarial Audit Report forms a part of Directors Report in **Annexure II**.

### **37. AUDIT COMMITTEE**

The composition of Audit Committee is as follows:

Name of Directors	Designation in Committee	Category
Shyamkant Sitaram Pawar*	Chairperson	Non-executive - Independent Director
Sanjay Shivajirao Dighe	Member	Non-executive - Independent Director
Ganesh Ramesh Nibe	Member	Executive Director
Aditya Joshi*	Chairperson	Non-executive - Independent Director

- Mr. Shyamkant Pawar resigned and Mr. Aditya Joshi was appointed w.e.f. 10.08.2021.

During the Financial Year 2021-22, Audit Committee met 5 times on 28.06.2021, 10.08.2021, 12.10.2021, 29.10.2021 and 07.02.2022. All the recommendations made by the audit committee were accepted by the board.

Frequency and quorum at these meetings were in conformity with the provisions of the Companies Act, 2013, Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges.

### **38. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has always believed in providing a safe and harassment free workplace for every individual through various interventions and practices.

The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place an Anti- Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received by the company during the year for sexual harassment. In order to build awareness in this area, the Company has been conducting programmes in the organisation on a continuous basis.

### **39. MANAGEMENT DISCUSSION AND ANALYSIS**

In compliance with the Regulation 34 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), a separate section on the Management Discussion and Analysis Report giving details of overall industry structure, developments, performance and state of affairs of Company's business forms an integral part of this Report.

### **40. CORPORATE GOVERNANCE**

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance, forms an integral part of this report.

### **41. CAUTIONARY STATEMENT**

Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may

constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

#### **42. HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invest in attraction, retention and development of talent on an on-going basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement. The Human Resource agenda continues to support the business in achieving sustainable and responsible growth by building the right capabilities in the organisation. It continues to focus on progressive employee relations policies, creating an inclusive work culture and a strong talent pipeline.

#### **43. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

#### **44. DISCLOSURE ABOUT COST AUDIT**

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

#### **45. LISTING WITH STOCK EXCHANGES**

The Company is listed on Main Board of BSE Limited. The Company confirms that it has paid the Annual Listing Fees for the year 2021-22 to BSE Limited where the Company's Shares are listed.

#### **46. APPRECIATIONS AND ACKNOWLEDGMENTS**

Your Directors wish to express their appreciation and gratitude to all the employees at all levels for their hard work, dedication and cooperation during the year. Your Directors wish to express their sincere appreciation for the excellent support and co-operation extended by the Company's shareholders, customers, bankers, suppliers, regulatory and government authorities and all other stakeholders.

The Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

**For and on behalf of the Board**  
**Nibe Limited** (Formerly known as Kavita Fabrics Limited)

**Sd/-**  
**Ganesh Nibe**  
**(Managing Director)**  
**DIN: 02932622**

**Date:** 04.07.2022

**Place:** Pune

## **ANNEXURE I**

### **NOMINATION AND REMUNERATION POLICY OF THE COMPANY**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Board of Directors of **NIBE LIMITED** (Formerly known as Kavita Fabrics Limited) ("the Company") re-constituted the "Nomination Committee" as "Nomination and Remuneration Committee" consisting of three (3) member Non- Executive Directors. The policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors. Objective and purpose of the Policy:

#### **OBJECTIVE:**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time). The Key Objectives of the Committee would be:

- I.** To guide the Board and lay down criteria in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- II.** To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- III.** To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- IV.** To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- V.** To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- VI.** To devise a policy on Board diversity,
- VII.** To develop a succession plan for the Board and to regularly review the plan.

The Nomination and Remuneration Policy has been formulated in order to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

#### **DEFINITIONS:**

- I.** "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- II.** "Board" means Board of Directors of the Company.
- III.** "Directors" mean the Directors of the Company.
- IV.** "Key Managerial Personnel" (KMP) means:

- Chief Executive Officer or the Managing Director or the Manager;
- Whole-time director;
- Chief Financial Officer;
- Company Secretary; and
- Such other officer as may be prescribed under the Act.

“Senior Management” means personnel of the company who are members of its core management team excluding the Board of Directors and KMPs, comprising of all members of management one level below the Executive Directors including Functional Heads.

#### **CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee comprises of following Directors:

<b>Name</b>	<b>Position</b>
Mr. Sanjay Shivajirao Dighe	Chairman
Mr. Shyamkant Sitaram Pawar*	Member
Mr. Bhagwan Krishna Gadade	Member
Mr. Aditya Joshi*	Member

- Mr. Shyamkant Pawar resigned and Mr. Aditya Joshi was appointed w.e.f. 10.08.2021.

The Board has the power to reconstitute the Committee consistent with the Company’s policy and applicable statutory requirement.

#### **APPLICABILITY**

The Policy is applicable to:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

#### **ROLE OF COMMITTEE:**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

#### **➤ Appointment criteria and qualifications:**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the



person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. Criteria for identifying persons who are qualified to be appointed as a Directors / KMP /Senior Management Personnel of the Company:

**a) Directors**

Section 164 of the Companies Act, 2013 states disqualifications for appointment of any person to become Director of any Company. Any person who in the opinion of the Board is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

**b) Independent Directors**

For appointing any person as an Independent Director he/she should possess qualifications mentioned in Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014

**c) Senior Management Personnel and KMP**

The Company has a hierarchy structure displaying positions of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the Company is to match the requirements prescribed in the hierarchy structure of the Company.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

➤ **Term / Tenure**

**a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**b) Independent Director:**

The maximum tenure of Independent Directors shall be in accordance with the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

➤ **Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly)

a) **Criteria for evaluating Non-executive Board members:**

Section 149 of the Companies Act, 2013 read with Schedule IV of the said Act states that the Independent Directors shall at its separate meeting review performance of non-independent directors and the Board as a whole and the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

b) **Criteria for evaluating performance of Key Managerial Personnel and Senior Management Personnel**

Criteria for evaluating performance of KMP and Senior Management Personnel shall be as per the HR Guideline on Performance Management System and Development Plan of the Company.

➤ **Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

➤ **Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

The remuneration to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

**SITTING FEES**

Board is empowered to fix the sitting fees for the Directors, however, the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time per meeting of the Board or Committee.

## **COMMISSION**

Commission may be paid within the monetary limit approved by shareholders; subject to the limit not exceeding 1% of the profits of the Company computed as per the provisions of Section 197 the Companies Act, 2013.

## **STOCK OPTIONS**

An Independent Director shall not be entitled to any stock option of the Company.

## **MEMBERSHIP, FREQUENCY OF MEETINGS**

Chairperson of the Committee shall be an Independent Director. The Committee shall consist of a minimum 3 non-executive directors. Membership of the Committee shall be disclosed in the Annual Report. Term of the Committee shall be continued unless terminated by the Board of Directors. The meeting of the Committee shall be held at such regular intervals as may be required.

## **MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

## **COMMUNICATION OF THIS POLICY**

For all Directors, a copy of this Policy shall be handed over within one month from the date of approval by the Board. This Policy shall also be posted on the website of the Company and in the Annual Report of the Company.

## **AMENDMENT**

Any change in the Policy shall, on recommendation of Nominations and Remuneration Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

**For and on behalf of the Board**  
**Nibe Limited**(Formerly known as Kavita Fabrics  
Limited)  
**Sd/-**  
**Ganesh Nibe**  
**(Managing Director)**  
**DIN: 02932622**

**Date:** 04.07.2022

**Place:** Pune

## Annexure II

### Form No. MR.3

**Secretarial Audit Report for the financial year ended on March 31, 2022**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies**  
**(Appointment and remuneration of managerial personnel) Rule, 2014]**

**To,**  
**The Members,**  
**NIBE LIMITED**

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **NIBE LIMITED** (hereinafter called 'the Company'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Applicable)
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Applicable)
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable)

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Applicable)
- j. Laws specifically applicable to the Industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:

Factories Act, 1948

Industrial Disputes Act, 1947

Trade Marks Act, 1999

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

#### **I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. **However, there is vacancy in office of Company Secretary and Compliance Officer and Chief Financial Officer.** The management informed us that they are in process of finding suitable candidate for the said vacancy.

Adequate notice is given to all the Directors to schedule the Board Meeting, 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board and committee meetings are carried out unanimously as recorded in the minutes of the meeting of the board of directors or committees thereof as the case may be. There were no dissenting views of any member of the Board or committees thereof during the period under review.

**I 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.

I further report that during the audit period the company has made application to shift Registered office of the company from State of Gujrat to State of Maharashtra and the said Application was duly processed, thereby shifting registered office of the company to State of Maharashtra.

I further report that, company has incorporated a subsidiary company 'Nibe E-Motor Limited' on 7<sup>th</sup> February, 2022, which is not functional as yet.

Except this there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Madhura Ubale.  
Company Secretary

Sd/-

Madhura Ubale  
FCS No: 9338  
COP No: 25038  
Place : Nashik  
Date : 04.07.2022  
UDIN: F009338D000563375

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,  
**Nibe Limited**

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. The Company does not have Company Secretary as on date of this report. The Company Secretary resigned w.e.f. 21.01.2022. The Management is in process of finding suitable candidate for the position.
4. The Company does not have Chief Financial Officer as on date of this report. The Chief Financial Officer resigned on 11.03.2022. The Management is in process of finding suitable candidate for the position.
5. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
6. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
8. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Madhura Ubale**  
**Company Secretary**

Sd/-  
Madhura Ubale  
FCS No: 9338  
COP No: 25038  
Place : Nashik  
Date : 04.07.2022  
**UDIN: F009338D000563375**

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry structure and developments

The Indian steel industry is considered as one of the few bright spots in the global steel industry. The market has transformed to a great extent over the past few years. The technological developments, though the adoption rate is low in the sector, have not only improved the delivery times, but also helped the industry in producing accurate designs of steel structures.

The rising demand for goods and services across various sectors in India, combined with the fact that global manufacturing companies focus to diversify their production by setting-up low-cost plants in countries, like China and India, is expected to drive the Indian manufacturing sector.

Company is running objects included manufacturing and fabrication of heavy structures related to Defence Industry directly and indirectly in Plant 1 at Chakan, Pune. The Company had been striving to work on those objects during this year. However, with the pandemic situation being disruptive in the usual business cycle. It was challenging for the Company to establish foot in this new industry.

The Company has established Plant in Chakan area for manufacturing of heavy fabricated structures and machinery. Company has also bagged work orders with reputed players in market which affirms a positive growth for Company in upcoming financial year.

This Chakan Plant 1 is exclusively work for L&T Defence only.

### Opportunities and Threats

Metal fabrication holds a prominent place in the manufacturing industry, where it involves building metal components for various applications. With the latest technological advancements, such as IoT and automation, the metal fabrication industry is undergoing rapid changes. Metal Fabrication has a huge market, where the fabricators are introducing strategies to cut down on their production costs, while tapping on new approaches, like the adaptation of control systems, etc. This equipment have several industries as end-users, with many processes involved in metal fabrication that include milling, forming, welding, machining, stamping, finishing, etc. The metal fabrication equipment market is expected to grow at a remarkable rate, as the world moves toward industrialization, owing to the growing population.

The increasing construction sector and the preference toward pre-engineered buildings are expected to further increase the competition within the market and provide ample of opportunities.

The India metal fabrication market is fragmented in nature, with the presence of a large number of small- and medium-sized companies and Engineering, Procurement and Construction (EPC) companies.

### Operational Performance

Revenue from operations was Rs. 2,124.37 Lacs in FY 2021-22 against revenue from operations in FY 2020-21 which was Rs.251.32 lacs. The Company managed to record profit of Rs.21.25 Lacs in FY 2021-22.

Company has bagged work orders with reputed players in market which affirms a growth for company in upcoming financial year.



## **Outlook**

The global pandemic has thrown a wrench into the global supply chain. Reshoring trends will continue, and so will customers' demand for fabricators to respond quickly. Steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past. According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), the Indian metallurgical industries attracted Foreign Direct Investment (FDI).

The India fabrication market is expected to grow at 5.5% over the forecasted period. This is owing to factors, such as the increasing demand from the manufacturing sector, the rising preference toward pre-engineered buildings and components, and government initiatives toward infrastructure development activities.

Additionally, the Indian manufacturing sector is expected to register a growth of more than six times than the current value, by 2025, to USD 1 trillion. This growth in the Indian manufacturing sector, in turn, is likely to increase the number of manufacturing facilities in the country, which is, thus, expected to drive the demand in the market studied.

## **Adequacy of Internal Control System**

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

## **Human Resource Development**

The Company recognizes that its human resource is its strength in realizing its goals and objectives.

## **Cautionary Statement**

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand-supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

**For and on behalf of the Board  
Nibe Limited**

**Date:** 04.07.2022  
**Place:** Pune

**Ganesh Nibe  
(Managing Director)**

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance pursuant to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) for the financial year ended 31st March 2022.

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Effective corporate governance practices constitute the strong foundation on which successful enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Transparency and accountability are the two basic tenets of Corporate Governance. The Company's philosophy on Corporate Governance is to achieve business excellence, enhance long term values for its stakeholders, maintaining excellent relations across all levels and proper compliance with all applicable legal and regulatory requirements. Responsible corporate conduct is integral to the way we do our business. We believe that Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. In its endeavor to achieve the higher standards of governance by adopting the best emerging practices, the Company not only adheres to the prescribed corporate governance practices in terms of the regulatory requirements but is also committed to sound corporate governance principles and practices. To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act").

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

Details of board structure and the various committees that constitute the governance structure of the organization are covered in detail in this report.

### 2. BOARD OF DIRECTORS

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short- and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

## **Composition**

The Board of Directors along with its Committees provide leadership and guidance to the Company's management and direct, supervises and controls the performance of the Company. The present strength of Board of Directors is 6 (Six), whose composition and category is given below:

Two - Executive Director

Four - Non-Executive Independent Directors

The composition of the Board also complies with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

### **A. Composition and Directorship(s) / Committee Membership(s) / Chairmanship(s) as on 31<sup>st</sup> March 2022**

SR. No.	Directors	Category	Date of joining the Board/ Reappointment	Direct orship in Other Comp anies	No. of Committee positions held in other companies		No. of Committee positions held in Nibe Limited	
					Mem ber	Chair Man	Mem ber	Chair Man
1.	Mr. Ganesh Ramesh Nibe	Managing Director (Appointed w.e.f. 07.02.2020)	07.02.2020	0	0	0	1	0
2.	Mrs. Manjusha Ganesh Nibe	Executive Director, Chairperson (Appointed w.e.f. 07.02.2020)	07.02.2020	0	0	0	0	0
3.	Mr. Sanjay Shivajirao Dighe	Independent Director (Appointed w.e.f. 07.02.2020)	07.02.2020	0	0	0	3	2
4.	Mr. Bhagwan Krishna Gadade	Independent Director (Appointed w.e.f. 07.02.2020)	07.02.2020	0	0	0	2	0
5.	Mr. Aditya Shirish Joshi	Independent Director	10.08.2021	0	0	0	3	1

6.	Mr. Manish Kella	Independent Director	12.10.2021	0	0	0	0	0
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# Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

None of the Directors hold directorship in more than 20 Companies nor is a member in more than ten committees or acts as chairman of more than 5 committees across all the companies in which they are Directors. Hence the number of Directorships, Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations).

## **B. Appointment and Tenure**

The Directors of the Company are appointed by Members at the General Meetings. The Managing Director of the Company is appointed for a term of five years as per the requirement of the statute. The Executive Directors on the Board have been appointed as per the provisions of the Companies Act, 1956/ Companies Act, 2013 and serve in accordance with the terms of their contract of service with the Company.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and Listing Regulations.

The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013 and Listing Regulations.

## **C. Board Meetings**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. Meetings of the Board are held at Registered Office of the Company. The agenda of the Board / Committee meetings is set by the Managing Director of the Company. The agenda is circulated a week prior to the date of the meeting. The agenda for the Board and Committee meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the financial year ended 31st March, 2022, Five Board meetings were held on 28.06.2021, 10.08.2021, 12.10.2021, 29.10.2021 and 07.02.2022. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

**Attendance of each Director at the Board Meetings and the last Annual General Meeting:**

Sr. No.	Name of Directors	Category of Directorship	Number of Board Meeting Attended in the FY 2020-21	Attendance at the last AGM held on 23.09.2021
1.	Mr. Ganesh Ramesh Nibe	Managing Director (Appointed w.e.f. 07.02.2020)	5	Present
2.	Mrs. Manjusha Ganesh Nibe	Executive Director, Chairperson (Appointed w.e.f. 07.02.2020)	5	Present
3.	Mr. Sanjay Shivajirao Dighe	Independent Director (Appointed w.e.f. 07.02.2020)	5	Present
4.	Mr. Bhagwan Krishna Gadade	Independent Director (Appointed w.e.f. 07.02.2020)	5	Present
5.	Mr. Aditya Joshi*	Independent Director (Appointed w.e.f. 10.08.2021)	3	Present
6.	Mr. Manish Kella	Independent Director (Appointed w.e.f. 12.10.2021)	2	NA

**D. Board Procedure**

The Companies Act, 2013 read with the relevant rules made there under, now facilitates the participation of a Director in Board / Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

**E. Directors' Induction and Familiarization**

At the time of appointing a Director, a formal letter of appointment is given. The Directors are familiarized with the History, Vision and Mission of the Company and also explained in details the compliances required from them under Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other relevant regulations. The Managing Director also has a one-to-one discussion with the newly appointed Director. The above initiative helps the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips them to effectively fulfil his role as a Director of the Company.

## **F. Reappointment of Directors:**

Mrs. Manjusha Nibe (DIN: 05114706) Executive Director retires at the ensuing Annual General Meeting and is being eligible to offer herself for re-appointment at the ensuing Annual General Meeting.

## **3. COMMITTEES OF THE BOARD:**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has established the following statutory and non-statutory Committees.

### **a) Audit Committee:**

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of SEBI (LODR) Regulations, 2015. The Audit Committee of the Company acts as a supervisor to the accounting system of the Company which it reports to the Board of Directors of the Company.

<b>Name of Director</b>	<b>Designation in committee</b>	<b>Nature of Directorship</b>	<b>Total Meetings held during the Year</b>	<b>Meetings Attended by the Member</b>
Aditya Joshi	Chairman	Non-Executive and Independent	3	3
Sanjay Shivajirao Dighe	Member	Non-Executive and Independent	4	4
Ganesh Ramesh Nibe	Member	Executive Director	4	4

- Mr. Shyamkant Pawar resigned and Mr. Aditya Joshi was appointed w.e.f. 10.08.2021.

During the year ended 31st March, 2022, 4 Audit Committee Meeting was held on the following dates: 28.06.2021, 10.08.2021, 29.10.2021 and 07.02.2022.

Frequency and quorum at these meetings were in conformity with the provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the company with the Stock Exchanges.

**Terms of reference of the Audit Committee are broadly defined as under:**

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of SEBI (LODR) Regulations, 2015. The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations.

The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

**b) Nomination & Remuneration Committee**

As per Section 178 (1) of the Companies Act, 2013, our Company has constituted a Nomination & Remuneration Committee. The members of the said committee are:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship	Total Meetings held during the Year	Meetings Attended by the Member
1.	Sanjay Shivajirao Dighe	Chairman	Non-Executive and Independent	2	2
2.	Aditya Joshi	Member	Non-Executive and Independent	2	2
3.	Bhagwan Krishna Gadade	Member	Non-Executive and Independent	2	2

- Mr. Shyamkant Pawar resigned and Mr. Aditya Joshi was appointed w.e.f. 10.08.2021.

**Terms of reference of the Nomination & Remuneration Committees are broadly defined as under:**

The Committee's terms of reference powers, role and functions are as stipulated under Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulation, which are as followed:

- To guide the Board and lay down criteria in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity,
- To develop a succession plan for the Board and to regularly review the plan.

During the year ended 31st March, 2022, 2 Nomination & Remuneration Committee Meeting was held on 10.08.2021 and 12.10.2021.

### c) Stakeholders Relationship Committee

The Stakeholders Relationship Committee is entrusted with the responsibility of addressing the shareholders/ investors complaints with respect to transfer of shares, non-receipt of Annual Report, non-receipt of dividend, etc.

Members of the committee as on March 31, 2022 are as under:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship	Total Meetings Held during the Year	Meetings Attended by the Member
1.	Sanjay Shivajirao Dighe	Chairman	Non-Executive and Independent	1	1
2.	Aditya Joshi *	Member	Non-Executive and Independent	1	1
3.	Bhagwan Krishna Gadade	Member	Non-Executive and Independent	1	1

- Mr. Shyamkant Pawar resigned and Mr. Aditya Joshi was appointed w.e.f. 10.08.2021.

The Stakeholders Relationship Committee met 1 time during the financial year ended 31st March, 2022 on 12.10.2021.

### Terms of reference of the Stakeholders Relationship Committee are broadly defined as under:

To resolve the complaints and grievances of the investors/stakeholders and to function in an efficient manner that all issues / concerns of stakeholders are addressed / resolved promptly.

### Name, Designation and address of the Compliance Officer:

#### Company Secretary & Compliance Officer\*

Nibe Limited (Formerly Known as Kavita Fabrics Limited)  
Plot No. A-3/B in the Chakan Industrial Area Phase– II,  
Village: Khalumbre, Taluka – Khed, Pune- 410501  
Tel: 0253-2237599 Fax: -  
Email : [info@nibelimited.com](mailto:info@nibelimited.com)  
Website: [www.nibelimited.com](http://www.nibelimited.com)

### Details of Shareholders' / Investors' Complaints during the FY ended 31st March 2022.

Number of Shareholders' Complaints received during the year	NIL
Number of Shareholders' Complaints resolved during the year	NIL



Number of Shareholders' Complaints Pending at the end of the year	NIL
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**d) Risk Management Committee**

Constituting Risk Management Committee is not applicable to our Company.

**e) Policy on material subsidiary**

The Company does not have a material subsidiary as yet and hence the Company is not required to formulate policy on material subsidiary.

**f) Policy on Related party transactions- NA**

**g) Independent Directors' Meeting**

During the year under review, the Independent Directors met on 07.02.2022 , inter alia, to discuss and review:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**4. POLICY ON DISCLOSURE AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

Compliance Officer is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

**5. SHAREHOLDER INFORMATION**

**A. Annual General Meetings:**

The details of date, time and location of annual general meetings of last three years are as under:

Year	Date of AGM	Day	Time	Venue	Special Resolution
2020-21	23.09.2021	Thursday	3.00 P.M.	105, Balaji Industrial Society-1, Udhna Magdalla Road, Surat- 395007	Yes
2019-20	18.09.2020	Friday	2.30 P.M.	Through OVAM	Yes
2018-19	30.09.2019	Monday	10.00 A.M.	105, Balaji Industrial Society-1, Udhna Magdalla Road, Surat- 395007	Yes

## B. Postal Ballot

Following resolution was passed through the postal ballot during F. Y. 2021-22.

Details of the Postal Ballot are as follows :-

1. Notice was approved in Board Meeting dated March 30,2021. The dispatch of Notice was completed on April 06,2021 and voting period commenced on April 06, 2021 and ended on May 05, 2021. Results were declared on May 07,2021. Mr. Gautam Tiwari of Gautam Tiwari & Co., Company Secretaries, acted as Scrutinizer for the Postal Ballot.

Particulars	Total Shareholding	Voting Particulars			Result
		Favour	Against	Invalid	
Shifting of Registered	1,04,18,706	67,42,829	0	0	Passed

## C. Annual General Meeting for the financial year 2021-22

**Date:** Saturday, 30.07.2022 at 3.00 p.m.

**Venue :** Registered office of the Company

**Time :** 3.00 P.M.

## D. Calendar of financial year ended 31st March, 2022

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31st March,2022 were held on the following dates:

<b>First Quarter</b>	<b>10.08.2021</b>
<b>Second Quarter</b>	<b>29.10.2021</b>
<b>Third Quarter</b>	<b>07.02.2022</b>
<b>Fourth Quarter</b>	<b>16.05.2022</b>

## E. Bifurcation of shares held in physical and demat form as on 31st March, 2022

Particulars	No. of Shares	%
Physical Shares	NIL	NIL
<b>Demat Shares</b>		
NSDL (A)	7582187	72.77
CDSL (B)	2836519	27.23
Total (A+B)	10418706	100%
<b>TOTAL</b>	<b>10418706</b>	<b>100%</b>

## F. Listing Details

Name and Address of Stock Exchange	Stock Code
BSE Limited (BSE)* Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	535136
ISIN	INE149O01018

The listing fee for the financial year 2021-22 has been paid to the above Stock Exchanges.

## G. Share Price Data

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) for the year ended 31st March, 2022 are as under:

Month	BSE		Shares Volume
	High Price	Low Price	
April-21	42.8	23	414126
May-21	38.85	33.25	157613
June-21	42.85	32.5	173101
July-21	77.95	35.7	1133866
Aug-21	81.2	56.3	1037036
Sept.-21	62.8	50	145249
Oct.-21	56	44.05	206312
Nov-2	49.65	37.9	196270
Dec-21	51.1	37.1	100738
Jan-22	56.3	42	187847
Feb-22	54.9	39.1	286808
Mar-22	52.95	43.7	92029



**H. Share holding pattern of the Company as on 31.03.2022:**

Sr. No.	Category	No. of Shares	% (Percentage)
1.	Promoters (Including Promoters Body Corporate)	6548232	62.85
2.	Body Corporate (Public)	496925	4.77
3.	Clearing Member (Public)	1132	0.01
4.	Non-Resident Indian (NRI)	5120	0.05
5.	Public	3367297	32.32
	<b>TOTAL</b>	<b>10418706</b>	<b>100%</b>

**I. Distribution of Shareholding as on 31.03.2022:**

No. of Shares held	No. of Shareholders	%	Share Amount	% of Total Capital
1 to 5000	1128	77.63	1294630	1.24
5001 to 10000	111	7.64	948130	0.91
10001 to 20000	70	4.82	1083330	1.04
20001 to 30000	30	2.06	749940	0.72
30001 to 40000	20	1.38	739600	0.71
40001 to 50000	13	0.89	607350	0.58
50001 and 100000	29	1.99	2155230	2.07
100001 onwards	52	3.58	96608850	92.73
<b>Total</b>	<b>1453</b>	<b>100.00</b>	<b>104187060</b>	<b>100</b>

**J. Share Transfer System:**

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities & Exchange Board of India (SEBI). Bigshare Services Private Limited handles both Demat and Physical Shares Transfers.

The Share Transfers which are received in physical form are processed and the share certificates are returned within 21 days from the date of receipt, subject to Documents being valid and complete in all respects.

**K. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion dates and likely impact on equity:-**

NIL

**L. Plant Locations:-**

Chakan, Talegaon

**M. ADDRESS FOR CORRESPONDENCE:-****NIBE LIMITED (Formerly known as Kavita Fabrics Limited)**

Plot No. A-3/B in the Chakan Industrial Area Phase – II,  
Village: Khalumbre, Taluka – Khed,  
District – Pune – 410501

Tel: +91 – 0253-2237599;

Email: [info@nibelimited.com](mailto:info@nibelimited.com); Website: [www.nibelimited.com](http://www.nibelimited.com)

#### **REGISTRAR AND SHARE TRANSFER AGENT:**

##### **Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri East, Mumbai - 400 059.

Tel: +91 – 22 – 4043 0200; Fax: +91 – 22 – 2847 5207

Email: [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com); Website: [www.bigshareonline.com](http://www.bigshareonline.com)

#### **N. DISCLOSURES:**

##### **a) Related Party Transaction:**

Details are as mentioned in Notes to Accounts which forms part of Audit Report.

##### **b) Statutory Compliance, Penalties and Strictures:**

The Company has complied with all the requirements of the listing agreements with the stock exchanges as well as regulations and guidelines of SEBI. Penalties have been imposed by BSE were duly paid or stricture has been issued by SEBI, stock exchanges or any Statutory Authorities on matters relating to capital markets during the last three years.

The Company has followed all relevant accounting standards notified by the Companies Accounting Standards Rules, 2006 and relevant provisions of the Companies Act, 2013 while preparing its financial statements.

##### **c) Whistle Blower Policy:**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

##### **d) Reconciliation of Share Capital Audit:**

In line with the requirements stipulated by Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares of the Company held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

##### **e) Compliance with mandatory requirements of Corporate Governance**

The Company has complied with the mandatory requirements Regulation 27 of SEBI (LODR) Regulations, 2015 and submits on quarterly/yearly basis the Corporate Governance reports to the concerned Stock Exchanges.

The provisions of regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR), Regulations, 2015 are fully complied with, to the extent applicable to the Company.

All the mandatory disclosure as required in term of the provisions of SEBI (LODR), Regulations, 2015 are disclosed in this report.

**f) CEO / CFO Certificate:**

Appropriate certification as required under Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been made to the Board of Directors by the CEO/CFO which has been taken note of by the Board.

**g) Means of Communication**

Quarterly and Annual results of the Company are published in newspapers such as Financial Express (Gujarati) and Financial Express (English) and Free Press (English), Navshakti (Marathi). The Company's results and press releases are available on the Company's website [www.nibelimited.com](http://www.nibelimited.com).

**h) Disclosure of Risk Management**

Our risk management process is overseen by the Board of Directors. Our risk management approach and practices continued to focus on minimizing the adverse impact of risks on our business objectives and to enable the Company to leverage market opportunities based on risk-return parity.

**i) Further the company adopted the following discretionary requirements under Regulation 27 (1) of SEBI (LODR), Regulations, 2015**

- **The Board**

No separate office was maintained by the Chairman of the Company

No separate office was maintained by the present Managing Director of the Company.

- **Reporting of Internal Auditors**

The Internal Auditors directly reported to the Audit Committee

**DECLARATION BY THE CEO UNDER REGULATION 26(3) OF THE SEBI (LISTING  
OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015  
REGARDING ADHERENCE CODE OF CONDUCT**

In accordance with Regulation 26(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct for the Financial Year ended March 31, 2022.

**For and on behalf of the Board**  
**Nibe Limited** (Formerly known as Kavita Fabrics Limited)

**Sd/-**  
**Ganesh Nibe**  
**(Managing Director)**

**Place:** 04.07.2022  
**Dated:** Pune

**CEO / CFO CERTIFICATION**

**CEO / CFO certification for Preparation of Financial Statements on Standalone Basis  
[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]**

**To,  
The Board of Directors,  
Nibe Limited (Formerly known as Kavita Fabrics Limited)**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Nibe Limited **(Formerly known as Kavita Fabrics Limited)** ('the Company'), to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement prepared for the financial year ended on 31st March, 2022 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
  - ii. 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) We further state 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 hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d) We are responsible 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.
- e) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - (i) There are no significant changes in internal control over financial reporting during the year;
  - (ii) There are no changes in accounting policies during the year requiring disclosure in the notes to financial statements; and
  - (iii) There are no instances of significant fraud in the company's internal control system over financial reporting.

**For Nibe Limited (Formerly known as Kavita Fabrics Limited)**

**Sd/-  
Ganesh Nibe  
Managing Director**

**Sd/-  
Manjusha nibe  
Director**

**Date:** 04.07.2022

**Place:** Pune



<b>CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE</b>
--

**INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members of  
Nibe Limited  
(Formerly known as Kavita Fabrics Limited)**

We, have examined the compliance of conditions of Corporate Governance by **Nibe Limited** (Formerly known as Kavita Fabrics Limited) ("**the Company**"), for the year ended on **31st March, 2022**, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

**Managements' Responsibility**

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

**Auditor's Responsibility**

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2021.

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

**For M/s. SHARP AARTH & CO LLP,**

Sd/-  
**Praveen Purohit**  
**Chartered Accountant**  
FRN: 132748W

## **Independent Auditor's Report**

To the Members of  
**Nibe Limited (formerly known Kavita Fabrics Limited)**

### **Report on the Audit of Ind AS Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS Standalone Financial Statements of **Nibe Limited (formerly known Kavita Fabrics Limited)** ("the Company"), which comprise the balance sheet as at March 31, 2022, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Ind AS & accounting principles generally accepted in India:

- a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2022; and
- b) in the case of the statement of profit and loss, of the loss including other comprehensive income for the year ended on that date.
- c) in the case of the statement of cash flows, of the cash flows for the year ended on that date.
- d) in the case of the statement of changes in equity, of the changes in equity share capital and other equity for the year ended on that date.

#### **Basis for Opinion**

We have conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing as 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 Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors' Report, but does not include the Ind AS financial statements and our Auditor's report thereon.

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

### **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, the 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditors Responsibility for the Audit of the Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements,

whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. (A.) As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the balance sheet, the statement of profit and loss including the statement of other comprehensive income, the statement of cash flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
  - d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of written representations received from the directors as on 31 March, 2021 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) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
- B.) with respect to the other matters to be included in Auditors 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 explanations given to us:
- a) The Company does not have any pending litigations which would impact its financial position;
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - c) The Company was not required to transfer any amount to Investor Education and Protection Fund,
  - d)
    - i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
      - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or
      - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Fund Parties") with the understanding, whether recorded in writing or otherwise that the Company shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause d (i) and d (ii) contain any material misstatement.

e) During the year, the Company has not declared or paid any dividend.

C.) With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For M/S. SHARP AARTH & CO LLP**

Chartered Accountants

FRN: 132748W / W100823

**Sd/-**

**CA Praveen Purohit**

Partner

Membership No.: 429231

UDIN: 22429231AJAYHE2872

Place: Nashik

Date: May 16, 2022

**Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of Nibe Limited for the year ended 31<sup>st</sup> March, 2022**

**Referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (a)
    - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
    - (B) The Company has maintained proper records showing full particulars of Intangible Assets;
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on

verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to some of company / individuals during the year, details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, limited loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

- (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to parties other than subsidiaries as below:

Particulars	Amount (Rs. in Lakh)
Aggregate amount during the year	654.23
Balance outstanding as at Balance Sheet date	565.14

- (b) According to information and explanations given to us and based on the audit procedures conducted by us, we are of opinion that as the above loans are given without specifying the terms and conditions, we cannot comment that whether the loans given are not prejudicial to the interest of the company.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has not been stipulated and the repayments or receipts have not been occurred during the year.
- (d) According to information and explanations given to us and on the basis of our examination of the records of the Company, being no stipulation of the terms and conditions, we cannot ensure that there is any overdue amount for more than ninety days in respect of loans given.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended of fresh loans given to settle the overdues of existing loans given to the same party.



- (f) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has given the loans as referred in the sub-clause (a) repayable on demand and without specifying any terms or period of repayment.

According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans (except as described hereinbelow), or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013.

Name of the Company	Amount (Rs. in Lakh)
Nibe Motors Private Limited	654.23

Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the products manufactured by it (and / or services provided by it). Accordingly, clause 3 (vi) of the order is not applicable.

- (a) The Company does not have liability in respect of Sales Tax, Service Tax, Duty of Excise and Value Added Tax during the year since effective 1<sup>st</sup> July, 2017, these statutory dues has been subsumed into GST.

According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees State Insurance, Income Tax, Duty of Customs, cess or other material statutory dues have generally been regularly deposited (except as described below) with the appropriate authorities.

According to the information and explanations given to us, undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable are as below.

Nature of Dues	Amount Outstanding (Rs. in Lakh)
Provident Fund (PF)	6.36

ESIC	0.03
Professional Tax	0.30

- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.

According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the assessments under the Income Tax Act, 1961 as income during the year.

- (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to information and explanations given to us by the management, the Company has not obtained any term loan. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

- (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

The Company has not incurred cash losses in the current and in the immediately preceding financial year.

There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For M/S. SHARP AARTH & CO LLP**

Chartered Accountants

FRN: 132748W / W100823

**Sd/-**

**CA Praveen Purohit**

Partner

Membership No.: 429231

UDIN: **22429231AJAYHE2872**

Place: Nashik

Date: May 16, 2022

## **Annexure B to the Independent Auditors' Report**

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Opinion**

We have audited the internal financial controls over financial reporting of **Nibe Limited (formerly known Kavita Fabrics Limited)** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the criteria for internal financial control over financial reporting 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.

#### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our

audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) 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**

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

### **For M/S. SHARP AARTH & CO LLP**

Chartered Accountants

FRN: 132748W / W100823

**Sd/-**

### **CA Praveen Purohit**

Partner

Membership No.: 429231

UDIN: **22429231AJAYHE2872**

Place: Nashik

Date: May 16, 2022

**NIBE LIMITED**  
(formerly known as Kavita Fabrics Limited)  
**BALANCE SHEET AS AT 31ST MARCH 2022**

(₹ Thousand)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
<b>I. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant & Equipment	2	12,090.04	46.85
(b) Financial Assets			
(i) Loans	3	56,679.87	7,062.89
(ii) Other Financial Assets	4	23,136.07	12,615.26
(c) Deferred Tax Assets	5	-	55.69
(d) Other Non Current Assets	6	-	-
<b>(2) Current Assets</b>			
(a) Inventories	7	1,19,507.50	61,664.62
(b) Financial Assets			
(i) Investments	8	389.22	20,035.95
(ii) Trade receivables	9	28,066.22	14,743.64
(iii) Cash and cash equivalents	10	11,139.99	3,197.87
(iv) Other Financial Asset	11	-	958.10
(c) Current Tax Assets	12	12,110.62	-
(c) Other Current Assets	13	93.84	-
<b>TOTAL</b>		<b>2,63,213.37</b>	<b>1,20,380.87</b>
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	14	1,04,187.06	1,04,187.06
(b) Other Equity	15	2,108.66	86.33
<b>(2) Liabilities</b>			
<b><u>Non Current Liabilities</u></b>			
(a) Financial Liabilities			
(i) Borrowings	16	-	15,070.81
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities	17	9.44	-
(d) Other Non Current Liabilities			
(b) Provisions	18	827.98	17.39
<b><u>Current Liabilities</u></b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(i) Trade Payables	19	8,262.27	215.85
(ii) Other Financial Liabilities		-	-
(b) Other Current Liabilities	20	1,43,871.15	23.43
(c) Provisions	21	3,946.82	780.01
(d) Current Tax Liabilities		-	-
<b>TOTAL</b>		<b>2,63,213.37</b>	<b>1,20,380.87</b>
<b>Significant Accounting Policies</b> 1			
<i>The accompanying notes form an integral part of financial statements.</i>			
As per our report of even date			
<b>For M/s. SHARP AARTH &amp; CO LLP</b>		<b>For and on behalf of the Board of Directors of</b>	
<b>Chartered Accountants</b>		<b>Nibe Ltd.</b>	
<b>FRN 132748W / W100823</b>			
<b>Sd/-</b>		<b>Sd/-</b>	<b>Sd/-</b>
<b>CA Praveen Purohit</b>		<b>Ganesh Nibe</b>	<b>Manjusha Nibe</b>
<b>Partner</b>		<b>Managing Director</b>	<b>Director</b>
<b>M No. 429231</b>		<b>DIN: 02932622</b>	<b>DIN: 05114706</b>
<b>UDIN: 22429231AJAYHE2872</b>			
<b>Date: May 16, 2022</b>		<b>Date: May 16, 2022</b>	
<b>Place: Nashik</b>		<b>Place: Nashik</b>	

**NIBE LIMITED**  
(formerly known as Kavita Fabrics Limited)  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022**

(₹ Thousand Except EPS)

Sr. No	Particulars	Note No.	2021-22	2020-21
	<b>INCOME</b>			
I	Revenue from operations	22	2,12,436.76	25,131.51
II	Other Income	23	12,244.65	511.77
III	<b>Total Income</b>		<b>2,24,681.42</b>	<b>25,643.28</b>
	<b>EXPENDITURE</b>			
IV	Purchase of Materials	24	1,15,341.40	21,300.75
	Direct Expenses	25	98,306.65	-
	Changes in Inventory of Finished Goods, Stock in Trade and Work in Progress	26	(57,842.88)	(679.95)
	Employee Benefits Expenses	27	39,880.83	931.25
	Financial Costs	28	124.38	18.80
	Depreciation and Amortization Expense	29	3,167.10	18.50
	Other Expenses	30	21,688.72	2,234.89
	<b>Total Expenses</b>		<b>2,20,666.20</b>	<b>23,824.23</b>
V	<b>Profit before tax</b>		<b>4,015.22</b>	<b>1,819.05</b>
VI	<b>Tax expense:</b>	31		
	(1) Current tax		1,825.09	488.05
	(2) Deferred tax liability / (asset)		65.13	(0.35)
	(3) Previous Year Tax Adjustment		-	81.08
VII	<b>Profit/(Loss) for the year</b>		<b>2,124.99</b>	<b>1,250.27</b>
VIII	<b>Other Comprehensive Income / (Loss)</b>			
	Item that will not be subsequently reclassified to profit or loss			
	Remeasurement of Defined Benefit Plan		(211.92)	-
	Fair Value Measurement of Investments		109.25	35.95
	Income tax effect relating to items that will not be subsequently reclassified to profit or loss:		-	-
	Item that may be subsequently reclassified to profit or loss		-	-
	Income Tax relating to Item that will be subsequently reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income / (Loss) of the year</b>		<b>(102.67)</b>	<b>35.95</b>
IX	<b>Total Comprehensive Income / (Loss) of the year</b>		<b>2,022.32</b>	<b>1,286.22</b>
X	<b>EPS (face value of Rs.10/- each) Basic and Diluted (Rs)</b>	32	<b>0.20</b>	<b>0.12</b>

Significant Accounting Policies

1

**The accompanying notes form an integral part of financial statements.**

As per our report of even date

For M/s. SHARP AARTH & CO LLP  
Chartered Accountants  
FRN 132748W / W100823

Sd/-

CA Praveen Purohit  
Partner  
M No. 429231  
UDIN: 22429231AJAYHE2872  
Date: May 16, 2022  
Place: Nashik

For and on behalf of the Board of Directors of  
Nibe Ltd.

Sd/-

Ganesh Nibe  
Managing Director  
DIN: 02932622

Date: May 16, 2022  
Place: Nashik

Sd/-

Manjusha Nibe  
Director  
DIN: 05114706



# NIBE LIMITED

(formerly known as Kavita Fabrics Limited)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(₹ Thousand)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Cash flow from operating activities:</b>		
Net Profit before tax as per Profit And Loss A/c	4,015.22	1,819.05
<b>Adjusted for:</b>		
Depreciation & Amortisation	3,167.10	18.50
Interest & Finance Cost	124.38	18.80
Interest Income	(75.61)	(125.61)
Opening balance of OCI transferred to Profit and Loss A/c	-	35.95
Items of OCI	(102.67)	-
<b>Operating Profit Before Working Capital Changes</b>	<b>7,128.42</b>	<b>1,766.68</b>
Adjusted for (Increase)/ Decrease in:		
-Inventories	(57,842.88)	(679.95)
-Trade receivables	(13,322.58)	(4,504.92)
-Short-term loans and advances	-	-
-Non Current Other Financial Assets	(10,520.80)	-
-Other Non Current Asset	-	17,123.80
-Current Tax Assets	(12,110.62)	-
-Other Current Asset	(93.84)	432.39
-Other financial assets	958.10	(12,073.38)
-Trade payables	8,046.42	41.55
-Provisions	3,977.39	777.40
-Other Current Liabilities	1,43,847.72	17.13
<b>Cash Generated From Operations</b>	<b>70,067.33</b>	<b>2,900.70</b>
Direct Tax Paid	(1,825.09)	(569.13)
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>68,242.23</b>	<b>2,331.57</b>
<b>Cash Flow From Investing Activities:</b>		
Sale / (Purchase) of Fixed Assets	(15,210.29)	-
Sale of Non Current investment	-	-
Sale / (Purchase) of Current Investment	19,646.74	(20,035.95)
Long Term Loans and Advances given	(49,616.98)	5,490.12
	75.61	125.61
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(45,104.93)</b>	<b>(14,420.22)</b>
<b>Cash Flow from Financing Activities:</b>		
Proceeds from Long Term Borrowings	(15,070.81)	15,070.81
Proceeds from Short Term Borrowings	-	-
Interest & Financial Charges	(124.38)	(18.80)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(15,195.19)</b>	<b>15,052.01</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	7,942.12	2,963.36
Cash & Cash Equivalents As At Beginning of the Year	3,197.87	234.51
Cash & Cash Equivalents As At End of the Year	11,139.99	3,197.87

*The accompanying notes form an integral part of financial statements.*

As per our report of even date

For M/s. SHARP AARTH & CO LLP

Chartered Accountants

FRN 132748W / W100823

Sd/-

CA Praveen Purohit

Partner

M No. 429231

UDIN: 22429231AJAYHE2872

Date: May 16, 2022

Place: Nashik

For and on behalf of the Board of Directors of

Nibe Ltd.

Sd/-

Ganesh Nibe

Managing Director

DIN: 02932622

Date: May 16, 2022

Place: Nashik

Sd/-

Manjusha Nibe

Director

DIN: 05114706

## **Notes forming part of the Ind AS Financial Statements**

### **CORPORATE INFORMATION**

NIBE LIMITED (FORMERLY KNOWN AS KAVITA FABRICS LIMITED) was incorporated in the year 2005 as a private company. Subsequently In 2012, it was converted into a public company. The Company is in the business of trading in electronic components, fabrication materials, job work relating to fabrication works and consultancy in technical project etc. The company is service provider in field of design, supply, erection, testing, commissioning of Low voltage & Medium voltage lines including substations on turnkey basis. The Company has been acquired by new management through open offer of shares in March 2020.

### **NOTE 1: BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

#### **Basis of Measurement**

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including financial instruments which have been measured at fair value as described below:

-Certain asset and liabilities measured at fair value.

#### **Fair value measurement**

The Company measures financial instruments, such as, equity shares 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 the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value for measurement and /or disclosure purpose in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## **NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**

The Company has applied following accounting policies in the Ind AS Financial Statement.

### **a) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Revenues from sale of byproducts are included in revenue.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised at the agreed rate on time proportion basis.

### **b) Property, Plant and Equipment**

#### **Property, plant and equipment**

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **Capital work in progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

### **Depreciation**

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life as provided in the Companies Act, 2013 (determined by the management based on technical estimates), as follows:

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

The estimated useful lives are as mentioned below:

Type of Asset	Useful lives
Buildings	30 Years
Plant & Machineries	15 Years
Office Equipments	5 Years
Computer Equipments	3 Years
Servers & Networks	6 Years
Furniture & Fixtures	10 Years

### **Intangible assets**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected

useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

### **Financial instruments**

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

### **Financial assets**

#### **Initial recognition and measurement**

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

#### **Subsequent measurement**

Subsequent measurement of financial assets is described below -

Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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. This category generally applies to trade and other receivables.

#### **Debt instrument at FVTOCI**

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payment of principal and interest (herein after referred to as "SPPI").

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. Debt instrument at

FVTPL. FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### **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 financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL 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 (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

▣ **Financial assets measured as at amortised cost:** 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.

### **Financial liabilities – Recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through statement of profit and loss Financial Liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

### **Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **Financial liabilities - Derecognition**

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

### **Offsetting of financial instruments**

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

### **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### **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.

**Impairment of Non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

**Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. 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.

**Inventories**

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value.

Costs incurred in bringing the inventory to its present location and condition are accounted for as follows:



Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a portion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

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

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

## **Taxation**

### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Sales/ value added taxes paid on acquisition of assets or on incurring expenses. Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except: When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of

receivables or payables in the balance sheet. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

## **Employee benefit schemes**

### **Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

## **Post-employment benefits**

### **Defined benefit plans –Provident fund**

#### **Provident Fund**

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

### **Provision for liabilities and charges, Contingent liabilities and contingent assets**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability. Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

**Foreign currency transactions**

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income. The Company has applied paragraph 46A of AS 11 under Indian GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first-time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. Hence, foreign exchange gain/loss on long-term foreign currency monetary items recognized upto March 31, 2016 has been deferred/capitalized. A long-term foreign currency monetary item is an item having a term of 12 months or more at the date of its origination.

**Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue are accounted for based on the cost price. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

**Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

# NIBE LIMITED

(formerly known as Kavita Fabrics Limited)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022

(₹ Thousand)

### A. Equity Share Capital (Of Rs. 10 each)

Particulars	Number of Shares	Amount Rs.
<b>Issued, Subscribed and Fully Paid Up Share Capital at April 1, 2020</b>	10,418.71	1,04,187.06
Changes in Equity Share Capital due to prior period errors	-	-
<b>Restated Balance of Share Capital at April 1, 2020</b>	10,418.71	1,04,187.06
Changes in Equity Share Capital during the year 2020-21	-	-
<b>Balance as at March 31, 2021</b>	10,418.71	1,04,187.06
<b>Issued, Subscribed and Fully Paid Up Share Capital at April 1, 2021</b>	10,418.71	1,04,187.06
Changes in Equity Share Capital due to prior period errors	-	-
<b>Restated Balance of Share Capital at April 1, 2021</b>	10,418.71	1,04,187.06
Changes in Equity Share Capital during the year 2021-22	-	-
<b>Balance as at March 31, 2022</b>	10,418.71	1,04,187.06

### A. Other Equity

Particulars	Reserves & Surplus	Items of Other Comprehensive Income		Total
	Surplus in Profit & Loss Account	Notional Gain / (Loss) on Share Trading	Remeasurement of Defined Benefit Plans	
<b>Balance as at April 1, 2020</b>	(1199.88)	-	-	(1199.88)
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated Balance as at April 1, 2020</b>	(1199.88)	-	-	(1199.88)
Add: Profit / (Loss) for the year 2020-21	1250.27	35.95	-	1286.22
Less: Dividend Paid	-	-	-	-
Less: Transferred to Profit & Loss Account	-	-	-	-
<b>Balance as at March 31, 2021</b>	50.38	35.95	-	86.33
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated Balance as at April 1, 2021</b>	50.38	35.95	-	86.33
Add: Notional Gain / (Loss) on Mutual Funds	-	(102.67)	-	(102.67)
Add: Profit / (Loss) for the year 2021-22	2124.99	-	-	2124.99
<b>Balance as at March 31, 2022</b>	2175.37	(66.71)	-	2108.66

## NOTES TO THE FINANCIAL STATEMENTS

### Note 2 : Property, Plant & Equipments

(₹ Thousand)

Description of Asset	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION					NET BLOCK	
	As on	Addition	Deduction	As on	As on	Provided	Write	Deduction/	Up to	As on	As on
	01.04.2021	during year	during year	31.03.2022	01.04.2021	during year	off	Adjustment	31.03.2021	31.03.2022	31.03.2021
<b>I. Tangible Assets</b>											
Buildings	-	728.00	-	728.00	-	32.97	-	-	32.97	695.03	-
Plant & Machineries	-	4,244.14	-	4,244.14	-	300.35	-	-	300.35	3,943.79	-
Office Equipments	-	1,456.92	-	1,456.92	-	456.58	-	-	456.58	1,000.34	-
Computers	-	4,718.53	-	4,718.53	-	1,686.65	-	-	1,686.65	3,031.88	-
Furniture & Fixture	608.85	4,062.71	-	4,671.55	562.00	690.55	-	-	1,252.55	3,419.00	46.85
<b>TOTAL</b>	<b>608.85</b>	<b>15,210.29</b>	<b>-</b>	<b>15,819.14</b>	<b>562.00</b>	<b>3,167.10</b>	<b>-</b>	<b>-</b>	<b>3,729.10</b>	<b>12,090.04</b>	<b>46.85</b>

## NOTES TO THE FINANCIAL STATEMENTS

(₹ Thousand)

### Note 3 : Financial Asset - Non Current - Loans

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, Considered Good</b>		
Loans & Advances to Related Parties	53,898.46	-
Loans & Advances to Others	2,781.41	7,062.89
<b>TOTAL</b>	<b>56,679.87</b>	<b>7,062.89</b>

### Note 4 : Financial Asset - Non Current - Others

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Deposits</b>		
Balances with Banks	-	15.26
Balances with Others	23,136.07	12,600.00
<b>TOTAL</b>	<b>23,136.07</b>	<b>12,615.26</b>

### Note 5 : Deferred Tax Asset

Particulars	As at 31st March 2022	As at 31st March 2021
Related to Depreciation	-	51.23
Related to Provision for Gratuity	-	4.46
<b>TOTAL</b>	<b>-</b>	<b>55.69</b>

### Note 6 : Other Non Current Assets

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Unsecured, Considered Good</b>		
Loans & Advances	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

### Note 7 : Inventories

Particulars	As at 31st March 2022	As at 31st March 2021
Raw Materials, Consumables, WIP, Finished Goods	1,19,507.50	61,664.62
<b>TOTAL</b>	<b>1,19,507.50</b>	<b>61,664.62</b>

### Note 8 : Financial Asset - Current - Investments

Particulars	As at 31st March 2022	As at 31st March 2021
Investments in Mutual Funds	279.97	20,000.00
Add : Change in fair value through other comprehensive Income	109.25	35.95
<b>TOTAL</b>	<b>389.22</b>	<b>20,035.95</b>

### Note 9 : Financial Asset - Current - Trade Receivables

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured, Considered Good	28,066.22	14,743.64
Less : Allowance for Doubtful Trade Receivables	-	-
Considered Good	28,066.22	14,743.64
<b>TOTAL</b>	<b>28,066.22</b>	<b>14,743.64</b>

# NOTES TO THE FINANCIAL STATEMENTS

Ageing for Trade Receivables outstanding as at 31st March, 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	14,425.33	-	5,000.00	-	8,640.89	28,066.22
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	14,425.33	-	5,000.00	-	8,640.89	28,066.22
Less: Allowance for doubtful trade receivables						-
<b>TOTAL</b>						<b>28,066.22</b>

Ageing for Trade Receivables outstanding as at 31st March, 2021 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	6,102.75	-	-	8,640.89	-	14,743.64
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	6,102.75	-	-	8,640.89	-	14,743.64
Less: Allowance for doubtful trade receivables						-
<b>TOTAL</b>						<b>14,743.64</b>

## Note 10 : Financial Asset - Current - Cash and Cash Equivalents

Particulars	As at 31st March 2022	As at 31st March 2021
Cash in hand	1,876.66	17.82
Balances with banks in current account	9,263.33	3,180.05
<b>TOTAL</b>	<b>11,139.99</b>	<b>3,197.87</b>

## Note 11 : Financial Asset - Current - Others

Particulars	As at 31st March 2022	As at 31st March 2021
Receivable on sale of shares	-	-
Balance with Revenue Authorities	-	942.84
Security Deposits	-	15.00
Interest Accrued on Bank Deposits	-	0.26
<b>TOTAL</b>	<b>-</b>	<b>958.10</b>

## Note 12 : Current Tax Asset

Particulars	As at 31st March 2022	As at 31st March 2021
Advance Income Tax / TDS	6,581.32	133.10
Less: Provision for Income Tax	1,825.09	133.10
Net amount to be received from Income Tax	4,756.23	-
GST Input Tax Credit	7,354.39	-
<b>TOTAL</b>	<b>12,110.62</b>	<b>-</b>

## Note 13 : Other Current Assets

Particulars	As at 31st March 2022	As at 31st March 2021
Prepaid Expenses	93.84	-
<b>TOTAL</b>	<b>93.84</b>	<b>-</b>



# NOTES TO THE FINANCIAL STATEMENTS

## Equity

(₹ Thousand)

### Note 14 : Equity Share Capital

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Equity Share Capital</b>		
<b>Authorised Share Capital</b>		
1,05,00,000 Equity Shares of Rs. 10/- each	1,05,000.00	1,05,000.00
	<b>1,05,000.00</b>	<b>1,05,000.00</b>
<b>Issued, Subscribed and Fully Paid Up Share Capital</b>		
1,04,18,706 Equity Share of Rs.10/- Each fully paid up	1,04,187.06	1,04,187.06
<b>TOTAL</b>	<b>1,04,187.06</b>	<b>1,04,187.06</b>

### a) Reconciliation of number of shares outstanding at the end of year

Particulars	As at 31st March 2022	As at 31st March 2021
Equity shares at the beginning of the year	10,418.71	10,418.71
Add: Shares issued during the year	-	-
Equity Shares at the end of the year	<b>10,418.71</b>	<b>10,418.71</b>

The Company has issued only one class of Equity Shares having a Par Value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.

### b) Details of shareholders holding more than 5% shares of the aggregate shares in the company

Name of shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Ganesh Ramesh Nibe	6,038.23	0.06%	6,016.23	0.06%

### c) Details of shareholders holding of the Promoters of the Company

Name of the Promoter	As at 31 March, 2022		
	No. of Shares	Percentage of Total Shares	Percentage change during the year
Ganesh Ramesh Nibe	6,038.23	57.96%	0.21%
Manjusha Nibe	510.00	4.90%	0.00%

Name of the Promoter	As at 31 March, 2021		
	No. of Shares	Percentage of Total Shares	Percentage change during the year
Ganesh Ramesh Nibe	6,016.23	57.74%	4.17%
Manjusha Nibe	510.00	4.90%	0.00%

### Note 15 : Other Equity

Particulars	As at 31st March 2022	As at 31st March 2021
<b>1) Surplus in the Statement of Profit and Loss</b>		
As Per Last Balance Sheet	50.38	(1,199.88)
Add: Profit / (loss) for the year	2,124.99	1,250.27
Less: Appropriations	-	-
<b>Closing Balance</b>	<b>2,175.37</b>	<b>50.38</b>
<b>2) Other Comprehensive Income</b>		
As Per Last Balance Sheet	35.95	-
Add / (Less) : Other Comprehensive Income / (loss) for the year	(102.67)	35.95
Less: OCI Transferred to Profit and Loss	-	-
<b>Closing Balance</b>	<b>(66.71)</b>	<b>35.95</b>
<b>TOTAL</b>	<b>2,108.66</b>	<b>86.33</b>

## NOTES TO THE FINANCIAL STATEMENTS

(₹ Thousand)

### Note 16 : Financial Liability - Non Current - Borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured Loans from related parties	-	15,070.81
<b>TOTAL</b>	<b>-</b>	<b>15,070.81</b>

### Note 17: Deferred Tax Liabilities

Particulars	As at 31st March 2022	As at 31st March 2022
Related to Depreciation	-198.95	-
Related to Provision for Gratuity	208.39	-
<b>TOTAL</b>	<b>9.44</b>	<b>-</b>

### Note 18 : Non Current Provisions

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for employee benefits	827.98	17.39
<b>TOTAL</b>	<b>827.98</b>	<b>17.39</b>

### Note 19 : Financial Liabilities - Current - Trade Payables

Ageing of Trade Payables outstanding as on 31st March, 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Due to Micro, Small and Medium Enterprises	-	-	-	-	-
Due to Others	8,273.12	-10.85	-	-	8,262.27
Due to Micro, Small and Medium Enterprises	-	-	-	-	-
Due to Others	-	-	-	-	-
<b>TOTAL</b>	<b>8,273.12</b>	<b>-10.85</b>	<b>-</b>	<b>-</b>	<b>8,262.27</b>

Ageing of Trade Payables outstanding as on 31st March, 2021 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Due to Micro, Small and Medium Enterprises	-	-	-	-	-
Due to Others	215.85	-	-	-	215.85
Due to Micro, Small and Medium Enterprises	-	-	-	-	-
Due to Others	-	-	-	-	-
<b>TOTAL</b>	<b>215.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>215.85</b>

The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any intimation from its suppliers as on date regarding their status under the above said Act and hence disclosures if any relating to amounts unpaid as at year end together with the interest paid

### Note 20 : Other Current Liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Dues	5,402.62	23.43
Advance from Debtors	1,38,468.53	-
<b>TOTAL</b>	<b>1,43,871.15</b>	<b>23.43</b>

### Note 21 : Provisions

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Income Tax	1,825.09	488.05
Less: TDS Receivable	1,825.09	133.10
Provision for Income Tax	-	354.95
Provision for Employee Benefits	3,851.82	245.06
Provision for Audit Fees	95.00	180.00

TOTAL	3,946.82	780.01
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## NOTES TO THE FINANCIAL STATEMENTS

(₹ Thousand)

### Note 22 : Revenue from Operations

Particulars	2021-22	2020-21
Sale of Goods	1,11,019.99	20,894.22
Sale of Services	19,128.82	4,237.29
Job Work Charges	82,287.96	-
<b>TOTAL</b>	<b>2,12,436.76</b>	<b>25,131.51</b>

### Note 23 : Other Income

Particulars	2021-22	2020-21
Interest Income	75.61	125.61
Profit on Sale of Investments (Mutual Funds)	448.93	-
Discount Received	65.96	338.73
Expenses Written Off	-	47.43
Compensation Received on Cancellation of Contract	11,382.35	-
Reimbursement and other income	271.81	-
<b>TOTAL</b>	<b>12,244.65</b>	<b>511.77</b>

### Note 24 : Purchase of Materials

Particulars	2021-22	2020-21
Purchase of Raw Materials	1,14,440.11	21,300.75
Purchase of Consumable Materials	901.29	-
<b>TOTAL</b>	<b>1,15,341.40</b>	<b>21,300.75</b>

### Note 25 : Direct Expenses

Particulars	2021-22	2020-21
Job Work Charges	40,307.45	-
Plant and Other Rent	31,684.85	-
Labour Charges	13,458.75	-
Power & Fuel	4,254.85	-
Security Charges	4,672.62	-
Freight & Transportation Charges	2,705.48	-
Other Direct Expenses	1,222.64	-
<b>TOTAL</b>	<b>98,306.65</b>	<b>-</b>

### Note 26 : Change in Inventories

Particulars	2021-22	2020-21
Opening Stock	61,664.62	60,984.67
Less: Closing Stock	1,19,507.50	61,664.62
<b>TOTAL</b>	<b>-57,842.88</b>	<b>-679.95</b>

### Note 27 : Employee Benefits Expenses

Particulars	2021-22	2020-21
Salary Expenses	26,314.84	913.53
Provident Fund	1,095.43	-
ESIC & MLWF	35.97	-
Directors Remuneration	6,233.34	-
Gratuity Expense	598.34	17.72
Staff Welfare Expenses	504.95	-
Food & Beverages Expenses	2,656.16	-
Guest House for Employees and Directors	2,093.09	-
Employees Placement Expenses	348.71	-
<b>TOTAL</b>	<b>39,880.83</b>	<b>931.25</b>

### Note 28 : Financial Cost

Particulars	2021-22	2020-21
Interest on Income Tax	37.07	6.82
Interest on TDS	79.83	4.10
Bank Charges	7.48	7.88
<b>TOTAL</b>	<b>124.38</b>	<b>18.80</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 29 : Depreciation and Amortization Cost

Particulars	2021-22	2020-21
Depreciation	3,167.10	18.50
<b>TOTAL</b>	<b>3,167.10</b>	<b>18.50</b>

### Note 30 : Other Expenses

Particulars	2021-22	2020-21
Advertisement & Business Promotion Expenses	3,493.54	85.32
Audit Fees	200.00	180.00
Printing & Stationery	471.59	-
Commission Expenses	2,558.00	276.46
Computer Expenses	-	13.00
Depository Charges	-	45.00
Insurance Expenses	507.07	-
Late Fee of GST	-	11.46
Travelling & Conveyance	2,061.75	-
Listing Fees	-	300.00
Misc Expenses	-	1.47
Office Expenses	367.83	-
Legal & Professional Fees	5,272.76	749.76
Registration Expenses	-	105.50
Rates & Taxes	-	417.66
Rent, Rates & Taxes	1,100.36	-
ROC fees	-	16.00
Stationery Expenses	-	22.06
Telephone & Mobile Expenses	532.57	-
Lodging & Boarding Expenses	1,426.77	-
Postage & Courier Expenses	105.29	-
Transportation Expenses	-	11.20
Repairs & Maintenance	1,557.66	-
Other Miscellaneous Expenses	208.53	-
Donation	1,825.00	-
<b>TOTAL</b>	<b>21,688.72</b>	<b>2,234.89</b>

### Payment to Auditors

-As Auditor	200.00	180.00
-As Advisor	-	-
-Any other Manner	-	-

### Note 31 : Tax Expenses

Particulars	2021-22	2020-21
<b>a) Income Tax Expense</b>		
<b>Current Tax</b>		
Provision For Income Tax	1,825.09	488.05
<b>Deferred Tax Liability / (Asset)</b>		
Related to Depreciation	(147.71)	4.11
Related to Gratuity Provision	212.85	(4.46)
<b>Previous Year Tax Adjustment</b>		
Short Provision of Income Tax	-	12.65
Income Tax on regular assessment for previous financial years	-	68.43

### Note 32 : Earning Per Share

Particulars	2021-22	2020-21
Profit for the period attributable to Equity Shareholder	2,124.99	1,250.27
No of weighted average equity shares outstanding during the year	10,418.71	10,418.71
Nominal Value of Equity Share	10.00	10.00
Basic and Diluted Earning Per Share	0.20	0.12

**NIBE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ Thousand)

**Note 33 : Fair Value Measurement**

**i) Fair Value of Financial assets and Financial liabilities**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	March 31, 2022		March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b><u>Financial assets designated as fair value through other comprehensive income</u></b>				
<b>Investments</b>				
- Investment in Units of Mutual Fund - Current	389.22	389.22	20,035.95	20,035.95
<b><u>Financial assets designated at amortised cost</u></b>				
<b><u>Non Current</u></b>				
Investments	-	-	-	-
Loans	56,679.87	56,679.87	7,062.89	7,062.89
Other Financial Assets	23,136.07	23,136.07	12,615.26	12,615.26
<b><u>Current</u></b>				
Trade receivables	28,066.22	28,066.22	14,743.64	14,743.64
Cash and cash equivalents	11,139.99	11,139.99	3,197.87	3,197.87
Other Financial Asset	-	-	958.10	958.10
	<b>1,19,411.36</b>	<b>1,19,411.36</b>	<b>58,613.71</b>	<b>58,613.71</b>
<b><u>Financial liabilities designated at amortised cost</u></b>				
<b><u>Non Current</u></b>				
Borrowings	-	-	15,070.81	15,070.81
<b><u>Current</u></b>				
Trade payables	8,262.27	8,262.27	215.85	215.85
Other Financial Liabilities	-	-	-	-
	<b>8,262.27</b>	<b>8,262.27</b>	<b>15,286.65</b>	<b>15,286.65</b>

**(ii) Valuation technique used to determine fair value**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- Fair value for financial investments are valued using closing NAV.
- Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

**(iii) Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are: (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value-recurring fair value measurements	At March 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Financial assets at amorised Cost</b>				
Non Current Investment in Shares	-	-	-	-
<b>Financial investments at FVTOCI</b>				
Current Investment in Units of Mutual Fund	389	-	-	389
<b>Total financial assets</b>	<b>389</b>	<b>-</b>	<b>-</b>	<b>389</b>

Financial assets and liabilities measured at fair value-recurring fair value measurements	At March 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets at amorised Cost</b>				
Non Current Investment in Shares	-	-	-	-
<b>Financial investments at FVTOCI</b>				
Current Investment in Shares	-	-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument are included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

The Company's policy is to recognise transfers into and transfer out in fair value hierarchy levels at the end of the reporting period.

**Note 34 : Financial Risk Management**

**Financial Risk Factors**

The Company's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan, trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

**i) Credit Risk**

Credit risk arises from cash and cash equivalents and deposits with bank(s) / other company, as well as credit exposure to counter party that will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Expected credit loss for trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Receivables</b>		
Gross carrying amount	28,066.22	14,743.64
Expected loss rate	0.00%	0.00%
Expected credit losses (Loss allowance provision)	-	-
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>28,066.22</b>	<b>14,743.64</b>

**ii) Market Risk**

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

**(a) Foreign Exchange Risk**

The Company transacts business in Indian National Rupee (INR). The Company does not have any foreign currency financial instruments and therefore is not exposed to foreign exchange risk.

**(b) Price Risk**

During the financial year, the company engaged into trading of electronic components and providing consultancy services on technical projects. The price volatility of the commodities in domestic and international markets does not generally affect the operating activity of the Company.

**iii) Liquidity Risk**

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations subject to the compliance with loan facilities. Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	As at March 31, 2022				
	Carrying Amount	On Demand	< 6 months	6 to 12 months	> 1 year
Borrowings	-	-	-	-	-
Trade Payables	8,262.27	8,262.27	-	-	-
Other Financial Liabilities	-	-	-	-	-
<b>Total</b>	<b>8,262.27</b>	<b>8,262.27</b>	-	-	-

Particulars	As at March 31, 2021				
	Carrying Amount	On Demand	< 6 months	6 to 12 months	> 1 year
Borrowings	15,070.81	-	-	-	15,070.81
Trade Payables	215.85	215.85	-	-	-
Other Financial Liabilities	-	-	-	-	-
<b>Total</b>	<b>15,286.65</b>	<b>215.85</b>	-	-	<b>15,070.81</b>



**NIBE LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****(₹ Thousand)****Note 35 :Capital Management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves.

The Company's objectives when managing capital are to:

(a) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

(b) Maintain an optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by equity capital. No changes were made in objectives, policies or processes during the year ended March 31, 2022 and March 31, 2021.

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	-	15,071
Current Maturities of Long Term Debts	-	-
Less: Cash and cash equivalents	-11,139.99	-3,197.87
<b>Net Debt (a)</b>	<b>-11,139.99</b>	<b>11,872.94</b>
Total Equity	1,06,295.72	1,04,273.39
<b>Total capital (b)</b>	<b>1,06,295.72</b>	<b>1,04,273.39</b>
<b>Net Debt to Equity ratio (a/b)</b>	<b>-0.10</b>	<b>0.11</b>

**NIBE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ Thousand)

**Note 36 : Related Party Transactions**

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

**a) List of the related party**

Particulars	Relationship	(% of holding)	
		As at March 31, 2022	As at March 31, 2021
Ganesh Nibe	Managing Director & KMP	57.96%	57.74%
Manjusha Nibe	Director & KMP	4.90%	4.90%
Sanjay Dighe	Director & KMP	-	-
Bhagwan Gadade	Director & KMP	-	-
Manish Purshotamdas Kella	Director & KMP	-	-
Aditya Shirish Joshi	Director & KMP	-	-
Hemant Wani	Current / Ex Chief Financial Officer (KMP)	-	-
Gangadhar Chakote	Chief Financial Officer (KMP)	-	-
Dnyaneshwar Nibe	Relative of Director / KMP	-	-
Kavita Creations	Ex-Associate Concern	-	-
Nibe Motors Pvt. Ltd.	Enterprises owned or significantly influenced by Director or their relatives	-	-
Nibe E-Motor Limited	Subsidiary*	-	-
Prakash Bhamare	Director of Enterprises owned or significantly influenced by Director or their relatives	-	-
Shrinivas Electricals GTD Pvt. Ltd.	Enterprises owned or significantly influenced by Director or their relatives	-	-

\* A new company named Nibe E- Motor Limited was incorporated on 07.02.2022 with Authorised and Paid-Up capital of Rs. 10 Lakh. However, at the end of the reporting period, the share capital of the newly incorporated company was not issued. Hence there is nothing to consolidate, however, we shown the company as subsidiary of the Nibe Limited.

**b) Transactions during the year with related parties**

Name of the party	Nature of transactions	As at March 31, 2022	As at March 31, 2021
Ganesh Nibe	Director Remuneration	4,150.01	-
Manjusha Nibe	Director Remuneration	2,083.34	-
Ganesh Nibe	Loan taken	3,505.50	100.00
Ganesh Nibe	Repayment of Loan	1,250.00	-
Hemant Wani	Salary Paid	608.86	358.47
Hemant Wani	Advance against Salary	18.41	-
Gangadhar Chakote	Salary Paid	766.05	-
Dnyaneshwar Nibe	Salary Paid	578.36	-
Prakash Bhamare	Salary Paid	1,324.87	-
Nibe Motors Pvt. Ltd.	Loan taken	9,080.22	86,150.81
Nibe Motors Pvt. Ltd.	Loan repaid	24,051.03	71,180.00
Nibe Motors Pvt. Ltd.	Loan Given	51,513.55	-
Kavita Creations	Sales	2,300.76	-
Nibe E-Motor Limited	Payment	11.00	-
Shrinivas Electricals GTD Pvt. Ltd.	Business Advance given and received back	-	90.00

**c) Balance outstanding of related parties**

Name of the Party	Receivable/ (Payable)	As at March 31, 2022	As at March 31, 2021
Manjusha Nibe	Remuneration Payable	1,084.96	-
Ganesh Nibe	Remuneration Payable	298.55	-
Ganesh Nibe	Payable	2,355.50	100.00
Hemant Wani	Payable	30.97	104.30
Prakash Bhamare	Payable	129.42	-
Gangadhar Chakote	Payable	105.23	-
Dnyaneshwar Nibe	-	-	-
Nibe Motors Pvt. Ltd.	Payable	-	14,970.81
Nibe Motors Pvt. Ltd.	Receivable	51,513.55	-
Kavita Creations	-	-	-
Nibe E-Motor Limited	Receivable	11.00	-
Shrinivas Electricals GTD Pvt. Ltd.	-	-	-

d) Key Management Personnel Compensation

Particulars	As at March 31, 2022	As at March 31, 2021
Ganesh Nibe	4,150.01	-
Manjusha Nibe	2,083.34	-
Hemant Wani	608.86	358.47
Gangadhar Chakote	766.05	-
<b>Total Compensation</b>	<b>7,608.25</b>	<b>358.47</b>

Note 37 :Contingent Liabilities

Particulars	Contingent Liability not provided in the books of accounts (Rs. In Lakh)	
	As at March 31, 2022	As at March 31, 2021
NIL	-	-

Note 38 : Commitments

a) Capital expenditure contracted at the end of the reporting period but not recognised as liability is as follows :

Particulars	Capital Commitments	
	As at March 31, 2022	As at March 31, 2021
NIL	-	-

b) Commitments against lease arrangement:

Particulars	Lease Commitments	
	As at March 31, 2022	As at March 31, 2021
- Not later than 1 year	-	-
- Later than 1 year but not later than 5 years	-	-
- Later than 5 years	-	-

Note 39 :Segment Reporting

The company is operating in single segment as per IND AS 108. Hence segment reporting is not applicable.

Note 40 :Disclosure pursuant to Indian Accounting Standard (Ind-AS) 19 Employees Benefits

(i) Defined Benefit Plan

The present value of obligation for Defined benefit plan is based on the independent actuarial valuation for the year. The disclosures as required as per the Ind AS-19 are as under:

(a) Actuarial Assumptions:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate p.a.	6.80%	6.80%
Rate of increase in Compensation levels p.a.	6.00%	6.00%
Rate of Return on Plan Assets p.a.	Nil	Nil

The estimates of future salary increases, considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employee market.

The expected rate of return on the plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risk, and historical results of returns on plan assets etc.

(b) Changes in the present value of obligation:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation as at beginning of the year	17.72	-
Current Service Cost	597.14	17.72
Interest Cost	1.21	-
Benefits Paid	-	-
Actuarial Gain / (Loss)	211.92	-
Present Value of Obligation as at the end of year	827.98	17.72
Current - Amount due within one year	-	0.33
Non-Current - Amount due after one year	827.98	17.39

(c) Changes in the fair value of Plan Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of Plan Assets as at beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/Loss	-	-
Contribution by employer	-	-
Benefits paid	-	-
Fair Value of Plan Assets as at the end of year	-	-

**NIBE LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

(₹ Thousand)

(d) Broad categories of plan assets as a percentage of total Assets:

Particulars	As at March 31, 2022	As at March 31, 2021
Government of India Securities	-	-
Corporate Bonds	-	-
Special Deposit Scheme	-	-
Insured Managed Funds	-	-
Other	-	-
Total	-	-

(e) Expenses recognised in the Other Comprehensive Income

Particulars	As at March 31, 2022	As at March 31, 2021
Current Service Cost	597.14	17.72
Interest Cost	1.21	-
Total Expenses recognised in the Profit and Loss Account	598.34	17.72
Net Actuarial (Gain) / Loss	211.92	-
Expected Return on Plan Assets	-	-
Total Expenses recognised in the Other Comprehensive Income	211.92	-

**Note 41 : Additional Regulatory Information**

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.10	98.70
Debt-Equity Ratio (in times)	Debt consists of borrowings & liabilities	Total Equity	1.48	0.15
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non cash operating expenses + Interest + Other Non Cash Adjustments	Debt Service = Interest and lease payments + Principal repayments	43.55	68.50
Return on Equity Ratio (in %)	Profit for the year	Average Total Equity	2.02%	1.19%
Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	1.72	0.34
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average Trade Receivables	9.92	2.58
Trade Payables Turnover Ratio (in times)	Purchases + Other Direct Expenses	Average Trade Payables	50.40	109.19
Net Capital Turnover Ratio (in times)	Revenue from operations	Working capital (i.e. Total Current Assets less Total Current Liabilities)	13.95	0.25
Net Profit Ratio (in %)	Profit for the year	Revenue from operations	1.00%	4.97%
Return on Capital Employed (in %)	Profit before tax and finance cost	Capital Employed = Net Worth + Lease Liabilities + Deferred Tax Liabilities	3.89%	1.76%
Return on Investment (in %)	Income generated from invested funds	Average invested funds in investments	4.40%	0.00%

**Note 42 : Rounding Off**

Figures of Current and Previous year are rounded off to nearest thousand, as per the requirements of Schedule III.

**Note 43 :**

Figures of Previous year have been regrouped / reclassified in order to make them comparable with current year figures, wherever necessary.

As per our report of even date

**For M/s. SHARP AARTH & CO LLP**  
Chartered Accountants  
FRN 132748W / W100823

Sd/-

CA Praveen Purohit  
Partner  
M No. 429231  
UDIN: 22429231AJAYHE2872  
Date: May 16, 2022  
Place: Nashik

**For and on behalf of the Board of Directors of Nibe Ltd.**

Sd/-

Ganesh Nibe  
Managing Director  
DIN: 02932622

Date: May 16, 2022  
Place: Nashik

Sd/-

Manjusha Nibe  
Director  
DIN: 05114706

**NIBE LIMITED**

Regd. Office: Plot No. A-3/B in the Chakan Industrial Area Phase– II,  
Village: Khalumbre, Taluka – Khed, Pune- 410501

CIN: L34100PN2005PLC046929 | Phone: +91 253 2237857 | Email: info@nibelimited.com | Website:  
www.nibelimited.com

Name of member(s):	
Registered address:	
Email ID:	
Folio Number/ DP ID-ClientID:	

I / We, being the Member(s) holding shares of Nibe Limited, hereby appoint:

1. Name: Address:	Signature:
,or failing him /her 2. Name: Address:	Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 17th Annual General Meeting of Nibe Limited to be held on Saturday, July 30, 2022, at 3:00 p.m. at Plot No. A-3/B in the Chakan Industrial Area Phase– II, Village: Khalumbre, Taluka – Khed, Pune- 410501 and at any adjournment(s) thereof, in respect of such resolutions as are indicated below:

**ORDINARY BUSINESS**

1.To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022 the Reports of the Board of Directors and Auditors thereon.

2.To appoint Mr. Manjusha Nibe (holding DIN : 02932622 ) as director liable to retire by rotation.

**SPECIAL BUSINESS:**

3. To consider appoint Mr. Manish Kella as Non-Executive Independent Director.

4. Increase in the Borrowing Limits of the Company under Section 180(1)(c) of Companies Act, 2013

5. Approval for giving loan or guarantee or providing security in connection with loan availed by any of the company's subsidiary(ies) or any other person specified under Section 185 of the Companies Act, 2013

6. To make investments, give loans, guarantees and provide securities under Section 186 of the Companies Act, 2013

7. Increase in Authorized Capital of company and subsequent Alteration of memorandum of Association

8. Appointment of M/s R T Jain and Co LLP, Chartered Accountants, as Statutory Auditors to fill up the casual vacancy, caused due to resignation of M/s. Sharp Aarth & Co, Chartered Accountants

Signed this.....day of , 2022

Signature of Shareholder:.....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**NIBE LIMITED**

Regd. Office: Plot No. A-3/B in the Chakan Industrial Area Phase– II,  
Village: Khalumbre, Taluka – Khed, Pune- 410501  
CIN: L34100PN2005PLC046929 | Phone: +91 253 2237857 | Email: info@nibelimited.com | Website:  
www.nibelimited.com

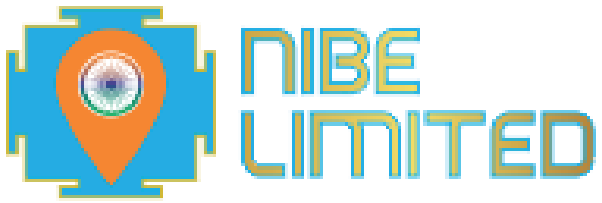
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I / We hereby record my / our presence at the 17th Annual General Meeting (AGM) of the Company held on Saturday, July 30, 2022 at 3.00 p.m. Plot No. A-3/B in the Chakan Industrial Area Phase– II, Village: Khalumbre, Taluka – Khed, Pune- 410501 and at any adjournment(s) thereof.

Folio No.	
DP ID No.	
Client ID No.	
Name of the Member	
Name of the Proxy holder	
Member's / Proxy's Signature	

Notes:

1. Only member / Proxy holder can attend the Meeting. 2. Members are requested to bring their copy of the Annual Report and this Attendance Slip at the AGM.



Nibe Limited: "Plot No. A-3/B, Chakan Industrial Area,  
Phase-II, MIDC Khalumbre, Taluka Khed, District Pune,  
Pincode - 410501, Maharashtra, India.

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